



AGENDA

CABINET

Monday, 5th December, 2011, at 10.00 am Ask for: **Karen Mannering / Geoff Mills**
Darent Room, Sessions House, County Hall, Maidstone Telephone: **(01622) 694367/ 694289**

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

Webcasting Notice

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site – at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

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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 Member in Items on the Agenda for this meeting
3. Minutes of the Meeting held on 17 October 2011 (Pages 1 - 10)
4. Revenue & Capital Budgets, Key Activity and Risk Monitoring 2011-12 (Pages 11 - 152)
5. Autumn Budget Statement (Pages 153 - 172)
6. Vision for Kent 2012-2022 (Pages 173 - 220)
7. Quarterly Performance Report, Quarter 2, 2011/12 (Pages 221 - 306)
8. Kent's Multi-Agency Looked After Children Strategy (Pages 307 - 362)
9. Annual Unannounced Inspection of Contact, Referral and Assessment Arrangements in Children's Services (Pages 363 - 368)
10. Blue Badge Reform (Pages 369 - 392)
11. Children's Services Management Structure (To follow)
12. Children's Services Improvement Plan - Quarterly Update (Pages 393 - 402)

13. Select Committee: Dementia - A New Stage in Life (Pages 403 - 432)
14. The Procurement of Accommodation Service for Looked After Children and Care Leavers (Pages 433 - 436)
15. The Duke of York's Royal Military School (Pages 437 - 440)
16. Other items which the Chairman decides are relevant or urgent

MOTION TO EXCLUDE THE PRESS AND PUBLIC

That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the public)

17. The Procurement of Accommodation Service for Looked After Children and Care Leavers (Pages 441 - 442)
18. The Duke of York's Royal Military School (Pages 443 - 446)

Katherine Kerswell
Managing Director
Friday, 25 November 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, 17 October 2011.

PRESENT: Mr P B Carter (Chairman), Mr G K Gibbens, Mr R W Gough, Mr A J King, MBE, Mr K G Lynes, Mr J D Simmonds, Mr B J Sweetland, Mr M J Whiting and Mrs J Whittle

ALSO PRESENT: Mr A Sandhu, MBE

IN ATTENDANCE: Ms K Kerswell (Managing Director), Mrs A Beer (Corporate Director of Human Resources), Mr M Austerberry (Corporate Director, Environment, Highways and Waste), 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 P Leeson (Corporate Director Education, Learning and Skills Directorate), Mr A Wood (Acting Corporate Director of Finance and Procurement) and Mr G Wild (Director of Governance and Law)

UNRESTRICTED ITEMS

Mr Patrick Leeson

Before the commencement of business Mr Carter welcomed to the meeting Mr Patrick Leeson, the Council's newly appointed Corporate Director for Education, Learning and Skills.

Unannounced Ofsted Visit

Mr Carter informed Cabinet that OfSTED had recently made an unannounced visit as a follow up to its report into Kent's Children's Social Services. Mr Carter said that whilst the full report was not yet available the indication received from the OfSTED Inspectors was very positive.

66. Minutes of the Meeting held on 19 September 2011 (Item 3)

Resolved that the Minutes of the meeting held on 19 September 2011 be agreed and signed by the Chairman as a true record.

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

(Item 4– Report by Mr J Simmonds, Cabinet Member for Finance & Business Support; and Mr A Wood, Acting Corporate Director of Finance & Procurement)

(1) Mr Simmonds outlined the key elements of this report and highlighted the main pressures. He also reported that the outturn on the Capital Budget had reduced by £15.4m, which was almost entirely due to re-phasing rather than project over/under spends. Mr Wood said whilst officers were not complacent he was confident the budget would be delivered on course.

(2) Mr Carter said that significant challenges lay ahead and whilst the changes to the Capital Programme were beyond the Council's control he emphasised the importance of management actions in the overall delivery of the budget

(3) Resolved :

(i) that the initial forecast revenue and capital budget monitoring position for 2011-12 be noted together with the changes to the capital programme.

(ii) agreement be given to £16.060m of re-phasing on the capital programme being moved from 2011-12 capital cash limits to future years; and ,

(iii) agreement be given to £0.580m of funding being transferred to Older Persons Strategy – Integrated Specialist Service Centre (DLC).

68. Welfare Reform Bill

(Item 5– Report by Mr G Gibbens, Cabinet Member for Adult Social Care and Public Health; Mr J Simmonds, Cabinet Member for Finance and Business Support; and Mr M Thomas-Sam, Head of Policy and Service Standards) (Christine Grosskopf, Business Strategy Division was present for this item)

(1) Chris Grosskopf made a presentation which provided a comprehensive overview of the important changes and implications for local authority's such as Kent County Council which will come about with the passing of the Welfare Reform Bill, which most likely would reach the statute book by April 2013.

(2) Mr Gibbens said that the Bill was very much about encouraging people back into work. There would be some changes to the way benefits are currently dispersed but overall he felt the introduction of the Universal Credit was a positive step forward in an attempt to simplify the current system and incentivise work. Mr Gibbens also proposed, and it was agreed that the following sentence should be added to the second part of paragraph 10.1 of the Cabinet report – *'However the most recent report from the Institute of Fiscal Studies states that although the impact of Universal Credit on its own could serve to reduce absolute and relative poverty, the combined effect of all benefit and tax changes was to increase both measures'*

(3) Members of Cabinet spoke about their concern that this Bill would pass to local authorities new responsibilities for which they would not have the resources to deliver. It was also said that the housing benefit reforms could reduce the foot fall to Gateways and that local authorities would need to work with the Government on how these proposals are to be taken forward and implemented. In the meantime Cabinet endorsed the proposal to establish a cross party Informal Member Group to explore the implications of the Bill for Kent across all Directorates.

Resolved:

(i) that the planned developments in Welfare Reform and the potential implications of these be noted and endorsement be given to the planned further work on the issues involved.

(ii) The second part of paragraph 10.1 of the Cabinet report be amended in accordance with the wording put forward by Mr Gibbens and set out in paragraph 67(2) above; and.

(iii) a cross party Informal Member Group be established in order to explore the implications of the Bill for Kent across all Directorates.

69. Further Delegation of Funding to Schools (To follow)

(Item 6– report by Mr M Whiting, Cabinet Member for Education, Learning and Skills, The Interim Director of Education, Learning and Skills and Mr K Abbott, Director of School Resources.

(The Chairman declared consideration of this item to be urgent on the grounds the report contained relevant information arising from meetings held very recently with Kent Head Teachers. The report also contained information relevant to the preparation of the Council's 2012/13 budget and other information related to resource and staffing issues relevant to the restructuring of the Education, Learning and Skills Directorate which was due to commence in November 2011).

(1) This report provided Cabinet with an update on the strategy to delegate funding that was currently retained centrally to schools in 2012/13. The report set out some of the rationale for delegation and the outcome of the consultation with schools which took place between 20th June and 31st July 2011 and subsequent discussion with the Schools' Funding Forum.

(2) Mr Whiting said this report presented a more light touch approach to school funding by allowing individual schools more freedom in the way they utilised their budgets and resources. The proposals were consistent with the Council's document 'Bold Steps' and would allow for more decisions to be made at a local level. In commending the report and its recommendations Mr Whiting said and it was agreed that the word 'Directorate' in paragraph 4(1) (a) of the report should be deleted.

(3) Mrs Whittle spoke about the need to make sure Family liaison Officers received proper training and were able to better support head teachers and senior staff. Mr Carter said he welcomed the report and the fact that schools following recent discussions schools now had a much better understanding of the Council's thinking on how resources can be better joined up and delivered.

Resolved that subject to word 'Directorate' being deleted from paragraph 4(1)(a) of the report:

(i) the recommendations detailed in Appendix 1 of the report be agreed which accept the views arising from the consultation with schools/ the Schools' Funding Forum except in the cases listed below. The numbering cross refers to Appendices 1 and 2.

- Lines 5 & 6 -Family Liaison Officers (£2,142 k) – retain
- Line 7 -Management Information (£222k) – retain
- Line 8 -Community Youth Tutors (£255k) – retain
- Line 9 – Skills Force (£100k) - retain
- Lines 11,21,28 & 34 – Specialist Teaching Services (STS) (£7,710k) (includes STS £5,691k and Health Needs £2,019k - devolve to specific Special Schools subject to a further report to the Cabinet Member of Education, Learning and Skills within 6 weeks setting out the detailed proposals for devolution which will include proposals in respect of monitoring and quality assurance by ELS)
- Line 15 - Schools Personnel and Recruitment (£564) – retain £100k and delegate £464k.
- Line 16 – Collective Licences (£955k) – delegate all except SIMS licence which should be retained.
- Line 17- Admissions Appeals (£350k) – retain
- Line 18 – Primary and Secondary Forum (20k) – retain
- Lines 19 & 20 - Pupil referral units and associated activities (£16,540k) – devolve to the newly established PRU's in 2012 with a view to delegation in 2013.
- Lines 13 & 14 – Maternity, public duty and related funds (£2,310) – delegate initially as a pooled scheme with a view to the future establishment of an insurance scheme.
- Line 33 – Extending Learning team (£178k) – retain £50k and delegate £128k.

70. Mid Kent Joint Waste Project

(Item 7– Report by Mr B Sweetland, Cabinet Member for Environment, Highways and Waste; and Mr M Austerberry, Corporate Director, Enterprise and Environment) (Caroline Arnold, Head of Waste Management was present for this item)

See Record of Decision on page 5.

71. The John Wallis Church of England Academy

(Item 8 – Report by Mr M Whiting, Cabinet Member for Education, Learning & Skills; Mr R Gough, Cabinet Member for Business Strategy, Performance & Health Reform; Mr P Leeson, Corporate Director, Education, Learning & Skills; and Mr D Cockburn, Corporate Director of Business, Strategy & Support) (Rebecca Spore, the Director of Property and Infrastructure Support was present for this item)

See record of Decision on page 7.

72. St Augustine Academy

(Item 9 – Report by Mr M Whiting, Cabinet Member for Education, Learning & Skills; Mr R Gough, Cabinet Member for Business Strategy, Performance & Health Reform; Mr P Leeson, Corporate Director, Education, Learning & Skills; and Mr D Cockburn, Corporate Director of Business, Strategy & Support) (Rebecca Spore, the Director of Property and Infrastructure Support was present for this item)

See Record of Decision on page 9.

73. Children's Services Improvement Panel - Minutes of 25 August 2011

(Item 10)

Resolved that the Minutes of the meeting of the Children's Services Improvement Panel held on 25 August 2011 be noted

Exempt Reports

The following are the unrestricted minutes and record of decisions of matters which were declared exempt pursuant to the provisions of the Local Government Act 1972

74. Records of Decision

KENT COUNTY COUNCIL

DECISION TAKEN BY Cabinet 17 October 2011	DECISION NO. 11/01717
Unrestricted	
Subject: Mid Kent Waste Project <i>Item 7 on the Cabinet Agenda – Report by Mr B Sweetland, Cabinet Member for Environment, Highways and Waste; and Mr M Austerberry, Corporate Director, Enterprise and Environment)) (Caroline Arnold, Head of Waste Management was present for this item)</i>	
(1) The Mid Kent Joint Waste Project builds on the East Kent Joint Waste Project to deliver more cost effective waste collection, processing and disposal services and improved recycling performance in the County. A business case had been prepared by the project partners (KCC, Ashford Borough Council, Maidstone Borough Council and Swale Borough Council) for the delivery of a Mid Kent Joint Waste Project which forecasts significant savings for the four authorities. Each partner authority now seeks internal approvals to commit to the project. This would take the form of the partners signing a legally binding Inter Authority Agreement.	
The financial and contractual implications related to the procurement of the waste services were set out Annexes contained in the exempt part of the agenda.	

Cost-effective household waste services for Mid Kent

2. (1) The aim of this decision was to develop more cost effective waste collection, processing and disposal services to minimise exposure to escalating costs, deliver efficiencies, and increase recycling by working across the two tiers of local government. It envisages a single collection method to replace the current differing service and contractual arrangements between the three second-tier authorities. This would bring savings to each authority as well as to KCC as the waste disposal authority (WDA).

(2) The project was based upon the extensive financial modelling of the various costs and benefits to both waste collection and disposal authorities of various options, settling on an agreed method (Preferred Collection Method) for waste collection, and an agreed business case for taking this forward. This opportunity had arisen as all three Boroughs had an opportunity to let new contracts for collection in 2013.

(3) The agreed arrangements were the same as those which had been implemented by the four East Kent Waste collection authorities under the East Kent Waste Partnership. The chosen waste collection model may be amended if the proposed Competitive Dialogue process with prospective tenderers indicated variations which would bring additional benefits.

(4) Taking into account the information set out in the report and the exempt annexe Cabinet Resolved:

(i) that KCC's commitment to the Mid Kent Joint Waste Project in accordance with the Cabinet report and its exempt annexes be endorsed; and,

(ii) subject to him being satisfied as to the detailed terms and conditions, the Corporate Director – Enterprise and Environment, in consultation with the Director of Governance and Law and the Cabinet Member for Environment, Highways and Waste, be delegated authority to:

a) take all necessary steps to progress the project together with the project partners, including supporting the Borough Council procurement of Preferred Collection Method, and, separately undertaking the necessary procurement of the waste transfer and processing of recyclate, food and garden waste;

b) negotiate and agree the terms of and enter into any legal agreements as may be necessary between Kent County Council, Ashford Borough Council, Maidstone Borough Council and Swale Borough Council, and any other necessary third parties (i.e. the waste contractor).

Any Interest Declared when the Decision was Taken

none

Reason(s) for decision, including alternatives considered and any additional information

As set above and in the Cabinet report

Background Documents: none

KENT COUNTY COUNCIL

DECISION TAKEN BY Cabinet 17 October 2011	DECISION NO. 10/01483
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Unrestricted

Item 8 - The John Wallis Church of England Academy (report by Mr Mike Whiting, Cabinet Member for Education, Learning & Skills, Mr Roger Gough, Cabinet Member for Business Strategy, Performance & Health Reform, Mr Patrick Leeson, Corporate Director, Education, Learning & Skills and Mr David Cockburn, Corporate Director of Business, Strategy & Support)

(1) The John Wallis Church of England Academy, Ashford, was formed on 1st September 2010 from the former Ashford Christ Church High School. The Academy is located on the Stanhope Campus which also houses Linden Grove Primary School, The Ray Allen Children's Centre and the former South Kent College buildings (which are mainly derelict). The site sat at the heart of a £200m PFI rebuild of the Stanhope housing estate.

(2) Following the change of Government, the development of this academy was put on hold while the funding available was reconsidered. Following site visits by the DFE and the adoption of a new approach to calculating the funding, there was a significant reduction in the funding available. The original funding would have allowed 71% new build and 29% refurbishment of the school facilities.

(3) The BSF and Academies team, with Gleeds as technical advisors and Studio E as Architects, have been working with the Academy to develop initial options for redeveloping the site. That had taken into consideration the state of the existing buildings to determine what facilities could be re-furbished and which need to be replaced. Initial options had been costed to demonstrate which would be affordable using the results of a number of initial surveys. The new build rate used to cost the options was based on a rate advised by the DFE as part of the cost saving exercise carried out by the DFE when determining the funding allocated. The rate for refurbishment was based on the conditions survey. It was unlikely that that rate would be able to achieve the same standard as was achieved under the Building Schools for the Future programme. Work had also been carried out to look at how the redevelopment could be phased to reduce the need for temporary accommodation during the build period. The options had been discussed with the relevant planning authorities, Kent Highways and Sport England and that had allowed the Council to determine the deliverability of the schemes, as well as affordability. Before KCC could enter into a contract with Willmott Dixon, a Final Business Case would be submitted to PfS to confirm that they would be funding the scheme. At that point cabinet would be asked to authorise the submission of the business case and to authorise the signing of the contract with Willmott Dixon. It was estimated that it would take at least six months for Willmott Dixon to develop the scheme to the level required to enter into the contract. That however could take significantly longer if the planning process became complicated. The current target was to sign contracts in

summer 2012 so that the construction works could be completed in early 2014.

(4) Taking into account the information set out in the Cabinet report and the exempt annexe Cabinet Resolved

(i) to authorise the submission of the Feasibility study for The John Wallis Church of England Academy to Partnership for Schools and the DFE.

(ii) authorise the issue of a Future School Notice to Willmott Dixon (preferred bidder for Batch 2 Academies) to develop a proposal for the Academy within the affordability parameters set by Cabinet and to progress through the next stage of the process to develop detailed designs, progress the planning application and finalise contracts.

(iii) it be noted that the BSF, PFI and Academies Board would be updated on progress and final approval to enter into contracts would be sought from Cabinet.

Any Interest Declared when the Decision was Taken

None

Reason(s) for decision, including alternatives considered and any additional information

The reasons for this decision are set out above and also in the Cabinet Report.

Background Documents:

None

KENT COUNTY COUNCIL

DECISION TAKEN BY Cabinet 17 October 2011	DECISION NO. 11/01793
Unrestricted Item 9 - St Augustine Academy - report by Mr Mike Whiting, Cabinet Member for Education, Learning & Skills, Mr Roger Gough, Cabinet Member for Business Strategy, Performance & Health Reform, Patrick Leeson, Corporate Director, Education, Learning & Skills and Mr David Cockburn, Corporate Director of Business, Strategy & Support	

(1) This report sought approval to submit the Feasibility Study (Outline Business Case) for St Augustine Academy to Partnership for Schools and the DfE to progress to the next stage and to issue a Future School Notice to Willmott Dixon (preferred bidder for Batch 2 Academies) to develop a proposal for the Academy.

(2) The Academy is located on Oakwood Road, Maidstone, and is part of the Oakwood Campus which comprises eight educational institutions ranging from primary schools to University Colleges. KCC's conferencing facility, Oakwood House, is situated at the heart of the campus. St Augustine Academy occupied a narrow site at the south eastern corner of the campus. Following the change of Government, in May 2010, the development of this academy was put on hold while the funding available was reconsidered. Following site visits by the DfE and the adoption of a new approach to calculating the funding, there was a significant reduction in the funding available.

(3) The original funding would have allowed a complete new build of the school facilities. However that was no longer possible within the reduced budget. The BSF and Academies team, with Gleeds as technical advisors, and KSS as Architects, had been working with the Sponsor and Academy to develop initial options for redeveloping the site. That had taken into consideration the state of the existing buildings to determine what facilities could be re-furbished and which needed to be replaced. Before KCC could enter into a contract with Willmott Dixon, a Final Business Case would be submitted to Partnership for Schools to confirm that they would be funding the scheme. At that point Cabinet would be asked to authorise the submission of the business case and to authorise the signing of the contract with Willmott Dixon. It was estimated that it would take at least six months for Willmott Dixon to develop the scheme to the level required to enter into the contract. That however could take significantly longer if the planning process became complicated. The current target was to sign contracts in June 2012 so that construction could be completed in April 2014.

(4) Taking into account the information set out in the Cabinet report and the exempt annexe Cabinet.

Resolved:

(i) to authorise the submission of the Feasibility study for St Augustine Academy to Partnerships for Schools and the DfE.

(ii) authorise the issuing of a Future School Notice to Willmott Dixon (preferred bidder for Batch 2 Academies) to develop a proposal for the Academy within the affordability parameters set by Cabinet and to progress through the next stage of the process to develop detailed designs, progress the planning application and finalise contracts.

(iii) note that the BSF, PFI and Academies Board would be updated on progress and final approval to enter into contracts would be sought from Cabinet.

Any Interest Declared when the Decision was Taken

None

Reason(s) for decision, including alternatives considered and any additional information

The reasons for this decision are set out above and also in the Cabinet Report.

Background Documents:

None

REPORT TO: CABINET – 5 DECEMBER 2011

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

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

SUMMARY:

Members are asked to:

- note the latest monitoring position on the revenue and capital budgets
 - note that residual pressures are currently forecast within the SCS & CCS&I portfolios and management action is forecast to be delivered within the BSP&HR portfolio
 - note 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)
 - agree the £1.2m transfer of a one-off underspend on Early Years & Childcare Quality & Outcomes Team within the ELS portfolio to the earmarked reserve to support next year's budget and that the use of this reserve will be built into the draft 2012-15 MTFP
 - agree that the £16.226m NHS Support for Social Care funding, details of which were included in item 9 of the 19 September Cabinet agenda, is transferred to a new specific earmarked reserve and drawn down as expenditure is incurred in line with detailed plans to be jointly agreed with health.
 - agree that £0.950m costs for the development of the Enterprise Resource Planning (ERP) project are met from a temporary drawdown from the IT Asset Maintenance reserve in the current year, with the repayment of this funding back to the IT Asset Maintenance Reserve in 2012-13, which will be drafted into the 2012-15 MTFP
 - agree the transfer of £1.599m Minimum Revenue Provision saving, resulting from the re-phasing of the capital programme in 2010-11, to reserves to fund the potential future impact
 - note and agree the changes to the capital programme
 - agree that re-phasing on the capital programme is moved from 2011-12 capital cash limits to future years
 - agree the £4.118m transfer of funding from Building Schools for the Future Unit Cost to cover the shortfall of grant against the Academy Projects
 - agree the £1.4m prudential borrowing for the Enterprise Resource Programme
 - note the latest financial health indicators and prudential indicators
 - note the directorate staffing levels as at the end of September
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1. INTRODUCTION

- 1.1 This is the second full monitoring report to Cabinet for 2011-12. The A-Z budgets reflected within this report now reflect the agreed split of the Early Years budget between "standards and quality assurance in early years settings" (ELS portfolio) and "provision of early years and childcare" (SCS portfolio). As a transitional measure this was all shown within the SCS portfolio in the quarter 1 report, but £7.975m gross budget and £7.975m grant income budget have now transferred to the ELS portfolio.
- 1.2 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.

1.3 **Headlines:**

1.3.1 **Revenue:**

- The latest forecast revenue position (excl Schools) before the implementation of management action is a small underspend of £0.022m, which is a reduction of £1.783m since the October Cabinet report. Management action is currently expected to reduce this to an underspend of £0.740m, 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.
- Within Specialist Children's Services (SCS) there are significant demand led pressures together with pressures on staffing, mainly agency social workers, in response to the Ofsted inspection, totalling £11.8m (excluding Asylum). Within this, the activity levels for Fostering and Residential Care 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 2012-15 MTP.
- In addition within SCS there is a £0.3m pressure on Section 17 payments (Preventative & Supportive 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.
- 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. Appeal Rights Exhausted Unaccompanied Asylum Seeking Children are Care Leavers as defined in Children Leaving Care Act and as such are entitled to support from KCC. Our current Legal advice, in common with many other Local Authorities, is that our obligations under current childcare legislation are not diminished by their immigration status. KCC therefore continues to incur costs supporting this group of young people with no recompense from the United Kingdom Borders Agency. We will continue to make representations to Government to resolve this unsatisfactory issue.
- Within Adult Social Care a forecast underspend of £2.6m is reported, as pressures on nursing and residential care for clients with a disability or mental health need, together with pressures on direct payments and supported accommodation for physically disabled clients, all of which are likely to be as a result of medical advances enabling people to live with more complex needs, are more than offset by underspending on direct payments for all other clients groups, domiciliary care, day care, and nursing and residential care for older people. In view of this overall forecast underspending position, work is ongoing to establish the demographic pressures for adult social care now anticipated over the medium term, in order to update the assumptions reflected in the published MTFP.
- The savings on Home to School transport experienced in 2010-11 are continuing in 2011-12, with a saving of £1.2m forecast. This saving will be reflected in the 2012-15 MTFP.
- 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 remaining Kent Schools are expected to increase their reserves by £1.5m giving an overall expected movement in schools reserves of -£4.248m.
- The savings on the waste budgets experienced last year, mainly due to lower than budgeted waste tonnage, are continuing in 2011-12, with a £2.7m saving forecast. This saving will have an impact on the 2012-15 MTFP.
- A £0.9m saving is forecast on concessionary fares following successful negotiations with major bus operators, this saving will have an impact on the 2012-15 MTFP.

- Within the CCS&I portfolio pressures exist due to a shortfall against savings targets within both the Contact Centre and Communications, Media Relations & Public Engagement. Management actions have reduced this residual pressure considerably since the quarter 1 report and further actions are currently being considered with the aim of delivering a balanced budget by year end.
- 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 half of 2011-12 other than to replace maturing debt.
- An unexpected un-ringfenced grant increase of £1.5m is being held within the Finance & Business Support portfolio to offset pressures elsewhere across the authority.
- We have recovered a further £0.767m in October from our principal investments in the collapsed Icelandic Banks, bringing our total recovery so far to £11.854m, which all relates to the our £18.350m investment in the UK registered Heritable Bank. Following the Icelandic Supreme Court's confirmation of KCC as a preferred creditor, we are expecting our full £15m principal investment in Glitnir Bank during December and 98% of our £17m principal investment with Landsbanki, although the timing of this is as yet uncertain.
- We have also recovered all of our £10m principal investment plus interest, as expected on the re-scheduled maturity date of 31 October 2011, from the troubled Dexia bank.

1.3.2 Capital:

- The latest forecast capital position shows a real variance of +£2.520m and the re-phasing variances are identified in Table 3.

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

2.1 Revenue

The net projected variance against the combined portfolio revenue budgets is an underspend of £0.740m 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 £k	Gross Variance £k	Proposed Management Action £k	Net Variance £k
Education, Learning & Skills	+56,246	-1,216	0	-1,216
Specialist Children's Services	+110,833	+12,626	0	+12,626
Adult Social Care & Public Health	+317,407	-2,581	0	-2,581
Environment, Highways & Waste	+149,116	-3,548	0	-3,548
Communities, Customer Services & Improvement	+91,146	+126	0	+126
Regeneration & Enterprise	+4,140	0	0	0
Finance & Business Support	+136,850	-5,134	0	-5,134
Business Strategy, Performance & Health Reform	+48,826	-208	-718	-926
Deputy Leader	+7,366	-87	0	-87
TOTAL (excl Schools)	+921,930	-22	-718	-740
<i>Schools (ELS portfolio)</i>	0	+4,248	0	+4,248
<i>Schools (SCS portfolio)</i>	0	0		0
Schools (TOTAL)	0	+4,248	0	+4,248
TOTAL	+921,930	+4,226	-718	+3,508

2.2 Capital

This report reflects the current monitoring position against the revised programme, where there is a pressure of £2.520m and re-phasing of expenditure into future years is forecast, this is identified in Table 3. 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:

- a virement of £0.307m from the debt charges underspending within the Finance & Business Support portfolio to the Contact Centre & consumer Direct budget within the Communities, Customer Services and Improvement portfolio to meet the increase in contact centre call volumes, as agreed by Cabinet in September.
- 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 and includes:
 - the £16.226m NHS Support for Social Care funding. It has been assumed in this report that all of this funding is transferred to a new specific earmarked reserve and drawn down as expenditure is incurred in line with detailed plans to be jointly agreed with health. This has been added to both gross and income budgets within the Other Adult Services budget line. **Cabinet is asked to approve this treatment of the £16.226m funding.**
 - reductions of £75m in DSG and £36m in YPLA sixth form funding as a result of schools converting to academies.

3.1.2 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	+56,246	-1,216	-1,216					
Specialist Children's Services	+110,833	+12,626		+12,626				
Adult Social Care & Public Health	+317,407	-2,581		-2,581			0	
Environment, Highways & Waste	+149,116	-3,548			-3,548			
Communities, Customer Services & Improvement	+91,146	+126				+126	0	
Regeneration & Enterprise	+4,140	0			0		0	
Finance & Business Support	+136,850	-5,134					+566	-5,700
Business Strategy, Performance & Health Reform	+48,826	-208					-208	0
Deputy Leader	+7,366	-87					-87	0
SUB TOTAL (excl Schools)	+921,930	-22	-1,216	+10,045	-3,548	+126	+271	-5,700
<i>Schools (ELS portfolio)</i>	<i>0</i>	<i>+4,248</i>	<i>+4,248</i>					
<i>Schools (SCS portfolio)</i>	<i>0</i>	<i>0</i>	<i>0</i>					
Schools (TOTAL)	0	+4,248	+4,248					
TOTAL	+921,930	+4,226	+3,032	+10,045	-3,548	+126	+271	-5,700

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

Portfolio	CASH LIMIT			VARIANCE		
	Gross £k	Income £k	Net £k	Gross £k	Income £k	Net £k
Education, Learning & Skills	+181,790	-125,544	+56,246	-516	-700	-1,216
Specialist Children's Services	+167,251	-56,418	+110,833	+13,210	-584	+12,626
Adult Social Care & Public Health	+467,273	-149,866	+317,407	-3,979	+1,398	-2,581
Environment, Highways & Waste	+173,349	-24,233	+149,116	-2,143	-1,405	-3,548
Communities, Customer Services & Improvement	+150,134	-58,988	+91,146	-936	+1,062	+126
Regeneration & Enterprise	+5,726	-1,586	+4,140	0	0	0
Finance & Business Support	+155,806	-18,956	+136,850	-7,173	+2,039	-5,134
Business Strategy, Performance & Health Reform	+94,578	-45,752	+48,826	+3,020	-3,228	-208
Deputy Leader	+8,380	-1,014	+7,366	-72	-15	-87
SUB TOTAL (excl Schools)	+1,404,287	-482,357	+921,930	+1,411	-1,433	-22
<i>Schools (ELS portfolio)</i>	+837,262	-837,262	0	+4,248	0	+4,248
<i>Schools (SCS portfolio)</i>	+41,553	-41,553	0	0	0	0
Schools (TOTAL)	+878,815	-878,815	0	+4,248	0	+4,248
TOTAL	+2,283,102	-1,361,172	+921,930	+5,659	-1,433	+4,226

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 by portfolio

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	Schools Budgets (gross): estimated increase in reserves of KCC schools	-1,500
ELS	Early Years & Childcare Advisory Service: transfer of underspend on staffing to Reserves to support next years budget	+1,200	ELS	Early Years & Childcare Advisory Service: underspend on staffing within the Quality & Outcomes Team	-1,200
ELS	ELS Strategic Management & Directorate support budgets (gross): legal savings target unlikely to be achieved	+444	ELS	Mainstream home to school transport (gross): fewer children than budgeted level and contract renegotiation	-898
ELS	Attendance & Behaviour (gross): PRUs additional staffing & premises costs	+383	ELS	Special school & hospital recoupment (income): more OLA pupils placed at Kent schools than budgeted level	-880
ELS	Connexions (gross): cessation of grant from YPLA from 1 April but contract fixed until 31 August	+250	ELS	SEN home to school transport (gross): fewer than budgeted children travelling and contract renegotiations	-439
ELS	Attendance & Behaviour (gross): staffing pressure due to delay in directorate restructure	+225	ELS	Attendance & Behaviour (income): PRU income from schools and academies	-383
ELS	School Improvement (income): Reduction in income for Interim Head Teachers placed in schools	+193	ELS	14-19 Unit (gross): planned underspend on KS4 Engagement Programme to help offset overspend in Connexions	-250
ELS	Governor Services (income): reduction in expected levels of income from schools	+177	ELS	Learners with Additional Needs (gross): staffing underspend for Standards in Specialist Settings and cessation of the Kent Panel	-164
ELS	Schools Cleaning and Refuse (income): under-recovery of expected income	+160	ELS	Learners with Additional Needs (gross): reduced expenditure for Specialist Teaching Services	-110
ELS	ELS Strategic Management & Directorate support budgets (gross): Staffing overspends	+158	ELS	Strategic Management (gross): planned underspend on Building Maintenance - Non operational holdings	-100
ELS	Home to college transport (gross): increased demand for service	+150			
ELS	Learners with Additional Needs (income): reduced income for Specialist Teaching Services	+110			
	ELS PORTFOLIO TOTAL	+9,198		ELS PORTFOLIO TOTAL	-5,924
SCS	Fostering - Gross - In house non related activity above affordable level	+2,894	SCS	Fostering - Gross - In house non related unit cost below budgeted level	-634
SCS	Assessment of Vulnerable Children - Gross - Increased costs of staffing following the 2010 Ofsted inspection	+2,623	SCS	Early Years & Childcare - Gross - Renegotiation of NCMA contract	-600
SCS	Fostering - Gross - Independent sector activity above affordable level	+2,386	SCS	Preventative Services - Gross - Savings made on direct payments	-556
SCS	Residential - Gross - Independent sector activity higher than affordable level	+1,959	SCS	Children's centres - Gross - savings made on staffing costs	-420
SCS	Fostering - Gross - Pressure on legal costs	+1,621	SCS	Asylum Seekers - Income - increased income as a result of increased client numbers	-396
SCS	Asylum Seekers - Gross - Support to asylum seekers who are appeal rights exhausted & costs of first 25 eligible young people who are not eligible for grant	+800	SCS	Fostering - Gross - Independent sector unit cost below budgeted level	-359

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
SCS	Residential - Gross - Disability activity above affordable level	+787	SCS	Residential - Gross - Secure accomodation activity below affordable level	-232
SCS	16+ Service - Gross - Independent Sector Fostering activity above affordable level	+480	SCS	Residential - Income - increase in number of disability clients attracting funding	-219
SCS	Fostering - Gross - (Related Fostering & Kinship Non LAC) provision for reward payments to related foster carers	+437	SCS	16+ Service - Gross - Independent Fostering unit cost below affordable level	-201
SCS	16+ Service - Gross - Payments to Care Leavers & relevant children above affordable level	+400	SCS	Residential - Gross - Disability Unit cost below affordable level	-163
SCS	Adoption - Gross - increase in Special Guardianship Orders	+364	SCS	Preventative Services - Gross - Link placement scheme ending earlier than budgeted	-144
SCS	Asylum Seekers - Gross - Activity above affordable level for both under & over 18s	+343			
SCS	Preventative Services - Gross - increased section 17 payments	+307			
SCS	Preventative Services - Gross - increased demand for day care due to fewer clients than anticipated transferring to direct payments	+274			
SCS	Fostering - Gross - Kinship non-LAC activity above affordable level	+203			
SCS	Adoption - Gross - increase in staffing within adoption team	+199			
SCS	Residential - Income - reduction in number of independent sector clients attracting funding	+192			
SCS	Residential - Gross - Independent sector unit cost higher than affordable level	+175			
SCS	16+ Service - Gross - Residential activity above affordable level	+161			
SCS	Residential - Gross - (In house provision) increased use of relief staff	+102			
	SCS PORTFOLIO TOTAL	+16,707		SCS PORTFOLIO TOTAL	-3,924
ASCPH	Residential (learning disability) - Gross - Activity above affordable level	+2,883	ASCPH	Residential (learning disability) - Gross - Preserved rights activity below affordable level	-2,934
ASCPH	Residential (learning disability) - Gross - Preserved rights unit cost above affordable level	+2,851	ASCPH	Residential (older people) - Gross - Activity below affordable level	-2,343
ASCPH	Nursing (Older people) - Gross - Activity above affordable level	+1,594	ASCPH	Domiciliary (learning disabled) - Gross - Activity below affordable level	-1,825
ASCPH	Residential (physical disability) - Gross - Activity above affordable level	+1,487	ASCPH	Domiciliary (older people) - Gross - Unit cost below affordable level	-1,266
ASCPH	Domiciliary (older people) - income - Activity below affordable level	+1,087	ASCPH	Nursing (Older people) - Gross - Unit cost below affordable level	-1,139
ASCPH	Residential (older people) - Income - Activity below affordable level	+1,001	ASCPH	Supported Accomodation (learning disability) - Gross - Unit cost below affordable level	-886
ASCPH	Residential care (Learning Disability) - unacheivable Procurement savings	+746	ASCPH	Domiciliary (older people) - Gross - Activity below affordable level	-858
ASCPH	Residential (older people) - Income - In House loss of income as result of modernisation strategy	+706	ASCPH	Residential care (Learning Disability) - uncommitted funds held to offset unacheivable savings	-746

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Domiciliary (learning disabled) - Gross - Unit cost above affordable level	+546	ASCPH	Residential (learning disability) - Income - Average charge above budgeted level	-704
ASCPH	Residential (older people) - Gross - Unit cost above affordable level	+520	ASCPH	Residential (older people) - Income average charge higher than budgeted	-693
ASCPH	Supported Accomodation (learning disability) - Gross - Activity above affordable level	+467	ASCPH	Assessment of Vulnerable Adults - Gross - vacancy management within Mental Health A&R	-668
ASCPH	Supported Accomodation (physical disability) - Gross - Activity above affordable level	+465	ASCPH	Nursing - Income - Activity above affordable level (Older people)	-586
ASCPH	Supported Accomodation (mental health) - Gross - Activity above affordable level	+459	ASCPH	Direct Payments (older people) - Gross - Activity below affordable level	-470
ASCPH	Domiciliary (Older people) - unacheivable savings (procurement & delay in revised charging policy)	+447	ASCPH	Domiciliary (older people) - Gross - In House activity below budgeted level	-455
ASCPH	Other Adults Services - Lost income due to under provision of meals	+423	ASCPH	Direct Payments (learning disability) - Gross - Activity below affordable level	-450
ASCPH	Residential (learning disability) - Gross - Unit cost above affordable level	+422	ASCPH	Domiciliary (Older people) - uncommitted funds held to offset unacheivable savings	-447
ASCPH	Direct Payments (learning disability) - Income - Average charge lower than budgeted level	+336	ASCPH	Domiciliary (mental health) - Gross - Activity below affordable level	-434
ASCPH	Residential (mental health) - Income - Increase in Section 117 clients who do not contribute to costs	+226	ASCPH	Other Adults Services - Saving due to under provision of meals	-421
ASCPH	Domiciliary (older people) - income - Average unit charge below budgeted level	+219	ASCPH	Day Care (older people) - Gross - Recommissioning strategies	-420
ASCPH	Supported Accomodation (Learning Disability) - unacheivable Procurement savings	+208	ASCPH	Residential (older people) - Gross - In House savings as result of modernisation strategy	-381
ASCPH	Direct Payments (physical disability) - Gross - Unit costs above affordable level	+193	ASCPH	Assessment of Vulnerable Adults - Gross - Prudent non-allocation of funds	-367
ASCPH	Residential (physical disability) - Income - Unit charge below budgeted level	+190	ASCPH	Day Care (learning disability) - Gross - efficiencies from improved data quality and clients ceasing take-up of service	-311
ASCPH	Assessment of Vulnerable Adults - income - loss of recharge income to health due to vacant posts	+180	ASCPH	Residential (physical disability) - Gross - Unit cost below budgeted level	-307
ASCPH	Residential (mental health) - Gross - Unit cost above affordable level	+130	ASCPH	Contributions to Voluntary Organisations - Gross - Recommissioning strategies	-303
ASCPH	Residential (physical disability) - Gross - Preserved Rights Activity above affordable level	+126	ASCPH	Nursing (Older people) - Gross - release of provision and unrealised creditors following review of balance sheet	-231
ASCPH	Management & Support - Gross - Pressure on Support Empower Advocate Promote (SEAP) contract	+122	ASCPH	Domiciliary (older people) - Gross - Savings against block contracts	-210
ASCPH	Domiciliary (mental health) - Gross - Unit cost above affordable level	+122	ASCPH	Supported Accomodation (Learning Disability) - uncommitted funds held to offset unacheivable savings	-208
ASCPH	Management & Support - Gross - Additional Commissioning staffing costs	+120	ASCPH	Residential (learning disability) - Income - Activity above affordable level	-207
ASCPH	Nursing (Older people) - Income - Average charge below budgeted level	+120	ASCPH	Supported Accomodation (learning disability) - Income - Unit charge above budgeted level	-193
ASCPH	Residential (Older people) - unacheivable savings relating to reducing waivers of top-ups	+112	ASCPH	Direct Payments (mental health) - Gross - Activity below affordable level	-180

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
			ASCPH	Residential (physical disability) - Income - Activity above affordable level	-164
			ASCPH	Management & Support - Income - Additional Commissioning staffing income from health	-126
			ASCPH	Direct Payments (older people) - gross - Unit cost lower than budgeted level	-112
			ASCPH	Residential (Older people) - uncommitted funds held to offset unacheivable savings	-112
			ASCPH	Direct Payments (learning disability) - Gross - Unit cost lower than affordable level	-102
	ASC&PH PORTFOLIO TOTAL	+18,508		ASC&PH PORTFOLIO TOTAL	-21,259
CCSI	Strat. Mgmt & Directorate Support shortfall against Communications & Engagement activity 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.	-290
CCSI	Contact Centre: Shortfall against savings targets of KCAS (+£246k) and CFIS (+£120k)	+366	CCSI	Libraries: Planned reduction in running costs to mitigate additional KHLC moving costs	-250
CCSI	Communications & Engagement: Shortfall against the income target set at the time of building the budget.	+249	CCSI	CLS: management actions to part mitigate income shortfall	-241
CCSI	Contact Centre (Consumer Direct): Reduced income from Trading Standards S.E.Ltd; income is based upon a price per call basis and call volumes have declined.	+246	CCSI	Gateways: reduced spend due to delayed opening of Gateways	-227
CCSI	CLS: Reduced income on the equivalent learners programme due to a combination of reduced demand and a change in the eligibility criteria (in-year) by the Skills Funding Agency.	+218	CCSI	Contact Centre: One-off solutions to offset shortfall against savings targets for the CFIS and KCAS services.	-214
CCSI	Libraries: Additional moving costs associated with Kent History & Library Centre (KHLC), mitigated by reduced spend on other running costs	+168	CCSI	Contact Centre (Consumer Direct): Reduced staff costs, primarily through vacancy management, as management action towards the reduce income stream from TSSEL.	-209
CCSI	SIP: Reduction in staff and other related expenditure for the Vulnerable Learners Scheme. A delay in the identification of the learners means the scheme will continue into 2012/13.	+159	CCSI	Libraries: reduced staff costs arising from Radio Frequency Identification (RFID) self service implementation	-198
CCSI	Gateways - reduction in expected drawdown from reserves, no longer required due to delay in the rollout programme	+150	CCSI	Trading Standards: Reduced staff costs achieved through vacancy management and advancement of 2012-13 savings.	-180
CCSI	Libraries: reduced income from fines, Audio Visual & Merchandising	+123	CCSI	SIP - reduction in the drawdown from reserves in relation to the Vulnerable Learners Scheme. These reserves will now be called upon in 2012/13.	-159
CCSI	Gateways - additional other running costs as other projects brought forward to compensate for delay in roll out of the programme.	+114	CCSI	Strat Mgmt & Directorate Support: Comms & Engagement staff vacancy management savings	-143
			CCSI	Libraries: additional external contributions	-127
	CCS&I PORTFOLIO TOTAL	+2,293		CCS&I PORTFOLIO TOTAL	-2,238

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
EHW	Landfill Tax - diversion of waste to landfill due to extended planned routine maintenance at Allington Waste to Energy Plant	+1,191	EHW	Disposal Contracts - lower then budgeted residual waste tonnage processed through Allington WtE due to extended planned routine maintenance at the plant.	-2,932
EHW	Transfer Stations - revenue contribution to capital for the overspend on the North Farm TS construction project.	+302	EHW	Concessionary Fares - Successful negotiations with major bus operators resulting in agreement to settle appeals at a lower level than the original claims.	-918
EHW	Sustainable Transport - Cost of multi modal transport models offset by underspend arising from income.	+293	EHW	Household Waste Recycling Centres - Additional income due to market prices remaining buoyant for the sale of various recyclable materials.	-487
EHW	Strategic Management & Directorate Support Budgets - Directorate funded redundancy payments arising from the Highways restructure.	+219	EHW	Transfer Stations - lower than budgeted waste tonnage.	-369
EHW	Transfer Stations - operational need for additional planned maintenance at Church Marshes TS.	+170	EHW	Recycling Contracts & Composting - lower than budgeted waste tonnage	-366
EHW	Payments to Waste Collection Authorities (DCs) - additional enabling payments made to Districts under Joint Waste Arrangements.	+116	EHW	Sustainable Transport - Income from multi modal transport models offsetting pressure.	-248
			EHW	Traffic Management - Successful recovery of S74 fees from works promoters for unreasonably prolonged occupation of the highway.	-247
			EHW	Household Waste Recycling Centres - New income stream from the sale of lead acid batteries.	-130
			EHW	Recycling Contracts & Composting - improved contract prices	-104
	EH&W PORTFOLIO TOTAL	+2,291		EH&W PORTFOLIO TOTAL	-5,801
F&BS	Contribution to reserves of in year MRP saving to cover potential impact in future years	+1,599	F&BS	treasury savings: assumptions on capital programme for 11-12 and on cash flows generally, together with savings on debt charges due to re-phasing of capital programme in 10-11	-3,683
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	+1,125	F&BS	In year Minimum Revenue Provision saving as a result of 2010-11 re-phasing of the capital programme	-1,599
F&BS	HR Business Ops: Learning & Development reduced income due to reduced take-up of training courses	+660	F&BS	unexpected un-ringfenced grant for Extended Rights to Free Travel to be used to offset pressures across Authority	-1,546
F&BS	Contribution to economic downturn reserve of 2011-12 write down of discount saving from 2008-09 debt restructuring	+487	F&BS	drawdown from Insurance Reserve to cover pressure on the Insurance Fund	-1,125
F&BS	HR Business Ops: Schools Personnel Service under delivery of increased income target/loss of internal income.	+364	F&BS	2011-12 write down of discount saving from 2008-09 debt restructuring	-487
F&BS	HR Business Ops: pressure on Employee Services budget mainly on staffing	+237	F&BS	HR Business Ops: Learning & Development reduced expenditure in line with reduced take-up of training courses	-459
			F&BS	savings on leasing costs	-400

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
			F&BS	HR Business Ops: Schools Personnel Service underspend mainly on salaries, partially off-setting under delivery of income target	-149
			F&BS	local authority subscriptions	-100
	F&BS PORTFOLIO TOTAL	+4,472		F&BS PORTFOLIO TOTAL	-9,548
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	Strat Mgt & Dir Support: Development of ERP project.	+950	BSPHR	Legal income resulting from additional work (partially offset by increased costs)	-1,126
BSPHR	Strat Mgt & Dir Support: Directorate's as yet unallocated savings, still to be allocated across units.	+718	BSPHR	Strat Mgmt & Dir Support: temporary drawdown of reserves to fund ERP project, to be repaid in 2012-13	-950
BSPHR	Legal services cost of additional work (offset by increased income)	+694	BSPHR	Legal Services: increased income relating to Disbursements	-603
BSPHR	Legal Services: increased costs of Disbursements	+603	BSPHR	HR: Adult Learning Resource Team reduced base funded training activity	-264
BSPHR	HR: Underachievement of income due to reduction in demand for discretionary training provided to schools	+195	BSPHR	HR: Reduced training activity provided to schools, offset by reduced income	-194
	BSP&HR PORTFOLIO TOTAL	+4,660		BSP&HR PORTFOLIO TOTAL	-4,637
		+58,129			-53,331

3.4 Key issues and risks

3.4.1.1 Education, Learning & Skills portfolio: Forecast (excl. schools) -£1.216m

A continuation of the savings experienced in 2010-11 on home to school transport and increased income from special school and hospital recoupmnt, 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. A saving on the Early Years Quality & Outcomes Team will be transferred to reserves to support next year's budget, subject to Cabinet approval. 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 have now taken place. Further details are provided in Annex 1.

3.4.1.2 Education, Learning & Skills portfolio – Schools Delegated: Forecast +£4.248m

This forecast relates to a £5.748m reduction in schools reserves resulting from an anticipated 50 schools converting to academy status and taking their reserves with them, together with a forecast £1.5m increase in reserves for the remaining Kent schools based on their first monitoring returns.

3.4.2 Specialist Children's Services portfolio: Forecast +£12.626m

There has been a continuation of the pressures experienced during 2010-11 mainly on Fostering, Adoption, 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 staffing savings within Children's Centres. Further details are provided in Annex 2.

3.4.3 Adult Social Care & Public Health portfolio: Forecast -£2.581m

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 and supported accommodation for people with a physical disability, but these pressures are more than offset by lower demand for domiciliary care and day 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. The forecast assumes that the £16.226m of NHS Support for Social Care funding is transferred to a new specific earmarked reserve and drawn down as expenditure is incurred in line with detailed plans to be jointly agreed with health, subject to Cabinet approval. Further details are provided in Annex 2.

3.4.4 Environment, Highways & Waste portfolio: Forecast -£3.548m

This underspend largely relates to the waste budgets, reflecting savings as a result of lower than budgeted waste tonnage, improved contract prices, increased income from the sale of recyclable materials 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 planned routine maintenance being extended, has led to more waste being sent to landfill. In addition, negotiations with bus operators regarding payments for concessionary fares have resulted in a mutually agreed position that has reduced the potential cost. Further details are provided in Annex 3.

3.4.5 Communities, Customer Services & Improvement portfolio: Forecast +£0.126m

Pressures exist due to a shortfall against savings targets within both the Contact Centre, relating to Kent Contact & Assessment Service and Children's Information Service; and Communications, Media Relations & Public Engagement, together with a reduction in funding for the Community Learning Service from a combination of a mid year change in the eligibility criteria by the Skills Funding Agency, lower enrolment numbers and an associated reduction in employer contributions. Management action has already been implemented, which has significantly 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 +£0.566m

This pressure is largely due to an under-delivery of income in the Schools Personnel Service, lower take up of training courses within Learning & Development and a pressure on staffing within Employee Services. However these pressures are offset by an underspend within Human Resources within the Business Strategy, Performance & Health Reform portfolio.

3.4.6.2 Business Strategy, Performance & Health Reform portfolio: Forecast -£0.208m

This underspend is due to increased income within Legal Services due to both increased internal and external demand and an underspend within Human Resources, largely due to a reduction in base funded training activity within the Adult Learning Resource Team and savings resulting from salary sacrifice schemes, which is offsetting the pressure within Finance & Business Support portfolio. In addition, there is a pressure as a result of the directorate's centrally held savings targets, which are in the process of being allocated to BSS units and managers are currently being informed of their allocations. It is anticipated that management actions will be delivered within the individual units to fully offset these savings targets and the impact on individual units and progress towards delivering these management actions will be reflected in future monitoring reports. It is proposed that the costs for the development of the ERP project are met by a drawdown from reserves in the current year, to be repaid in 2012-13, subject to Cabinet approval. 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 -£5.700m.**

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 half of 2011-12, other than to replace maturing debt. Also, due to the re-phasing of the capital programme in 2010-11, fewer assets became operational than expected and therefore we have a saving on Minimum Revenue Provision (MRP). However, subject to Cabinet approval, this will need to be transferred to reserves to fund the potential impact in future years. 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 of £0.718m is expected to be delivered within Business Strategy & Support directorate which will increase the forecast underspend position for the authority to £1.549m (excluding schools).

3.4.9 Management action proposals are currently being considered within the Communities, Customer Services & Improvement portfolio, which will reduce this position further. In the context of a savings requirement of £95m, increasing demands for services and the need to deliver the Children's Services Improvement Plan, an overall forecast underspending position is a considerable achievement. However, there is a risk that the position could deteriorate, especially with the continually increasing demand for Children's Specialist Services. The position will be closely monitored throughout the remainder of the financial year and every effort will be made to 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 being 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 17th October, the following adjustments have been made to the 2011-12 capital budget.

	£000s	£000s
	2011-12	2012-13
1 Cash Limits as reported to Cabinet on 17th October	352,634	262,415
2 Re-phasing agreed at Cabinet on 17th October		
Education, Learning & Skills (ELS)	-7,914	5,550
Adults Social Care & Public Health (ASC&PH)	-2,442	2,027
Environment, Highways & Waste (EHW)	-1,349	773
Communities, Customer Services & Improvement (CCSI)	70	-52
Business Strategy, Performance & Health Reform (BSPHR)	-4,483	1,733
3 Devolved Capital - PRUs - ELS portfolio	-9	-8
4 Devolved Capital for Schools additional grant - ELS portfolio		569
5 Basic Needs - Ashford Primary Schools changes to external funding - ELS portfolio	-1,042	794
6 Dartford Civic Centre new project - additional capital receipt - SCS portfolio	30	
7 Tunbridge Wells Respite Centre reduction in project cost - ASC&PH portfolio	-80	
8 Active Lives - Bower Mount reduction in project cost - ASC&PH portfolio	-45	
9 Underspend on Broadmeadow Extension transferred to OP Integrated Specialist Services - ASC&PH portfolio	-58	58
10 Non grant supported land compensation claims reduction in external funding - EHW portfolio	-50	-108
11 Integrated Transport Scheme additional external funding - EHW portfolio	786	
12 Major Scheme Preliminary Design transfer to Integrated Transport Scheme - EHW portfolio	-300	
13 A2 Cyclo Park additional grant and external funding - EHW portfolio	905	
14 Edenbridge Community Centre - virement from Gateways - C&C portfolio	150	
15 Gateways - virement to Edenbridge Community Centre - C&C portfolio	-150	
16 Kent Library & History Centre - virement from Library Modernisation - C&C portfolio	280	
17 Library Modernisation - virement to Kent Library & History Centre - C&C portfolio	-280	
18 Margate Eastern Seafront additional grant funding - Regen portfolio	193	
19 Disposal Team reduction in project cost - BSP&HR portfolio	-40	
	336,806	273,751

4.2 Table 3 – Portfolio/Directorate position – capital

Portfolio	Budget £k	Variance £k	Directorate					
			ELS £k	FSC £k	E&E £k	C&C £k	BSS £k	
Education, Learning & Skills	+152,227	-36,365	-36,365					
Specialist Children's Services	+12,659	+211		+211				
Adults Social Care & Public Health	+12,186	-5,348		-5,348				
Environment, Highways & Waste	+94,598	+6,692			+6,692			
Communities, Customer Services & Improvement	+18,264	-79				-79		
Regeneration & Enterprise	+14,474	-8,618						-8,618
Business Strategy, Performance & Health Reform	+7,678	+675						+675
TOTAL (excl Schools)	+312,086	-42,832	-36,365	-5,137	+6,692	-79		-7,943
Schools	+24,720	0	0					
TOTAL	+336,806	-42,832	-36,365	-5,137	+6,692	-79		-7,943

Real Variance		+2,520	-6,589	+211	+7,214	+232	+1,452
Re-phasing (detailed below)		-45,352	-29,776	-5,348	-522	-311	-9,395
		2011-12	2012-13	2013-14	Future yrs		Total
Re-phasing		-45,352	-3,645	+42,450	+6,547		0

4.2.1 Table 3 shows that there is an overspend on the capital programme for 2011-12 and re-phasing of expenditure into later years. Projects re-phasing with variances of £1m or more are identified in table 6 and section 4.6 below, and reported in detail in the annex reports; projects re-phasing with variances between £0.25m and £1m are also identified in table 6, and the balance is made up of projects re-phasing 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	84,843	5,265	-1,731	3,534	
Approval to Spend	164,746	-344	-1,452	-1,796	
Approval to Plan	62,497	-2,401	-42,169	-44,570	
Preliminary Stage	0	0	0	0	
Total	312,086	2,520	-45,352	-42,832	
	2011-12 £'000s	2012-13 £'000s	2014-15 £'000s	future years £'000s	total £'000s
Re-phasing:					
Rolling Programme	-1,731	1,726	5	0	0
Approval to Spend	-1,452	1,304	145	3	0
Approval to Plan	-42,169	-6,675	42,300	6,544	0
Preliminary Stage	0	0	0	0	0
Total	-45,352	-3,645	42,450	6,547	0

- 4.3.1 Table 4 shows that the majority of the re-phasing is due to projects which are still only at the approval to plan or preliminary stages and their timing remains uncertain.
- 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 -£8.636m 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	-0.479
Prudential	-9.516
Prudential/Revenue (directorate funded)	-0.335
PEF2	+1.694
Grant	-33.355
External Funding - Other	-0.201
External Funding - Developer contributions	-1.224
Revenue & Renewals	+5.885
Capital Receipts	-5.089
General Capital Receipts (generated by Property Enterprise Fund)	-0.212
TOTAL	-42.832

- 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	+4,279			
EHW	Drovers Roundabout/M20 Junction 3	real		+1,697		
BSPHR	Enterprise Resource Programme	real			+1,400	
EHW	Victoria Way	real		+1,000		
ELS	Building Schools for the Future - Wave 3	phasing		+683		
ELS	Non Delegated Devolved Capital - PRUs	real	+481			
EHW	HWRC - North Farm Transfer Station	real		+325		
EHW	Commercial Services - Vehicle, Plant & Equipment	real	+320			
			+5,080	+3,705	+1,400	+0
		real	+5,080	+3,022	+1,400	+0
		phasing	+0	+683	+0	+0
portfolio	Project	real/ phasing	Rolling Programme	Approval to Spend	Approval to Plan	Preliminary Stage
			£'000s	£'000s	£'000s	£'000s
Underspends/Projects behind schedule						
ELS	Academy Projects - Approval to Plan	phasing			-28,862	
Regen	Capital Regeneration Fund	phasing			-4,245	
Regen	Margate Housing	phasing			-4,000	
ELS	Academy Projects - Approval to Plan	real			-3,819	
ASC&PH	Older Persons Strategy - Integrated Specialist Service Centre	phasing			-3,553	
ELS	BSF Wave 5 - Unit Costs	real		-2,558		
ASC&PH	Dartford Town Centre - Trinity Project	phasing			-999	
ELS	Halfway House Primary School	phasing	-855			
ASC&PH	IT Infrastructure	phasing			-610	
BSPPH	Modernisation of Assets	phasing	-520			
ELS	BSF Wave 5 - Unit Costs	phasing		-500		
Regen	Euro Kent Road	phasing		-425		
ELS	BSF Unit Costs (inc SECTT)	real		-422		
ELS	BSF Wave 3 - Unit Costs	real		-422		
EHW	East Kent Access Phase 2	phasing		-326		
ELS	BSF Wave 4 - Unit Costs	real		-319		
ELS	Wyvern School (SSR - Phase 2)	phasing		-309		
			-1,375	-5,281	-46,088	0
		real	+0	-3,721	-3,819	+0
		phasing	-1,375	-1,560	-42,269	+0
			+3,705	-1,576	-44,688	+0
		real	+5,080	-699	-2,419	+0
		phasing	-1,375	-877	-42,269	+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 +£2.520m real variance forecast. The main areas of under and overspending in 2011-12 are listed below together with their resourcing implications:-

- **Highway Maintenance: +£4.279m** (in 2011-12): Major patching and full surface dressing works are being undertaken on parts of the road network 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. £0.279m relates to additional surfacing repairs due to subsidence and installing new directional signs and will be funded from revenue.
- **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.
- **Drovers Roundabout, J9 and Footbridge: +£1.697** (in 2011-12): 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.
Both of these schemes are fully externally funded and 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.
- **Enterprise Resource Programme: +£1.400m** (in 2011-12): Capital investment is required for the improvement of Oracle to enable ongoing savings of £3m per annum. **Members are asked to approve prudential borrowing to fund this project.**
- **Building Schools for the Future Unit Costs: -£4.661m** (-£3.721m in 2011-12 & -£0.940m in 2012-13): The underspend is due to a number of factors including:
 - an accrual which had been set up in relation to known compensation claims for asbestos in the 2010-11 accounts which are now being met from elsewhere within the capital programme.
 - BSF Wave 3 development costs have been reduced in line with the expected costs to be incurred on the remainder of the Wave 3 build programme.
 - BSF Unit Costs Future Waves and the Academies Project Teams costs have been reduced as a result of the down-sizing of the BSF & Academies programme.£4.118m of the underspend is required to cover the shortfall/overspend against the Academy programme, taking this into consideration there is a real underspend of £0.543m. **Members are asked to approve the transfer of funding to the Academy programme.**
- **Academy Projects – Approval to Spend: -£0.581m** (+£0.192m in 2011-12, -£0.038m in 2012-13 and -£0.735m in 2013-14): The net underspend is due to the following:
 - Alignment of the final contract sum (excluding ICT) with the profiled spend for the Spires and Skinners Academy has indicated underspends of £0.100m and £0.751m respectively.
 - +£0.270m overspend on the Longfield Academy due to settlement of a compensation event.
 - A review of the grant funding for Academies from the Department of Education has indicated that there is a shortfall of £3.880m. The proposal is to use the underspend declared against the Building Schools for the Future Unit Costs to cover the shortfall in funding.

- **Academy Projects – Approval to Plan: -£2.765m** (-£3.819m in 2011-12, -£0.001m in 2012-13 and +£1.055m in future years): There is a net overstatement of grant funding for academies which was highlighted following a review of the DfE grant for Academies.

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: -

- **Academy Projects – Approval to Plan – re-phasing of:**

St Augustines Academy	-£11.545m
Wilmington Academy	-£1.223m
Dover Christchurch Academy	-£1.602m
John Wallis Academy	-£4.859m
The Knole Academy	-£2.015m
Duke of York Royal Military Academy	-£7.618m

In July 2010 both the BSF and Academies programmes were stopped due to the Government's spending cuts.

Whilst some Academy schemes were subsequently allowed to proceed, all of the Batch 2 Academies, together with the Duke of York Royal Military Academy (DoYRMA), were subject to a further review (which included questionnaires, detailed submissions, site visits etc) to determine their capital allocation. Revised capital allocations were notified in January 2011, however these remained subject to challenge until into the new financial year.

Partnerships for Schools (PfS) continued to review the phasing of these Academies based on their national funding allocations for each financial year and several amendments were made to the Kent programme.

Development work, including the new feasibility stage introduced by PfS, started on the Batch 2 Academies and the DoYRMA following the signing of the design and build contracts for the Skinners' Kent Academy (with Willmott Dixon) in July 2011. The development programme and the construction works for these new academies have been designed to follow the new timescales recently introduced by PfS.

Revisions to the phasing and capital allocations for these Batch 2 Academies, which have now all been confirmed by PfS, and have now been incorporated into the capital programme. However, these remain subject to further change as development work progresses and through the various approval stages set by the DfE and PfS.

- **Capital Regeneration Fund - re-phasing of -£4.245m**
There are various bids under consideration but no expenditure is planned in relation to these bids for 2011-12.
- **Margate Housing – re-phasing of -£5.000m** (-£4.000m in 2011-12 & -£1.000m in 2012-13)
This project is progressing, however the requirement for KCC investment drawdown is coming forward at a slower pace than anticipated due to the need to secure match funding from partners. A meeting is scheduled for 23 November 2011 between KCC, Thanet District Council and the Homes and Communities Agency (HCA) to further explore, at the most senior level, the investment required from the HCS. A pilot scheme is being worked up which will commence in 2011-12, with substantial progress being anticipated in 2012-13 and 2013-14.
- **Older Persons Strategy – Integrated Specialist Service Centre – re-phasing of -£3.553m**
At present the solution for the replacement of the Dorothy Lucy Centre has not been confirmed. One suggested solution is a new build and if this is the preferred option then construction would not commence until late summer 2012. The project has been re-phased to 2012-13 and 2013-14 to provide a more realistic spend profile.

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 re-phasing 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	152,227	153,580	75,484	90,002	471,293
Re-phasing	-29,771	-9,378	32,605	6,544	0
Revised cash limits	122,456	144,202	108,089	96,546	471,293
Specialist Children's Services					
Amended total cash limits	12,659	5	0	0	12,664
Re-phasing	0	0	0	0	0
Revised cash limits	12,659	5	0	0	12,664
Adults Social Care & Public Health					
Amended total cash limits	12,186	9,271	2,699	3,561	27,717
Re-phasing	-5,333	640	4,693	0	0
Revised cash limits	6,853	9,911	7,392	3,561	27,717
Environment, Highways & Wast					
Amended total cash limits	94,598	74,797	61,743	257,168	488,306
Re-phasing	-450	297	150	3	0
Revised cash limits	94,148	75,094	61,893	257,171	488,306
Customer & Communities					
Amended total cash limits	18,264	5,477	5,256	4,929	33,926
Re-phasing	-255	255	0	0	0
Revised cash limits	18,009	5,732	5,256	4,929	33,926
Regen & Ed					
Amended total cash limits	14,474	8,549	2,500	2,500	28,023
Re-phasing	-8,670	3,670	5,000	0	0
Revised cash limits	5,804	12,219	7,500	2,500	28,023
Business Strategy, Performance & Health Reform					
Amended total cash limits	7,678	7,592	6,140	2,923	24,333
Re-phasing	-660	660	0	0	0
Revised cash limits	7,018	8,252	6,140	2,923	24,333
TOTAL RE-PHASING >£100k	-45,139	-3,856	42,448	6,547	0
Other re-phased Projects below £100k	-213	+211	+2	0	0
TOTAL RE-PHASING	-45,352	-3,645	+42,450	+6,547	0

Table 8 – details individual projects which have further re-phased

	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
ELS					
Modernisation Programme - Wrotham School					
Original budget	+1,000	+2,000	0	0	+3,000
Amended cash limits	-383	+377	+6	0	0
additional re-phasing	-108	+105	+3		0
Revised project phasing	+509	+2,482	+9	0	+3,000
Wyvern School (Special Schools Review - Phase 2)					
Original budget	+2,856	0	0	0	+2,856
Amended cash limits	-890	+890	0	0	0
additional re-phasing	-309	+309			0
Revised project phasing	+1,657	+1,199	0	0	+2,856
Unit Reviews					
Original budget	+3,400	0	0	0	+3,400
Amended cash limits	-1,525	+1,514	+11	0	0
additional re-phasing	-180	+175	+5	0	0
Revised project phasing	+1,695	+1,689	+16	0	+3,400
EH&W					
East Kent Access Phase 2					
Original budget	+27,894	+912	+3,217	0	+32,023
Amended cash limits	-222	+895	-2,673	+2,000	0
additional re-phasing	-326	+326	0	0	0
Revised project phasing	+27,346	+2,133	+544	+2,000	+32,023

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 Policies and procedures within the risk management framework are currently being reviewed and work is ongoing to refresh the Council's corporate risk register. These are a separate item on this Cabinet meeting's agenda for discussion and approval. Risk identification workshops have been held with Pioneers in July and with Cabinet/CMT in September. A further two Cabinet/CMT workshops are planned in November to complete the register and ensure alignment with service and budget planning processes. A Statement of Required Management Practice for Risk will be launched towards the end of quarter 3 to support understanding and compliance with the framework by all managers.
- 6.2 Responsibility for the Corporate Risk Management function transferred to the Business Strategy Division in September with the departure of the Head of Audit and Risk. Going forward this function will comprise of three posts: a Senior Risk Manager and two Risk Officers who will be responsible for promoting a positive Risk Management culture, for implementing the Risk

Management Framework and developing an effective infrastructure for managing and reporting risk across the Council. One Risk Officer is in post and an interim Senior Risk Manager has been appointed for three months to help re-energise risk management across the Council. A permanent Senior Risk Manager and Risk Officer will be recruited as part of the ongoing process of restructure of the Business Strategy Team. Appointments should be complete in quarter 4.

- 6.3 Over the next few months, the team will ensure risk identification processes link seamlessly with business planning, business continuity and performance management. 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 which will then be available for member scrutiny.

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	98.2	-19.9
General Fund balance	26.7	31.7	+5.0
Schools Reserves *	55.2	51.0	-4.2

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

- 7.2 The reduction of £19.9m 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, Supporting People, Elections, PFI equalisation and revenue reserve to support projects previously classified as capital eg Member Highway Fund, together with the anticipated movements in the Insurance Reserve, Regeneration Fund, rolling budget, DSG and Restructure reserves. It also reflects the proposed movements in the new NHS Support to Social Care earmarked reserve, IT Asset maintenance reserve, MRP smoothing within the prudential equalisation reserve and the earmarked reserve to support next years budget, which are subject to Cabinet approval in this report.
- 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 £4.2m in the schools reserves is made up of a reduction of £5.7m due to an anticipated 50 schools converting to academy status and therefore taking their reserves with them, together with an increase of £1.5m for the remaining Kent schools based on their first monitoring returns for this financial year detailing their six monthly forecasts.

8. STAFFING LEVELS

- 8.1 The following table provides a snapshot of the staffing levels by directorate as at 30 September 2011 compared to the numbers as at 30 June 2011 and 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 September, which was a reduction of 2,040.50 FTEs, of which -1,602.35 were in schools and -438.15 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 September 11, there has been a reduction of 2,691.82 FTEs of which 2,175.90 were in

schools and 515.92 were non-schools. The reduction in schools based staff is largely as a result of schools converting to academies, hence the staff are no longer employed by KCC.

		31-Mar-11	New structure 01-Apr-11	Jun-11	Sep-11	Movement in year	
						Number	%
KCC	Assignment count	49,960	48,819	47,745	45,438	-3,381	-6.93%
	Headcount (inc. CRSS)	42,432	41,434	40,484	38,457	-2,977	-7.18%
	Headcount (exc. CRSS)	37,644	36,881	35,971	34,234	-2,647	-7.18%
	FTE	27,845.19	27,193.87	26,479.32	25,153.37	-2,040.50	-7.50%
KCC - Non Schools	Assignment count	15,330	15,191	14,916	14,427	-764	-5.03%
	Headcount (inc. CRSS)	13,850	13,740	13,501	13,065	-675	-4.91%
	Headcount (exc. CRSS)	11,944	11,854	11,662	11,311	-543	-4.58%
	FTE	10,060.87	9,983.10	9,826.35	9,544.95	-438.15	-4.39%
BSS	Assignment count		1,761	1,744	1,704	-57	-3.24%
	Headcount (inc. CRSS)		1,743	1,727	1,695	-48	-2.75%
	Headcount (exc. CRSS)		1,719	1,703	1,673	-46	-2.68%
	FTE		1,587.72	1,575.10	1,546.35	-41.37	-2.61%
ELS	Assignment count		1,770	1,741	1,625	-145	-8.19%
	Headcount (inc. CRSS)		1,701	1,678	1,566	-135	-7.94%
	Headcount (exc. CRSS)		1,396	1,370	1,267	-129	-9.24%
	FTE		1,067.90	1,044.36	961.89	-106.01	-9.93%
C&C	Assignment count		4,425	4,328	4,123	-302	-6.82%
	Headcount (inc. CRSS)		3,800	3,715	3,534	-266	-7.00%
	Headcount (exc. CRSS)		2,611	2,551	2,439	-172	-6.59%
	FTE		1,985.84	1,941.35	1,854.80	-131.04	-6.60%
E&E	Assignment count		1,293	1,270	1,233	-60	-4.64%
	Headcount (inc. CRSS)		1,279	1,256	1,219	-60	-4.69%
	Headcount (exc. CRSS)		1,187	1,167	1,124	-63	-5.31%
	FTE		1,129.44	1,108.97	1,071.36	-58.08	-5.14%
FSC	Assignment count		5,942	5,833	5,742	-200	-3.37%
	Headcount (inc. CRSS)		5,326	5,236	5,161	-165	-3.10%
	Headcount (exc. CRSS)		4,988	4,920	4,856	-132	-2.65%
	FTE		4,212.20	4,156.57	4,110.55	-101.65	-2.41%
Schools	Assignment count	34,630	33,628	32,829	31,011	-2,617	-7.78%
	Headcount (inc. CRSS)	28,816	27,915	27,206	25,593	-2,322	-8.32%
	Headcount (exc. CRSS)	25,799	25,123	24,407	23,011	-2,112	-8.41%
	FTE	17,784.32	17,210.77	16,652.97	15,608.42	-1,602.35	-9.31%

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 **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.
- 9.3 **Note** that £7.975m gross budget and £7.975m grant income have been transferred from the SCS portfolio to the ELS portfolio to reflect the final split of the Early Years' budgets between "standards and quality assurance in early years settings" (ELS portfolio) and "provision of early years and childcare" (SCS portfolio).
- 9.4 **Agree** the transfer of £1.2m one-off underspending on the Early Years & Childcare Quality & Outcomes Team budget within the ELS portfolio to an earmarked reserve to support next year's budget.
- 9.5 **Agree** that the £16.226m NHS Support for Social Care funding, details of which were included in item 9 of the 19 September Cabinet agenda, is transferred to a new specific earmarked reserve and drawn down as expenditure is incurred in line with detailed plans to be jointly agreed with health.
- 9.6 **Agree** that £0.950m costs for the development of the Enterprise Resource Planning (ERP) project are met from a temporary drawdown from the IT Asset Maintenance reserve in the current year, with the repayment of this funding back to the IT Asset Maintenance Reserve in 2012-13, which will be drafted into the 2012-15 MTFP.
- 9.7 **Agree** the transfer of £1.599m Minimum Revenue Provision saving within the Finance & Business Support portfolio, resulting from the re-phasing of the capital programme in 2010-11, to reserves to fund the potential future impact. Further details are provided in annex 6.
- 9.8 **Note** and **agree** the changes to the capital programme, as detailed in section 4.1.
- 9.9 **Agree** the 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.
- 9.10 **Agree** the £4.118m transfer of funding from Building Schools for the Future Unit Costs to cover the shortfall of grant against the Academy Projects.
- 9.11 **Agree** the £1.4m prudential borrowing for the Enterprise Resource Programme.
- 9.12 **Note** the latest Financial Health Indicators and Prudential Indicators as reported in appendix 2 and appendix 3 respectively.
- 9.13 **Note** the directorate staffing levels as at the end of September 2011 as provided in section 8.

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

Portfolio	CASH LIMIT			
	Gross	Income	Net	
	£k	£k	£k	
ELS	176,225	-119,596	56,629	
ELS Schools	948,442	-948,442	0	
SCS	177,032	-66,199	110,833	
SCS Schools	41,553	-41,553	0	
ASC&PH	452,075	-133,692	318,383	
EH&W	173,921	-24,805	149,116	
CCS&I	147,626	-57,700	89,926	
R&E	5,726	-1,586	4,140	
F&BS	157,046	-19,011	138,035	
BSP&HR	86,746	-39,033	47,713	
DL	8,169	-1,014	7,155	
Per September report	2,374,561	-1,452,631	921,930	
Subsequent changes:				
				Changes to grant/income allocations:
ELS	158	-158	0	Strategic Mgmt & Directorate Support: YPLA Kent Transport partnership academic year funding RIA from 10-11
ELS	9	-9	0	Strategic Mgmt & Directorate Support: Academic grant from London Array
ELS	-320	320	0	Schools' Non Delegated Staff Costs: reduction in Golden Hellos grant from Training & Development Agency as grant finishing in year
ELS	-36,012	36,012	0	Schools delegated budgets: reduction in YPLA schools sixth form funding as a result of schools converting to academies
ELS	-75,168	75,168	0	Schools delegated budgets: reduction in DSG as a result of schools converting to academies
ASC&PH	16,226	-16,226	0	NHS Support for Social Care S256 funding
ASC&PH	73	-73	0	Public Health (Heath Promotion): Increased grant income from NHS Eastern Coastal PCT for House Project
ASC&PH	30	-30	0	Public Health LINK: Increased grant income from Kent & Medway Network for LINKs
CCS&I	30	-30	0	Drug & Alcohol Service: funding from Probation for Alcohol Treatment Referral
CCS&I	1,031	-1,031	0	Drug & Alcohol Service: funding from Home Office via East Kent PCT for the Counselling Assessment Referral Advice Through Care Service (CARATS) in Prisons
CCS&I	109	-109	0	Drug & Alcohol Service: National Treatment Agency RIA from 10-11 for Detox Programme
CCS&I	82	-82	0	Drug & Alcohol Service: National Treatment Agency RIA from 10-11 for System Pilot
CCS&I	10	-10	0	Drug & Alcohol Service: Client contributions to be used for spot purchase for Drug Rehab Programme
CCS&I	80	-80	0	Drug & Alcohol Service: income from FSC for Swale/Thanet Intensive Intervention Programme (part of wider Community Budgets Programme)
CCS&I	105	-105	0	Contact Centre: Income from ELS for Kent Contact & Assessment Service (KCAS)
CCS&I	11	-11	0	Youth Offending Service: funding from UNITAS for Summer Arts Project

Portfolio	CASH LIMIT			
	Gross	Income	Net	
	£k	£k	£k	
CCS&I	44	-44	0	Income from Pfizer & Disabled Children's Service for Disability Sport project
CCS&I	-80	80	0	Sports England projects delayed until 2012-13, so income to be treated as receipt in advance
BSP&HR	-128	128	0	HR: Reduction in Teacher Development Agency grant for training for teachers returning from long term leave
BSP&HR	192	-192	0	HR: Increase in National College for School Leadership grant for teacher leadership training
BSP&HR	45	-45	0	HR: Increase in Medway Council grant for SE Succession Planning programme
BSP&HR	415	-415	0	HR: Increase in Teacher Development Agency grant for graduate teacher training
BSP&HR	95	-95	0	HR: Increase in General Social Care Council grant for adult social services practice placements
				Technical Adjustments:
ELS	-26	26	0	Strategic Mgmt & Directorate Support: correction to Post 16 Access Fund funding from YPLA to reflect academic year and not full year
ELS	637	-637	0	Attendance & Behaviour: to set budget for recharging to schools and between district areas for PRUs
ELS	-1,696	1,696	0	Attendance & Behaviour: remove Kent Safe Schools income target as no longer part of KCC
EHW	-157	157	0	Streetlight maintenance - correction of budgeting for capitalisation of staff costs
EHW	-415	415	0	Highway Improvements - correction of budgeting for capitalisation of staff costs
CCS&I	-600	600	0	Youth: removal of cross directorate recharging for Youth Opportunities Fund
CCS&I	-140	140	0	Drug & Alcohol Service: removal of cross directorate recharging for Youth Substance Misuse
CCS&I	-159	159	0	Drug & Alcohol Service: removal of internal recharging within the service
CCS&I	-120	120	0	Drug & Alcohol Service: to correct adj made in quarter 1 which partially double counted RIA from 10-11
CCS&I	-463	463	0	Youth: removal of cross directorate recharging for Positive Activities for Young People (PAYP)
CCS&I	-66	66	0	Gateways: correction to budget - removal of internal recharging
CCS&I/BSP&HR	-90	90	0	removal of recharging between YOS & Corporate Landlord
BSP&HR	4,363	-4,363	0	ICT: Schools Broadband - realign gross and income budgets to reflect the recharging of KPSN to schools
BSP&HR	155	-155	0	ICT: realignment of EIS gross and income budgets
BSP&HR	281	-281	0	HR: realignment of savings targets between gross and income
Revised Budget	2,283,102	-1,361,172	921,930	

FINANCIAL HEALTH INDICATORS

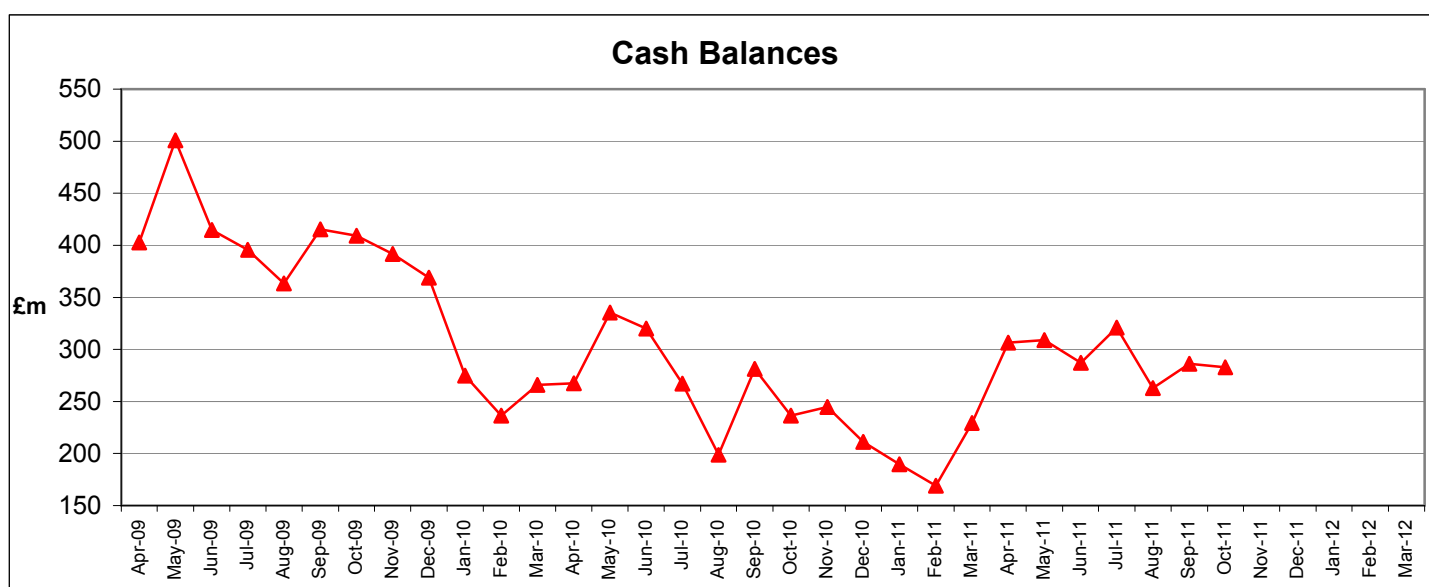
1. CASH BALANCES

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 held in Icelandic bank deposits (£38.5m), balances of schools in the corporate scheme (£50.4m), 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 general 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	262.9	286.2	282.9					



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 £45.9m 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.

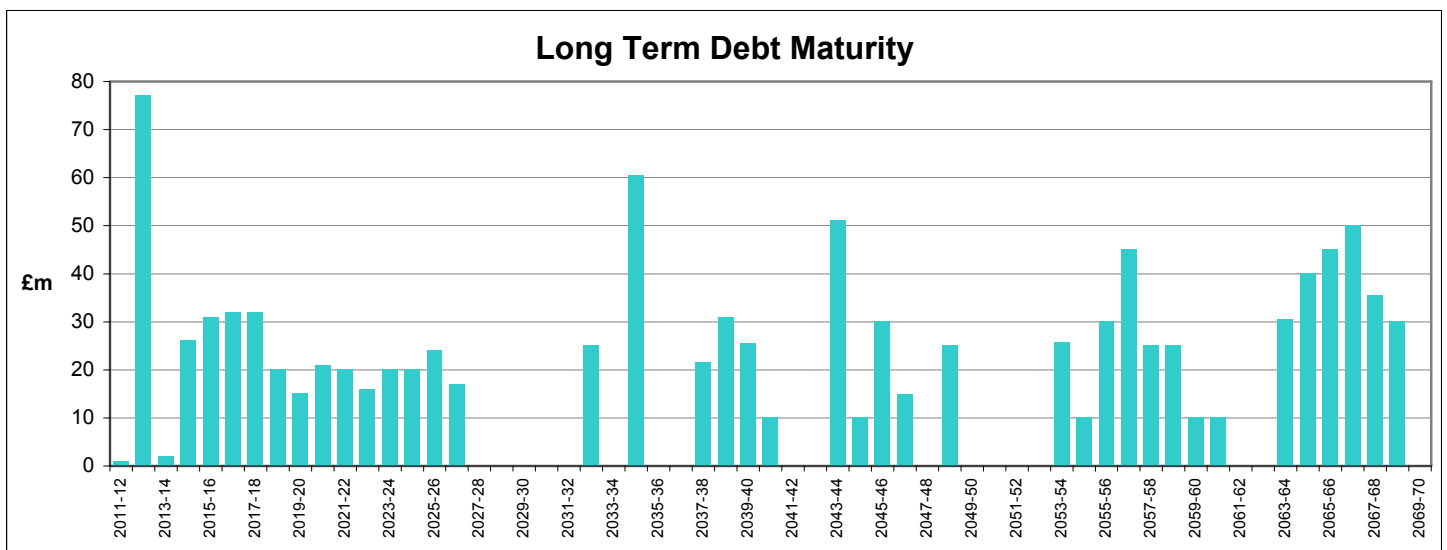
The total debt principal to be repaid in 2011-12 was £57.024m, £55m maturity loan and £2.024m relating to small annuity and equal instalment of principal loans.

£5m PWLB maturity loan was repaid in May from cash balances, £50m PWLB maturity loan principal was repaid in August financed by the advance of two new LOBO loans of £25m each and

£1.024m relating to equal instalment loans has been repaid from cash balances, hence the figure in the table of £1.000m represents the remaining debt still to be repaid in this financial year.

The two new LOBO loans taken out in August will mature in August 2057 and August 2058.

Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2011-12	1.000	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	25.000		
2019-20	15.001	2032-33	25.000	2045-46	30.000	2058-59	25.000		
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	1,090.309
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		



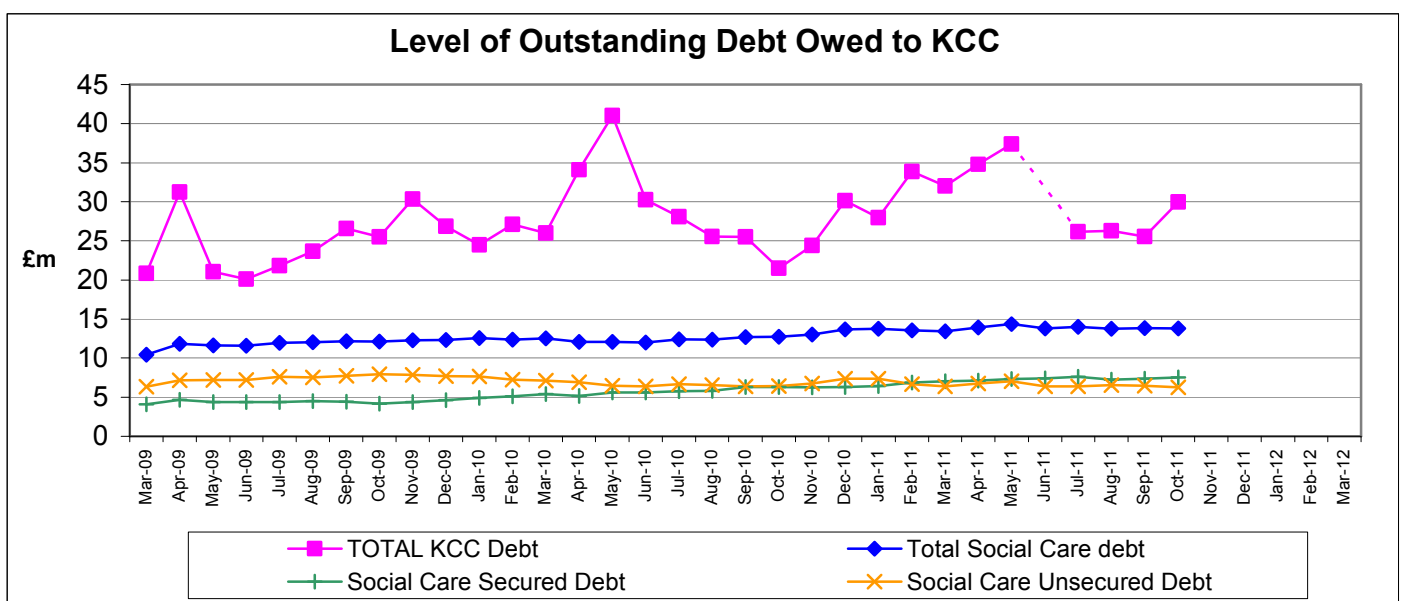
3. OUTSTANDING DEBT OWED TO KCC

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	Social Care Unsecured Debt	Total Social Care debt	FSC Sundry debt	TOTAL FSC debt	All Other Directorates Debt	TOTAL KCC Debt
	£m	£m	£m	£m	£m	£m	£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

	Social Care Secured Debt	Social Care Unsecured Debt	Total Social Care debt	FSC Sundry debt	TOTAL FSC debt	All Other Directorates Debt	TOTAL KCC Debt
	£m	£m	£m	£m	£m	£m	£m
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
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	7.124	6.759	13.883	10.776	24.659	10.131	34.790
May 11	7.309	7.023	14.332	11.737	26.069	11.338	37.407
June 11	7.399	6.381	13.780	*	13.780	*	13.780
July 11	7.584	6.385	13.969	4.860	18.829	7.315	26.144
Aug 11	7.222	6.531	13.753	4.448	18.201	8.097	26.298
Sept 11	7.338	6.467	13.805	4.527	18.332	7.225	25.557
Oct 11	7.533	6.241	13.774	6.304	20.078	9.900	29.978
Nov 11							
Dec 11							
Jan 12							
Feb 12							
March 12							

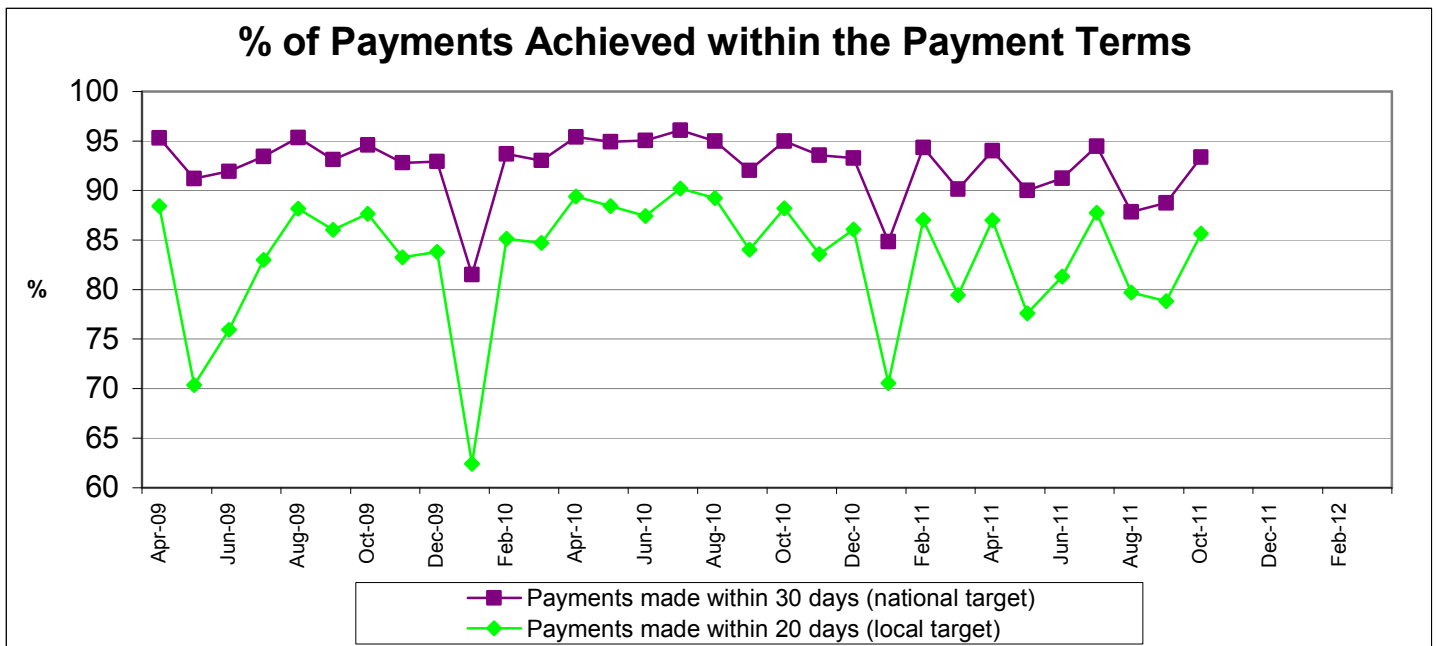
* The June sundry debt figures are not available due to a system failure, which meant that the debt reports could not be run and as these reports provide a snapshot position at the end of the month, they cannot be run retrospectively.



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	90.0	77.6
June	91.9	75.9	95.1	87.4	91.2	81.3
July	93.5	83.0	96.1	90.2	94.5	87.8
August	95.3	88.2	95.0	89.2	87.8	79.7
September	93.1	86.0	92.0	84.0	88.7	78.8
October	94.6	87.6	95.0	88.2	93.4	85.7
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		

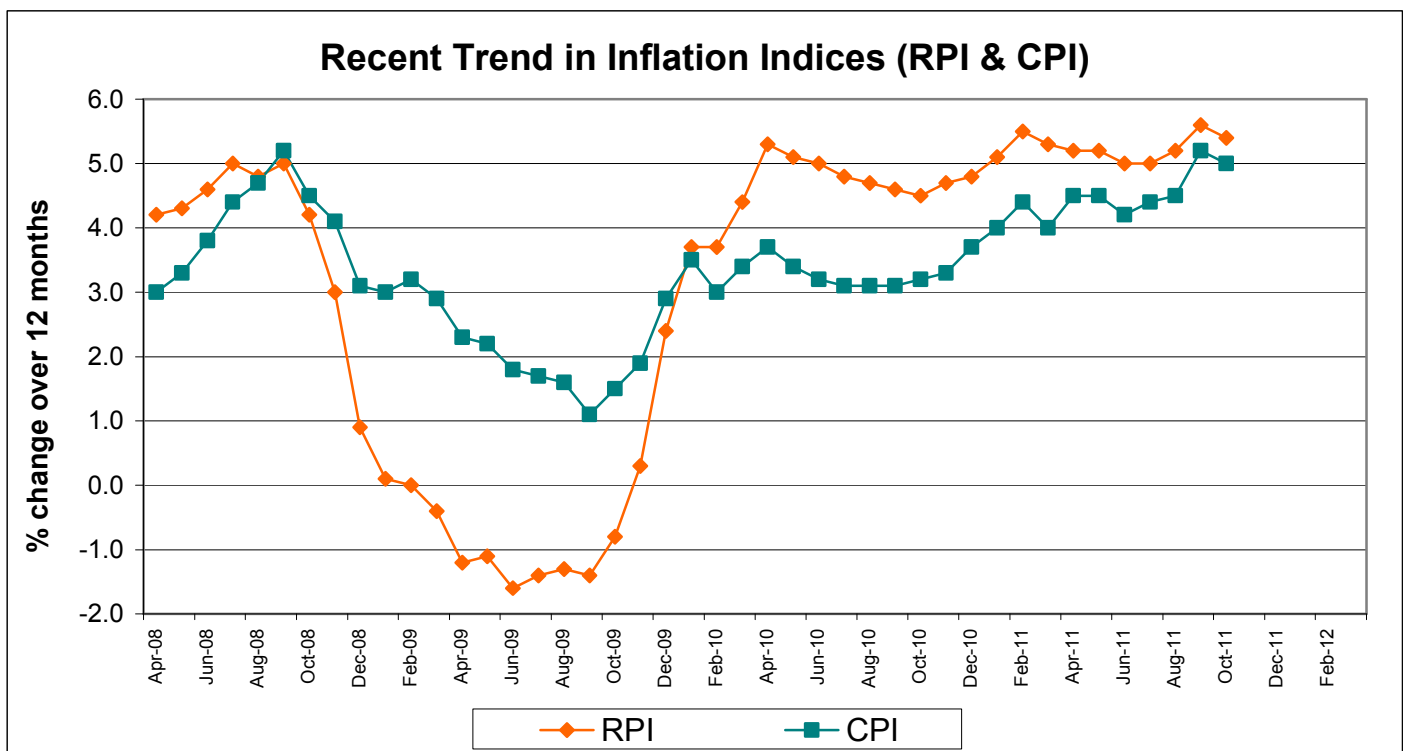


The percentages achieved for January were lower than other months due to the Christmas break. This is evident in both 2009-10 and 2010-11. This position was exacerbated in 2009-10 due to snow. The 2011-12 year to date figure for invoices paid within 20 days is 82.3%, and within 30 days is 91.0%. This compares to overall performance in 2009-10 of 81.9% and 92.6% respectively and 2010-11 of 85.4% and 93.4% respectively.

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

In the UK, there are two main measures of inflation – the Consumer Prices Index (CPI) and the Retail Prices Index (RPI). The Government’s inflation target is based on the CPI. The RPI is the more familiar measure of inflation, which includes mortgage interest payments. 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	5.2	4.5
September	5.0	5.2	-1.4	1.1	4.6	3.1	5.6	5.2
October	4.2	4.5	-0.8	1.5	4.5	3.2	5.4	5.0
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 October 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	£293.974m	(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 31-10-11
	£m	£m	£m
Capital Financing Requirement	1,286.518	1,308.640	1,300.801
Annual increase in underlying need to borrow	36.902	35.527	14.283

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	13.98%

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 31.10.11 £m
Borrowing	1,158	1,044
Other Long Term Liabilities	0	0
	<hr/> 1,158	<hr/> 1,044

- (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	31.10.11
	£m	£m
Borrowing	1,204	1,090
Other Long Term Liabilities	0	0
	1,204	1,090

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 31.10.11
	%	%	%
Under 12 months	25	0	1
12 months and within 24 months	40	0	7
24 months and within 5 years	60	0	5
5 years and within 10 years	80	0	11
10 years and within 20 years	25	10	11
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	17
50 years and within 60 years	30	10	21

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

Indicator £50m	Actual £10m
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EDUCATION, LEARNING & SKILLS DIRECTORATE SUMMARY OCTOBER 2011-12 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect the agreed split of the Early Years budget, with a transfer of £7.975m gross and income from the SCS portfolio within the FSC directorate to the ELS portfolio/directorate for the “standards and quality assurance in early years settings”, leaving only the “provision of early years and childcare” within the SCS portfolio. There have also been 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 and include reductions of £75m in DSG and £36m in YPLA sixth form funding as a result of schools converting to academies.

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

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	837,262	-837,262	0	4,248	0	4,248	+£5.748m estimated drawdown of reserves following 50 schools converting to academies; -£1.5m estimated increase in KCC schools reserves
TOTAL DELEGATED	837,262	-837,262	0	4,248	0	4,248	
Non Delegated Budget:							
ELS Strategic Management & directorate support budgets	12,017	-7,763	4,254	518	-116	402	Legal and staffing pressures as well as underspend on non-operational holdings
Services for Schools:							
- Early Years & Childcare Advisory Service	7,975	-7,975	0	0	0	0	£1.2m underspend on staffing offset by contribution to corporate reserve to support next years budget
- School Improvement Services	10,288	-4,866	5,422	5	150	155	Staffing and Extended Services projects. Reduced income for interim head teachers
- Governor Support	661	-676	-15	-94	177	83	Reduced service costs as well as reduced income from schools
- PFI Schools Schemes	16,859	-16,859	0	0	0	0	
- Schools' Buildings & Sites	853	-706	147	0	0	0	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Schools' Cleaning & Refuse	3,521	-3,889	-368	27	160	187	Cleaning & Refuse Collection Contract under recovery of income
- Schools' Meals	1,645	-1,645	0	0	0	0	
- Schools' Non Delegated Staff Costs	2,940	-2,838	102	0	0	0	
- Schools' Other Services	1,063	-578	485	-5	-52	-57	
- Schools' Redundancy Costs	1,232	-1,232	0	0	0	0	
- Special Schools' Meals	629	-629	0	-56	56	0	
- Schools' Teachers Pension Costs	7,629	-2,684	4,945	0	0	0	
	55,295	-44,577	10,718	-123	491	368	
<u>Support for Individual Children</u>							
<u>- Education & Personal</u>							
- 14 - 19 year olds	5,256	-3,384	1,872	-299	65	-234	Planned underspend on KS4 Engagement Programme
- Attendance & Behaviour	22,125	-20,981	1,144	608	-461	147	Additional expenditure & income in PRUs and staffing
- Connexions	9,787	-9,787	0	250	0	250	Connexions contract
- Education Psychology Service	3,328	-13	3,315	-3	0	-3	
- Free School Meals	3,864	-3,864	0	0	0	0	
- Learners with AEN Services	8,021	-7,319	702	-305	201	-104	Reduced expenditure & income in Specialist Teaching Service, Standards in Specialist Settings, Kent Panel and Kent Portage
- Minority Communities Achievement Service	2,598	-2,598	0	0	0	0	
- Partnership with Parents	746	-3	743	-42	0	-42	
- 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	-880	-880	Additional special recoupment income
	79,658	-71,882	7,776	209	-1,075	-866	
<u>Transport Services</u>							
- Home to College Transport	1,787	-367	1,420	150	0	150	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		17,039	-439	0	-439	Lower costs resulting from contract renegotiation, fewer children than budgeted level travelling
	33,127	-751	32,376	-1,187	0	-1,187	
<u>Intermediate Services</u>							
- Assessment of Vulnerable Children	1,693	-571	1,122	67	0	67	
TOTAL NON DELEGATED	181,790	-125,544	56,246	-516	-700	-1,216	
Total ELS portfolio	1,019,052	-962,806	56,246	3,732	-700	3,032	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
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	1,060,605	-1,004,359	56,246	3,732	-700	3,032	+£4.248m relates to delegated schools budgets
Assumed Mgmt Action							
- ELS portfolio						0	
- SCS portfolio						0	
Total ELS <u>after</u> mgmt action	1,060,605	-1,004,359	56,246	3,732	-700	3,032	

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 £4.248m 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 24 schools converting to academies up to September 2011 and 26 expected to convert before the end of March 2012. It also includes a forecast £1.500m addition to DSG reserves by the remaining KCC schools.

Non Delegated Budgets

1.1.3.2 ELS Strategic Management & Directorate Support Budgets (gross and income)

The ELS Strategic Management & Directorate Support budget is reporting a gross overspend of +£518k 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 at this stage it is prudent to reflect this as a pressure. The directorate has reviewed the position for the future and as it is clear that an element of the current pressure is ongoing it will need to be addressed in the 2012-15 MTFP.

There is a forecast pressure of +£158k on staffing over several services, including +£67k in SEN & Resources due to a delay in the implementation of the planned restructure.

There is a forecast underspend on Building Maintenance – Non operational holdings of -£100k due to a planned reduction in expenditure.

There are other gross minor variances +£16k.

There is additional income reported in the unit of -£116k. This is due to additional income in both the catering and kitchen maintenance team (-£85k), due to additional contracts with schools, and Primary and Secondary conferences (-£38k) due to head teachers paying for their own conferences. -There are other minor income variances of +£7k.

1.1.3.3 Services for Schools:

a. Early Years & Childcare Advisory Service (gross)

The Early Years and Childcare Advisory Service is forecasting an underspend of -£1.2m on staffing in the Quality and Outcomes team due to a number of vacancies being held pending the outcome of the ELS restructure which is due to take effect from 1 April 2012. The proposal is to transfer this one-off saving to a corporate reserve to be used to support next year's budget and the use of this reserve will be drafted into the 2012-13 MTP. **Cabinet is asked to approve this transfer to reserves.** This report assumes that the transfer is approved, and therefore a net nil position is reflected in the forecast

b. 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. Last quarter the unit reported a +£269k pressure. However, this has now reduced to +£5k pressure, 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.

There is an income variance of +£150k which is mainly due to a reduction in expected income for interim head teachers placed in schools (+£193k) with other minor variances of (-£43k).

c. Governor Support (income)

The Governor Support budget is showing an income pressure of +£177k due to a reduction in the expected levels of income from schools. This has a corresponding effect on the levels of expenditure, and a £94k gross underspend is reported.

d. 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 +£160k under-recovery of income.

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

1.1.3.4 Support for Individual Children – Education & Personal:

a. 14-19 unit (gross)

The service is reporting an overall gross variance of -£299k. This is mainly due to a -£250k planned underspend within the KS4 Engagement Programme, to offset the pressure on the Connexions contract. There are other minor variances of -£49k.

b. Attendance & Behaviour (gross and income)

The Attendance & Behaviour unit is forecasting a gross pressure of +£608k and an income variance of -£461k.

Alternative curriculum and behaviour PRUs are forecasting a gross pressure of +£383k and income variance -£383k due to additional staffing and premises costs, offset by income from schools and academies. There is an overspend on staffing of +£225k due in part to a delay in implementing a restructure.

The unit is also projecting -£51k additional income from parents/carers for penalty notices for their child's non attendance at school. There are other minor income variances of -£27k.

c. 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. Renegotiations have been completed with Connexions, and a pressure of £250k is anticipated.

d. Learners with AEN Services (gross and income)

The service is reporting a -£305k gross and +£201k income variance. This is largely because of less traded income from colleges for Specialist Teaching Services (+£110k), with a corresponding decrease in expenditure (-£110k). The portage service also have a minor reduction in gross (-£31k) and internal income (+£33k). Standards in Specialist Settings are reporting a staffing underspend of -£70k and also have a gross (-£94k) and income (+£58k) variance due to the cessation of the Kent Panel.

e. Special School & Hospital Recoupment (income)

The forecast additional income of -£880k 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 +£150k 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 as the full impact of transport requirements for the new academic year are still to be finalised. Any significant variance arising as a result of the new terms transport arrangements will be reported in the next exception report.

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 on last year's outturn and estimated numbers of pupils travelling for this financial year as the full impact of transport requirements for the new academic year are still to be finalised. Any significant change to the variance arising as a result of the new terms' transport arrangements will be reported in the next exception report.

c. SEN HTST (gross)

The -£439k gross variance reflects the full year effect of 2010-11 outturn after fully covering 2011-12 savings. This also should be treated as a provisional forecast outturn variance based on last year's outturn and estimated numbers of pupils travelling for this financial year as the full impact of transport requirements for the new academic year are still to be finalised. Any significant change to the variance arising as a result of the new terms' transport arrangements will be reported in the next exception report. The unit are forecasting an under spend with activity levels lower than budgeted levels for the past two months. It should be noted that 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.

Specialist Children's Services portfolio:

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 in the summer term 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	Schools Budgets (gross): estimated increase in reserves of KCC schools	-1,500
ELS	Early Years & Childcare Advisory Service: transfer of underspend on staffing to Corporate Reserves to support next years budget	+1,200	ELS	Early Years & Childcare Advisory Service: underspend on staffing within the Quality & Outcomes Team	-1,200
ELS	ELS Strategic Management & Directorate support budgets (gross): legal savings target unlikely to be achieved	+444	ELS	Mainstream home to school transport (gross): fewer children than budgeted level and contract renegotiation	-898
ELS	Attendance & Behaviour (gross): PRUs additional staffing & premises costs	+383	ELS	Special school & hospital recoupment (income): more OLA pupils placed at Kent schools than budgeted level	-880
ELS	Connexions (gross): cessation of grant from YPLA from 1 April but contract fixed until 31 August	+250	ELS	SEN home to school transport (gross): fewer than budgeted children travelling and contract renegotiations	-439
ELS	Attendance & Behaviour (gross): staffing pressure due to delay in directorate restructure	+225	ELS	Attendance & Behaviour (income): PRU income from schools and academies	-383
ELS	School Improvement (income): Reduction in income for Interim Head Teachers placed in schools	+193	ELS	14-19 Unit (gross): planned underspend on KS4 Engagement Programme to help offset overspend in Connexions	-250
ELS	Governor Services (income): reduction in expected levels of income from schools	+177	ELS	Learners with Additional Needs (gross): staffing underspend for Standards in Specialist Settings and cessation of the Kent Panel	-164
ELS	Schools Cleaning and Refuse (income): under-recovery of expected income	+160	ELS	Learners with Additional Needs (gross): reduced expenditure for Specialist Teaching Services	-110
ELS	ELS Strategic Management & Directorate support budgets (gross): Staffing overspends	+158	ELS	Strategic Management (gross): planned underspend on Building Maintenance - Non operational holdings	-100
ELS	Home to college transport (gross): increased demand for service	+150			
ELS	Learners with Additional Needs (income): reduced income for Specialist Teaching Services	+110			
		+9,198			-5,924

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 draft 2012-15 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 +£3.032m, +£4.248m against the schools delegated budgets and an underspend of £1.216m against the non-delegated budget.

In addition, there is a £1.2m underspend on the Early Years Quality & Outcomes Team, which it is proposed is transferred to a corporate reserve to support next years budget and this will be drafted into the 2012-13 MTFP, subject to Cabinet approval.

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 17th October 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	350,133	161,192	147,244	75,848	87,290	821,707
Adjustments:						0
- Re-phasing August Monitoring		-7,914	5,550	-356	2,720	0
- Devolved Capital - PRUs		-9	-8	-8	-8	-33
- BN - Ashford Primary Schools		-1,042	794			-248
Revised Budget	350,133	152,227	153,580	75,484	90,002	821,426
Variance		-36,365	-10,387	+31,872	+7,599	-7,281
split:						
- real variance		-6,589	-1,012	-735	+1,055	-7,281
- re-phasing		-29,776	-9,375	+32,607	+6,544	0
Devolved Capital to Schools						
Budget	38,681	24,720	13,911	3,911	3,911	85,134
Adjustments:						0
- Increase to grant			569	569	569	1,707
- Completed projects	-36,460					-36,460
Revised Budget	2,221	24,720	14,480	4,480	4,480	50,381
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	352,354	176,947	168,060	79,964	94,482	871,807
Variance	0	-36,365	-10,387	31,872	7,599	-7,281

Real Variance	0	-6,589	-1,012	-735	1,055	-7,281
Re-phasing	0	-29,776	-9,375	32,607	6,544	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						
ELS	BSF Wave 3 - Build Programme	phasing		683		
ELS	Non delegated PRU's	real	481			
			+481	+683	+0	+0
Underspends/Projects behind schedule						
ELS	Academy Projects - Approval to Plan	phasing			-28,862	
ELS	Academy Projects - Approval to Plan	real			-3,819	
ELS	BSF Wave 5 Unit Costs	real		-2,558		
ELS	Halfway House PS	phasing	-855			
ELS	BSF Wave 5 Unit Costs	phasing		-500		
ELS	BSF Wave 3 Units Costs	real		-422		
ELS	BSF Unit Costs	real		-422		
ELS	BSF Wave 4 Units Costs	real		-319		
ELS	Wyvern School	phasing		-309		
			-855	-4,530	-32,681	-0
			-374	-3,847	-32,681	0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Academy Programme – Approval to Plan - re-phasing of -£28.862m

Re-phasing is required for the following Academies: St Augustine, Duke of York, John Wallis, The Knole, Wilmington Enterprise & Dover Christchurch.

The programme has re-phased by £28.862mn which represents 87.9% of the total value of the programme. There is an underspend of -£2.764m which is discussed on 1.2.5 below.

In July 2010 both the BSF and Academies programmes were stopped due to the Government's spending cuts.

Whilst some Academy schemes were subsequently allowed to proceed, all of the Batch 2 Academies, together with the Duke of York Royal Military Academy (DoYRMA), were subject to a further review (which included questionnaires, detailed submissions, site visits etc) to determine their capital allocation. Revised capital allocations were notified in January 2011, however these remained subject to challenge until into the new financial year.

Partnerships for Schools (PfS) continued to review the phasing of these Academies based on their national funding allocations for each financial year and several amendments were made to the Kent programme.

Development work, including the new feasibility stage introduced by PfS, started on the Batch 2 Academies and the DoYRMA following the signing of the design and build contracts for the Skinners' Kent Academy (with Willmott Dixon) in July 2011. The development programme and the construction works for these new academies have been designed to follow the new timescales recently introduced by PfS.

Revisions to the phasing and capital allocations for these Batch 2 Academies, which have now all been confirmed by PfS, and have now been incorporated into the capital programme. However, these remain subject to further change as development work progresses and through the various approval stages set by the DFE and PfS.

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget	366	32,851	45,594	7,608		86,419
Forecast	366	170	35,305	40,215	7,599	83,655
Variance	0	-32,681	-10,289	+32,607	+7,599	-2,764
FUNDING						
Budget:						
grant	366	32,851	45,594	7,608		86,419
TOTAL	366	32,851	45,594	7,608	0	86,419
Forecast:						
grant	366	170	35,305	40,215	7,599	83,655
TOTAL	366	170	35,305	40,215	7,599	83,655
Variance	0	-32,681	-10,289	+32,607	+7,599	-2,764

1.2.5 Projects with real variances, including resourcing implications:

The variance over the lifetime of the Medium Term Plan shows an underspend of £7.281m. The split of this variance across the years of the MTFP is -£6.589m in 2011-12, -£1.012m in 2012-13, -£0.735m in 2013-14 & +£1.055m in later years.

Academy Projects – Approval to Spend: -£0.581m (+£0.192m in 2011-12, -£0.038m in 2012-13 and -£0.735m in 2013-14): The net underspend is due to the following:

- Alignment of the final contract sum (excluding ICT) with the profiled spend for the Spires and Skinners Academy has indicated underspends of £0.100m and £0.751m respectively.
- +£0.270m overspend on the Longfield Academy due to settlement of a compensation event.
- A review of the grant funding for Academies from the Department for Education (DfE) has indicated that there is a shortfall of £3.880m. The proposal is to use the underspend declared against Building Schools for the Future Unit Costs to cover the shortfall in funding.

Academy Projects – Approval to Plan: -£2.765m (-£3.819m in 2011-12, -£0.001m in 2012-13 and +£1.055m in future years): There is a net overstatement of grant funding for academies which was highlighted following a review of the DfE grant for Academies.

Academy Unit Costs: +£0.238m (in 2011-12): The overspend is due to increased development activity on the second batch of Academies. The proposal is the fund the overspend from the underspend against Building Schools for the Future Unit Costs.

Building Schools for the Future Unit Costs: -£4.661m (-£3.721m in 2011-12 & -£0.940m in 2012-13): The underspend is made up of the following:

- BSF Wave 5 Unit Costs -£2.558m (in 2011-12) is due to a £3.000m accrual had been set up in relation to known compensation claims for asbestos in the 2010-11 accounts which are now being met from elsewhere within the capital programme. An amount of £0.500m in 2011-12 and a further £0.500m in 2012-13 have been provided, within the current forecasts, for further compensation claims.
- BSF Wave 3 Unit Costs -£0.962m (-£0.422m in 2011-12 & -£0.540m in 2012-13) is due to the development costs being reduced in line with the expected costs to be incurred on the remainder of the Wave 3 Build programme.
- BSF Unit Staffing Costs -£0.822m (-£0.422m in 2011-12 & -£0.400m in 2012-13). The Staffing costs for the BSF & Academies Project Team have been reduced as a result of the down-sizing of the BSF & Academies programme. If the Authority were to be successful in either the Judicial Review claim for Wave 4 or under the Priority Schools Build Programme then the level of resources would need to be reviewed.
- BSF Wave 4 Unit Costs -£0.319m (in 2011-12) is due to the development costs being reduced as a result of the stopping of the BSF programme. If the Authority was successful in the Judicial Review claim for Wave 4 then these costs would need to be reinstated.

As referred to above £4.118m is required to cover the shortfall/overspend against the Academy programme, taking this into consideration there is a real underspend of £0.543m. **Members are asked to approve the transfer of funding to the Academy programme.**

Pupil Referral Units: +£0.481m (in 2011-12): This overspend relates to additional expenditure in 2011/12 which is to be fully funded by Revenue Contributions to Capital. This revenue contribution has been made to take account of & compensate for the 80% reduction in Devolved Formula Capital (DFC) allocations from the DFE knowing that the PRU service had already committed itself to funding a capital programme in 2011-12 based on the assumption that DFC would continue at the same level as received in previous years.

Goat Lees Primary School: +£0.242m (+£0.186m in 2011-12 & +£0.056m in 2012-13): the overspend is due to a shortfall in funding that can be assigned to this. The funding gap has been met from savings elsewhere within the capital programme.

Capital Strategy & Corporate Property: -£0.197m (-£0.097m in 2011-12 & -£0.100m in 2012-13). The outturn forecast has been updated to bring the 2011-12 forecast more in line with the 2010/11 actual spend.

Overall this leaves a residual balance of -£0.038m on a number of more minor projects.

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
	£k	£k	£k	£k	£k
Modernisation Programme - Wrotham School					
Amended total cash limits	+617	+2,377	+6	0	+3,000
re-phasing	-108	+105	+3	0	0
Revised project phasing	+509	+2,482	+9	0	+3,000
Halfway House Primary School					
Amended total cash limits	+1,833	+367	0	0	+2,200
re-phasing	-855	+855	0	0	0
Revised project phasing	+978	+1,222	0	0	+2,200
Wyvern School (Special Schools Review - Phase 2)					
Amended total cash limits	+1,966	+890	0	0	+2,856
re-phasing	-309	+309	0	0	0
Revised project phasing	+1,657	+1,199	0	0	+2,856
Unit Review					
Amended total cash limits	+1,875	+1,514	+11	0	+3,400
re-phasing	+180	-175	-5	0	0
Revised project phasing	+2,055	+1,339	+6	0	+3,400
Building Schools for the Future - Wave 3					
Amended total cash limits	+4,619	+4,183	0	0	+8,802
re-phasing	+683	-683	0	0	0
Revised project phasing	+5,302	+3,500	0	0	+8,802
BSF Wave 5 - Unit Costs					
Amended total cash limits	+530	0	0	0	+530
re-phasing	-500	+500	0	0	0
Revised project phasing	+30	+500	0	0	+530
John Wallis Academy					
Amended total cash limits	+5,344	+2,724	0	0	+8,068
re-phasing	-4,859	+2,352	+2,507	0	0
Revised project phasing	+485	+5,076	+2,507	0	+8,068
Wilmington Enterprise Academy					
Amended total cash limits	+2,067	+9,306	+2,327	0	+13,700
re-phasing	-1,223	-2,878	+4,101	0	0
Revised project phasing	+844	+6,428	+6,428	0	+13,700
The Knole Academy					
Amended total cash limits	+2,538	+10,420	+4,342	0	+17,300
re-phasing	-2,015	-2,031	+4,046	0	0
Revised project phasing	+523	+8,389	+8,388	0	+17,300

	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
Dover Christchurch Academy					
Amended total cash limits	+1,602	+6,522	+939	0	+9,063
re-phasing	-1,602	-3,138	+4,136	+604	0
Revised project phasing	0	+3,384	+5,075	+604	+9,063
St Augustines Academy					
Amended total cash limits	+12,400	0	0	0	+12,400
re-phasing	-11,545	+3,948	+5,697	+1,900	0
Revised project phasing	+855	+3,948	+5,697	+1,900	+12,400
Duke of York Academy					
Amended total cash limits	+8,900	+16,622	0	0	+25,522
re-phasing	-7,618	-8,542	+12,120	+4,040	0
Revised project phasing	+1,282	+8,080	+12,120	+4,040	+25,522
Total re-phasing >£100k	-29,771	-9,378	+32,605	+6,544	0
Other re-phased Projects below £100k	-5	+3	+2		0
TOTAL RE-PHASING	-29,776	-9,375	+32,607	+6,544	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:

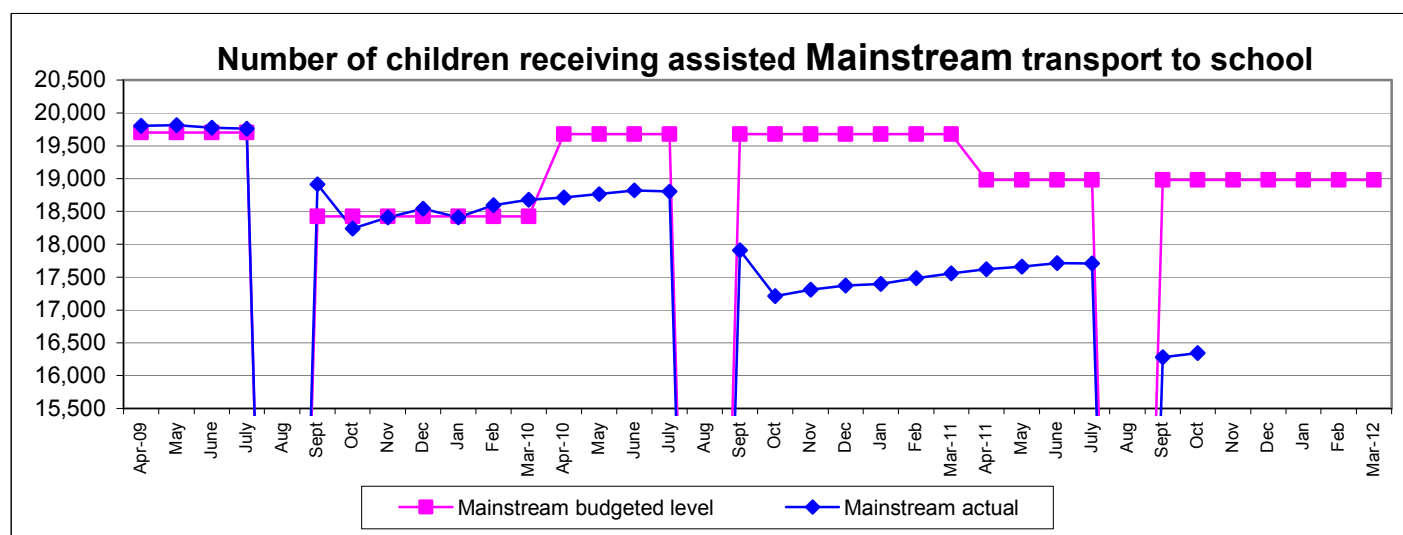
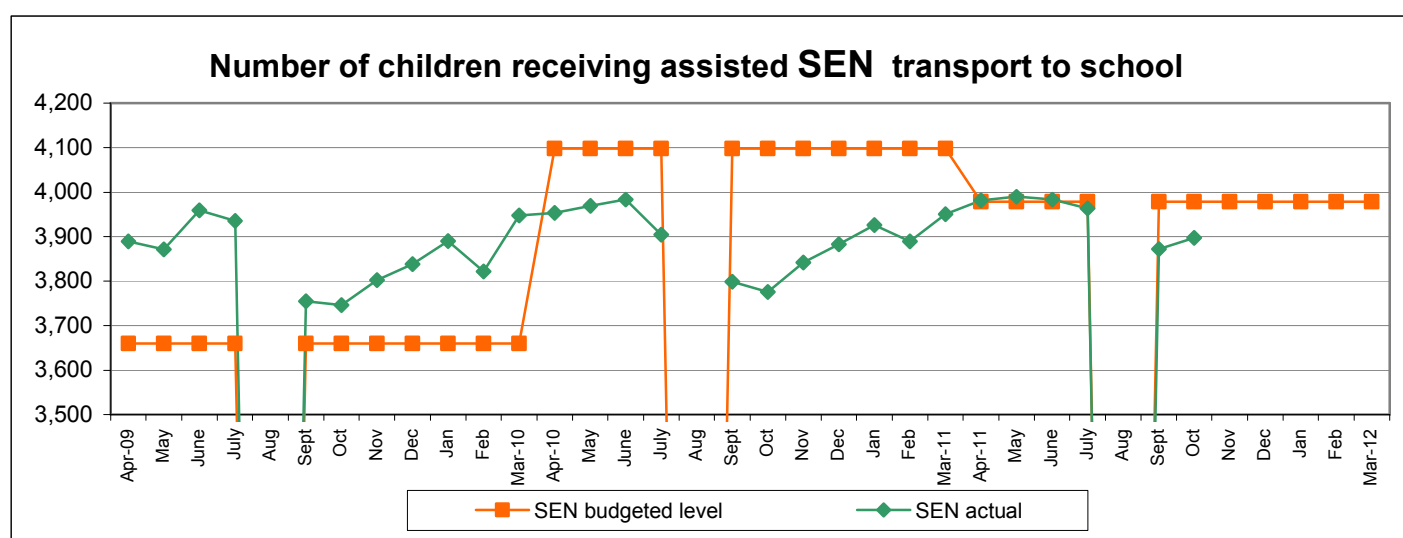
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
	as at 31-3-06	as at 31-3-07	as at 31-3-08	as at 31-3-09	as at 31-3-10	as at 31-3-11	projection
Total number of schools	600	596	575	570	564	538	488
Total value of school reserves	£70,657k	£74,376k	£79,360k	£63,184k	£51,753k	£55,190k	£50,942k
Number of deficit schools	9	15	15	13	23	17	9
Total value of deficits	£947k	£1,426k	£1,068k	£1,775k	£2,409k	£2,002k	£824k

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 £4,248k includes £5,748k which represents the estimated reduction in reserves resulting from 50 schools converting to academy status. In addition the first budget monitoring returns from schools detailing their six monthly forecasts were received during October and they show that school reserves will increase by approximately £1,500k during the 2011-12 financial year. Schools have traditionally been cautious in their financial forecasting, however the new tighter balance control mechanism is now in operation for its third year and we believe that the overall level of school reserves have reached their optimum operational level. We are therefore not expecting reserves to change significantly this year.

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	3,872	18,982	16,282
Oct	3,660	3,746	18,425	18,239	4,098	3,776	19,679	17,211	3,978	3,897	18,982	16,348
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	

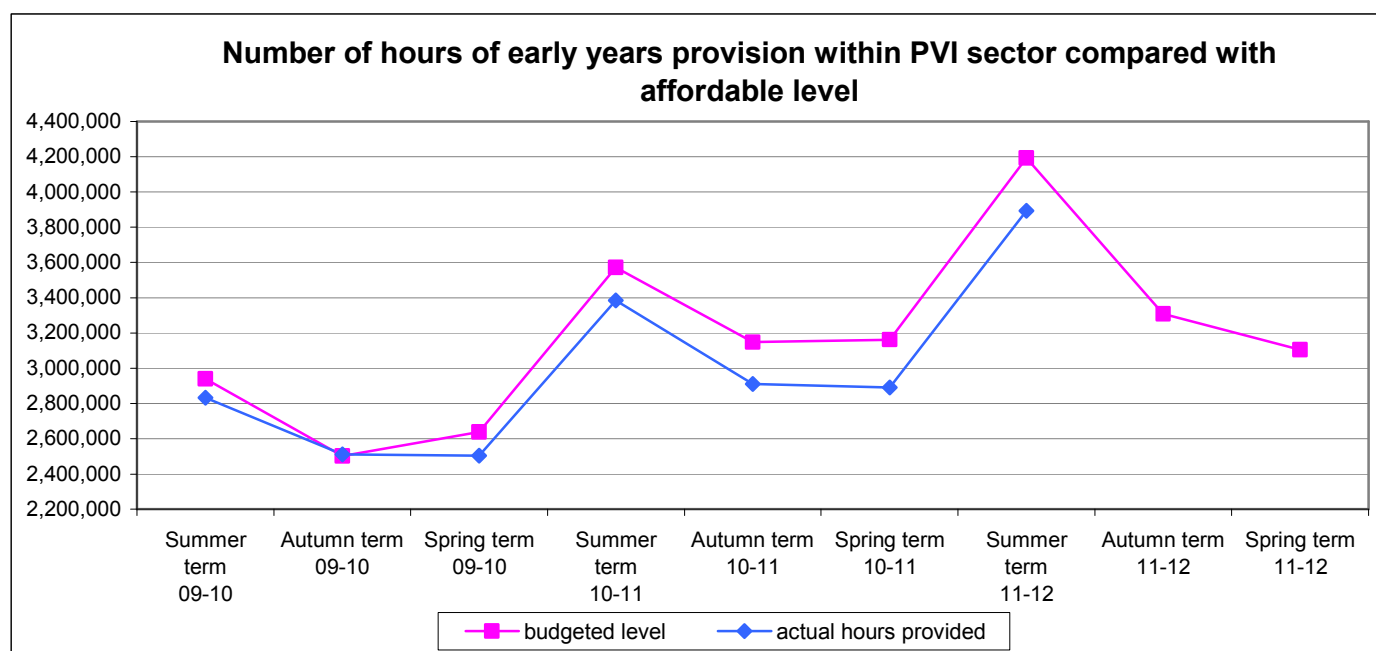


Comments:

- **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 DFE 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 OCTOBER 2011-12 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect the agreed split of the Early Years budget, with a transfer of £7.975m gross and income from the SCS portfolio to the ELS portfolio/directorate for the “standards and quality assurance in early years settings”, leaving only the “provision of early years and childcare” within the SCS portfolio. There have also been 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, and includes the £16.226m NHS Support for Social Care, details of which were included in item 9 of the 19 September Cabinet agenda. It has been assumed in this report that all of this funding is transferred to reserves and drawn down as expenditure is incurred in line with detailed plans to be jointly agreed with health. **Cabinet is asked to approve this treatment of the £16.226m funding.** This has been added to both gross and income budgets within the Other Adult Services budget line.

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

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Specialist Children's Services portfolio							
Strategic Management & Directorate Support Budgets	4,427	-2,242	2,185	-73	-27	-100	
<u>Services for Schools:</u>							
Early Years & Childcare Advisory Service	5,492	-5,492	0	-724	58	-666	Renegotiated NCMA contract
<u>Social Services for Children:</u>							
16+ Service	8,988		8,988	887	0	887	Fostering & residential activity above affordable level, increased leaving care payments, staffing pressure
Adoption Service	7,147	-49	7,098	669	-19	650	Special Guardianship Orders & staffing pressure
Asylum Seekers	14,525	-14,245	280	1,213	-396	817	Client numbers greater than budgeted, Support for ineligible 18+, increased grant income
Childrens Support Services	3,414	-1,940	1,474	80	6	86	
Fostering Service	31,323	-407	30,916	6,549	7	6,556	Activity above affordable level, increased carer allowances, legal costs
Other Preventative Services	16,671	-8,541	8,130	-207	-2	-209	Savings on direct payments; pressure on day care; increased S17 payments; Link placement scheme finishing earlier than anticipated
Residential Children's Services	10,932	-2,533	8,399	2,711	-34	2,677	Activity above affordable level, lower demand for secure accommodation

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Safeguarding	4,142	-373	3,769	-22	-70	-92	
	97,142	-28,088	69,054	11,880	-508	11,372	
Support for Individual Children							
- Children's Centres	18,259	-17,372	887	-451	0	-451	Staffing saving
- Integrated Looked After Children's Service	2,632	-704	1,928	-45	-2	-47	
	20,891	-18,076	2,815	-496	-2	-498	
Intermediate Services							
- Assessment of Vulnerable Children	39,299	-2,520	36,779	2,623	-105	2,518	Increased support in response to OfStEd
Total SCS portfolio	167,251	-56,418	110,833	13,210	-584	12,626	
Adult Social Care & Public Health portfolio							
Strategic Management & Directorate Support Budgets	9,946	-755	9,191	303	-152	151	SEAP contract, additional staffing & associated income
Adults & Older People:							
- Direct Payments							
- Learning Disability	10,837	-736	10,101	-560	336	-224	Activity & unit cost lower than affordable level; income: unit charge lower than budgeted level
- Mental Health	732		732	-122	0	-122	Activity below affordable level
- Older People	6,359	-665	5,694	-590	42	-548	Activity & unit cost lower than affordable level
- Physical Disability	8,248	-353	7,895	396	-37	359	Activity & unit cost above affordable level
Total Direct Payments	26,176	-1,754	24,422	-876	341	-535	
- Domiciliary Care							
- Learning Disability	7,603	-1,454	6,149	-1,156	57	-1,099	Activity below affordable level; unit cost above affordable level
- Mental Health	898	0	898	-312	0	-312	Activity below affordable level; unit cost above affordable level
- Older People	47,704	-11,925	35,779	-2,822	1,187	-1,635	Activity & unit cost below affordable level; reduced income due to reduction in activity & lower unit charge
- Physical Disability	7,684	-539	7,145	-1	2	1	
Total Domiciliary Care	63,889	-13,918	49,971	-4,291	1,246	-3,045	
- Nursing & Residential Care							
- Learning Disability	75,502	-23,389	52,113	3,479	-1,144	2,335	Non Preserved Rights activity & unit cost higher than affordable level; reduced Preserved Rights activity but increased unit cost
- Mental Health	6,737	-846	5,891	112	231	343	Unit cost above budget level; more Section 117 clients who do not contribute to costs
- Older People - Nursing	45,547	-22,070	23,477	224	-466	-242	Activity greater than budgeted offset by lower unit cost

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Older People - Residential	88,658	-36,594	52,064	-2,310	1,014	-1,296	Activity below budgeted level, offset by higher unit cost; Modernisation of in house services
- Physical Disability	12,305	-1,786	10,519	1,306	28	1,334	Activity above affordable level offset by lower unit cost
Total Nursing & Residential Care	228,749	-84,685	144,064	2,811	-337	2,474	
- Supported Accommodation							
- Learning Disability	31,227	-18,857	12,370	-397	-202	-599	unit cost lower than budget
- Physical Disability/Mental Health	1,313	-255	1,058	956	-102	854	Activity above affordable level
Total Supported Accommodation	32,540	-19,112	13,428	559	-304	255	
- Other Services for Adults & Older People							
- Contributions to Vol Orgs	14,912	-902	14,010	-303	-29	-332	Contract renegotiation & recommissioning
- Day Care				0	0		
- Learning Disability	13,197	-284	12,913	-334	51	-283	Reduced staffing levels, efficiencies from improved data quality
- Older People	4,086	-157	3,929	-433	-6	-439	Recommissioning strategies
- Physical Disability/Mental Health	1,302	-1	1,301	-19	1	-18	
Total Day Care	18,585	-442	18,143	-786	46	-740	
- Other Adult Services	30,365	-24,411	5,954	-379	435	56	provision of meals below affordable
Total Other Services for A&OP	63,862	-25,755	38,107	-1,468	452	-1,016	
- Intermediate Services							
- Assessment of Vulnerable Adults & Older People	40,983	-3,636	37,347	-1,035	170	-865	Vacancy Management, reduced recharges to health, prudent non allocation of funds
Total ASC&PH portfolio	466,145	-149,615	316,530	-3,997	1,416	-2,581	
Total Families & Social Care controllable	633,396	-206,033	427,363	9,213	832	10,045	
Assumed Management Action							
- SCS portfolio						0	
- ASC&PH portfolio						0	
Forecast after Mgmt Action				9,213	832	10,045	

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 £12,626k, details of those variances in excess of £100k, are detailed below.

1.1.3.1 Early Years & Childcare Service: -£666k (-£724k gross, +£58k 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. 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, which is also forecasting a minor under spend as a result of holding vacancies, there are also minor

variances on the Market Development Team and Grants to Providers. The budget for this team will be moved to the Children's Centres A-Z budget line in 2012-13.

1.1.3.2 16+ Service: +£887k gross

An increase of £279k in Independent Fostering Payments spend is contributing to the forecast pressure. This is due to a forecast variance of 476 weeks support above the affordable level (+£480k), coupled with a reduction in the unit cost of placements, of £168 per client week compared to the affordable level (-£201k).

There is a forecast pressure of +£112k on Non-Related (in-house) Fostering. This is due to forecast activity being 152 weeks more than the affordable level (+£61k) and the weekly unit cost being £7 over the affordable level (+£51k).

An increase in spend of +£68k in the Private & Voluntary residential placements is also a contributor to the overall pressure. This is due to an extra 53 weeks support in residential care above the affordable level (+£161k), as a result of 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. This has been offset by the average cost of a placement costing less than anticipated, saving £93k.

In addition, £28k of the forecast pressure is as a result of the team now being fully staffed to meet the increased demand on these services as demonstrated by the higher activity seen so far in 2011-12.

This increase in activity has also resulted in higher than anticipated payments to Care Leavers and Relevant Children (+£400k). (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").

1.1.3.3 Adoption Service: +£650k (+£669k gross, -£19k income)

The current forecast variance of £650k includes £199k as a result of an increase of staff in the Adoption Team.

There is an increase in costs relating to Special Guardianship Orders (SGO) of £364k where the latest quarters trend has increased by 21% 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.

The remaining variance is due to the increasing number of adoption placements leading to an increase £87k.

1.1.3.4 Asylum Seekers: +£817k (+£1,213k gross, -£396k income)

Of the gross pressure £800k 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 100 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 to 712 at the end of September, this remains higher than the 700 originally budgeted for. In total we are forecasting 550 weeks of support above the budgeted level. These are spread between over 18s (365 weeks, £58k) and under 18s (185 weeks, £285k).

The current forecast includes a pressure of £70k to reflect the issues currently encountered in reducing the over 18s unit cost to the target of £150 per week.

As a result of the increased client numbers our forecast grant income has increased by £396k.

The UKBA has changed its grant rules this year 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 local authority carries out a Human Rights Assessment before continuing support. We are currently seeking legal advice regarding this change so, any additional costs arising from this requirement are not included in the forecast. There is on-going correspondence on this matter between the Leader of KCC and the Minister for Immigration.

1.1.3.5 Fostering Service: +£6,556k (+£6,549k gross, +£7k income)

The forecast assumes that the current level of placements remains constant for the remainder of the financial year.

Non-Related Fostering (in-house) is forecasting a gross pressure of £2,260k. This is as a result of the forecast number of weeks of service being 7,261 higher than the affordable level of 41,800, which generates £2,894k of the current pressure. Additionally, the unit cost being £13 lower than previously estimated when setting the cash limit has reduced the pressure by -£634k. There is a slight (£2k) pressure arising from income.

Independent Fostering is forecasting a gross pressure of £2,027k. Again, this is as a result of a significant increase in weeks support, which is 2,210 higher than the affordable level of 3,990 and results in a pressure of £2,386k. However the average weekly cost is £58 lower than budgeted, and this reduces the net pressure by £359k. There is a slight (£5k) pressure arising from income

A pressure of £267k is forecast for Related Foster payments, together with a pressure of £440k for Kinship Non LAC, which are both mainly due to a potential increase in allowances paid to related foster carers. 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, £437k has been included in the forecast for 2011-12 for this, (Related Foster payments £200k and Kinship Non LAC £237k).

The balance of the pressure on Kinship Non LAC, (non LAC children placed with relatives), of £203k is primarily due to increased demand for this service with the forecast number of weeks support being 2,100 higher than affordable. (*Neither Related Fostering nor Kinship Non LAC is included in the activity shown at Section 2.2.*)

Legal costs are showing a pressure of £1,621k, this is based on the latest information received from Legal Services.

The County Fostering Team is forecasting an under spend of £66k.

1.1.3.6 Other Preventative Services: -£209k (-£207k gross, -£2k income)

As a result of an on-going review of need, we have been able to reclaim/reduce a number of direct payments and also, there has not been the transfer of clients on to direct payments that was anticipated, generating a saving of £556k.

There is a pressure of £274k on the cost of Day Care services largely as a result of the reduced transfer of clients to direct payments mentioned above.

There is a pressure of £307k on Section 17 payments (Preventative & Supportive 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.

The Link Placement scheme is due to end earlier than originally anticipated, this will generate savings of £144k.

Other small savings totalling £90k have been reported against other forecasts on this service line.

1.1.3.7 Residential Children's Services: +£2,677k (+£2,711k gross, -£34k income)

The forecast assumes that the current level of placements remains constant for the remainder of the year.

Of the pressure within residential services, £2,326k (+£2,134k gross, +£192k income) relates to non disabled Independent Sector Residential Provision. This is due to the forecast number of client weeks being 639 higher than the affordable level and results in a pressure of £1,959k. However, the gross unit cost is higher than the planned level adding £175k to the pressure. In addition, as a result of fewer children than anticipated attracting Health and/or Education funding, our income forecast is £192k lower than budgeted.

Independent Sector residential care for children with a disability is showing a pressure of £405k (+£624k gross, -£219k income). This is due to an increase in activity of 275 weeks of care above the affordable level, which results in a pressure of £787k, but this is mitigated by a gross unit cost being lower than affordable giving a saving of £163k. However, due to more children than anticipated attracting Health and/or Education funding our income forecast is £219k higher than budgeted for.

An underspend is forecast for Secure Accommodation of £232k based on current activity.

KCC Residential care shows a pressure of £112k (£102k gross, £10k income) due to increased use of permanent relief staff. Non-LAC residential is showing a pressure of £66k (£83k gross, -£17k income)

The forecast variances explained above include £1,150k of unachievable savings relating to High Cost Placements (£750k) and Out County Placements (£400k). It has not been possible to achieve these savings due to the increasing number of looked after children (LAC) during the latter part of 2010-11 and early part of 2011-12.

1.1.3.8 Children's Centres: -£451k gross

Forecasts received from managers have identified a number of under spends across most centres, particularly in relation to staffing costs (£420k).

1.1.3.9 Intermediate Services - Assessment of Vulnerable Children: +£2,518k (+£2,623k gross, -£105k income)

Following the Ofsted inspection in 2010, teams have had to recruit additional staff, mainly agency social workers. Agency staff are being retained longer than previously forecast to assist newly qualified social workers who have started during the year. In some cases the costs of these agency staff are considerably higher than originally 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, but this still leaves a gross staffing pressure of £2,623k.

The -£105k income variance relates to numerous income lines each with less than a £100k variance.

Adult Social Care & Public Health portfolio:

Overall forecast net under spend of £2,581k, details of those variances, in excess of £100k, are detailed below.

1.1.3.10 **Strategic Management & Directorate Support Budgets (including safeguarding) +£151k (+£303k gross, -£152k income)**

There is a gross pressure of £303k as a result of: a pressure of £122k on safeguarding on the Support Empower Advocate Promote (SEAP) contract and a £120k pressure on strategic commissioning, primarily caused by the existence of additional posts which are funded by additional income from health of £126k. There is also a £76k pressure on legal services costs, work is ongoing to establish the cause of this. The remaining gross pressure and over recovery of income comprise a number of smaller variances, all below £100k.

1.1.3.11 **Direct Payments: -£535k (-£876k gross, +£341k income)**

a. Learning Disability -£224k (-£560k gross, +£336k income)

The forecast under spend against the gross service line of £560k is generated as a result of the forecast activity weeks being 451 (-£450k) lower than the affordable, coupled with a forecast unit cost being lower than the affordable by £9.90 (-£102k). The remaining variance is against one-off payments and payments to carers.

This service is forecasting an under recovery of income of £336k, because the actual average unit income being charged is £7.33 lower than the budgeted level.

b. Mental Health -£122k (gross)

The forecast number of weeks of care provided is 3,190 lower than anticipated generating a forecast under spend of £180k. There are minor pressures against price, and also in relation to one-off payments, for example for equipment, which reduce this saving to £122k

c. Older People -£548k (-£590k gross, +£42k income)

This budget line is forecast to underspend by £590k on gross expenditure. The number of weeks of care provided is forecast to be 3,554 fewer than budgeted, generating a saving of £470k, in addition the unit cost is lower than budgeted by £2.42, therefore generating an under spend of £112k. The remaining gross variance of is due to one-off payments.

d. Physical Disability +£359k (+£396k gross, -£37k income)

The unit cost is £4.25 above affordable levels generating a £193k pressure. The number of weeks of care provided is forecast to be 452 above the affordable level, generating a minor £84k pressure, there are also minor pressures from one-off payments, and an addition to the bad debt provision, which total £119k

1.1.3.12 **Domiciliary Care: -£3,045k (net), (Gross -£4,291k, Income +£1,246k)**

a. Learning Disability -£1,099k (-£1,156k gross, +£57k income)

The overall forecast is an under spend against gross of £1,156k, coupled with an under recovery of income of £57k. The number of hours is forecast to be 153,366 lower than the affordable level, generating a £1,825k forecast under spend. The actual unit cost is £1.34 higher than the affordable level, increasing the forecast by £546k. The remaining variance of +£123k against gross, is comprised of many smaller variances including Extra Care Sheltered Housing and Independent Living Service (ILS).

b. Mental Health -£312k gross

There is a gross underspend forecast of £312k. Forecast hours are 23,000 below the affordable level, creating an under spend of £434k, whilst the unit cost is forecast to be £2.26 higher than affordable, which reduces this saving by £122k.

c. Older People -£1,635k (-£2,822k gross, +£1,187k income)

The overall forecast is an under spend against gross of £2,822k, coupled with an under recovery of income of £1,187k. The number of hours is forecast to be 57,273 lower than the affordable hours generating a £858k forecast underspend. The actual unit cost is £0.51 lower than the affordable level, increasing that initial forecast underspend by a further £1,266k.

The trend of activity to date continues to appear low compared to the current forecast. Further quality assurance work is being undertaken to verify this trend, where it currently appears that approximately 68% of all individuals receiving an enablement service do not then require an ongoing domiciliary care package; the outcome of this work could result in a further reduction in forecast hours, and hence cost.

The Kent Enablement at Home (KEaH), in house service is forecasting a gross underspend of £455k, which is the cumulative effect of less hours of service than budgeted being forecast, and resultant savings in staffing costs. A saving of £210k is also forecast against block domiciliary contracts, as a result of savings on non-care related costs, and where negotiations to have an element of unused hours refunded has been successful.

Within this budget line is a forecast of £447k of unachievable savings, however this is fully offset by other funds which have been uncommitted. Of this £447k, £100k relates to the domiciliary

enhanced procurement element as a result of a delay in notice being served to contractors, with the remainder relating to the delay in implementing the revised charging policy.

The remaining gross variance comprises several smaller variances below £100k, including enablement, provisions for bad debt and extra care housing.

The reduction in activity is forecast to yield an under recovery of income of £1,087k, this is coupled with a slight reduction in actual average unit income being charged, which generates a further £219k income pressure, offset slightly by several small income over-recoveries including extra care housing and enablement.

1.1.3.13 **Nursing & Residential Care: +£2.474k (net), (Gross +£2,811k, Income -£337k)**

a. Learning Disability +£2,335k (+£3,479k gross, -£1,144k income)

The overall forecast for residential care is a pressure on gross of £3,479k, partially offset by an over recovery of income of -£1,144k, giving a net pressure of £2,335k. The number of client weeks provided is forecast to be 2,325 higher than the affordable level at a cost of £2,883k. As detailed within section 2.8.1, the forecast activity for this service is based on known individual clients, by individual periods of service, including provisional, transitional and ordinary resident clients. (Provisional clients are those who may move from domiciliary/direct payments to residential as a result of deterioration in their condition/personal requirements, as well as clients already in receipt of residential care, but whose personal/financial circumstances deteriorate). The activity trend to date may appear to be low when considered alongside the forecast, in some cases this is as a result of timing differences between when the clients are added into SWIFT (the client activity system), compared to the inclusion within the financial forecast, which maybe as a result of disputes or independent contract negotiations. In addition, there is expected to be increased take-up in the second half of the year. The actual unit cost is £1,240.17, which is £10.98 higher than the affordable level and creates a pressure of £422k.

There are also variances on the preserved rights lines, where activity is forecast to be 4,170 weeks lower than affordable. This reduction in activity creates a saving of £2,934k, however the unit cost is more than afforded, resulting in a pressure of £2,851k.

The remaining gross variance of +£257k comprises numerous individual variances below £100k. This includes in-house provision as a result of providing additional 1 to 1 support, minor variances on RNCC, and on agency staff at in house provision required to cover sickness, as well as replacement costs of essential equipment at units.

The additional forecast client weeks for residential care add £207k of income, and the actual income per week is higher than the expected level by £18.29 which generates a further over-recovery in income of £704k.

There are also individual minimal variances below £100k, on other service lines which have the effect of a further £233k over recovery in income. This includes preserved rights, RNCC, and an over recovery of non-client income on the main residential line.

Also, within this budget line is a forecast of £746k of unachievable procurement savings as a result of a delay in notice being served to contractors, however this is fully offset by other funds which have been uncommitted.

b. Mental Health +£343k (+£112k gross, +£231k income)

The forecast for residential care, including Preserved Rights clients, is a gross pressure of £112k and an under-recovery of income of £231k, leaving a net pressure of £343k. The forecast level of weeks of care is 69 lower than the affordable level at a saving of £40k. The actual unit cost is £13.39 higher than the affordable level, which creates a pressure of £130k. The forecast also assumes a significant under-recovery in income of £226k 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 -£242k (+£224k gross, -£466k income)

There is a forecast over spend of £224k on gross and an over recovery of income of £466k, leaving a net underspend of £242k. The forecast level of client weeks is 3,435 higher than the affordable level, at a forecast pressure of £1,594k. The unit cost is currently forecast to be £14.71 lower than budget, which gives a forecast under spend of £1,139k. The remaining -£231k

gross variance is due to a release of a provision and unrealised creditors following a review of the balance sheet.

The increased activity, has resulted in a forecast over recovery of income of £586k, offset by a slight reduction in the average unit income being charged which reduces the position by £120k.

d. Older People- Residential -£1,296k (-£2,310k gross, +£1,014k income)

This service is reporting a gross under spend of £2,310k, along with an under recovery of income of £1,014k. The forecast level of client weeks is 5,992 lower than the affordable levels, which generates a forecast under spend of £2,343k. However the unit cost is £3.22 higher than the affordable levels causing a £520k pressure. This is likely to be due to the increased proportion of dementia placements compared to those who are frail. Of the remaining forecast gross variance, -£381k reflects the savings against the In house provision, including Integrated Care centres (ICC), which are beginning to filter through, as part of the Modernisation Strategy. The remaining £106k comprises a number of smaller variances below £100k.

On the income side, the reduction in activity results in a £1,001k shortfall in income, however this is offset by a higher than budgeted average unit income being charged which has reduced this shortfall by £693k. In addition, there is a forecast under recovery of income of £706k for the In-house service & ICCs, mainly due to less permanent clients being placed in the homes because of the OP Modernisation Strategy.

Within this budget line is a forecast of £112k of unachievable savings relating to reducing waivers of top-ups, however this is fully offset by other funds which have been uncommitted.

We continue to expect some volatility in the forecast against this service line this year because of the impact of the Modernisation agenda.

e. Physical Disability + £1,334k (+£1,306k gross, +£28k income)

A gross pressure of £1,334k, along with an under recovery of income of £28k, is reported for this budget. The forecast level of client weeks of service is 1,755 higher than the affordable level, giving a forecast pressure of £1,487k. The forecast unit cost is currently £25.39 lower than the affordable level, which reduces that pressure by £307k. The remaining +£126k of forecast pressure is against the Preserved Rights service, where the forecast client weeks of service are currently 153 higher than the affordable level.

The additional activity is forecast to increase income by £164k, however the forecast weekly income is £17.42 lower than budgeted resulting in an under recovery of £190k.

1.1.3.14 Supported Accommodation: +£255k(net), (Gross +£559k Income -£304k)

a. Learning Disability -£599k (-£397k gross, -£202k income)

A gross under spend of £397k, coupled with an over recovery of income of £202k generates the above net forecast variance. The forecast level of client weeks is 475 higher than the affordable levels generating a £467k forecast pressure. As detailed in section 2.11.1, the forecast activity for this service is based on known individual clients, by individual periods of service, including provisional, transitional and ordinary resident clients. (Provisional clients are those who may move from residential care to supported accommodation as a result of changes to their personal requirements). The activity trend to date may appear to be low when considered alongside the forecast, in some cases this is as a result of timing differences between when the clients are added into SWIFT (the client activity system), compared to the inclusion within the financial forecast, which maybe as a result of ongoing contract negotiations. In addition, there is a planned move of residential preserved rights clients to supported accommodation in the second half of the year as well as an expected increased up-take in the service. The gross unit cost is currently forecast to be £29.33 lower than the affordable level, which generates a £886k forecast under spend. The remaining gross variance of +£22k comprises compensating variances each less than £100k, across other services such as group homes and link placements.

The increased activity creates a minimal over recovery of income; however the average unit income is higher than budgeted, so creates an over-recovery of income of £193k.

Within this budget line is a forecast of £208k of unachievable procurement savings as a result of fruitless negotiations with Providers, however this is fully offset by other funds which have been uncommitted.

b. Physical Disability/Mental Health +£854k (+£956k gross, -£102k income)

For the physical disability client group the forecast level of client weeks is 511 higher than the affordable level of weeks, creating a pressure of £465k, coupled with a higher than affordable unit cost level which adds a further minor pressure to the forecast.

There is also a minor over recovery of income.

For the mental health client group the forecast level of client weeks is 1,609 higher than the affordable level, generating a forecast pressure of £459k, offset by a minor variance in price. There is also a small over recovery in income for this client group.

1.1.3.15 Other Services for Adults & Older People

a. Contributions to Voluntary Organisations -£332k (-£303k gross, -£29k 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. We are currently working in conjunction with District Partnership Groups to continue to provide the service, but in a different way. The current effect of this is a forecast saving on the gross budget of £303k. The slight over recovery of income is due to increased Health funding.

b. Day Care -£740k (-£786k gross, +£46k income)

As a result of a culmination of a reduction in staffing levels against Learning Disability Day Services, improved data quality which has enabled efficiencies to be made in the provision of day care and clients ceasing to take up the service, this generates a forecast saving of £311k. A further £420k forecast gross saving relates to a number of re-commissioning strategies for both the in-house and independently provided services, mainly across the Older People client group. Minimal variances are currently reported against both the physical disability and mental health client groups.

c. Other Adult Services +£56k (-£379k gross, +£435k income)

There is a forecast under spend related to the provision of meals, where the volume of meals continues to fall creating a gross underspend of £421k and a £423k under recovery of income.

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: -£865k (-£1,035k gross, +£170k income)

The Mental Health assessment & related service contributes approximately £668k towards this forecast under spend as a result of both vacancy management through continuing to hold posts vacant and delaying any recruitment process pending the outcome of the internal restructure that is currently underway, alongside an historical difficulty in recruiting qualified social work staff. However this is partially offset by a forecast reduction in income, totalling £180k, as 3 of these vacant posts were previously funded by health. There are some other minor income variances totalling -£10k.

The remaining £367k 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.

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	Fostering - Gross - In house non related activity above affordable level	+2,894	ASCPH	Residential (learning disability) - Gross - Preserved rights activity below affordable level	-2,934
ASCPH	Residential (learning disability) - Gross - Activity above affordable level	+2,883	ASCPH	Residential (older people) - Gross - Activity below affordable level	-2,343
ASCPH	Residential (learning disability) - Gross - Preserved rights unit cost above affordable level	+2,851	ASCPH	Domiciliary (learning disabled) - Gross - Activity below affordable level	-1,825
SCS	Assessment of Vulnerable Children - Gross - Increased costs of staffing following the 2010 Ofsted inspection	+2,623	ASCPH	Domiciliary (older people) - Gross - Unit cost below affordable level	-1,266
SCS	Fostering - Gross - Independent sector activity above affordable level	+2,386	ASCPH	Nursing (Older people) - Gross - Unit cost below affordable level	-1,139
SCS	Residential - Gross - Independent sector activity higher than affordable level	+1,959	ASCPH	Supported Accomodation (learning disability) - Gross - Unit cost below affordable level	-886
SCS	Fostering - Gross - Pressure on legal costs	+1,621	ASCPH	Domiciliary (older people) - Gross - Activity below affordable level	-858
ASCPH	Nursing (Older people) - Gross - Activity above affordable level	+1,594	ASCPH	Residential care (Learning Disability) - uncommitted funds held to offset unacheivable savings	-746
ASCPH	Residential (physical disability) - Gross - Activity above affordable level	+1,487	ASCPH	Residential (learning disability) - Income - Average charge above budgeted level	-704
ASCPH	Domiciliary (older people) - income - Activity below affordable level	+1,087	ASCPH	Residential (older people) - Income average charge higher than budgeted level	-693
ASCPH	Residential (older people) - Income - Activity below affordable level	+1,001	ASCPH	Assessment of Vulnerable Adults - Gross - vacancy management within Mental Health A&R	-668
SCS	Asylum Seekers - Gross - Support to asylum seekers who are appeal rights exhausted & costs of first 25 eligible young people who are not eligible for grant	+800	SCS	Fostering - Gross - In house non related unit cost below budgeted level	-634
SCS	Residential - Gross - Disability activity above affordable level	+787	SCS	Early Years & Childcare - Gross - Renegotiation of NCMA contract	-600
ASCPH	Residential care (Learning Disability) - unacheivable Procurement savings	+746	ASCPH	Nursing - Income - Activity above affordable level (Older people)	-586
ASCPH	Residential (older people) - Income - In House loss of income as result of modernisation strategy	+706	SCS	Preventative Services - Gross - Savings made on direct payments	-556
ASCPH	Domiciliary (learning disabled) - Gross - Unit cost above affordable level	+546	ASCPH	Direct Payments (older people) - Gross - Activity below affordable level	-470
ASCPH	Residential (older people) - Gross - Unit cost above affordable level	+520	ASCPH	Domiciliary (older people) - Gross - In House activity below budgeted level	-455
SCS	16+ Service - Gross - Independent Sector Fostering activity above affordable level	+480	ASCPH	Direct Payments (learning disability) - Gross - Activity below affordable level	-450

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Supported Accomodation (learning disability) - Gross - Activity above affordable level	+467	ASCPH	Domiciliary (Older people) - uncommitted funds held to offset unacheivable savings	-447
ASCPH	Supported Accomodation (physical disability) - Gross - Activity above affordable level	+465	ASCPH	Domiciliary (mental health) - Gross - Activity below affordable level	-434
ASCPH	Supported Accomodation (mental health) - Gross - Activity above affordable level	+459	ASCPH	Other Adults Services - Saving due to under provision of meals	-421
ASCPH	Domiciliary (Older people) - unacheivable savings (procurement & delay in revised charging policy)	+447	ASCPH	Day Care (older people) - Gross - Recommissioning strategies	-420
SCS	Fostering - Gross - (Related Fostering & Kinship Non LAC) provision for reward payments to related foster carers	+437	SCS	Children's centres - Gross - savings made on staffing costs	-420
ASCPH	Other Adults Services - Lost income due to under provision of meals	+423	SCS	Asylum Seekers - Income - increased income as a result of increased client numbers	-396
ASCPH	Residential (learning disability) - Gross - Unit cost above affordable level	+422	ASCPH	Residential (older people) - Gross - In House savings as result of modernisation strategy	-381
SCS	16+ Service - Gross - Payments to Care Leavers & relevant children above affordable level	+400	ASCPH	Assessment of Vulnerable Adults - Gross - Prudent non-allocation of funds	-367
SCS	Adoption - Gross - increase in Special Guardianship Orders	+364	SCS	Fostering - Gross - Independent sector unit cost below budgeted level	-359
SCS	Asylum Seekers - Gross - Activity above affordable level for both under & over 18s	+343	ASCPH	Day Care (learning disability) - Gross - efficiencies from improved data quality and clients ceasing take-up of service	-311
ASCPH	Direct Payments (learning disability) - Income - Average charge lower than budgeted level	+336	ASCPH	Residential (physical disability) - Gross - Unit cost below budgeted level	-307
SCS	Preventative Services - Gross - increased section 17 payments	+307	ASCPH	Contributions to Voluntary Organisations - Gross - Recommissioning strategies	-303
SCS	Preventative Services - Gross - increased demand for day care due to fewer clients than anticipated transferring to direct payments	+274	SCS	Residential - Gross - Secure accomodation activity below affordable level	-232
ASCPH	Residential (mental health) - Income Increase in Section 117 clients who do not contribute to costs	+226	ASCPH	Nursing (Older people) - Gross - release of provision and unrealised creditors following review of balance sheet	-231
ASCPH	Domiciliary (older people) - income - Average unit charge below budgeted level	+219	SCS	Residential - Income - increase in number of disability clients attracting funding	-219
ASCPH	Supported Accomodation (Learning Disability) - unacheivable Procurement savings	+208	ASCPH	Domiciliary (older people) - Gross - Savings against block contracts	-210
SCS	Fostering - Gross - Kinship non-LAC activity above affordable level	+203	ASCPH	Supported Accomodation (Learning Disability) - uncommitted funds held to offset unacheivable savings	-208
SCS	Adoption - Gross - increase in staffing within adoption team	+199	ASCPH	Residential (learning disability) - Income - Activity above affordable level	-207

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
ASCPH	Direct Payments (physical disability) - Gross - Unit costs above affordable level	+193	SCS	16+ Service - Gross - Independent Fostering unit cost below affordable level	-201
SCS	Residential - Income - reduction in number of independent sector clients attracting funding	+192	ASCPH	Supported Accomodation (learning disability) - Income - Unit charge above budgeted level	-193
ASCPH	Residential (physical disability) - Income - Unit charge below budgeted level	+190	ASCPH	Direct Payments (mental health) - Gross - Activity below affordable level	-180
ASCPH	Assessment of Vulnerable Adults - income - loss of recharge income to health due to vacant posts	+180	ASCPH	Residential (physical disability) - Income - Activity above affordable level	-164
SCS	Residential - Gross - Independent sector unit cost higher than affordable level	+175	SCS	Residential - Gross - Disability Unit cost below affordable level	-163
SCS	16+ Service - Gross - Residential activity above affordable level	+161	SCS	Preventative Services - Gross - Link placement scheme ending earlier than budgeted	-144
ASCPH	Residential (mental health) - Gross - Unit cost above affordable level	+130	ASCPH	Management & Support - Income - Additional Commissioning staffing income from health	-126
ASCPH	Residential (physical disability) - Gross - Preserved Rights Activity above affordable level	+126	ASCPH	Direct Payments (older people) - gross - Unit cost lower than budgeted level	-112
ASCPH	Management & Support - Gross - Pressure on Support Empower Advocate Promote (SEAP) contract	+122	ASCPH	Residential (Older people) - uncommitted funds held to offset unacheivable savings	-112
ASCPH	Domiciliary (mental health) - Gross - Unit cost above affordable level	+122	ASCPH	Direct Payments (learning disability) - Gross - Unit cost lower than affordable level	-102
ASCPH	Management & Support - Gross - Additional Commissioning staffing costs	+120			
ASCPH	Nursing (Older people) - Income - Average charge below budgeted level	+120			
ASCPH	Residential (Older people) - unacheivable savings relating to reducing waivers of top-ups	+112			
SCS	Residential - Gross - (In house provision) increased use of relief staff	+102			
		+35,215			-25,183

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 MTFP 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 MTFP 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 MTFP 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]*

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.

Significant improvement has recently been informally reported within Specialist Children's Services following the unannounced OFSTED inspection in October. However, it is unlikely 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 to whom 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 7th October 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	59,691	12,629	5	0	0	72,325
Adjustments:						
- Dartford Civic Centre		30				30
						0
Revised Budget	59,691	12,659	5	0	0	72,355
Variance		211	0	0	0	211
split:						
- real variance		+211				+211
- re-phasing						0
Adults Social Care & Public Health Portfolio						
Budget	7,611	14,811	7,186	2,699	3,146	35,453
Adjustments:						
- Re-phasing August Monitoring		-2,442	2,027		415	0
- Completed Projects	-3,230					-3,230
- Tunbridge Wells Respite		-80				-80
- Active Lives - Bower Mount		-45				-45
- OP Integrated Specialist Services		274	58			332
- Broadmeadow Extension		-332				-332
						0
Revised Budget	4,381	12,186	9,271	2,699	3,561	32,098
Variance		-5,348	655	4,693	0	0
split:						
- real variance						0
- re-phasing		-5,348	+655	+4,693		0
Directorate Total						
Revised Budget	64,072	24,845	9,276	2,699	3,561	104,453
Variance	0	-5,137	655	4,693	0	211
Real Variance	0	+211	0	0	0	+211
Re-phasing	0	-5,348	+655	+4,693	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						
			+0	+0	+0	+0
Underspends/Projects behind schedule						
ASC&PH	Older Persons Integrated Specialist Services	phasing			-3,553	
ASC&PH	Dartford Town Centre - Trinity Centre	phasing			-999	
ASC&PH	IT Intrastructure Grant (Swift)	phasing			-610	
			0	-0	-5,162	-0
			0	-0	-5,162	-0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Older Persons Integrated Specialist Services re-phasing of £3.553m (in 2011-12)

At present the solution for the replacement of the Dorothy Lucy Centre has not been confirmed. One suggested solution is a new build and if this is the preferred option then construction would not commence until late summer 2012. The project has been re-phased to 2012-13 and 2013-14 to provide a more realistic spend profile.

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		3,553	58			3,611
Forecast			500	3,111		3,611
Variance	0	-3,553	+442	+3,111	0	0
FUNDING						
Budget:						
Dev Cont		76				76
Pru		274	58			332
Cap Rec		3,203				3,203
TOTAL	0	3,553	58	0	0	3,611
Forecast:						
Dev Cont			76			76
Pru			332			332
Cap Rec			92	3,111		3,203
TOTAL	0	0	500	3,111	0	3,611
Variance	0	-3,553	+442	+3,111	0	0

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of +£0.211m in 2011-12.

Specialist Children's Services portfolio:

Quarryfields/Aldington Eco Centre (formerly Schools Self Funded): +£0.211m (in 2011-12):

The development of the Aldington Eco Centre is a partnership project with Aldington and Bonnington Parish Council and Ashford Borough Council. Their contribution to the project was the provision of land free of charge and councillors support. Our contribution is the erection of the building and landscaping which is to be met from revenue.

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

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. Its original PFI had a credit of £75.090m. A value for money review is being undertaken by the Homes and Communities Agency (HCA) and Department for Communities and Local Government (DCLG) who 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. 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				35,210	35,210	70,420
Forecast				35,210	35,210	70,420
Variance						

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

Overall costs still as planned.

(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

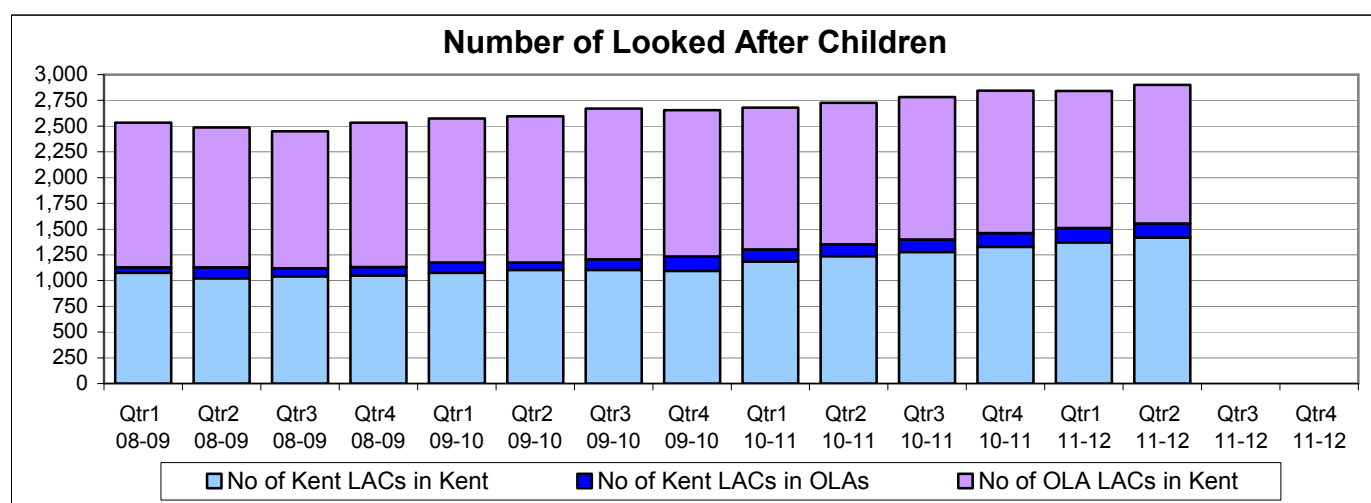
Cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m will be reported and the full extent of the re-phasing will be shown. The possible re-phasing is detailed in the table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

	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
Dementia Care Modernisation					
Amended total cash limits	+171	0	0	0	+171
re-phasing	-171	+171	0	0	0
Revised project phasing	0	+171	0	0	+171
Dartford Town Centre - Trinity Centre					
Amended total cash limits	+999	0	0	0	+999
re-phasing	-999	+499	+500		0
Revised project phasing	0	+499	+500	0	+999
Older Persons Strategy - Integrated Specialist Service Centre					
Amended total cash limits	+3,553	+58	0	0	+3,611
re-phasing	-3,553	+442	+3,111	0	0
Revised project phasing	0	+500	+3,111	0	+3,611
Older Persons Strategy - Integrated Care Centres					
Amended total cash limits	0	+1,082	0	0	+1,082
re-phasing	0	-1,082	+1,082	0	0
Revised project phasing	0	0	+1,082	0	+1,082
IT Infrastructure (Swift & Swift ISP)					
Amended total cash limits	+894	0	0	0	+894
re-phasing	-610	+610	0	0	0
Revised project phasing	+284	+610	0	0	+894
Total re-phasing >£100k	-5,333	+640	+4,693	0	0
Other re-phased Projects below £100k					
	-15	+15			
TOTAL RE-PHASING	-5,348	+655	+4,693	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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	1,419	135	1,554	1,347	2,901
Oct – Dec					
Jan – Mar					

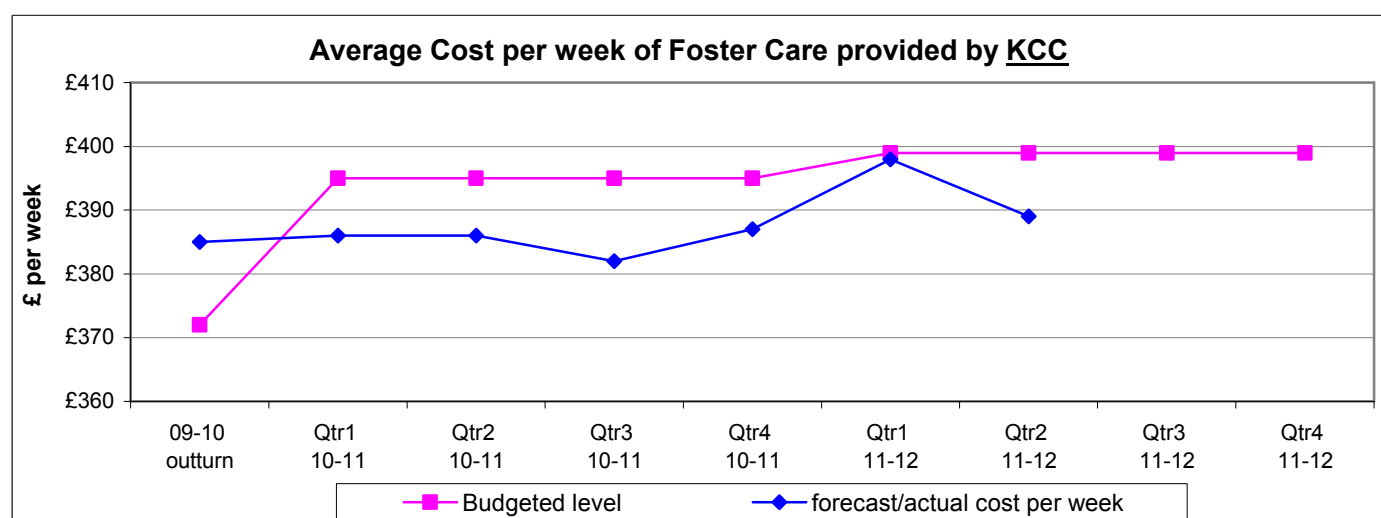
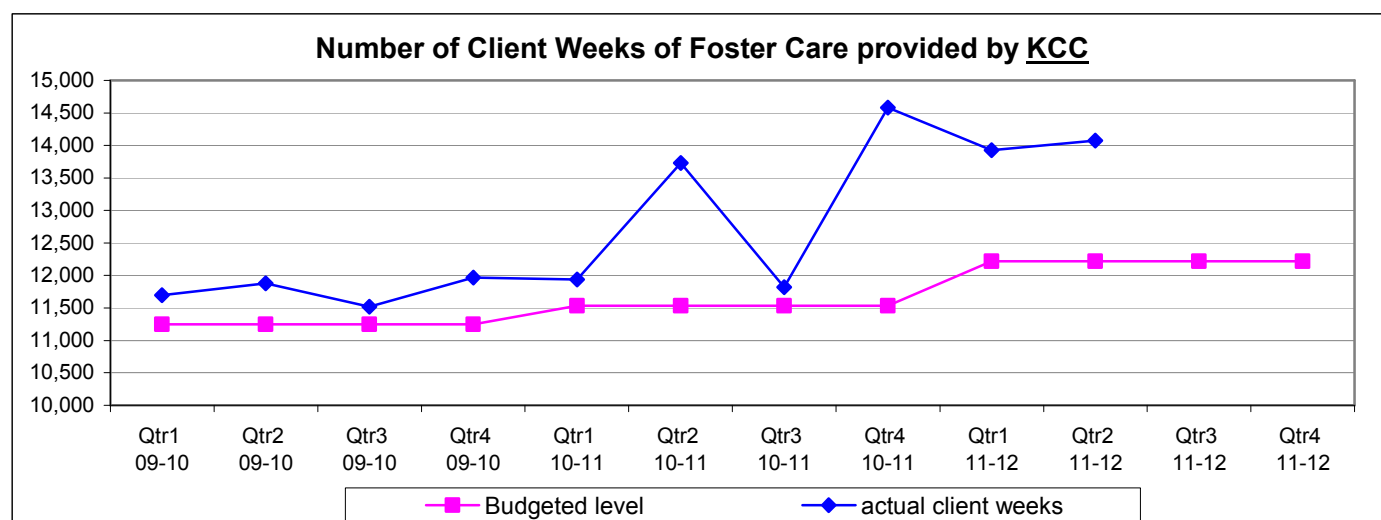


Comments:

- 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. As at 30/09/2011, 99 (73%) of the Looked After Children placed outside of the Authority are in the following placements types: with KCC Foster Carers based outside of Kent; in specialist residential provision not available in Kent; Placed with Parents, Relatives or Friends; in Secure Units, Young Offenders Institutions or Prison; or in Hospital.
- 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 42 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 Residential Services, Fostering services and 16+ services.

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	13,926	£399	£398
July - Sep	11,249	11,880			11,532	13,732	£395	£386	12,219	14,078	£399	£389
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	28,004	£399	



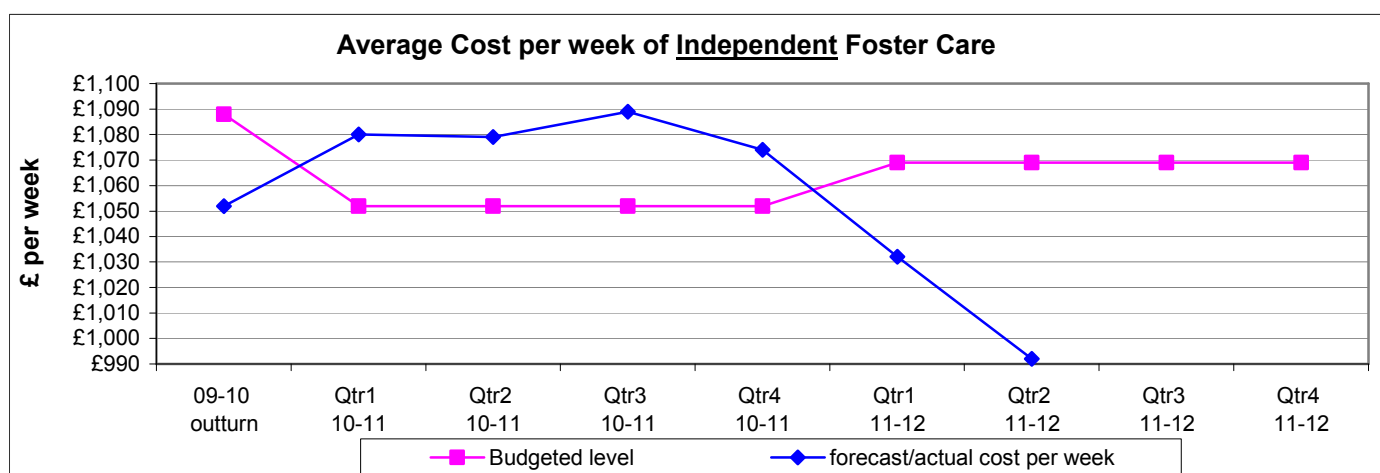
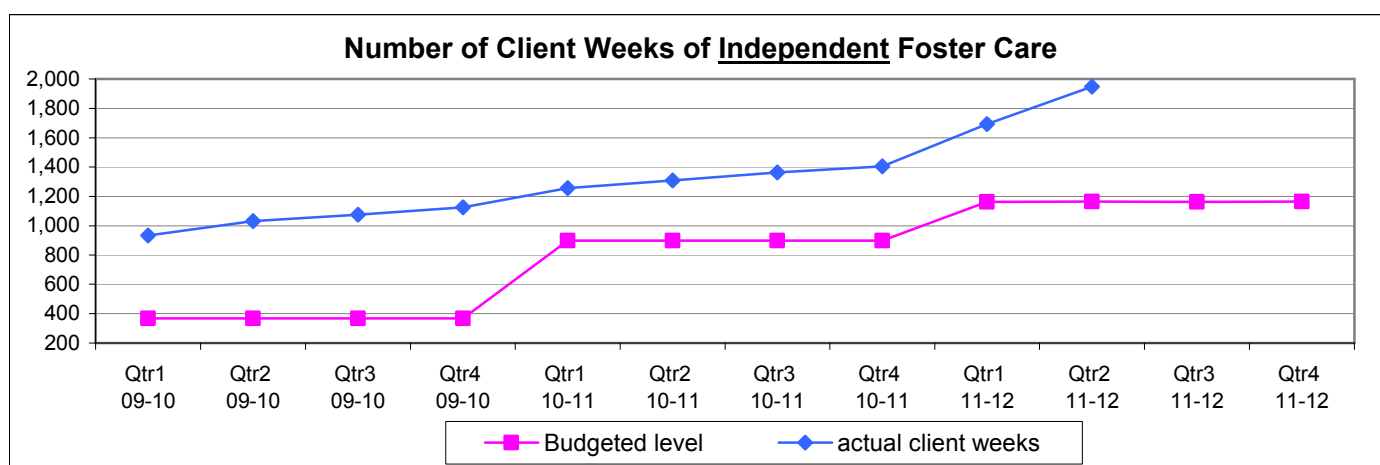
Comments:

- 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 56,289 (including 16+, but excludes asylum), which is 7,413 weeks above the affordable level. At £399 per week, this increase in activity gives a pressure of £2,957k.
- The forecast unit cost of £388.50, (including both fostering and 16+, but excluding Asylum), is £10 below the budgeted level, which provides a saving of £585k

- Overall therefore, the combined gross pressure on this service for both under 16's (and those with a disability) and the 16+ service is +£2,372k, as reported in sections 1.1.3.2 and 1.1.3.5, with an income pressure of £2k giving a total net pressure of £2,374k.

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	1,693	£1,068.60	£1,032
July - Sep	369	1,032			900	1,310	£1,052	£1,079	1,178	1,948	£1,068.60	£992
Oct - Dec	369	1,075			900	1,363	£1,052	£1,089	1,177		£1,068.60	
Jan - Mar	369	1,126			900	1,406	£1,052	£1,074	1,178		£1,068.60	
	1,476	4,168	£1,088	£1,052	3,600	5,336	£1,052	£1,074	4,710	3,641	£1,068.60	



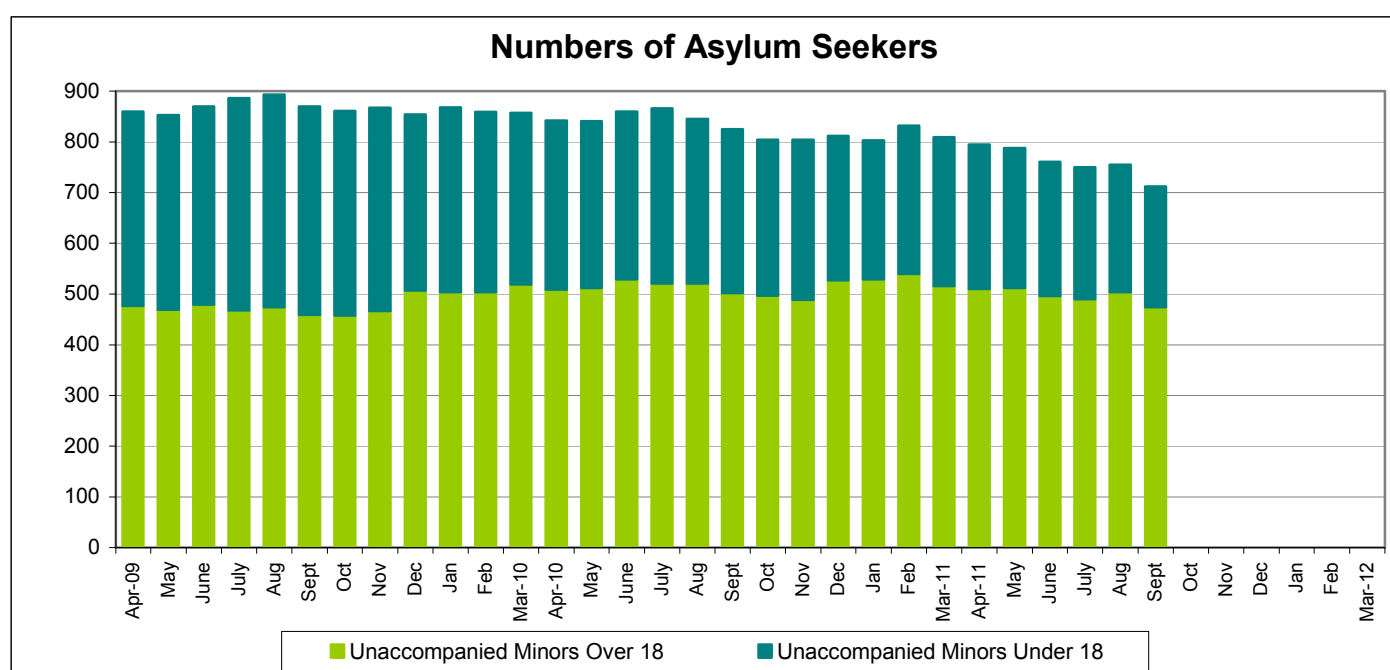
Comments:

- 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 7,396 (including 16+, but excludes asylum), which is 2,686 weeks above the affordable level. At £1,069 per week, this increase in activity gives a pressure of £2,870k
- The forecast unit cost of £992.30 (including both fostering and 16+, but excluding Asylum), is £76.30 below the budgeted level, which provides a saving of £564k
- 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 7.6% lower than 2010-11 outturn
- Overall therefore, the combined gross pressure on this service for both under 16's (and those with a disability) and the 16+ service is +£2,306k, as reported in sections 1.1.3.2 and 1.1.3.5, together with an income pressure of +£5k giving a total net pressure of £2,311k.
- 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.

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	251	504	755
September	411	459	870	323	502	825	238	474	712
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			

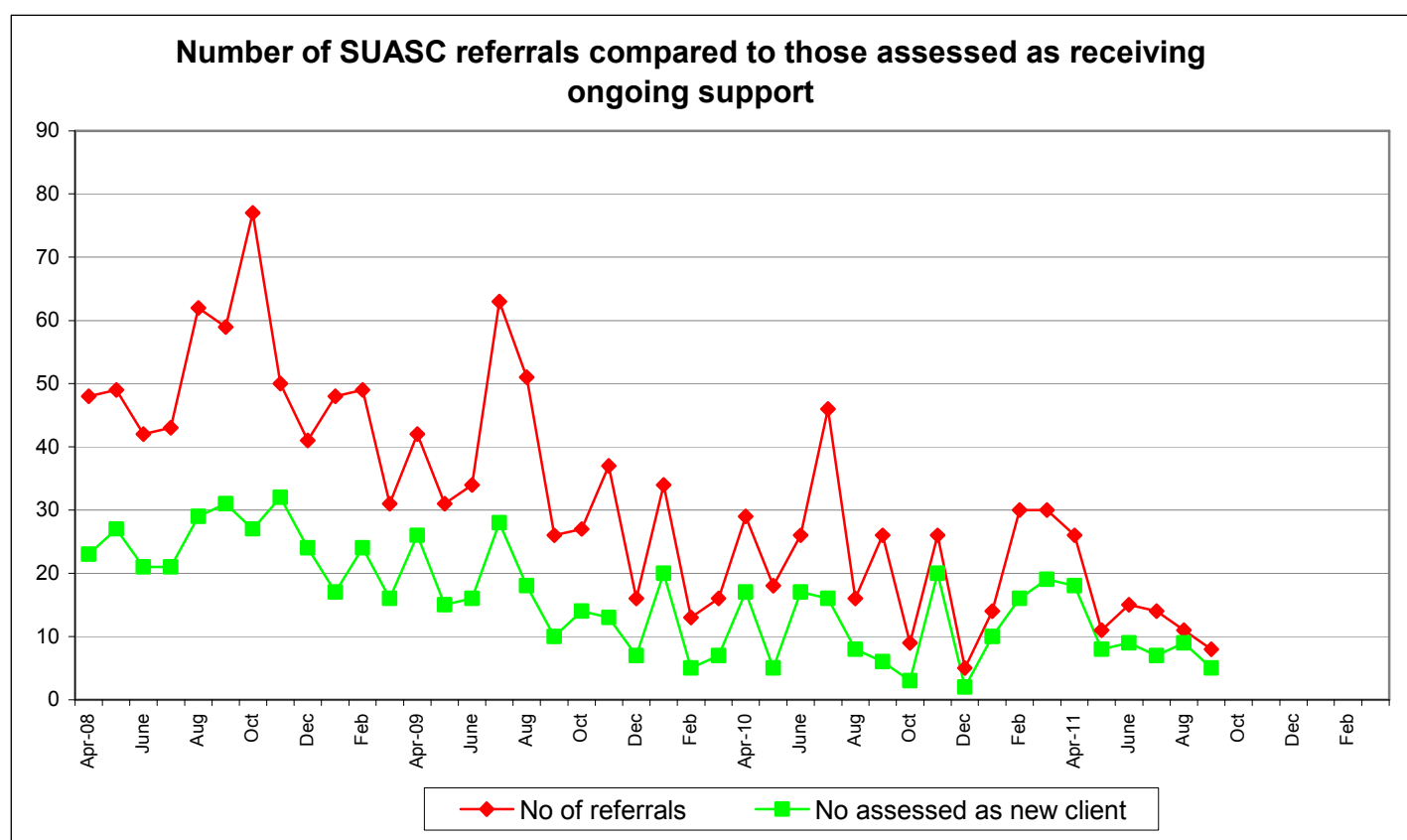


Comment:

- The overall number of children has reduced as a result of lower referrals, which are also lower than the budgeted number. It is unclear at this time whether this trend will continue. The number of clients supported, however, remains above the budgeted level of 700.
- 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%	11	9	82%
Sept	59	31	53%	26	10	38%	26	6	23%	8	5	62%
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%	85	56	66%

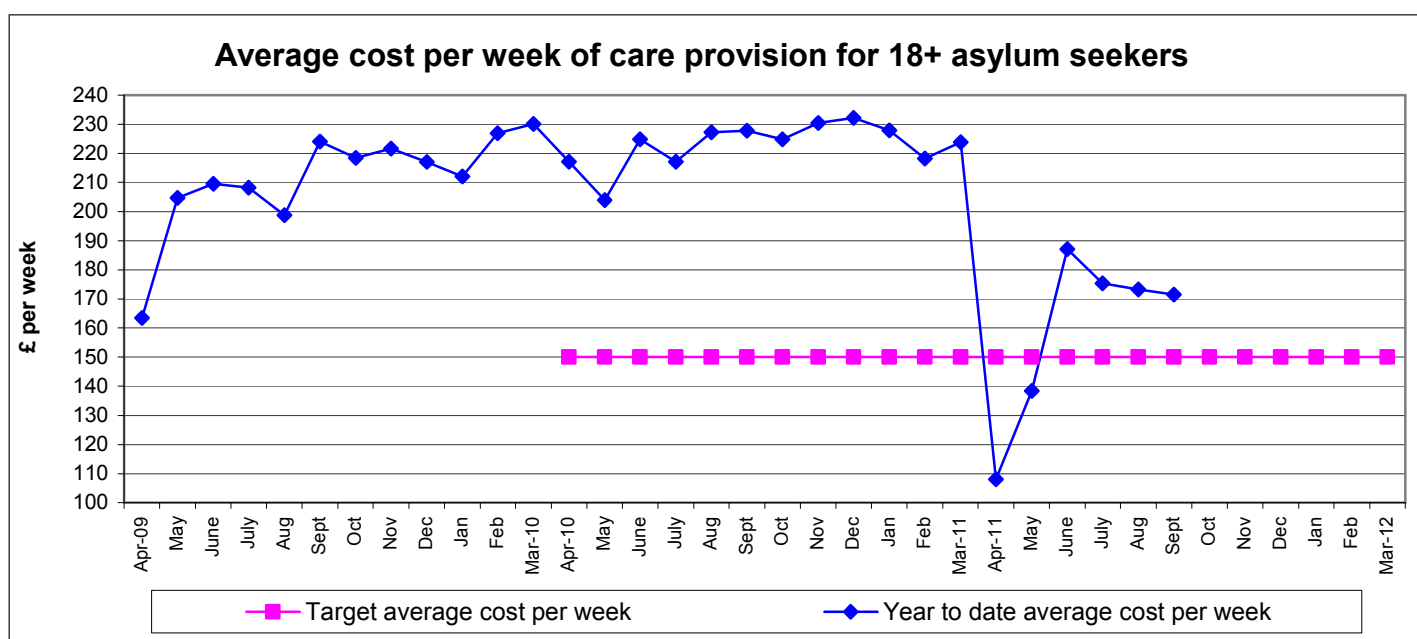


Comments:

- 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 14.2, which is less than 50% of the budgeted number of 30 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 66%. The average number assessed as new clients is now 9.3, which is 38% 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	173.32
September		224.06	150.00	227.79	150.00	171.58
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:

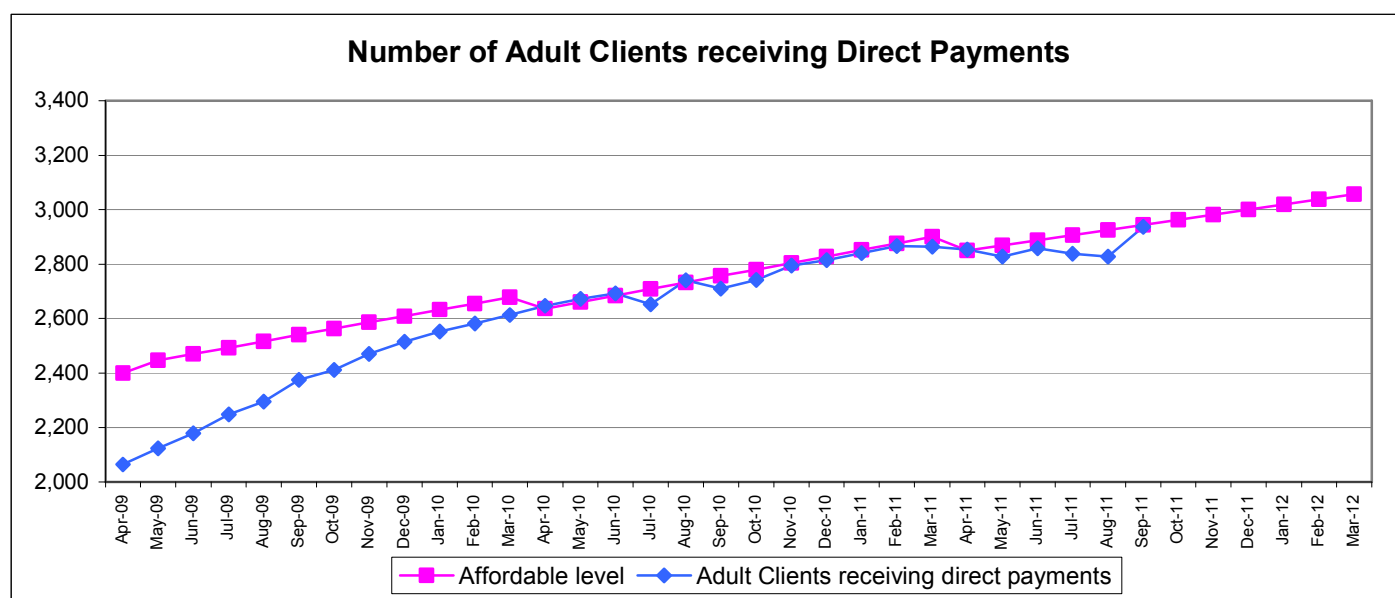
- For various reasons, some young people have not yet moved to lower cost properties, mainly those placed out of county. These placements are largely due to either medical/mental health needs or educational needs. Many of these placements, particularly those linked to education, have ended in the 2nd 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 at the end of the second quarter of 2011-12 financial year was £171.58. While this is significantly higher than the target of £150, it is lower than the comparable figure at the end of the 1st quarter, and is adding £70k to the pressure on the Asylum budget, as reported in section 1.1.3.4. This forecast assumes that the unit cost will continue to fall throughout the second half of the year, to end the year slightly above the target of £150pw – this will be achieved by:

- Implementation of the new property strategy, which will reduce rental costs and damages
- Review of clients entitlement to DWP benefits to ensure they are claiming what they are entitled to – this will allow us to reduce our payment of allowances
- More efficient removal of ARE clients by the UKBA – as a group, these have a higher unit cost than the non-ARE clients (as they cannot work, are not entitled to DWP benefits, and as they are not in education they are not entitled to Council Tax benefit, therefore full liability falls to the Local Authority)

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	2,838
August	2,516	2,295	2,733	2,741	2,925	2,828
September	2,540	2,375	2,757	2,710	2,944	2,937
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	

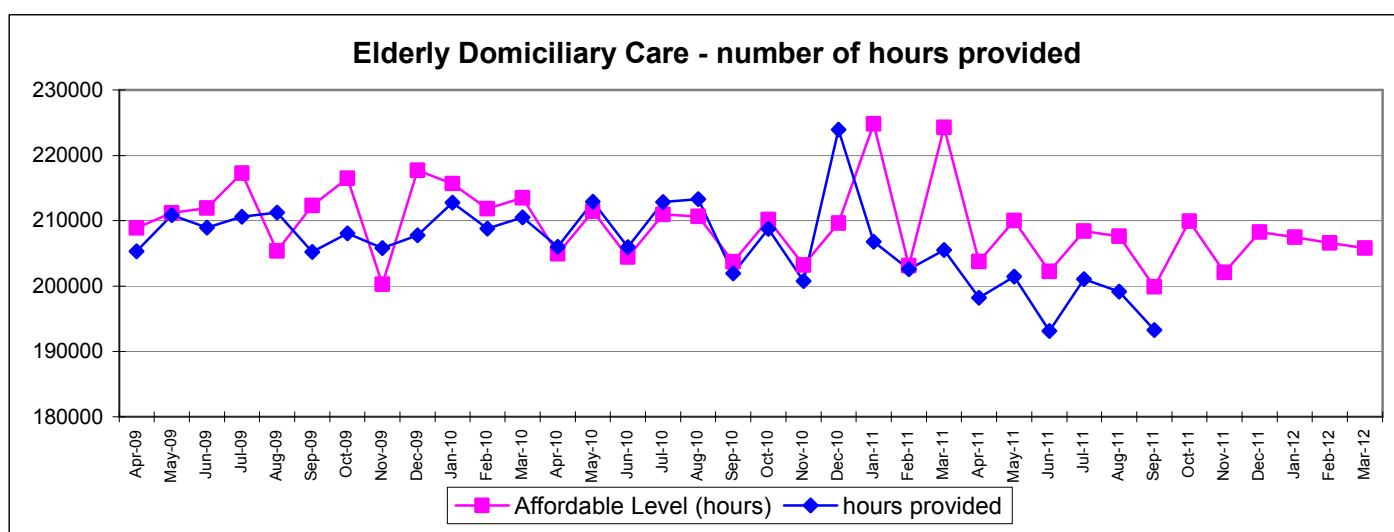
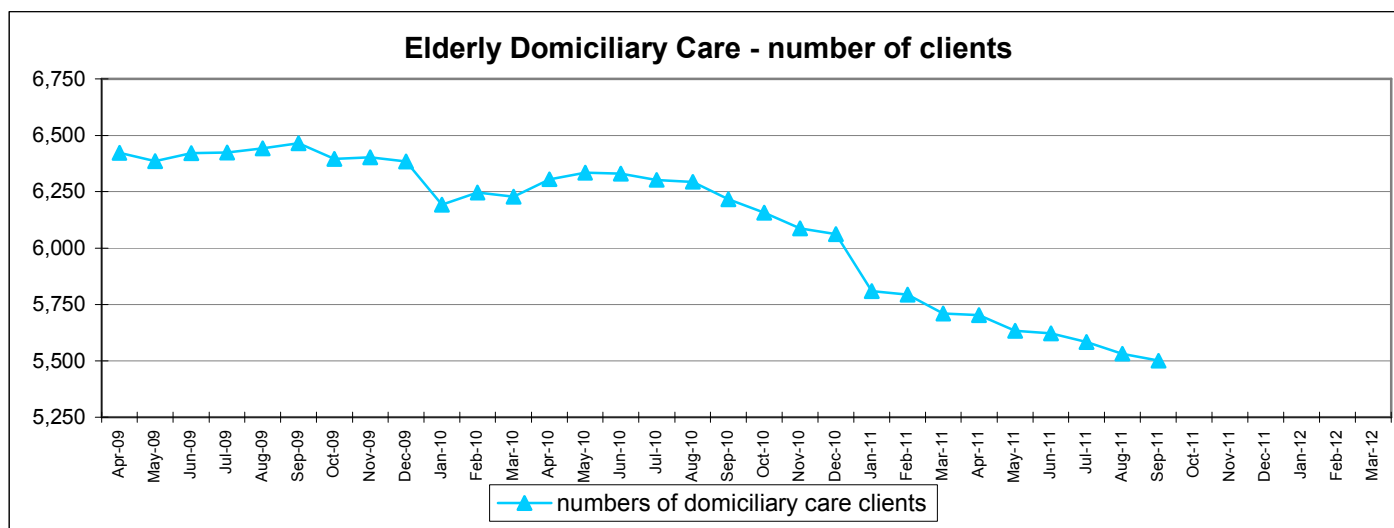


Comments:

- 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 in the first few months of this financial year, client numbers appear to levelling out.

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	201,046	5,584
August	205,354	211,214	6,443	210,668	213,294	6,294	207,610	199,172	5,532
September	212,289	205,238	6,465	203,708	201,951	6,216	199,885	193,274	5,501
October	216,491	208,051	6,396	210,155	208,735	6,156	209,898		
November	200,292	205,806	6,403	203,212	200,789	6,087	202,080		
December	217,749	207,771	6,385	209,643	223,961	6,061	208,262		
January	215,686	212,754	6,192	224,841	206,772	5,810	207,445		
February	211,799	208,805	6,246	203,103	202,568	5,794	206,587		
March	213,474	210,507	6,227	224,285	205,535	5,711	205,813		
TOTAL	2,542,358	2,505,838		2,521,376	2,501,274		2,471,994	1,186,320	



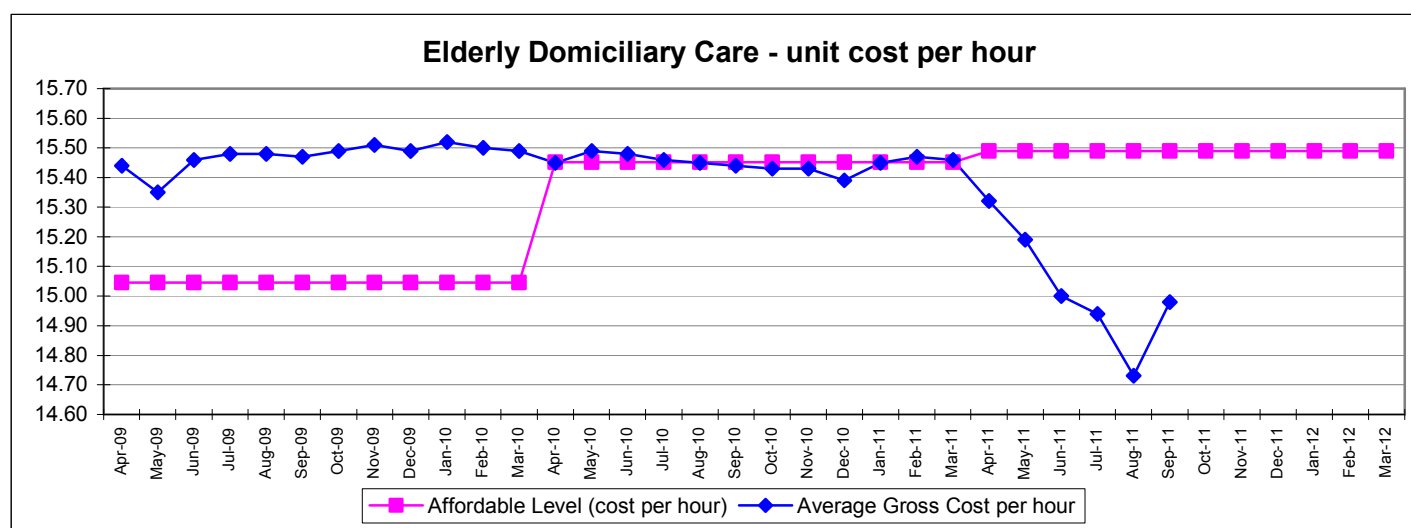
Comment:

- Figures exclude services commissioned from the Kent Enablement At Home Service.
- The current forecast is 2,414,721 hours of care against an affordable level of 2,471,994, a difference of -57,273 hours. Using the forecast unit cost of £14.98 this reduction in activity reduces the forecast by £858k, as highlighted in section 1.1.3.12.c

- To the end of September 1,186,320 hours of care have been delivered against an affordable level of 1,231,909 a difference of -45,589 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, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend in the take up of the enablement service, which currently requires further validation.
- Affordable levels have changed slightly to include the release of a provision and some rolled forward grant funding from 2010-11 which is now being used to fund activity.

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	14.94
August	15.045	15.48	15.452	15.45	15.49	14.73
September	15.045	15.47	15.452	15.44	15.49	14.98
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	

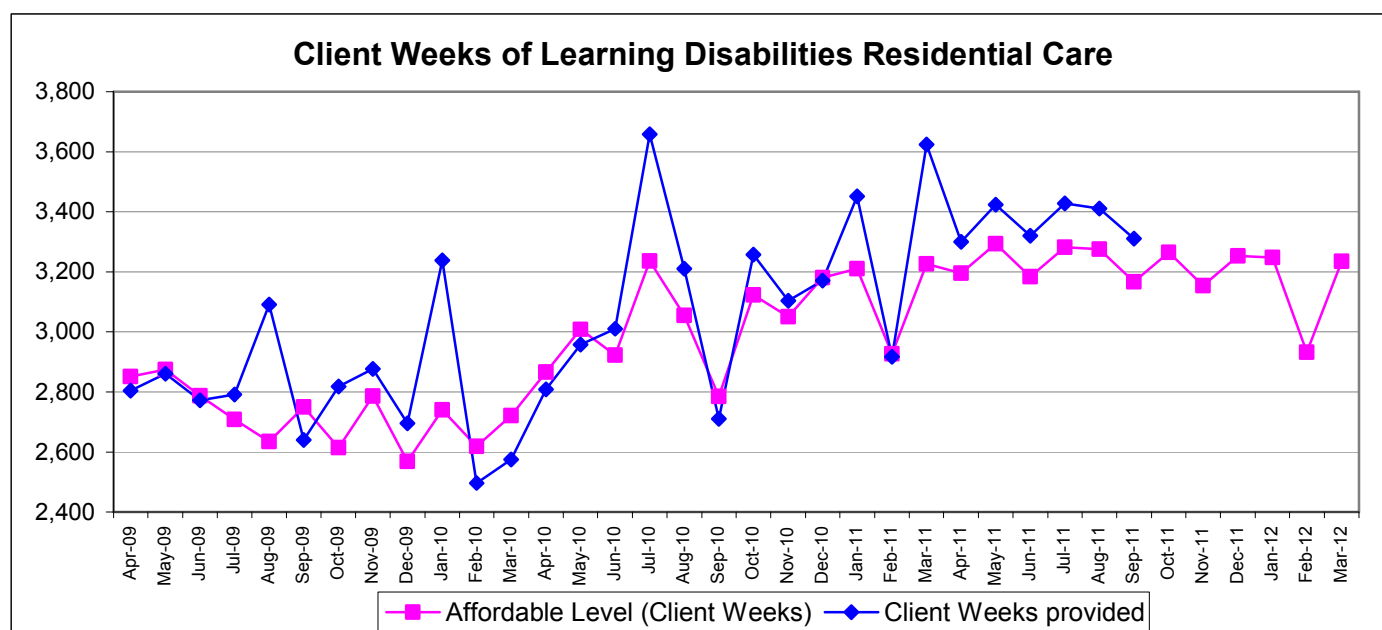


Comments:

- The forecast unit cost of £14.98 is lower than the affordable cost of £15.49 and this difference of -£0.51 reduces the forecast by £1,266k when multiplied by the affordable hours, as highlighted in section 1.1.3.12.c
- The unit cost continues to be lower than the affordable 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 ½ and ¾ hours which have traditionally been slightly more expensive.

2.8.1 Number of client weeks of learning disabilities 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	3,300
May	2,875	2,861	3,009	2,957	3,294	3,423
June	2,787	2,772	2,922	3,011	3,184	3,320
July	2,708	2,792	3,236	3,658	3,282	3,428
August	2,635	3,091	3,055	3,211	3,275	3,411
September	2,750	2,640	2,785	2,711	3,167	3,311
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	20,193



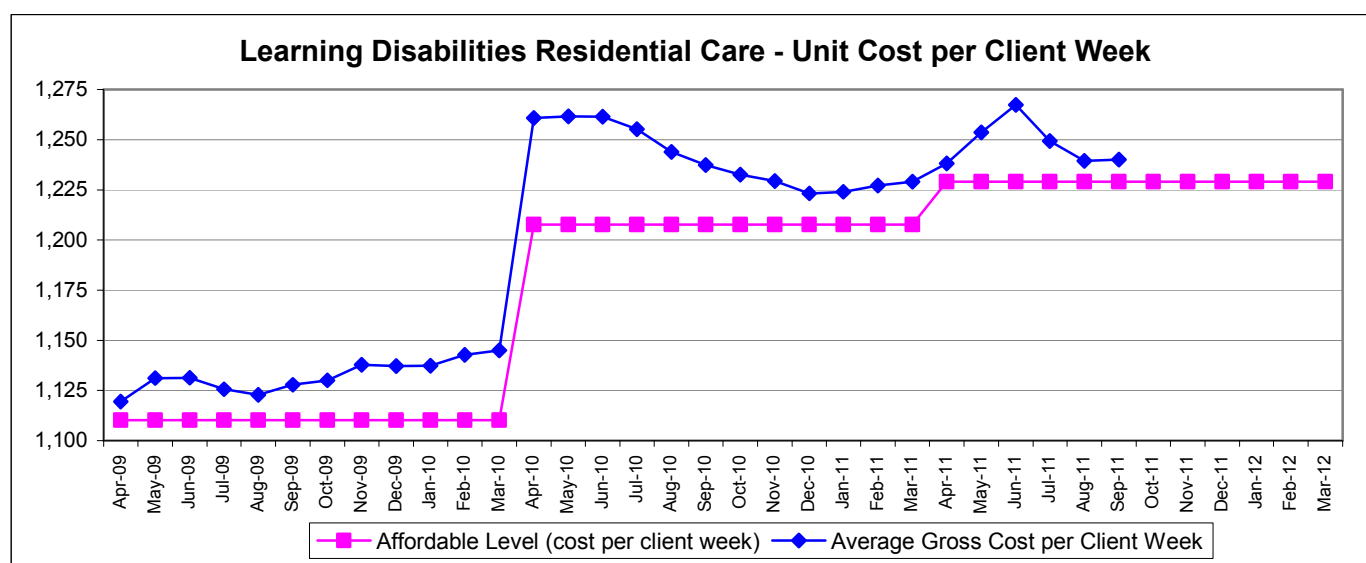
Comments:

- 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 September 2011 it was 745 including any ongoing transfers as part of the S256 agreement, transitions, provisions and Ordinary Residence.
- The current forecast is 40,810 weeks of care against an affordable level of 38,485, a difference of +2,325 weeks. Using the forecast unit cost of £1,240.17, this additional activity adds £2,883k to the forecast, as highlighted in section 1.1.3.13a. The forecast activity for this service is based on known individual clients, by individual periods of service, including provisional, transitional and ordinary resident clients. (Provisional clients are those who may move from domiciliary/direct payments to residential as a result of deterioration in their condition/personal requirements, as well as clients already in receipt of residential care, but whose personal/financial circumstances deteriorate). This is a volatile demand led budget forecast meaning that each month presents changes to the forecast as new data is obtained. In some cases there are timing differences between when the clients are added into SWIFT (the client activity system), compared to the inclusion within the financial forecast, maybe as a result of disputes or independent contract negotiations. As a result the year to date position has been re-stated, with the second half of the year expected to see an increased take up.

- To the end of September 2011 20,193 weeks of care have been delivered against an affordable level of 19,398, a difference of +795 weeks.

2.8.2 Average gross cost per client week of Learning Disabilities 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	1,229.19	1,238.24
May	1,110.15	1,131.28	1,207.58	1,261.67	1,229.19	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	1,249.41
August	1,110.15	1,122.81	1,207.58	1,243.87	1,229.19	1,239.50
September	1,110.15	1,127.79	1,207.58	1,237.49	1,229.19	1,240.17
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	

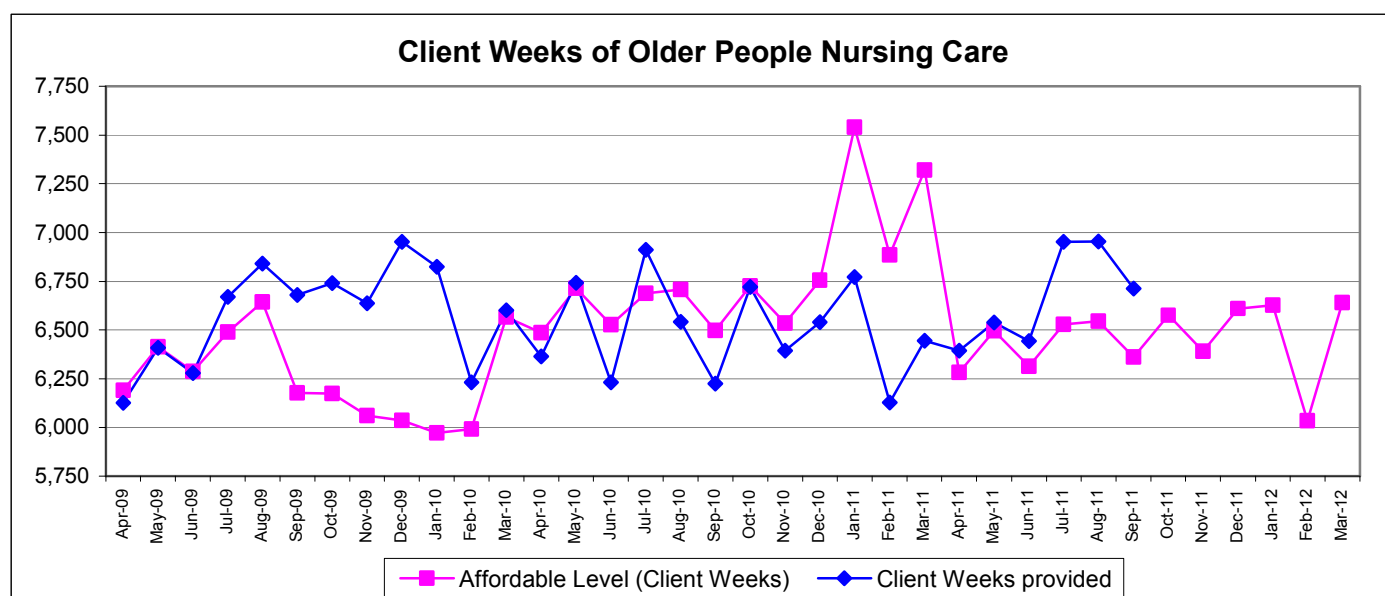


Comments

- 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 £1,240.17 is higher than the affordable cost of £1,229.19 and this difference of £10.98 creates a pressure of £422k 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	6,953
August	6,644	6,841	6,708	6,541	6,544	6,954
September	6,178	6,680	6,497	6,225	6,361	6,713
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	39,993

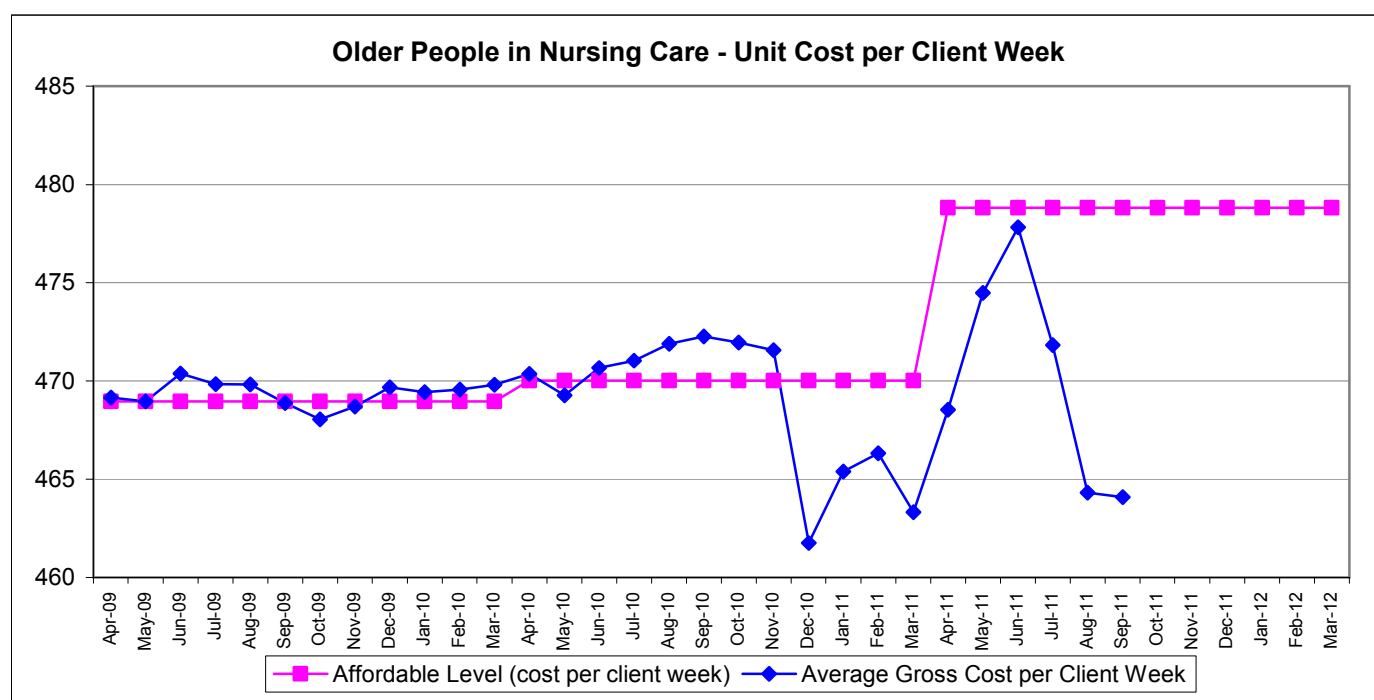


Comment:

- 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 at the end of September 2011 it was 1,481. 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 80,840 weeks of care against an affordable level of 77,405, a difference of +3,435. Using the actual unit cost of £464.09, this increased activity adds £1,594k to the forecast, as highlighted in section 1.1.3.13c
- To the end of September 2011 39,993 weeks of care have been delivered against an affordable level of 38,523 a difference of +1,470 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	471.84
August	468.95	469.82	470.01	471.90	478.80	464.32
September	468.95	468.88	470.01	472.28	478.80	464.09
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	

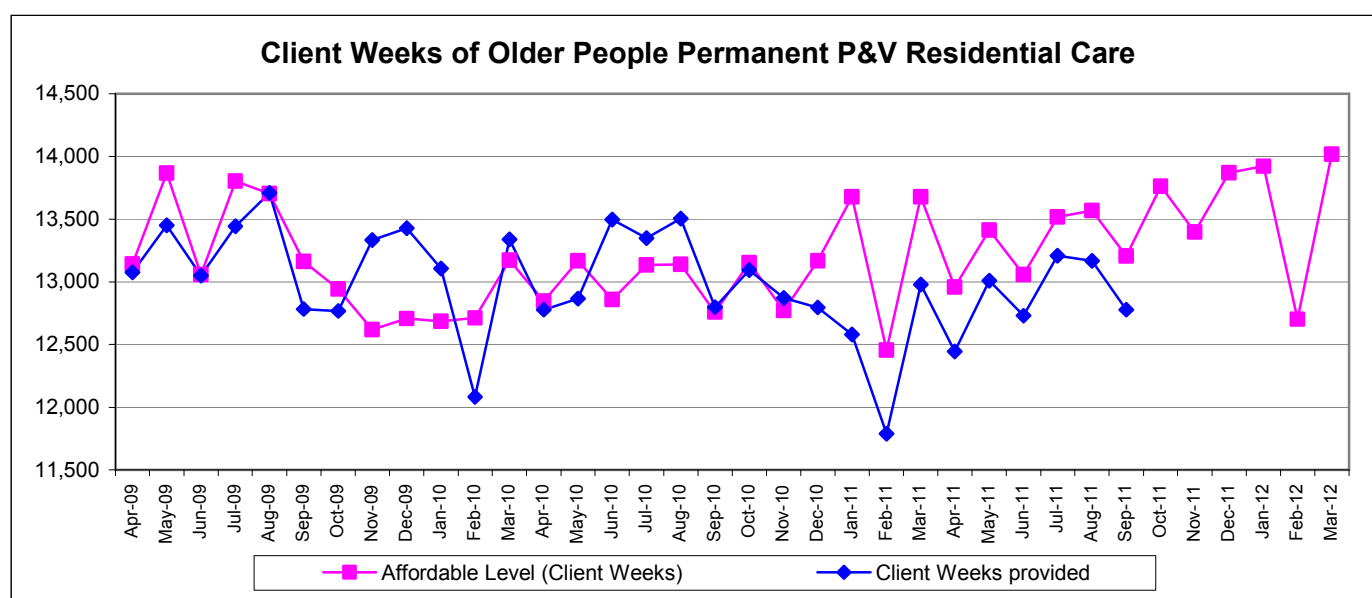


Comments:

- 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 £464.09 is lower than the affordable cost of £478.80 and this difference of -£14.71 creates a saving of £1,139k 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	13,208
August	13,703	13,707	13,141	13,505	13,569	13,167
September	13,162	12,784	12,758	12,799	13,207	12,779
October	12,943	12,768	13,154	13,094	13,762	
November	12,618	13,333	12,771	12,873	13,398	
December	12,707	13,429	13,167	12,796	13,869	
January	12,685	13,107	13,677	12,581	13,922	
February	12,712	12,082	12,455	11,790	12,701	
March	13,172	13,338	13,678	12,980	14,019	
TOTAL	157,572	157,568	156,812	154,909	161,392	77,340

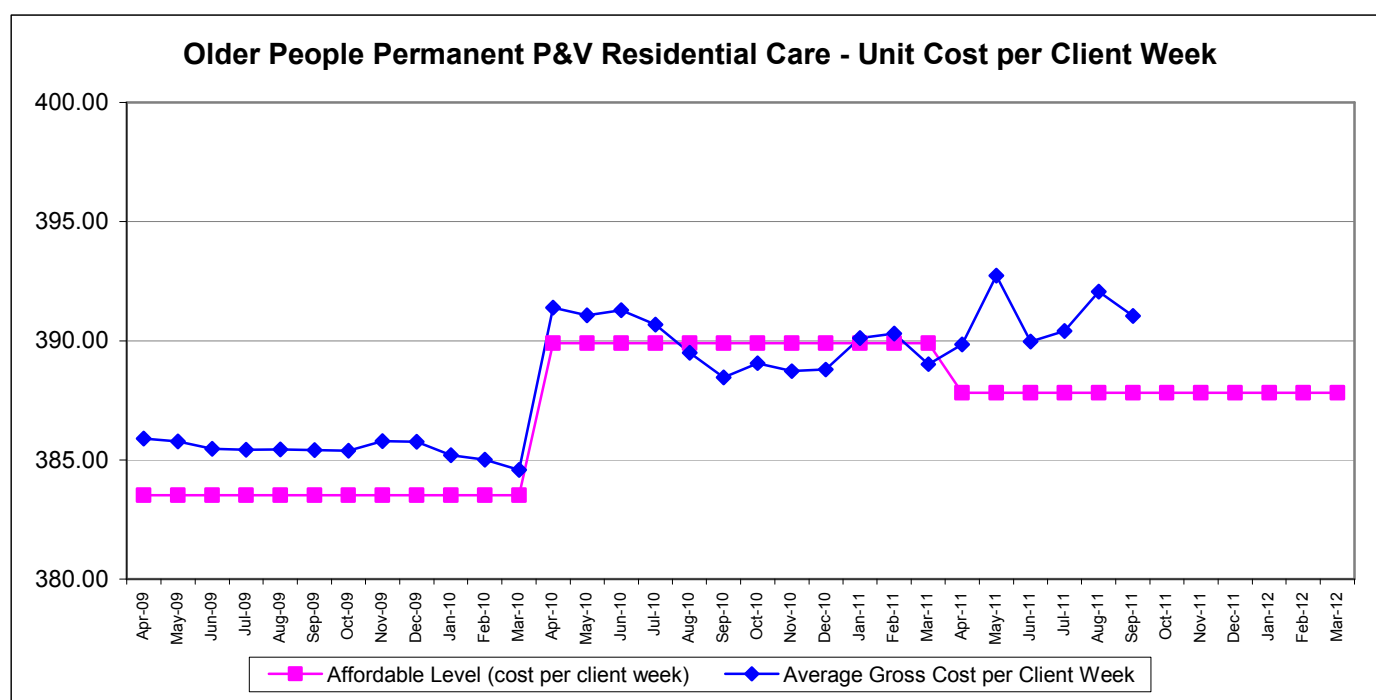


Comments:

- 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 September 2011 it was 2,829. 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 1,289 whilst the other residential clients have decreased.
- The current forecast is 155,400 weeks of care against an affordable level of 161,392, a difference of -5,992 weeks. Using the forecast unit cost of £391.04 this reduced activity saves £2,343k within the forecast, as highlighted in section 1.1.3.13d.
- To the end of September 77,340 weeks of care have been delivered against an affordable level of 79,722 a difference of -2,382 weeks.
- Affordable levels have changed slightly to include the release of a provision and some rolled forward grant funding from 2010-11, which is now being used to fund activity.

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	390.41
August	383.52	385.44	389.91	389.51	387.82	392.07
September	383.52	385.42	389.91	388.46	387.82	391.04
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	

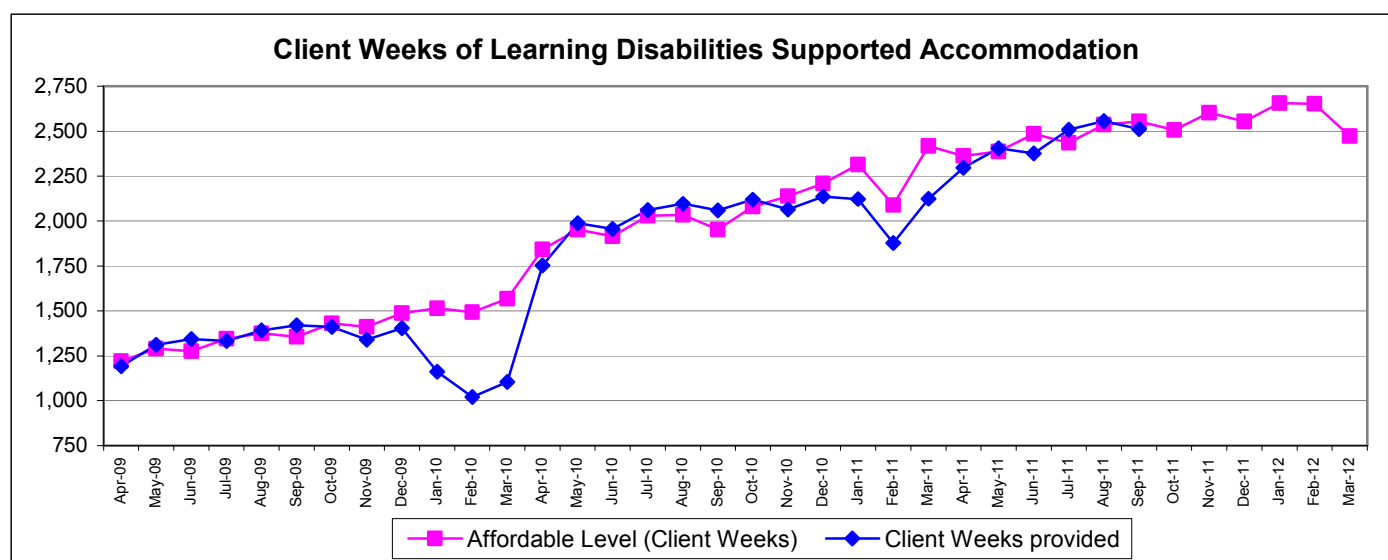


Comments:

- Average unit cost per week has increased above the affordable level as a reflection of the increasing numbers of clients with dementia.
- The forecast unit cost of £391.04 is higher than the affordable cost of £387.82 and this difference of +£3.22 adds £520k 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 disabilities 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	2,297
May	1,290	1,311	1,951	1,988	2,387	2,406
June	1,276	1,344	1,914	1,956	2,486	2,376
July	1,346	1,333	2,029	2,060	2,435	2,508
August	1,375	1,391	2,034	2,096	2,536	2,557
September	1,357	1,421	1,951	2,059	2,555	2,512
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	14,656



Comments:

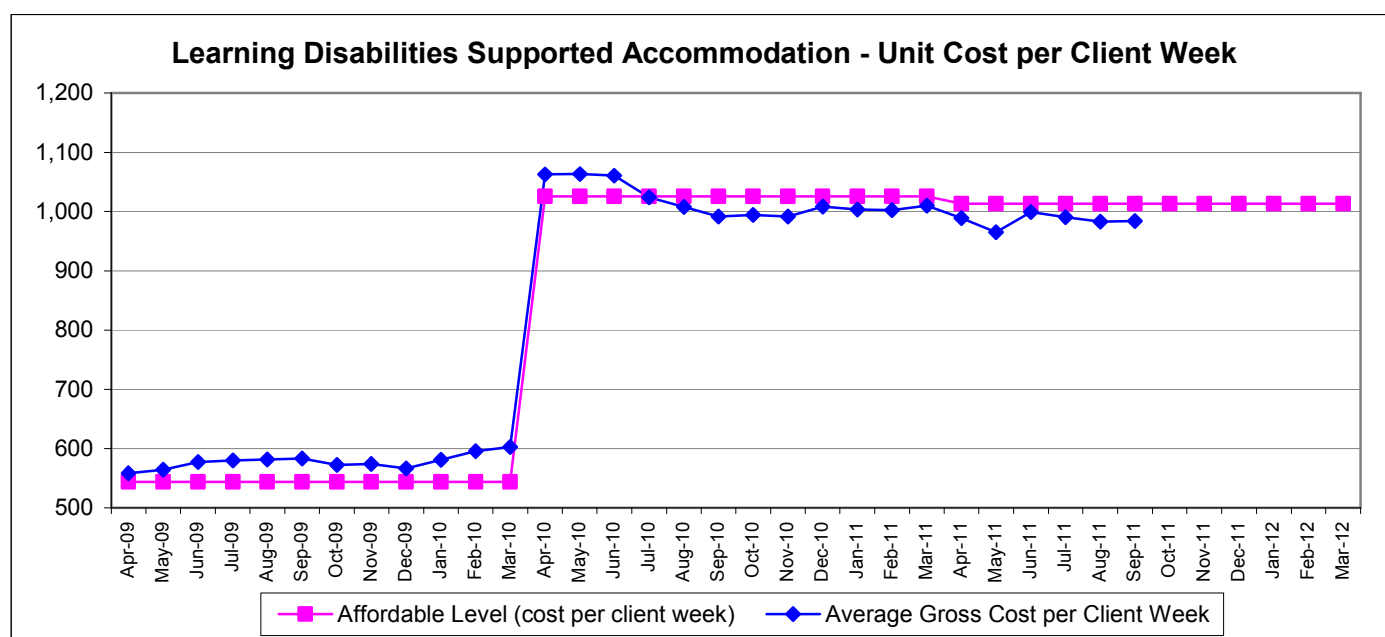
- The above graph reflects the number of client weeks of service provided. The actual number of clients in LD supported accommodation at the end of 2009-10 was 309, at the end of 2010-11 it was 491, of which 131 were S256 clients, and at the end of September 2011 it was 577.
- The current forecast is 30,679 weeks of care, against an affordable level of 30,204, a difference of +475 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 £983.85, this increase in activity adds £467k to the forecast, as reflected in section 1.1.3.14a.
- To the end of September 14,656, weeks of care have been delivered against an affordable level of 14,762, a difference of -106 weeks
- A planned move of residential preserved rights clients to supported accommodation, due to occur in the latter part of the year, is included in the financial forecast, which backloads the forecast by approximately 480 weeks. The forecast activity for this service is based on known individual clients, by individual periods of service, including provisional, transitional and ordinary resident clients. It is a volatile demand led budget forecast meaning that each month presents changes to the forecast as new data is obtained. In some cases there are timing differences between when the clients are added into SWIFT (the client activity system), compared to the inclusion within the financial forecast, maybe as a result of disputes or independent contract negotiations. As a result, the year to date

position has been re-stated to include transitions, provisions and ordinary residents, with an increased uptake expected in the second half of the year.

- 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 Disability 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	1,013.18	988.73
May	544.31	564.49	1,025.67	1,063.22	1,013.18	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	990.45
August	544.31	581.76	1,025.67	1,007.58	1,013.18	983.09
September	544.31	583.26	1,025.67	991.20	1,013.18	983.85
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:

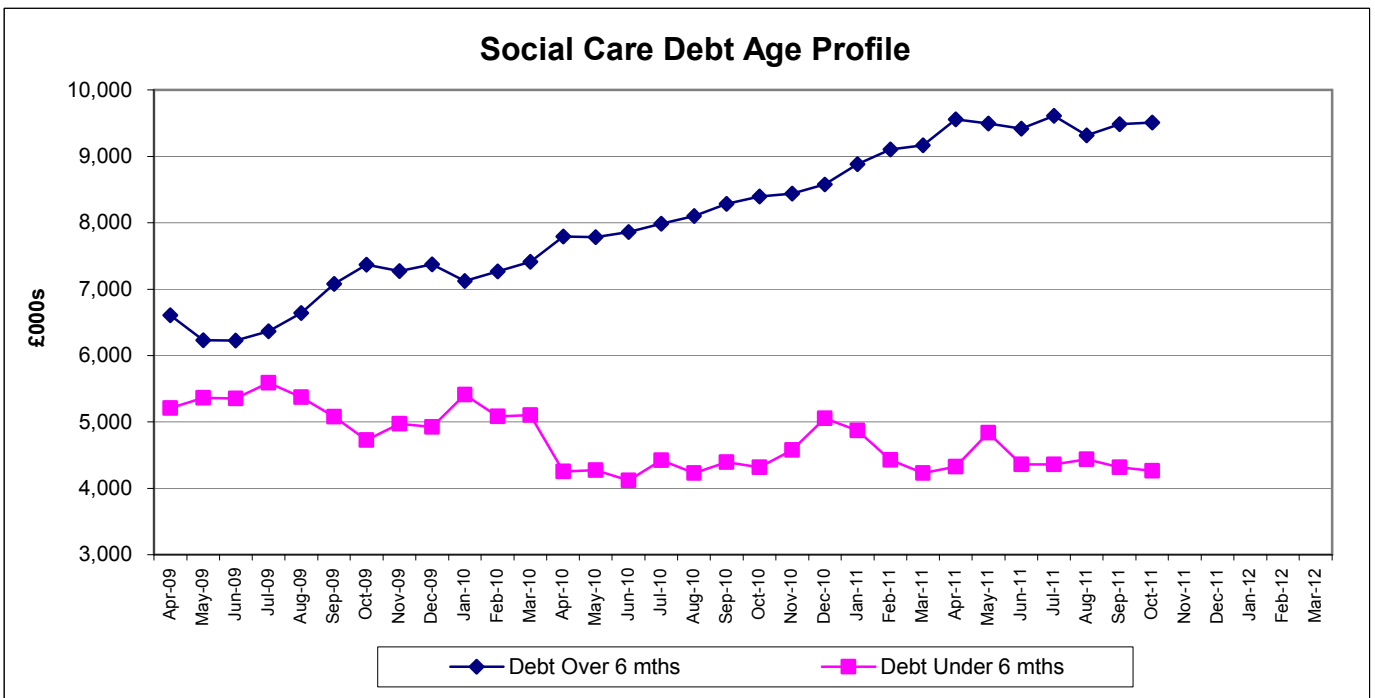
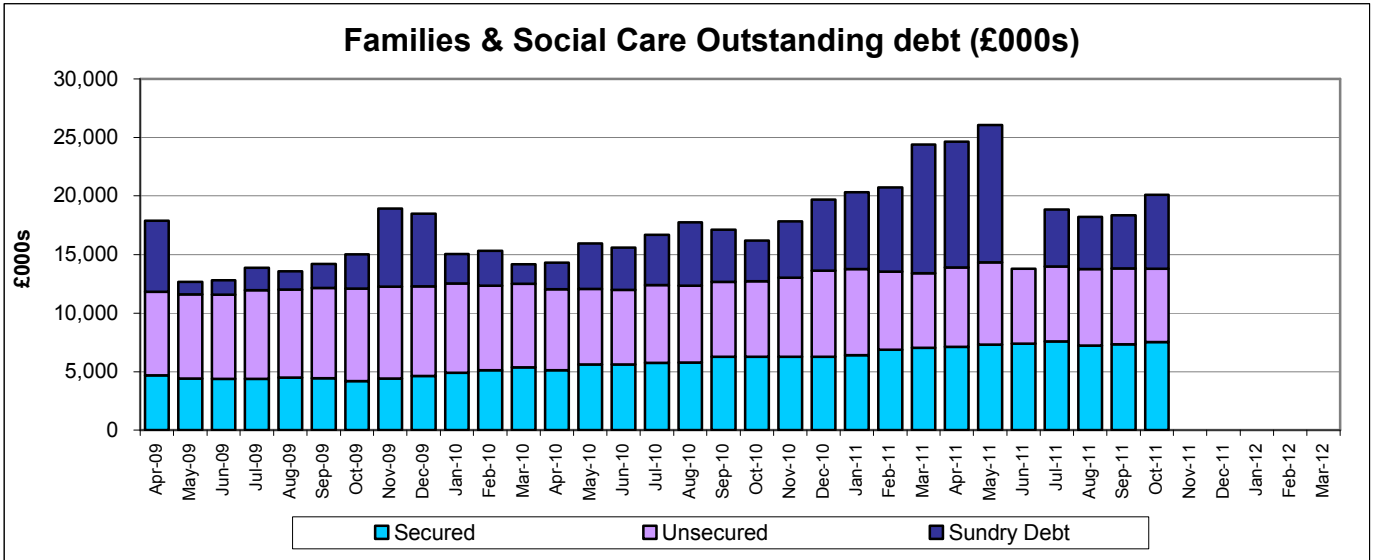
- The forecast unit cost of £983.85 is lower than the affordable cost of £1013.18 and this difference of -£29.33 provides a saving of £886k when multiplied by the affordable weeks, as reflected in section 1.1.3.14a.
- There are three distinct groups of clients: Section 256 clients, Ordinary Residence clients and other clients. Each group has a very different average unit cost, which are combined to provide an overall 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 October was £20.078m compared with July's figure of £18.829m (reported to Cabinet in September) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £6.304m of sundry debt compared to £4.860m in July. Within the outstanding debt is £13.774m relating to Social Care (client) debt which is a decrease of £195k from the last reported position to Cabinet in September. 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.

Debt Month	Social Care Debt						
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	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	24,659	10,776	13,883	9,556	4,327	7,124	6,759
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	18,201	4,448	13,753	9,315	4,438	7,222	6,531
Sep-11	18,332	4,527	13,805	9,486	4,319	7,338	6,467
Oct-11	20,078	6,304	13,774	9,510	4,264	7,533	6,241
Nov-11	0		0				
Dec-11	0		0				
Jan-12	0		0				
Feb-12	0		0				
Mar-12	0		0				



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

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

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

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	327	-77	250	Predominantly Directorate funded redundancy costs (Highways).
<u>Environment:</u>							
- Environment Management	4,180	-2,830	1,350	12	-3	9	
- Coastal Protection	686		686			0	
	4,866	-2,830	2,036	12	-3	9	
<u>Highways Services:</u>							
- Adverse Weather	3,159		3,159	9		9	
- Bridges & Other Structures	2,753	-294	2,459	25	29	54	
- General maintenance & emergency response	13,572	-345	13,227	-5	-2	-7	
- Highway drainage	3,431	-74	3,357	5	-9	-4	
- Highway improvements	1,690	-100	1,590	-36	35	-1	
- Road Safety	2,827	-1,213	1,614	49	-116	-67	Cycle training income and additional staff recharges.
- Signs, Lines & Bollards	1,819	0	1,819	13		13	
- Streetlight energy	5,104		5,104	69		69	
- Streetlight maintenance	3,767	-168	3,599	-23	3	-20	
- Traffic management	5,506	-2,924	2,582	-36	-247	-283	Additional income arising from successful recovery of S74 fees
- Tree maintenance, grass cutting & weed control	3,352	-192	3,160	40	-36	4	
	46,980	-5,310	41,670	110	-343	-233	
<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	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<u>Transport Services:</u>							
- Concessionary Fares	16,332	-27	16,305	-918		-918	Successful negotiations with major operators on appeals.
- 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	293	-263	30	Spend & income related to multi modal transport models.
	41,719	-5,342	36,377	-625	-263	-888	
<u>Waste Management</u>							
<u>Recycling & Diversion from Landfill:</u>							
- Household Waste Recycling Centres	8,416	-1,109	7,307	24	-617	-593	Additional income generated due to market prices remaining constant and above budgeted prices for sale of various recyclable materials(eg scrap metal, textiles, paper & card and lead acid batteries).
- Partnership & Behaviour Change	805	-126	679		-41	-41	External funding received to support campaign delivery
- Payments to Waste Collection Authorities (DCs)	5,334	-102	5,232	116		116	Additional enabling payments made under Joint Waste Arrangements to deliver disposal savings and improved performance.
- Recycling Contracts & Composting	10,262	-609	9,653	-470	-56	-526	Reduced waste tonnage & improved contract prices when compared with working budget
	24,817	-1,946	22,871	-330	-714	-1,044	
<u>Waste Disposal:</u>							
- Closed Landfill Sites & Abandoned Vehicles	779	-266	513	1	-5	-4	
- Disposal Contracts	29,476	-430	29,046	-2,932		-2,932	Reduced residual waste tonnage compared to budget, less waste processed via Allington, due to extended planned routine maintenance and more waste to landfill
- Landfill Tax	6,880		6,880	1,191		1,191	Waste diverted to landfill from Allington WtE as a result of the extended planned routine maintenance at the plant.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Transfer Stations	8,583	-75	8,508	103		103	Reduced waste tonnage offset by additional costs of planned maintenance and contribution to capital overspend on improving the infrastructure.
	45,718	-771	44,947	-1,637	-5	-1,642	
Commercial Services		-7,131	-7,131			0	
Total E, H & W portfolio	173,349	-24,233	149,116	-2,143	-1,405	-3,548	
Regeneration & Enterprise portfolio							
Development Staff & Projects	1,311	-1,311	0			0	
Total E&E controllable	174,660	-25,544	149,116	-2,143	-1,405	-3,548	
Assumed Management Action							
- EHW portfolio							
- R&E portfolio							
Forecast after Mgmt Action				-2,143	-1,405	-3,548	

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

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

Environment, Highways & Waste portfolio:

1.1.3.1 **Strategic Management and Directorate Support:** Gross +£327k, Income -77k, Net +250k

A gross pressure of £327k is forecast. A significant proportion of this (£219k) relates to the requirement for the Directorate to fund part of the redundancy costs arising from restructuring, as some of the costs are not eligible for corporate funding from the Workforce Reduction Fund because this funding is only available where there is a reduction in the overall number of posts.

1.1.3.2 **Highways Services:**

a. **Road Safety:** Gross +£49k, Income -£116k, Net -£67k

The additional income mainly relates to an increase in cycle training (£52k) and additional staff recharges to the Speed Awareness and the National Driver Improvement Scheme budgets (£45k). The gross variance reflects the corresponding expenditure related to the additional cycle training income.

b. **Traffic Management:** Gross -£36k, Income -£247k, Net -£283k

The additional income of £247k has resulted from the successful recovery of S74 fees from works promoters (utility companies etc) who have taken unreasonably prolonged occupation of the highway.

1.1.3.3 **Transport Services:**

- a. **Concessionary Fares: Gross -£918k, Income Nil, Net -£918k**
Two major bus operators had registered appeals against the 2011-12 payments proposed by KCC. This is the first year that the authority has assumed full responsibility for this service and the budget included an element to cover issues such as the cost of appeals. A prudent approach was taken in previous months and the full value of these appeals was included in the forecast expenditure. The Directorate is pleased to report that negotiations with the bus operators has resulted in a mutually agreed position that has reduced the potential cost by £918k and this saving is reflected in the current forecast.
- b. **Sustainable Transport: Gross +£293k, Income -£263k, Net +£30k**
The pressure on the gross budget relates to the development of multi modal transport models that are developed to predict transport impact of new developments. The income element mainly relates to contributions for the development of the Thanet Model (£100k) and the use of the Ashford Model (£148k).

1.1.3.4 **Waste Management:**

The waste tonnage for the first six months of 2011-12 indicates 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 730,000 tonnes is predicted which is 30,000 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.

1.1.3.4.1 **Recycling & Diversion from Landfill**

- a. **Household Waste Recycling Centres: Gross +£24k, Income -£617k, Net -£593k**
Additional income of £617k is predicted as a result of a new income stream of £130k from the sale of lead batteries which were previously collected at zero cost or for a small charge; and market prices received from the sale of recyclables (eg scrap metal, textiles and paper/card) remain buoyant and above budgeted prices providing a further £487k.
- b. **Payments to Waste Collection Authorities (DCs): Gross +£116k, Income Nil, Net +£116k**
£116k of additional enabling payments have been made to District Councils under Joint Waste Arrangements in order to deliver gross disposal savings and improved performance. This additional support payment enables the collection of weekly food waste.
- c. **Recycling Contracts & Composting: Gross -£470k, Income -£56k, Net -£526k**
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 £470k in this financial year. Approximately £104k is due to improved prices and £366k is due to reduced activity. In addition to this, £56k is projected from the sale of recyclable material.

1.1.3.4.2 **Waste Disposal**

- a. **Disposal Contracts: Gross -£2,932k, Income Nil, Net -£2,932k**
A net underspend of £2,932k 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 38,000 tonnes less than budget, however it is forecast that an additional 22,000 tonnes of waste will be sent to landfill due to the planned routine maintenance at the plant being extended which was due to operational circumstances and the continued commissioning phase of the plant.
- b. **Landfill Tax: Gross +£1,191k, Income Nil, Net +£1,191k**
An overspend of £1,191k is forecast due to extended planned routine maintenance 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 22,000 tonnes will be landfilled than planned.

c. Transfer Stations: Gross +£103k, income Nil, Net +£103k

An overspend of £103k is anticipated as a result of:

- an overspend on the capital project at the North Farm Transfer Station due to the removal of contaminated land during the construction phase, this capital overspend of +£302k is being funded from revenue.
- Additional maintenance at Church Marshes Transfer Station is anticipated to cost a further +£170k, and
- a £369k saving is due to reduced waste tonnage.

Overall annual forecast tonnes is expected to reduce by 30,000, which is made up of 38,000 tonnes less via Allington and 14,000 tonnes less via recycling/composting, however due to extended planned operational changes at Allington a further 22,000 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 extended planned routine maintenance at Allington Waste to Energy Plant	+1,191	EHW	Disposal Contracts - lower than budgeted residual waste tonnage processed through Allington WtE due to extended planned routine maintenance at the plant.	-2,932
EHW	Transfer Stations - revenue contribution to capital for the overspend on the North Farm TS construction project.	+302	EHW	Concessionary Fares - Successful negotiations with major bus operators have resulted in an agreement to settle appeals at a lower level than the original claims.	-918
EHW	Sustainable Transport - Cost of multi modal transport models offset by underspend arising from income.	+293	EHW	Household Waste Recycling Centres - Additional income due to market prices remaining buoyant for the sale of various recyclable materials.	-487
EHW	Strategic Management & Directorate Support Budgets - Directorate funded redundancy payments arising from the Highways restructure.	+219	EHW	Transfer Stations - lower than budgeted waste tonnage.	-369
EHW	Transfer Stations - operational need for additional planned maintenance at Church Marshes TS.	+170	EHW	Recycling Contracts & Composting - lower than budgeted waste tonnage	-366
EHW	Payments to Waste Collection Authorities (DCs) - additional enabling payments made to Districts under Joint Waste Arrangements.	+116	EHW	Sustainable Transport - Income from multi modal transport models offsetting pressure.	-248
			EHW	Traffic Management - Successful recovery of S74 fees from works promoters for unreasonably prolonged occupation of the highway.	-247
			EHW	Household Waste Recycling Centres - New income stream from the sale of lead acid batteries.	-130
			EHW	Recycling Contracts & Composting - improved contract prices	-104
		+2,291			-5,801

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.

The successful negotiation with the major bus operators in respect of Concessionary Fares will have an impact on the Medium Term Financial Plan although it is unlikely that the full extent of the 2011-12 savings will be realised in future years.

1.1.6 Details of re-phasing of revenue projects:

None

1.1.7 Details of proposals for residual variance:

The most significant element of the Directorate's forecast underspend arises from Waste Management. This is directly related to tonnage and whilst the forecast reflects the previous year's experience and tonnage data to date, it must be treated with an element of caution. The Directorate has a direct influence over the disposal and recycling of waste, but limited control over the amount of waste that is put into the system. Any surge in waste tonnage above the current forecast outturn of 730,000 tonnes will impact the financial outturn of the Directorate and the forecast underspend reported in this report. It must be noted that previous years underspend on Waste Management was negated by additional costs arising in Highways as a result of hard winters and this could be repeated in 2011-12.

1.2 CAPITAL

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 17th October 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	238,642	94,606	74,132	65,224	253,157	725,761
Adjustments:						
- Re-phasing August Monitoring		-1,349	773	-3,435	4,011	
- Completed Projects	-50,322					-50,322
- Wetland Creation	-22					-22
- Non grant supported land claims		-50	-108	-46		-204
- Integrated Transport Schemes		786				786
- Major Scheme Preliminary Design		-300				-300
- A2 Cyclo Park		905				905
Revised Budget	188,298	94,598	74,797	61,743	257,168	676,604
Variance		6,692	-19,651	-9,772	3	-22,728
split:						
- real variance		+7,214	-20,020	-9,922		-22,728
- re-phasing		-522	+369	+150	+3	0
Real Variance		+7,214	-20,020	-9,922	0	-22,728
Re-phasing		-522	+369	+150	+3	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	4,279			
EHW	Ashford Drovers & J9 Foot Bridge	real		1,697		
EHW	Victoria Way	real		1,000		
EHW	HWRC-North Farm Transfer Station	real		325		
EHW	Commercial Services	real	320			
			+4,599	+3,022	+0	+0
Underspends/Projects behind schedule						
EHW	East Kent Access Phase 2	phasing		-326		
			0	-326	0	0
			+4,599	+2,696	+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 -£22.728m (+£7.214m in 2011-12, -£20.020m in 2012-13 and -£9.922m in 2013-14)

Highway Maintenance: +£4.279m (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. £0.279m relates to additional surfacing repairs due to subsidence and installing new directional signs and will be funded from revenue.

Integrated Transport Schemes: +£0.060m (in 2011-12): There are two elements to this forecast overspend:

- +£0.100m Department of Transport grant (DfT) has been approved towards Local Sustainable Transport work and this will be spent on new infrastructure at Kent hospitals.
- -£0.040m is a managed underspend to be delivered by the Integrated Transport programme to fund an overspend on the A2 slip road.

A2 Slip Road: -£0.076m (in 2011-12): The cash limit includes a commuted sum of £0.116m for maintenance which has to be paid to the Highways Agency as revenue. The A2 slip road is now complete and the project is estimated to show an overspend of £0.040m which will be funded from the Integrated Transport programme underspend.

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): This programme has a budget of £0.300m which is funded from revenue. The Carbon Trust grant of £0.150m has been repaid which has reduced the level of revenue available for this programme.

Energy and Water Efficiency Fund: +£0.078m (in 2013-14): The overspend is due to converting £0.078m from Exemplar energy saving projects to the Energy Loan Fund. The loan repayments for this extra fund are expected to be repaid in future years to cover the overspend.

North Farm Transfer Station: +£0.325m (in 2011-12): This overspend has arisen due to the unforeseen level of contaminated land that required removal during the construction phase. £0.302m is funded from revenue and £0.023m is met from an underspend on the Lydd/New Romney new site.

Re-shaping Kent Highways Accommodation: +£0.205m (in 2011-12): The reason for the increase is to the following:

- Purchase of existing modular portacabins within the depots +£0.085m – an opportunity arose to purchase portacabins that we were previously leasing. The ownership of these units will enable use to maximise the use of the depots, in particular, during winter services. The purchase cost will be funded by savings generated from the cessation of lease payments. The investment will generate further savings that will contribute towards identified revenue savings target.
- Additional works to the new Aylesford depot +£0.120m – with the engagement of the new Highways contractor Enterprise, some additional works (a de-watering facility, not in the original specification) have been carried out. The investment on these additional works will offer greater efficiency and cost reduction by providing an in house resource and avoiding external costs. These extra works are funded from revenue.

Sittingbourne Northern Relief Road: -£0.114m (in 2011-12): This scheme is due to complete in December, a financial review was undertaken to assess the future risk and has led to a reduction of £0.114m.

Ashford Ring Road: -£0.204m (-£0.184m in 2011-12 and -£0.020m in 2012-13): Management action has been taken to ensure that only the essential safety and remedial works are undertaken.

Ashford Station Forecourt: -£0.125m (in 2011-12): This GAF funded scheme was to improve the access to the international side of the station for people with disabilities. The scheme is not progressing any further for the time being and the underspend on this scheme will be transferred into the Ashford Futures contingency fund.

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 Drivers Roundabout / J9 and Footbridge) should have first call on the GAF pot of some £2.7m (see also below). The £0.397m committed sum for future maintenance has already been received and will be redirected to reduce the funding deficit.

Drivers Roundabout, J9 and Footbridge: +£1.697m (in 2011-12): 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 Drivers, 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.

Smartlink Ashford: -£30.000m (-£20.000m in 2012-13 and -£10.000m in 2013-14): Indications are that this scheme is not likely to get Local Transport Plan programme entry before 2015-16, it seems prudent to remove this scheme until there is more clarity on the funding

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 railways structures.

1.2.7 Project Re-Phasing

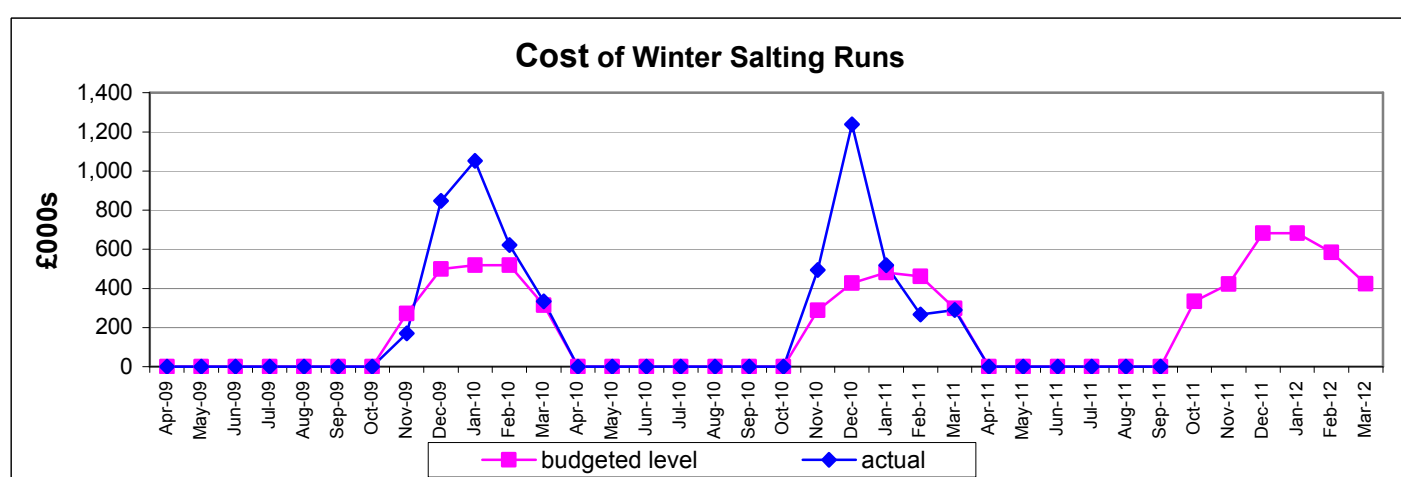
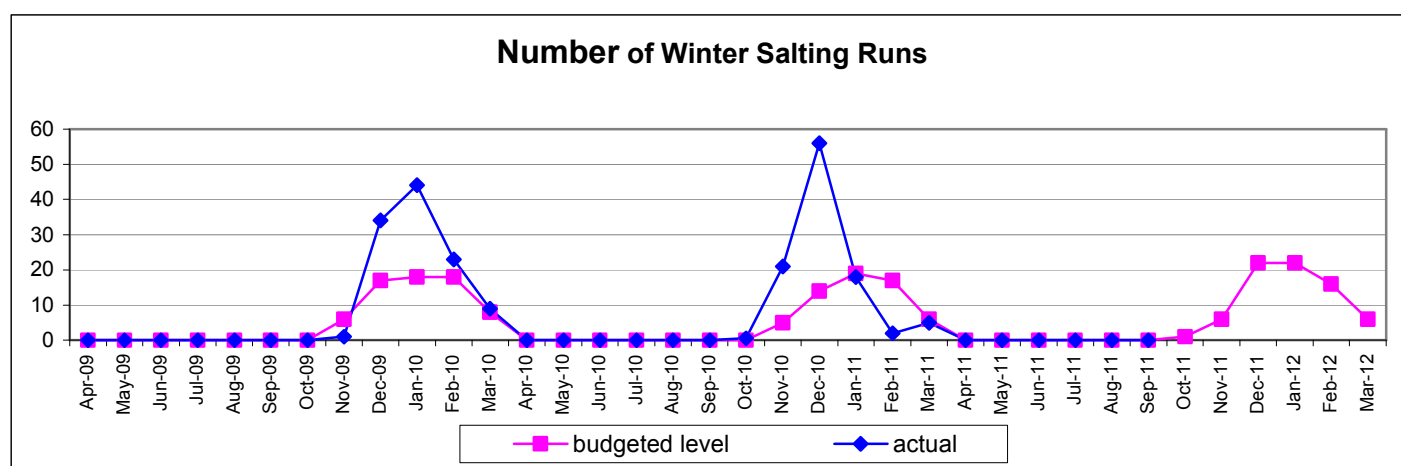
Cash limits are changed for projects that have re-phased by greater than £0.100m to reduce the reporting requirements during the year. Any subsequent re-phasing greater than £0.100m will be reported and the full extent of the re-phasing will be shown. The possible re-phasing is detailed in the table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

	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
Energy and Water Efficiency Investment					
Amended total cash limits	+884	+129	+125	+248	+1,386
re-phasing	-197	+100	+94	+3	0
Revised project phasing	+687	+229	+219	+251	+1,386
Energy Usage Reduction Programme					
Amended total cash limits	+150	+50	+94	0	+294
re-phasing	+113	-19	-94	0	0
Revised project phasing	+263	+31	0	0	+294
East Kent Access Phase 2					
Amended total cash limits	+27,672	+1,807	+544	+2,000	+32,023
re-phasing	-326	+326	0	0	0
Revised project phasing	+27,346	+2,133	+544	+2,000	+32,023
Re-shaping Kent Highways Accommodation					
Amended total cash limits	+1,857	0	0	0	+1,857
re-phasing	-140	+140	0	0	0
Revised project phasing	+1,717	+140	0	0	+1,857
Ashford Drovers Roundabout					
Amended total cash limits	+3,556	+150	0	0	+3,706
re-phasing	0	-150	+150	0	0
Revised project phasing	+3,556	0	+150	0	+3,706
HWRC - Ashford Transfer Station					
Amended total cash limits	0	+4,250	0	0	+4,250
re-phasing	+100	-100	0	0	0
Revised project phasing	+100	+4,150	0	0	+4,250
Total re-phasing >£100k	-450	+297	+150	+3	0
Other re-phased Projects below £100k	-72	+72			
TOTAL RE-PHASING	-522	+369	+150	+3	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

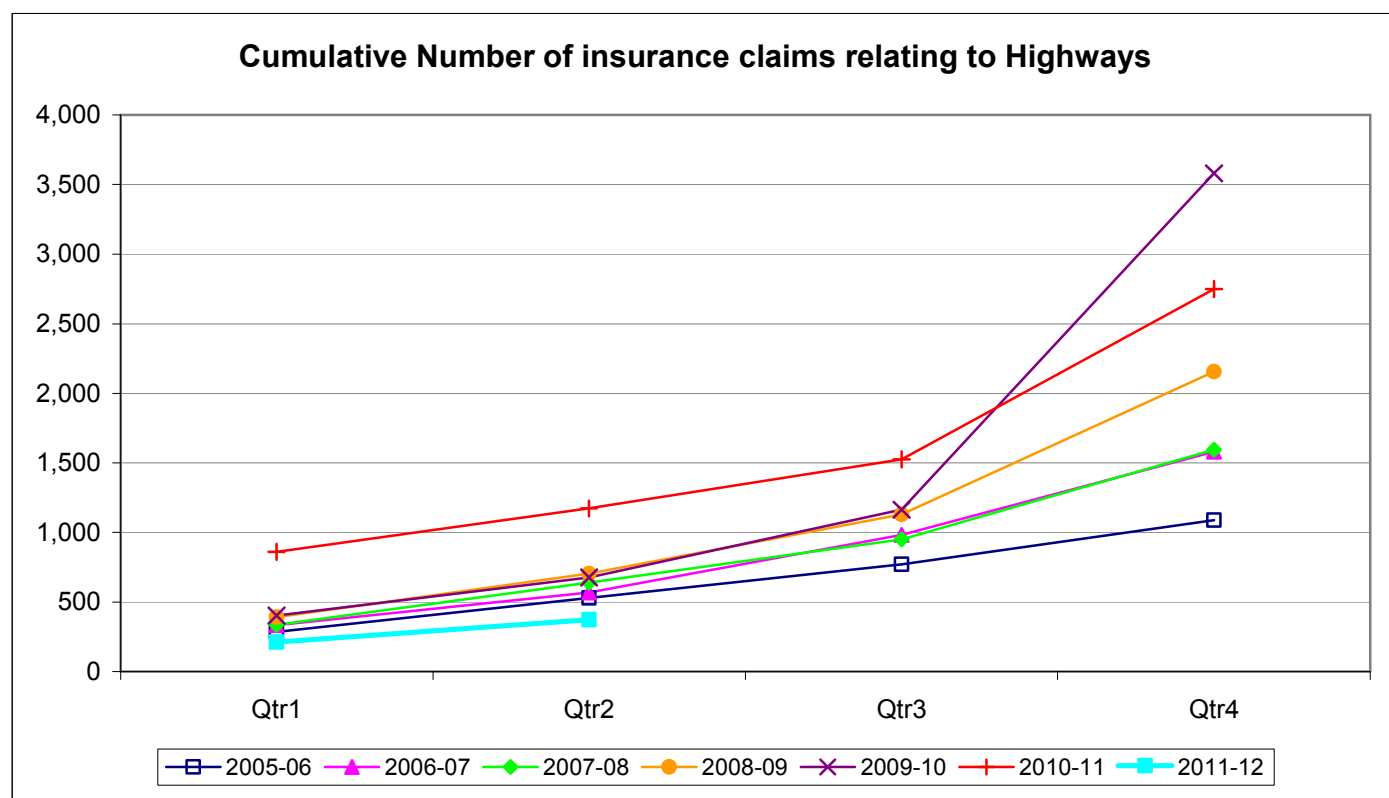


Comment:

- 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	405	861	214
July-Sept	530	570	640	704	677	1,172	374
Oct-Dec	771	982	950	1,128	1,164	1,527	
Jan- Mar	1,087	1,581	1,595	2,155	3,581	2,750	

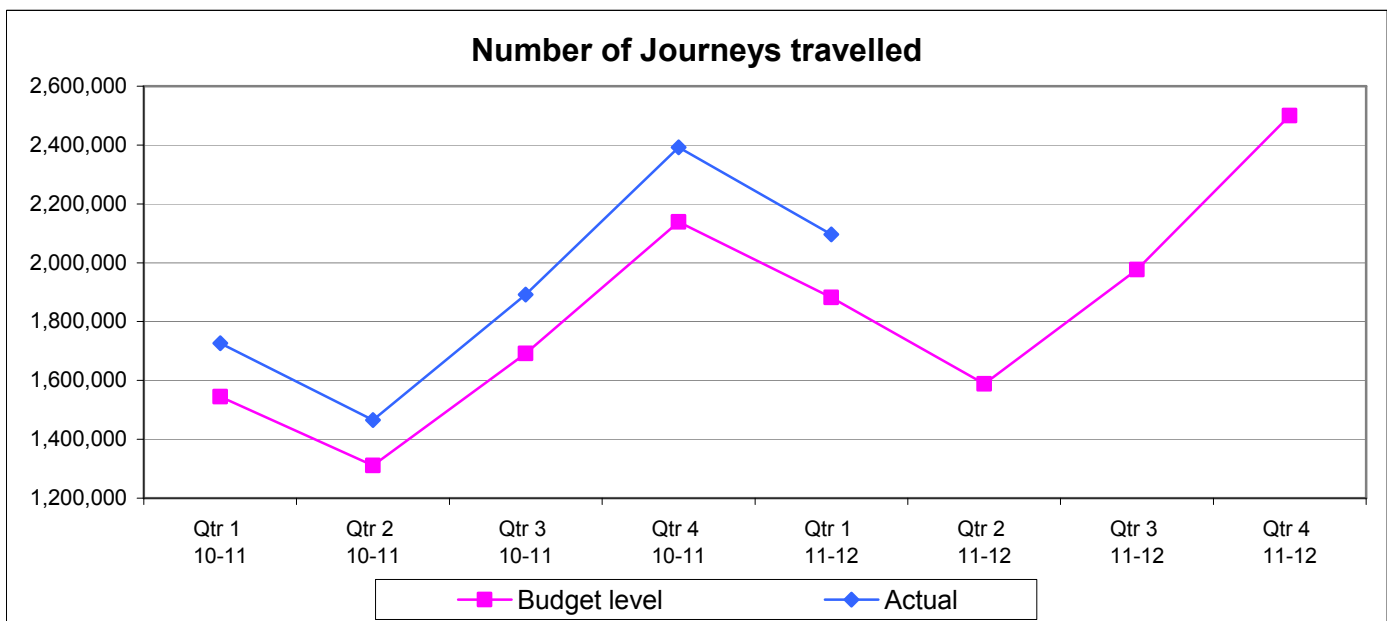
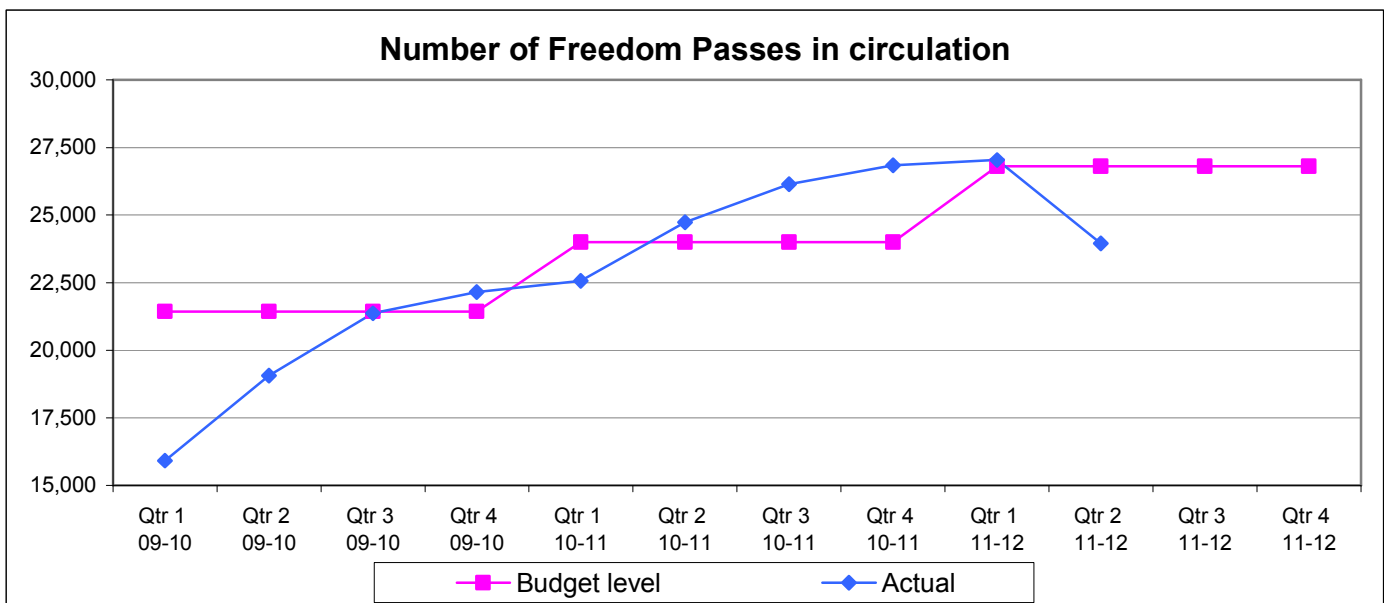


Comments:

- 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 3 November 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. However, claim numbers reported for the previous three years have reduced this quarter as a result of the liability claims team pressing insurers to clarify the position on a large number of 'open' claims across several policy years, which has resulted in the opportunity to close a significant number of claims.
- The Insurance section continues to work closely with Highways to try to reduce the number of successful claims and currently the Authority is managing to achieve a rejection rate on 2011-12 claims where it is considered that we do not have any liability, of about 86%.

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

	2009-10				2010-11				2011-12			
	Passes		Journeys travelled		Passes		Journeys travelled		Passes		Journeys travelled	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Qtr 1 April - June	21,434	15,923			24,000	22,565	1,544,389	1,726,884	26,800	27,031	1,882,098	2,095,980
Qtr 2 July - Sept	21,434	19,060			24,000	24,736	1,310,776	1,465,666	26,800	23,952	1,588,616	
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	2,095,980



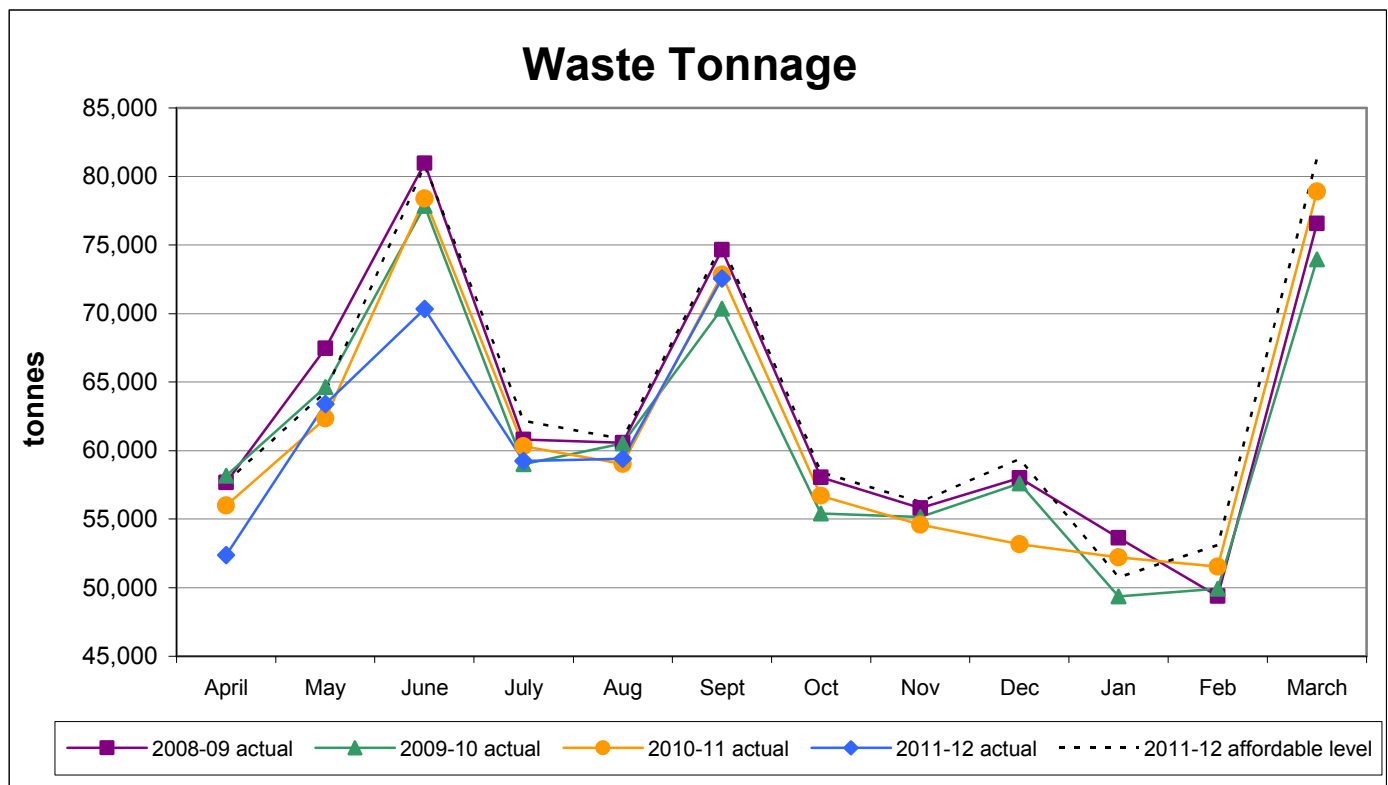
Comments:

- The figures above for journeys travelled represent the number of passenger journeys which directly or indirectly give rise to reimbursement to the bus operator under the Kent Freedom Pass scheme. It was anticipated that the increase in the cost of the pass from £50 to £100 this year will limit the increases in demand that have been experienced since the introduction of the pass and this is reflected in the number of passes in circulation at the end of quarter 2. 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, hence why no variance is reported against the budget for Freedom Pass at this stage.
- 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 2 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 3 report.
- Comparable figures for 2009-10 journeys travelled are not available because the scheme was still being rolled out and was changing radically year on year and we do not have the data in order to split out the home to school transport journeys.

2.4 Waste Tonnage:

	2008-09	2009-10	2010-11	2011-12	
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Waste Tonnage *	Affordable Level
April	57,688	58,164	55,975	52,360	57,687
May	67,452	64,618	62,354	63,392	64,261
June	80,970	77,842	78,375	70,347	80,772
July	60,802	59,012	60,310	59,232	62,154
August	60,575	60,522	59,042	59,395	60,847
September	74,642	70,367	72,831	72,551	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	377,277	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 two quarters is approximately 23,500 tonnes less than the affordable level stated above.
- The current forecast as reflected in section 1.1.3.4 of this annex assumes waste volumes will be around 30,000 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 two quarters of 2011-12 shows a 3% reduction when compared with the corresponding two quarters for the last financial year. If this trend continues, the savings forecast in section 1.1.3.4 of this annex will increase.

CUSTOMER & COMMUNITIES DIRECTORATE SUMMARY OCTOBER 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 have been adjusted since the last full report to reflect the virement of £0.307m from the debt charges underspending within the Finance & Business Support portfolio to the Contact Centre budget to meet the increase in call volumes, as approved by Cabinet in September, 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 A-Z budget line:

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	5,256	-1,451	3,805	164	331	495	Shortfall in savings and income target in the Communications and Engagement division.
<u>Other Services for Adults:</u>							
- Drug & Alcohol Services	18,617	-17,169	1,448	-13	13	0	
- Supporting People	29,821		29,821	0	0	0	
	48,438	-17,169	31,269	-13	13	0	
<u>Community Services:</u>							
- Archive Service (incl Museum Development)	1,345	-424	921	-42	41	-1	
- Arts Development (incl Turner Contemporary)	2,390	-90	2,300	-39	-2	-41	Reduced staff costs from vacancy management
- Community Learning Services	16,590	-16,790	-200	-241	332	91	Reduction in income from Skills Funding Agency, lower enrolment numbers (and lower drawdown on maximum contract values) & the associated reduction in employer contributions. Gross costs reduced accordingly but unable to fully mitigate the income reduction
- Community Safety	1,922	-225	1,697	66	2	68	Increased staff costs due to backfill of maternity leave and funding of two partnership officer posts. Managed in conjunction with the Community Wardens budget below.
- Community Wardens	2,798	-2	2,796	-104	1	-103	Vacancy management savings & reduced transport costs.

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
- Contact Centre & Consumer Direct	6,951	-2,917	4,034	0	181	181	Income: Reduced income from Trading Standards S.E Ltd (TSSEL) due to reduced call volumes, offset by increased internal and external fee income. Gross: Shortfall on savings target offset by lower spend on TSSEL.
- Gateways	2,522	-652	1,870	-9	-6	-15	Reduced staff costs & third party payments as a result of a delay in roll out of certain Gateways, offset by spend on projects brought forward from 2012.
- Library Services	16,504	-2,332	14,172	-69	-51	-120	Planned reduction in running costs to offset the moving costs associated with Kent History Centre (KHLC); reduced staff costs due to RFID project. Increased contributions from Kent Cultural Trading, increased internal income, offset by reduced merchandising & fees income.
- Sports Development	2,686	-1,337	1,349	14	-68	-54	underspend on the Sandwich Open Golf event.
- Supporting Independence & Supported Employment	3,201	-1,954	1,247	-331	112	-219	Reduced staff costs from vacancies expected to be held for the remainder of the year and reduced spend (and income) re Future Jobs Fund; reduced contributions from DWP due to lack of take-up for placements. Delays in the recruitment of Vulnerable Learners has led to a reduction in costs & corresponding reduction in the need to draw down from reserves.
- Big Society Fund	5,000		5,000	0	0	0	
	61,909	-26,723	35,186	-755	542	-213	
<u>Environment:</u>							
- Country Parks	1,749	-973	776	-29	29	0	
- Countryside Access (incl PROW)	3,233	-1,145	2,088	-64	67	3	
	4,982	-2,118	2,864	-93	96	3	

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<u>Local Democracy:</u>							
- Local Boards	675		675	82	0	82	Shortfall in savings target in relation to Community Engagement Officer posts
- Member Grants	1,303		1,303	0	0	0	
	1,978	0	1,978	82	0	82	
<u>Regulatory Services:</u>							
- Coroners	2,840	-475	2,365	32	-22	10	Inflationary pressure due to NHS post mortem charges. Additional income from Medway .
- Emergency Planning	880	-199	681	-5	-6	-11	
- Registration	2,988	-3,166	-178	-97	75	-22	Vacancy management & release of CARA reserve, as no planned spend. Shortfall against income target associated with collaborative working with other local authorities.
- Trading Standards (incl KSS)	4,464	-865	3,599	-205	68	-137	Advancement of 2012-13 savings to be achieved in 2011-12 & savings on gross spend-mainly staffing. KSS shortfall against income target.
	11,172	-4,705	6,467	-275	115	-160	
<u>Support for Individual Children:</u>							
- Youth Service	10,308	-4,214	6,094	-3	2	-1	
- Youth Offending Service	6,013	-2,608	3,405	-43	-37	-80	Reduced number of referrals in secure accommodation in the first half of the year
	16,321	-6,822	9,499	-46	-35	-81	
Total controllable	150,056	-58,988	91,068	-936	1,062	126	
Assumed Management Action						0	
Forecast after Mgmt Action				-936	1,062	126	

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 +£164k, Income +£331k Net +£495k

The gross variance relates primarily to pressures of +£357k in the Communication and Engagement division offset by a number of minor variances across a number of services within this service grouping, which in aggregate amount to -£193k.

The gross pressure of +£357k within Communication and Engagement is as a result of (i) £500k of the savings target of £1.5m that is yet to be fully achieved and (ii) compensating underspend on staffing of £143k. The -£193k of minor variances have been achieved in line with the directorate's policy of curtailing all non essential spend and extending vacancy management wherever possible to try and mitigate the overspends within the directorate.

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 Communications and Engagement, together with reduced internal income in Centrally Managed Budgets of £63k and other minor variances amounting to £19k.

Overall, therefore the net pressure of +£495k comprises a pressure on Communication and Engagement of +£606k (+£357k gross and +£249k income), which is offset by underspends across this grouping of services of £111k (-£193k gross, and +£63k & +£19k income).

1.1.3.2 **Community Services:**

a. **Community Learning Services: Gross -£241k, Income +£332k, Net +£91k**

The Community Learning and Skills service (Adult Education and Key Training) is forecasting a significant reduction in income, which the service is unable to fully mitigate due to the timing and nature of the reductions and hence a net pressure is being reported.

The income variance of +£332k is comprised of the following. The service has reduced its forecast in relation to sales, fees and charges due to a decline in enrolment numbers (+£93k) meaning a lower than expected drawdown of maximum contract values. The decline in enrolment numbers - as well as the economic environment that we are currently operating in - has also led to an expected diminution in contributions from employers of +£58k.

The most significant reason for the adverse income variance however, is the decision by the Skills Funding Agency to alter the eligibility criteria – mid year – for the equivalent learning programme, meaning that up to 75% of funding has been removed. This means that either the learner, or the employer, has to make good the difference in order to make the programme viable.

This reduced funding, and related income streams, amount to a variance of +£218k. In this climate SME's are unable to absorb such costs and therefore certain courses are being withdrawn, causing enrolment numbers to fall, which again means that employer contributions reduce accordingly.

The above reductions in funding explains a £369k income shortfall (£93k +£58k +£218k), which is partially offset by minor compensating income streams of -£37k.

The gross variance of -£241k is primarily the management action taken by the service to part-mitigate this income shortfall as follows: The service has withheld training and development budgets for its tutors; brought forward staff and management restructures (but the savings are offset by one-off costs to be incurred for pension and redundancy); and reduced business development budgets aimed at increasing the breadth and quality of services offered to students and employers.

The service is unable to fully absorb or mitigate these funding reductions in the current year due to the timing of these changes, as well as the one-off costs involved with staff restructures. It is hoped therefore that a balanced budget will prevail in 2012-13 but, given that in excess of £1m of income has been removed from the budget in the past 18 months; further funding changes do present a significant challenge to the service.

b. **Contact Centre & Consumer Direct: Gross £0k, Income +£181k, Net +£181k**

In the previous quarter's monitoring, the gross variance of £566k was primarily due to the call volume pressure of £460k and a partial shortfall against savings targets.

The call volume pressure has been fully mitigated by a combination of a virement of £307k from the Finance & Business Support portfolio from the underspend on debt financing, with the residual pressure of +£153k (£460k minus the £307k virement), alleviated by permitting a temporary relaxation of call answer rates for non critical services.

Therefore a pressure continues to remain in relation to the shortfall against the savings targets, amongst other things. The net variance of +£181k is mainly comprised of such a shortfall against the £246k savings target of the Kent Contact & Assessment Service (KCAS), which following specific one-off management action has a residual deficit of +£152k. CFIS also had a shortfall against its savings target of £120k but has found one-off solutions to fully mitigate this.

The gross pressure associated with KCAS (+£196k) is offset by a reduction in staff costs (-£209k) on the Consumer Direct South East Service (CDSE), which – when combined with a few other minor variances – means that no gross variance is currently being reported on the service overall. These staffing savings within CDSE have been made to offset a forecast income reduction of £246k due to lower call volumes (as funding is performance related). This income shortfall is partially offset by an increase in internal income (-£57k) and a small rise in sales, fees and charges of -£11k.

c. Gateways: Gross -£9k, Income -£6k, Net -£15k

A number of Gateways have been delayed resulting in a gross underspend of £227k, but the service has re-prioritised and accelerated future year's planned activity with an additional £114k of spend on cross authority projects. Also, the service has not drawn down £150k of reserves, given that funding is available in the current year due to the roll out delay. Other minor variances account for the residual difference.

d. Library Services: Gross -£69k, Income -£51k, Net -£120k

The service has made savings on gross expenditure, mainly through a planned reduction in running costs (-£250k) to mitigate against additional costs associated with Kent History and Library Centre (KHLIC) where a switch of funding from capital to revenue is required due to the nature of the moving costs (+£168k). Accounting convention prevents capital funding to be used for revenue purposes so a strategy was enacted to allow these costs to be met from the revenue budgets, without causing a pressure to the service. This strategy enabled the costs to be met and an -£82k gross variance to be delivered (+£168k – £250k).

Other compensating gross variances including an acceleration of RFID savings of -£198k, that were reported in quarter one's monitoring report, show an aggregated +£13k deviation from the approved budget, which when combined with the -£82k above, arrive back at the gross variance of -£69k.

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.

The above, combined with reduced income from fines (as reported in the previous quarter's monitoring) gives a shortfall in income of £123k, which is compensated by additional external contributions of £127k and increased income from internal clients of £65k. Other minor differences of +£18k account for the residual income variance.

e. Supporting Independence & Supported Employment: Gross -£331k, Income +£112k, Net -£219k

Kent Supported Employment (KSE) is forecasting a shortfall in external income from the Department for Work & Pensions (DWP), as well as income from external clients, totalling +£88k.

To compensate for this shortfall, and to contribute towards reducing the directorates net overspend, the service has made savings on gross expenditure of -£290k by holding staff vacancies. There are also other minor gross and income variances within Supporting Independence to reconcile back to the gross and income variances of -£331k and +£112k respectively.

Due to delays in the identification and subsequent recruitment of a number Vulnerable Learners, the Supporting Independence Programme (SIP) is forecasting a reduction in staffing and other related expenditure in 2011-12 of -£159k. This is however fully mitigated by a corresponding reduction in the required drawdown from reserves in the current year, with the scheme continuing into 2012-13 as the Vulnerable Learner programme involves a 12 month placement.

1.1.3.3 Regulatory Services:

a. Trading Standards (Incl. Kent Scientific Services): Gross -£205k, Income +£68k, Net -£137k

The net variance of -£137k comprises -£165k Trading Standards and +£28k Kent Scientific Services (KSS), the latter showing an improved position of £53k since the previous quarter's monitoring.

The majority of the Trading Standards net variance results from vacancy management and an acceleration of the review of service priorities, in order to deliver some of the planned 2012-13 savings a year early in an attempt to part mitigate the directorate's pressures elsewhere. This has achieved gross savings of £180k.

Within Kent Scientific Services there is a shortfall in income of £89k. The service was given a £50k target for increasing income from other authorities, which was predicated on more and more laboratories closing resulting in new custom to KSS. This trend has not continued and the whole of this £50k savings target is being shown as a pressure. In addition, other authorities are reducing the number of samples that are being placed at the laboratory until their own budget situation becomes clearer, reducing the service's income further.

Trading Standards are forecasting £21k of additional income and this, combined with the +£89k KSS variance, arrives back at the +£68k income variance.

To try to mitigate their income shortfall, KSS has made savings on staff costs of £60k. When combined with Trading Standards gross saving of £180k, this explains -£240k of the gross variance, with minor compensating variances.

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 activity 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.	-290
CCSI	Contact Centre: Shortfall against savings targets of KCAS (+£246k) and CFIS (+£120k)	+366	CCSI	Libraries: Planned reduction in running costs to mitigate additional KHLC moving costs	-250
CCSI	Communications & Engagement: Shortfall against the income target set at the time of building the budget.	+249	CCSI	CLS: management actions to part mitigate income shortfall	-241
CCSI	Contact Centre (Consumer Direct): Reduced income from Trading Standards S.E.Ltd; income is based upon a price per call basis and call volumes have declined.	+246	CCSI	Gateways: reduced spend due to delayed opening of Gateways	-227
CCSI	CLS: Reduced income on the equivalent learners programme due to a combination of reduced demand and a change in the eligibility criteria (in-year) by the Skills Funding Agency.	+218	CCSI	Contact Centre: One-off solutions to offset shortfall against savings targets for the CFIS and KCAS services.	-214
CCSI	Libraries: Additional moving costs associated with Kent History & Library Centre (KHLC), mitigated by reduced spend on other running costs	+168	CCSI	Contact Centre (Consumer Direct): Reduced staff costs, primarily through vacancy management, as management action towards the reduce income stream from TSSEL.	-209
CCSI	SIP: Reduction in staff and other related expenditure for the Vulnerable Learners Scheme. A delay in the identification of the learners means the scheme will continue into 2012/13.	+159	CCSI	Libraries: reduced staff costs arising from Radio Frequency Identification (RFID) self service implementation	-198
CCSI	Gateways - reduction in expected drawdown from reserves, no longer required due to delay in the rollout programme	+150	CCSI	Trading Standards: Reduced staff costs achieved through vacancy management and advancement of 2012-13 savings.	-180
CCSI	Libraries: reduced income from fines, Audio Visual & Merchandising	+123	CCSI	SIP - reduction in the drawdown from reserves in relation to the Vulnerable Learners Scheme. These reserves will now be called upon in 2012/13.	-159
CCSI	Gateways - additional other running costs as other projects brought forward to compensate for delay in roll out of the programme.	+114	CCSI	Strat Mgmt & Directorate Support: Comms & Engagement staff vacancy management savings	-143
			CCSI	Libraries: additional external contributions	-127
		+2,293			-2,238

1.1.4 Actions required to achieve this position:

1.1.4.1 Contact Kent

The Contact Centre was allocated a savings target of £406k for the current year, of which £366k related to the integration of the Kent Contact & Assessment Service (KCAS) and Children & Families Information Services (CFIS).

Due to a delay in the integration of KCAS and reductions in grant funding meaning that the CFIS saving was not deliverable in-year, alternative ways of mitigating the saving in the current year were sought. Subsequently one-off solutions of £214k have been found but a residual variance remains.

In addition, Consumer Direct is delivering a small underspend to part mitigate the above pressures, with vacancy management extended as far as possible across the whole service.

Alternative ways of achieving savings through the integration of further services into the Contact Centre are being devised, with the hope that management, support and logistical savings can still be generated, in order to present a balanced budget by the end of the year.

An update on progress with this review, and ergo the management action, will be reported through monitoring in subsequent reports as services and new ways of working are identified.

1.1.4.2 Communications & Media Relations

This division, which for the purposes of the restructure, includes Local Boards (Community Engagement Officers) - has a savings target of £1.5m to achieve in 2011-12 and a further £0.5m in 2012-13, giving a total savings target of £2m over the two years.

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 – Communications	0.606
Shortfall – Local Boards (incl CEO costs)	0.082
Total Shortfall – Communications & Engagement	0.688

a) Staff restructure

A restructure of the service has been explored. The restructure proceeded and was set to deliver in excess of £1m, full year effect. However one aspect of the proposals - in relation to Community Engagement Officers (previously Community Liaison Managers) - did not proceed as expected and this element of the saving (full year effect approximating to £265k) will not be achieved. The part-year effect of this shortfall against the savings target in the current year is shown under Local Boards; with a net overspend of £82k showing against this budget line for 2011-12.

Overall – and prior to the change to the Local Board structure – the review was anticipated to deliver in excess of £1m of savings, with the remaining £1m of savings to be achieved through reducing communication related activity costs.

The new structure was not fully in place by 1st September as first expected so the anticipated 6 month effect of a £1m saving (e.g. a £500k saving) would not be expected to materialise under normal circumstances.

However, the full year effect of the restructure (prior to the Local Board change) is now expected to deliver closer to £1.5m, or approximately £1.25m after the Local Board changes have been taken into account.

The part year effect in 2011-12 is expected to still deliver £500k for the Communications and Engagement element, but with the £82k Local Board pressure being reported separately.

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 was 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, advertising, books/publications/newspapers, 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 shortfall to be identified and then delivered.

Upon a review of communications related expenditure in the first 6 months of 2011-12, it does appear that funding restraints elsewhere has meant that this type of expenditure has already reduced significantly and the ability to deliver £500k in the current year will be extremely difficult.

A review is continuing to be undertaken, to investigate potential solutions but a prudent forecast has been included in this monitoring report to show that no further mitigation of the £500k shortfall is expected this financial year.

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 unless further vacancies – in the new structure – ensue in the coming months.

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. This has delivered significant savings since the last monitoring report.

1.1.4.4 Vacancy Management

Where possible, and not just within the Communications and Engagement division, 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 initial gross pressures reported in quarter 1 of £644k for the Contact Centre and the £606k pressure on Communications and Engagement, the directorate has already enacted management action to reduce or contain these pressures wherever possible. These two pressures alone amounted to +£1.25m, with the directorate previously delivering significant underspends elsewhere as +£0.8m was the net underspend in quarter one.

1.1.4.6 Vacancy management, primarily within Trading Standards, Libraries and Kent Supported Employment, has delivered significant underspends to part mitigate the above gross overspends and is a significant contributor in enabling the directorate to report a current net pressure of +£126k, a significant reduction from the +£800k reported in quarter one's monitoring report.

The identification of management action will continue, with a balanced budget being the aspiration of the directorate 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 Engagement 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.

The staff restructure in Communications was due to deliver significantly in excess of the £1m initial estimates – to part offset the activity requirement of £500k - but due to the consultation altering the structures around Community Engagement Officers, a revised staff saving of around £1.25m will now be possible.

This therefore means that the service needs to continue to explore ways of mitigating the need to reduce activity expenditure – across the authority as budgets remain dispersed – and to look at alternative ways to generate income to supplement the internal income that could not be achieved in the current year.

Note will also have to be taken of in-year and future grant funding reductions, as well as prior year funding reductions, that have implications on the ability of the directorate to balance their budgets and 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. The rollout of some of the Gateway programme has been delayed and expenditure has been re-prioritised accordingly – both revenue and capital – to ensure that sufficient budget remains in 2012-13 for this rollout to continue.

1.1.7 Details of proposals for residual variance:

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.

Management action for Communications & Engagement and Contact Kent are currently being prepared and will be communicated through the monitoring reports as and when identified.

It was hoped that these would have been devised and implemented by now but as explained in previous sections, services have already reduced their expenditure on communication related activity to mitigate their own funding reductions and so this saving cannot be delivered twice.

Similarly, the two services integrated into the contact centre this year were partially funded by grants which were reduced pre-transfer, so base solutions are unlikely to be found unless further services are integrated into the centre, as the anticipated savings have been enacted merely to absorb the funding reductions.

As such the directorate has sought to extend vacancy management wherever possible, to impose a moratorium on non-essential spend and to release certain activity related budgets where the demand in the first half of the year has not been at forecast levels.

This has contributed to a significant improvement in the directorate's position and whilst this is not specific management action proposals for the two services noted above, these proposals have enabled the net pressure the directorate is facing to be reduced each month and is now a modest +£126k when compared to the +£800k of three months ago.

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 17th October 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
Communities, Customer Services & Improvement						
Budget	45,501	18,194	5,529	5,274	4,929	79,427
Adjustments:						
- Re-phasing August Monitoring		70	-52	-18		
- Completed Projects	-8,413					-8,413
- Edenbridge Community Centre		150				150
- Gateways		-150				-150
- Kent Library & History Centre		280				280
- Library Modernisation		-280				-280
Revised Budget	37,088	18,264	5,477	5,256	4,929	71,014
Variance	0	-79	+311	0	0	+232
split:						
- real variance		232				232
- re-phasing		-311	311			0
Real Variance	0	232				232
Re-phasing	0	-311	311			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

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 +£0.232m in 2011-12

Public Rights of Way: +£0.194m (in 2011-12): This reflects an additional project funded by Department for Transport grant and the full cost of 3 existing projects with funding from external funding/developer contributions.

Overall this leaves a residual balance of +£0.038m which is to met from revenue.

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 is linked to the Modernisation of Assets (MOA) programme (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, corporate priorities and largely the Library Modernisation programme. Any delay from whatever source will impact directly on delivering improvements to facilities and result in slippage of the inter-related programmes.

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 – Sheerness running costs exceed anticipated levels.

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 – there is small risk that the costs of the final snagging works 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 – programme delivery and cost is impacted by the availability of in-house technicians/external consultants.

(b) Details of action being taken to alleviate risks

Library Modernisation Programme – the Library Modernisation Project Board, 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 Property and 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 the schedule of associated costs is continually reviewed and challenged. The bid to Viridor Credits is in hand for additional funding and will be submitted in December for approximately £150k. Further value engineering in relation to the museum fit out is taking place and the project managers are actively and robustly addressing various claims by the contractor and design team to minimise/ eliminate any additional costs.

Turner – Turner Contemporary Art Trust has raised £1.662m towards the funding target of £2.9m. Alternative methods are being explored should the full amount of funds not be forthcoming this year.

Gateways – The anticipated running costs and available budgets are being assessed in detail with Property to ensure sufficient funds are available.

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. Half the costs of the works to the library will be shared equally with TWBC.

New Community Centre at Edenbridge – All partner funding agreements (including external contributions) are now in place, thereby eliminating this risk that has been logged from the outset. This is a design and build contract signed at a fixed price, limiting to a minimum future cost rises.

Web Platform – With active support from ISG, delay to the programme should be minimised with completion now expected in 2012-13. Governance for Customer Service Strategy-related web projects will be overseen by the Access & Assessment Team.

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	£k
Country Park Access & Development					
Amended total cash limits	+1,318	0	0	0	+1,318
re-phasing	-105	+105	0	0	0
Revised project phasing	+1,213	+105	0	0	+1,318
Web Platform					
Amended total cash limits	+504	0	0	0	+504
re-phasing	-150	+150			0
Revised project phasing	+354	+150	0	0	+504
Total re-phasing >£100k	-255	+255	0	0	0
Other re-phased Projects below £100k	-56	+56	0		0
TOTAL RE-PHASING	-311	+311	0	0	0

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

N/A

BUSINESS STRATEGY & SUPPORT DIRECTORATE SUMMARY OCTOBER 2011-12 FULL MONITORING REPORT

1. FINANCE

1.1 REVENUE

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- Cash limits have been adjusted since the last full monitoring report to reflect a number of technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

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

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	18	-18	0	
Public Health - Health Promotion	314	-221	93	0	0	0	
Public Health - Local Involvement Network (LINK)	470	-30	440	0	0	0	
Total ASC&PH portfolio	1,128	-251	877	18	-18	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	19,637	-4,648	14,989	78	0	78	Delay of restructure plans
Business Strategy External Funding	0	0	0	0	0	0	
HR Business Operations	8,150	-5,431	2,719	-423	911	488	Under-delivery of increased income targets in SPS, partially offset by reduced staffing/ activity costs; overspend in ESC mainly on staffing; reduced activity in L&D offset by reduced income
Total F&BS portfolio	27,787	-10,079	17,708	-345	911	566	

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							
Strategic Management & Directorate Support budgets	1,628	-9,484	-7,856	775	-14	761	Directorate's as yet unallocated savings still to be allocated across units.
Governance & Law	8,248	-9,472	-1,224	1,297	-1,729	-432	£603k disbursements costs & income; additional costs & income from trading activities
Business Strategy	3,865	-99	3,766	-49	0	-49	Underspend in Performance Management due to maternity leave/ supplies & services underspend
Property & Infrastructure	28,559	-7,129	21,430	0	0	0	
Human Resources	12,748	-2,647	10,101	-503	15	-488	Reduction in base funded external training activity; reduction in training activity to schools
Information & Communication Technology (incl Schools ICT)	36,928	-16,921	20,007	1,500	-1,500	0	IT pay as you go activity funded by income
Health Reform	250		250	0	0	0	
Total BSP&HR portfolio	92,226	-45,752	46,474	3,020	-3,228	-208	
Deputy Leader portfolio							
Finance - Audit	1,671	-742	929	-120	42	-78	£67k u/spend on Insurance offset by reduced drawdown from Insurance Fund; £53k delays in recruiting to vacancies/ additional income in audit
Business Strategy - International, Partnerships & Cabinet Office	1,089	-269	820	0	0	0	
Democratic & Member Services	3,948	-3	3,945	48	-57	-9	
Local Democracy:							
- County Council Elections	505		505	0	0	0	
- District Grants	703		703	0	0	0	
Total DL portfolio	7,916	-1,014	6,902	-72	-15	-87	
TOTAL CORPORATE POSC	127,929	-56,845	71,084	2,603	-2,332	271	
Total BSS Controllable	133,550	-57,371	76,179	2,621	-2,350	271	
Assumed Management Action:							
- ASC&PH portfolio						0	
- CCS&I portfolio						0	
- F&BS portfolio						0	
- BSP&HR portfolio				-718		-718	
- Deputy Leader portfolio						0	
- R&E portfolio						0	
Forecast after Mgmt Action				1,903	-2,350	-447	

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 Human Resources – Business Operations: Gross -£423k, Income +£911k, Net +£488k

Schools Personnel Service (SPS) was given an additional income target of £150k for 2011-12, but this 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. Consequently SPS are forecasting an under-delivery of income of **+£364k**, but also a partially compensating underspend mainly on salaries of **-£149k**. The Learning & Development unit is experiencing significantly reduced take-up of training courses compared to previous years, causing under-delivery of income of **+£660k**, which is partially offset by reduced expenditure of **-£459k**. Employee Services are forecasting a net pressure of +£172k, which comprises a gross pressure of **+£237k** mainly on staffing, partially offset by increased income of £65k.

Business Strategy, Performance & Health Reform Portfolio:

1.1.3.2 Strategic Management & Directorate Support budgets: Gross +£775k, Income -£14k, Net +£761k

+£718k of the gross pressure relates to the Directorate's as yet unallocated savings, which are being held centrally before being allocated across units. Managers are currently being informed of their additional savings targets, and the impact of the allocation of these savings will be built into the monitoring returns for individual units in the future.

A further variance of **+£950k** has arisen as a result of the development of the Enterprise Resource Planning (ERP) project. It is proposed that this will be met by a temporary drawdown from the IT Asset Maintenance reserve of **-£950k** in the current year, with the repayment of this funding back to the IT Asset Maintenance Reserve in 2012-13, which will be drafted into the 2012-15 MTFP. **Cabinet is asked to approve this proposal.** *It has been assumed for the purposes of this report that this will be approved and the drawdown from the reserve is reflected in the forecast in order to give a net nil overall effect.*

1.1.3.3 Governance & Law – Legal Services: Gross +£1,297k, Income -£1,729k, Net -£432k

Variances on gross spend (**+£694k**) and income (**-£1,126k**) 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 **+/-£603k** are due to increased costs & their recovery for Disbursements.

1.1.3.4 Human Resources: Gross -£503k, Income +£15k, Net -£488k

Much of the underspend on gross relates to a **-£264k** underspend in the Adult Learning Resource Team, this is due to a reduction in base funded training activity. In addition, as a result of the reduction in demand from schools for training courses, there is a reduction in gross spend of **-£194k** in this area, which is offset by a compensating under recovery of income from schools of **+£195k**. However, this income shortfall is largely offset by smaller variances, including savings resulting from salary sacrifice schemes recovered from directorates and additional subscriptions from schools for Improving Together Network.

1.1.3.5 Information & Communication Technology (including Schools ICT): Gross +£1,500k, Income -£1,500k, net Nil

Variances of **+/-£1,500k** on gross and income reflect the increased demand for additional IT Pay-as-you-go projects. Project demand is difficult to predict during budget setting.

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	Strat Mgt & Dir Support: Development of ERP project.	+950	BSPHR	Legal income resulting from additional work (partially offset by increased costs)	-1,126
BSPHR	Legal services cost of additional work (offset by increased income)	+694	BSPHR	Strat Mgmt & Dir Support: temporary drawdown of reserves to fund ERP project, to be repaid in 2012-13	-950
BSPHR	Strat Mgt & Dir Support: Directorate's as yet unallocated savings, still to be allocated across units.	+718	BSPHR	Legal Services: increased income relating to Disbursements	-603
F&BS	HR Business Ops: Learning & Development reduced income due to reduced take-up of training courses	+660	F&BS	HR Business Ops: Learning & Development reduced expenditure in line with reduced take-up of training courses	-459
BSPHR	Legal Services: increased costs of Disbursements	+603	BSPHR	HR: Adult Learning Resource Team reduced base funded training activity	-264
F&BS	HR Business Ops: Schools Personnel Service under delivery of increased income target/loss of internal income.	+364	BSPHR	HR: Reduced training activity provided to schools, offset by reduced income	-194
F&BS	HR Business Ops: pressure on Employee Services budget mainly on staffing	+237	F&BS	HR Business Ops: Schools Personnel Service underspend mainly on salaries, partially off-setting under delivery of income target	-149
BSPHR	HR: Underachievement of income due to reduction in demand for discretionary training provided to schools	+195			
		+5,921			-5,245

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.

Vacancy management is already in place across all BSS units.

1.1.5 Implications for MTFP:

Within HR, the allocation of the 2011/12 savings targets will be re-visited in advance of setting 2012/13 budgets for individual units to ensure that achievable budgets are set across the function.

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 & Procurement (Finance & Business Support/Deputy Leader Portfolio)

In the Finance & Business Support Portfolio, Finance & Procurement is reporting a net pressure of £78k. This is offset by a £78k net underspend in the Deputy Leader Portfolio (Finance – Audit & Risk) and therefore the overall budget forecast for the Corporate Director for Finance & Procurement is break-even.

1.1.7.2 Human Resources (Finance & Business Support/Business Strategy, Performance & Health Reform Portfolio)

In the Finance & Business Support Portfolio, 'HR – Business Operations' is reporting a net pressure of £488k. This is offset by a £488k net underspend in the Business Strategy, Performance & Health Reform Portfolio and therefore the overall budget forecast for the Corporate Director for Human Resources is break-even.

1.1.7.3 Strategic Management & Directorate Support Budgets (Business Strategy, Performance & Health Reform Portfolio)

The Directorate is currently holding £718k of unallocated savings centrally. Managers within the Directorate are currently being informed of their allocation of these savings targets, and the impact of this on individual units will be built into their future monitoring returns. It has been assumed that management action within the individual units will result in these savings being achieved.

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 17th October 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
Business Strategy, Performance & Health Reform						
Budget	14,161	12,201	5,859	3,390	2,923	38,534
Adjustments:						
- Re-phasing August Monitoring		-4,483	1,733	2,750		0
- Completed Projects	-2,672					-2,672
- Disposal Costs		-40				-40
						0
Revised Budget	11,489	7,678	7,592	6,140	2,923	35,822
Variance		675	725	0	0	1,400
split:						
- real variance		+1,400				+1,400
- re-phasing		-725	+725			0
Regeneration & Economic Development Portfolio						
Budget	21,044	14,281	8,549	2,500	2,500	48,874
Adjustments:						
- Completed Projects	-3,820					-3,820
- Margate Eastern Seafront		193				193
						0
Revised Budget	17,224	14,474	8,549	2,500	2,500	45,247
Variance		-8,193	3,245	5,000	0	52
split:						
- real variance		+52				+52
- re-phasing		-8,245	+3,245	+5,000		0
Directorate Total						
Revised Budget	28,713	22,152	16,141	8,640	5,423	81,069
Variance	0	-7,518	3,970	5,000	0	1,452
Real Variance	0	+1,452	0	0	0	+1,452
Re-phasing	0	-8,970	+3,970	+5,000	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						
BSPHR	Enterprise Resource Programme	real			1,400	
			+0	+0	+1,400	+0
Underspends/Projects behind schedule						
Regen	Capital Regeneration Fund	phasing			-4,245	
Regen	Margate Housing	phasing			-4,000	
BSPHR	Modernisation of Assets	phasing	-520			
Regen	Euro Kent Road	phasing		-425		
			-520	-425	-8,245	-0
			-520	-425	-6,845	0

1.2.4 Projects re-phasing by over £1m:

1.2.4.1 Capital Regeneration Fund re-phasing of -£4.245m (in 2011-12)

There are various bids under consideration but no expenditure is planned in relation to these bids for 2011-12.

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		5,120	1,980	2,500	2,500	12,100
Forecast		875	6,225	2,500	2,500	12,100
Variance	0	-4,245	+4,245	0	0	0
FUNDING						
Budget:						
prudential		4,847	1,980		2,500	9,327
capital receipt		273		2,500		2,773
TOTAL	0	5,120	1,980	2,500	2,500	12,100
Forecast:						
prudential		602	6,225		2,500	9,327
capital receipt		273		2,500		2,773
TOTAL	0	875	6,225	2,500	2,500	12,100
Variance	0	-4,245	+4,245	0	0	0

1.2.4.2 Margate Housing re-phasing of -£5.000m (-£4.000m in 2011-12 and -£1.000m in 2012-12)

This project is progressing, however the requirement for KCC investment drawdown is coming forward at a slower pace than anticipated due to the need to secure match funding from partners. A meeting is scheduled for 23 November 2011 between KCC, Thanet District Council and the Homes and Communities Agency (HCA) to further explore, at the most senior level, the investment required from the HCS. A pilot scheme is being worked up which will commence in 2011-12, with substantial progress being anticipated in 2012-13 and 2013-14.

	Prior Years	2011-12	2012-13	2013-14	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
BUDGET & FORECAST						
Budget		5,000	5,000			10,000
Forecast		1,000	4,000	5,000		10,000
Variance	0	-4,000	-1,000	+5,000	0	0
FUNDING						
Budget:						
prudential		5000	5000		0	10000
TOTAL	0	5,000	5,000	0	0	10,000
Forecast:						
prudential		1000	4000	5000		10000
TOTAL	0	1,000	4,000	5,000	0	10,000
Variance	0	-4,000	-1,000	+5,000	0	0

1.2.5 Projects with real variances, including resourcing implications:

There is a real variance of +£1.452m in 2011-12.

Regeneration & Enterprise portfolio:

Euro Kent Road: -£0.212m (in 2011-12): the underspend is due to the Land Compensation Act part 1 claims projection reducing. The developer contributions set aside for compensation claims have been released to enable some of the capital investment to be repaid.

Margate Eastern Seafront: +£0.156m (in 2011-12): Additional costs due to changes to the original scheme including the costs of sub-base not factored in the original submission. The additional costs are to be met from revenue.

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 the 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. The overspend is to be met from revenue.

Business Strategy, Performance & Health Reform portfolio:

Enterprise Resource Programme: +£1.400m (in 2011-12): capital investment is required for the improvement of Oracle to enable ongoing savings of £3m per annum. **Members are asked to approve prudential borrowing to fund this project.**

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

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.

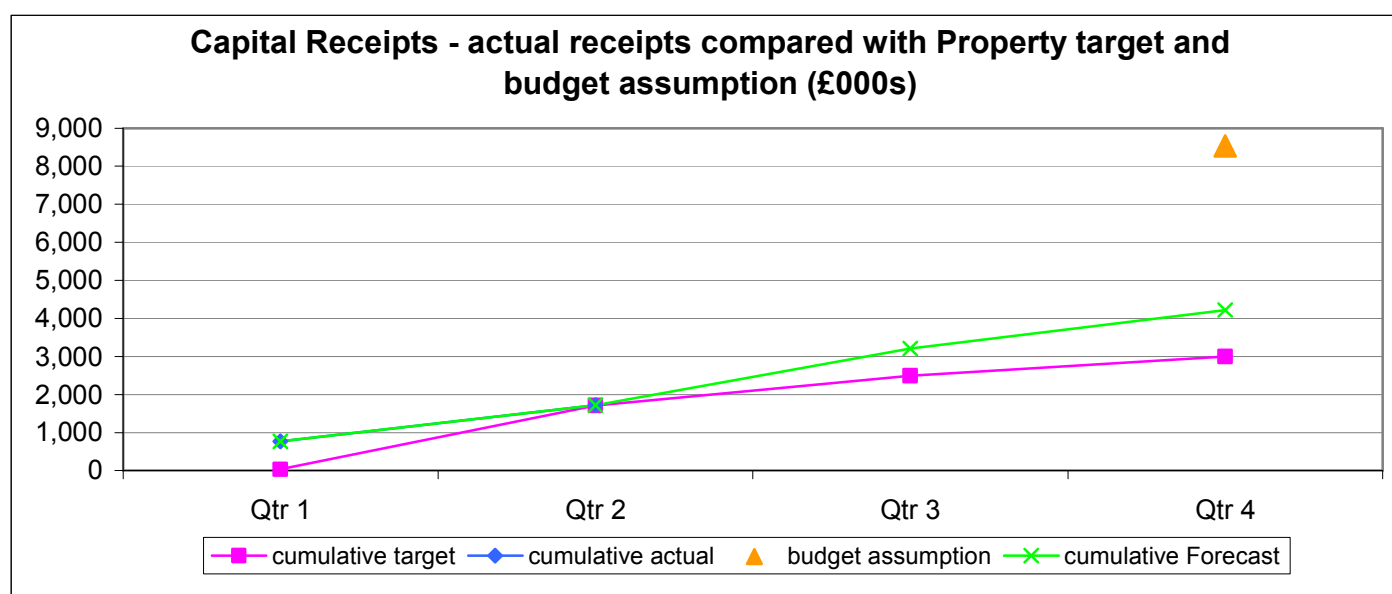
	2011-12	2012-13	2013-14	Future Years	Total
	£k	£k	£k	£k	£k
Euro Kent (Regen)					
Amended total cash limits	+662	0	0	0	+662
re-phasing	-425	+425			0
Revised project phasing	+237	+425	0	0	+662
Capital Regeneration Fund (Regen)					
Amended total cash limits	+5,120	+1,980	+2,500	+2,500	+12,100
re-phasing	-4,245	+4,245	0	0	0
Revised project phasing	+875	+6,225	+2,500	+2,500	+12,100
Margate Housing (Regen)					
Amended total cash limits	+5,000	+5,000	0	0	+10,000
re-phasing	-4,000	-1,000	+5,000	0	0
Revised project phasing	+1,000	+4,000	+5,000	0	+10,000
Modernisation of Assets (BSPHR)					
Amended total cash limits	+1,689	+1,250	+1,000	+2,000	+5,939
re-phasing	-520	+520	0	0	0
Revised project phasing	+1,169	+1,770	+1,000	+2,000	+5,939
Oracle Release 12 (BSPHR)					
Amended total cash limits	+534	0	0	0	+534
re-phasing	-140	+140	0		0
Revised project phasing	+394	+140	0	0	+534
Total re-phasing >£100k	-9,330	+4,330	+5,000	0	0
Other re-phased Projects below £100k	-65	+65	0	0	0
TOTAL RE-PHASING	-9,395	+4,395	+5,000	0	0

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	1,725	1,725
October - December		2,490		3,210
January - March		3,000		4,225
TOTAL	8,538	3,000	1,725	4,225

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.



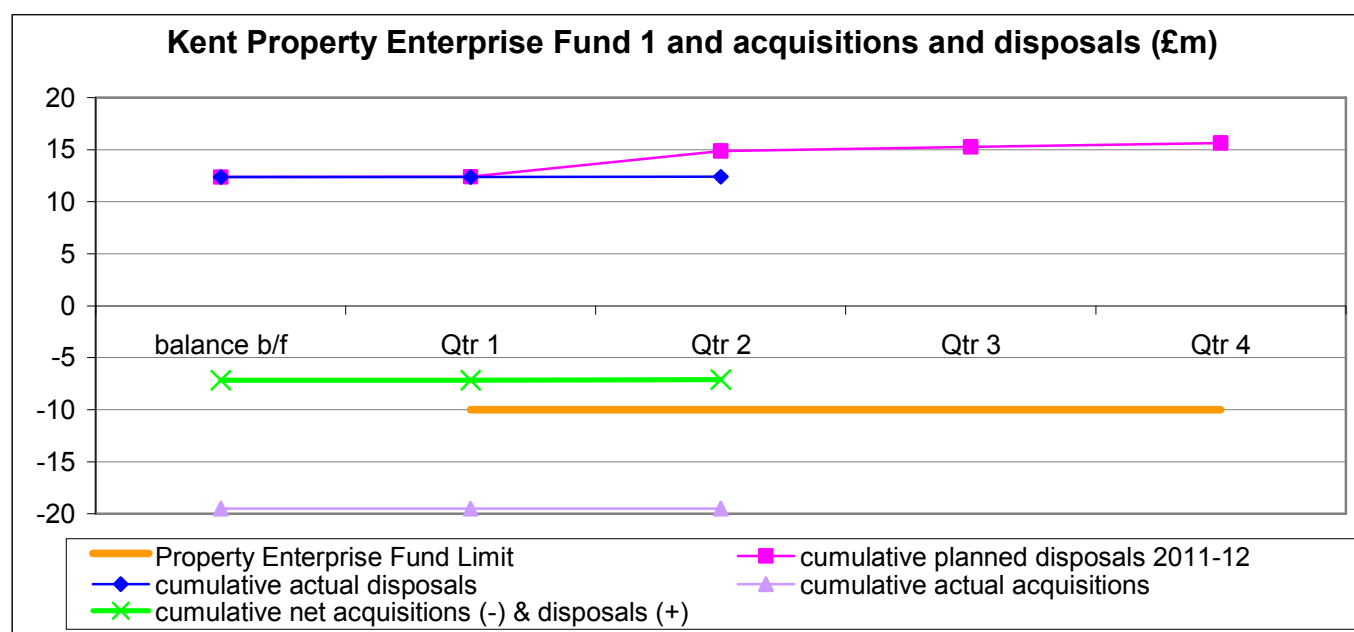
Comments:

- 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 £4.140m 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 a surplus of £4.785m 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	4,140
Receipts banked in previous years for use	7,504
Capital receipts from other sources	1,679
Potential Surplus Receipts	4,785

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	12.393	-19.504	-7.111
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 **£2.717m** 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 30 September 2011 there has been one disposal generating a receipt of £0.051m.

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

There has been a **£0.212m** repayment towards the £5.304m owed by East Kent Opportunities for the Spine Road, Manston.

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 £4.604m at the end of 2011-12.

Opening Balance – 01-04-11	-£7.162m
Planned Receipts (Risk adjusted)	£2.717m
Costs	-£0.173m
Acquisitions	-
Other Funding: - Gateways	-£0.197m
Repayment of Spine Road, Manston	£0.212m
Closing Balance – 31-03-12	-£4.604m

Revenue Implications

In 2011-12 the fund is currently forecasting £0.010m of low value revenue receipts but, with the need to fund both costs of borrowing (£0.527m) against the overdraft facility and the cost of managing properties held for disposal (net £0.102m), the PEF1 is forecasting a £2.222m 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	-23.835
Forecast sale of PEF2 properties	22.964
Disposal costs	-1.148
Closing balance	-24.228
Revenue:	
Opening balance	-3.417
Interest on borrowing	-0.929
Holding costs	-0.638
Closing balance	-4.984
Overall closing balance	-29.212

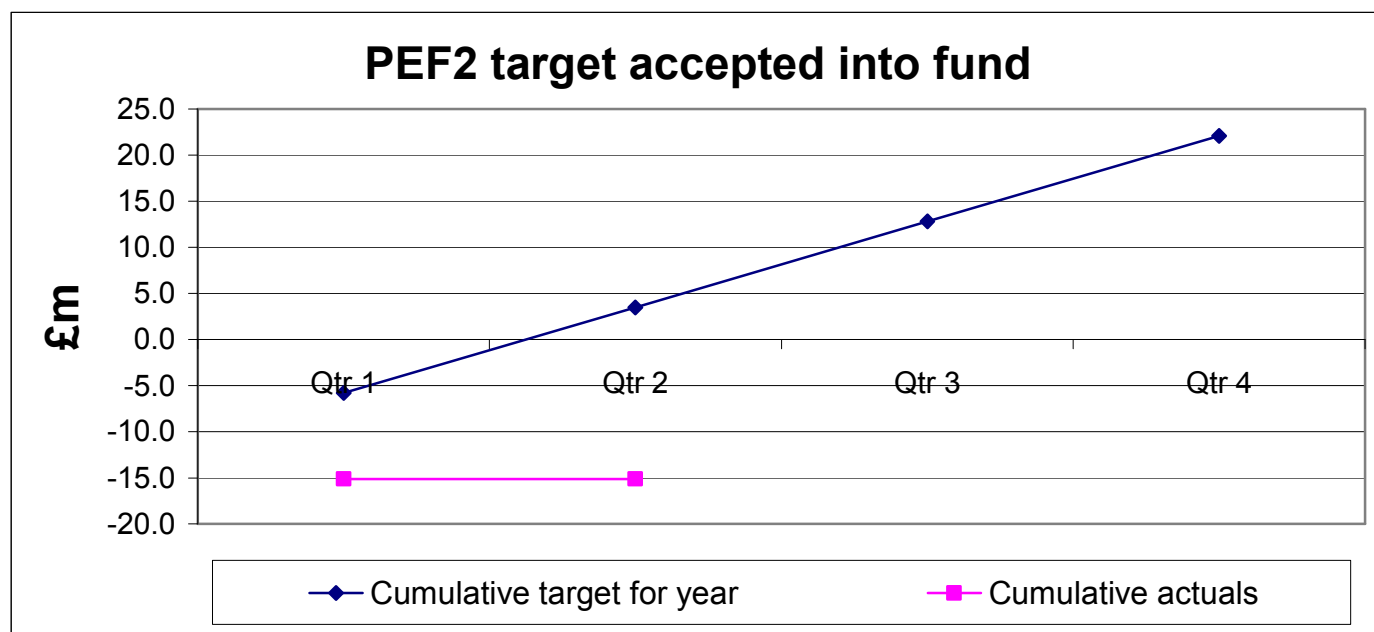
The forecast closing balance for PEF2 is -£29.212m, this is within the overdraft limit of £85m.

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	-15.1
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 eight PEF2 properties have been sold and four are in the process of completing. The cumulative profit on disposal to date is £1.250m. 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 £0.929m, an increase of £0.51m. 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 OCTOBER 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 full monitoring report to reflect the virement of £0.307m from the underspend on debt charges to the Contact Centre budget within the Communities, Customer Services and Improvement portfolio to cover the increase in call volumes, as approved by Cabinet in September and a number of other technical adjustments to budget.
- The inclusion of new 100% grants (ie grants which fully fund the additional costs) awarded since the budget was set. These are detailed in Appendix 1 of the executive summary.

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

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	961		961	transfer of 11-12 write down of discount saving from 08-09 debt restructuring to reserves; transfer of MRP saving to reserves to fund potential impact in future years; drawdown of Insurance Reserve to cover pressure on Insurance Fund
Insurance Fund	3,479		3,479	1,125		1,125	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)	123,889	-8,877	115,012	-7,297	1,128	-6,169	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; saving on leasing costs; in year MRP reduction; savings as no new borrowing against current requirement

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
Other	6,490	0	6,490	-1,617	0	-1,617	-£1.546m unexpected unringfenced grant increase held to offset pressures across Authority; -£0.1m subscriptions; +£0.079m costs of Transformation Programme Manager for Change & related project costs
Total F&BS portfolio	128,019	-8,877	119,142	-6,828	1,128	-5,700	
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	130,835	-8,877	121,958	-6,828	1,128	-5,700	

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 £1.125m, 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. We are maintaining our provision for each of our registered period of time claims to reflect a worse case settlement position whilst consideration is being given to correspondence received in connection with interpretation of policy terms by relevant insurers.

The pressure has reduced from the position reported in quarter 1 because a concerted effort by the liability claims team in pressing insurers to clarify the position on a large number of 'open' claims across several policy years has resulted in the opportunity to close a significant number and remove recorded provisions.

1.1.3.2 Net Debt Charges (including Investment Income):

- a) There is a saving of £3.683m as a result of:
 - deferring borrowing in 2010-11 due to the re-phasing of the capital programme and also no new borrowing in the first half of 2011-12, other than the replacement of maturing debt.
 - assumptions on the capital programme for 2011-12 and on cash flows generally.
- b) The complex calculation to establish the Minimum Revenue Provision (MRP) saving resulting from the re-phasing of the capital programme in 2010-11 has now been completed and this has confirmed a saving of £1.599m this year. This is because fewer assets became operational than anticipated last year. 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, therefore we need to transfer this £1.599m to reserves in order to fund the potential impact in future years of this re-phasing. **Cabinet is asked to approve this transfer to reserves.** The forecast within this report assumes that this transfer is approved.

- c) 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).
- d) There is a saving on leasing costs of £0.4m.

1.1.3.3 Contributions to/from reserves:

- a) 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 (future interest receipts from the Icelandic investments will also go towards offsetting this impairment cost).
- b) At year end there will be a draw down from the Insurance Reserve to cover the pressure on the Insurance Fund, currently estimated at £1.125m.
- c) As referred to in 1.1.3.2 (b) above, £1.599m will be transferred to reserves in order to fund the potential impact in future years of the current year saving on MRP.

1.1.3.4 Other Financing Items:

- a) 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.
- b) There is a £0.1m saving on local authority subscriptions.
- c) There is a pressure of £0.079m relating to the Council restructure for the costs of the Transformation Programme Manager for Change and related project costs. 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	Contribution to reserves of in year MRP saving to cover potential impact in future years	+1,599	F&BS	treasury savings: assumptions on capital programme for 11-12 and on cash flows generally, together with savings on debt charges due to re-phasing of capital programme in 10-	-3,683
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	+1,125	F&BS	In year Minimum Revenue Provision saving as a result of 2010-11 re-phasing of the capital programme	-1,599
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	-1,125
			F&BS	2011-12 write down of discount saving from 2008-09 debt	-487
			F&BS	savings on leasing costs	-400
			F&BS	local authority subscriptions	-100
		+3,211			-8,940

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 largely offsetting pressures elsewhere across the authority.

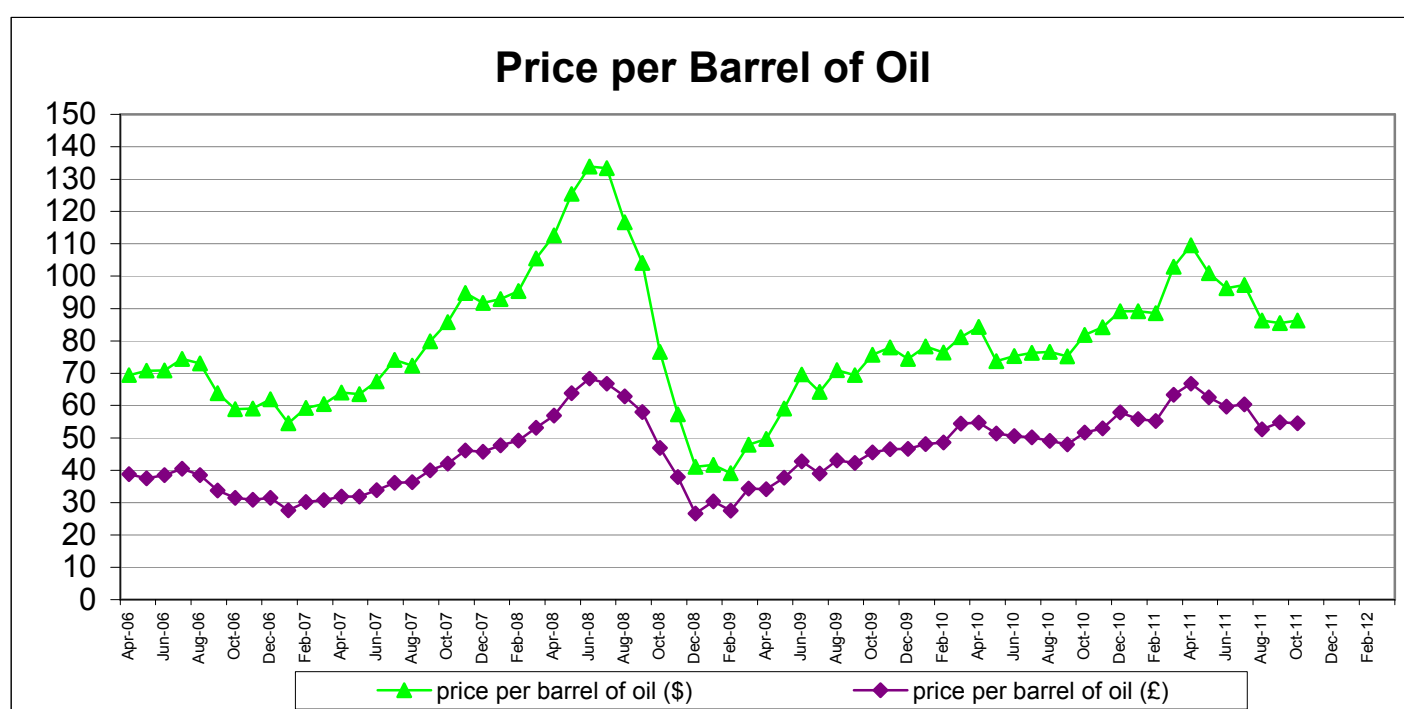
1.2 CAPITAL

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	86.33
September	63.80	79.91	104.11	69.41	75.24	85.52
October	58.89	85.80	76.61	75.72	81.89	86.32
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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Report to Cabinet – 5th December 2011

By: Paul Carter, Leader of the Council
 John Simmonds, Cabinet Member for Finance & Business Support
 Katherine Kerswell, Managing Director
 Andy Wood, Corporate Director for Finance & Procurement

AUTUMN BUDGET STATEMENT

Summary

This paper sets out the context, at both the national and local level, within which the County Council's medium term financial plan will be framed over the next three years.

The critical financial issue facing local government at the moment is how to balance additional spending demands at the same time that resources from central government are reducing as it seeks to tackle the national budget deficit. This paper sets out the strategy how Kent County Council should tackle this conundrum.

Recommendations

To note:-

1. National Context:

- Lower economic growth than previous forecasts and slower recovery from the recession
- Inflation higher than the government's target
- Rising unemployment
- Public expenditure reductions
- Eurozone debt crisis

2. National Resources Position:

- Difference in resources allocation between London/Metropolitan and shire areas
- Potential changes to the funding for local authorities and schools
- Potential increases in employee's pension contributions
- Funding from health authorities to support social care
- Council Tax freeze and local referendum on excessive increases in future
- Disparity in grant allocations to south east authorities since 2006/07 compared to the rest of England and impact on Council tax

3. Kent – Local Resource Allocation

- Take-up proposed freeze on Council Tax for a second successive year
- Launch draft budget and medium term financial plan before Christmas
- County Council to agree budget on 9th February
- Further enhancements to transparency of budget
- Financial outlook based on reduced resources and increased spending demands necessitating significant year on year savings
- Proposed financial strategy and establishment of Budget Programme Board
- Financial risks
- Levels of general reserves

Background Documents: None

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 Dave Shipton, Acting Head of Financial Strategy on 01622 694597

AUTUMN BUDGET STATEMENT

INTRODUCTION

1. This report is a key stage in medium term financial planning. It provides an opportunity to review both the national and local contextual issues that will shape our forward thinking for the next three years. It also gives direction to the necessary actions required to deliver the Council's policies and priorities and sets out the financial framework for the budget and medium term financial plan, which will be presented for formal agreement by Council next February.
2. The report is in two parts. Part 1 sets out the national context for the Council's financial plan over the next three years. In particular it looks at what resources are likely to be available to local government from the national perspective and how the proposed changes to the local government finance system could impact. Part 2 is about delivering the medium term financial plan in KCC within the context of the likely distribution of the total national resource to Kent over the medium term.

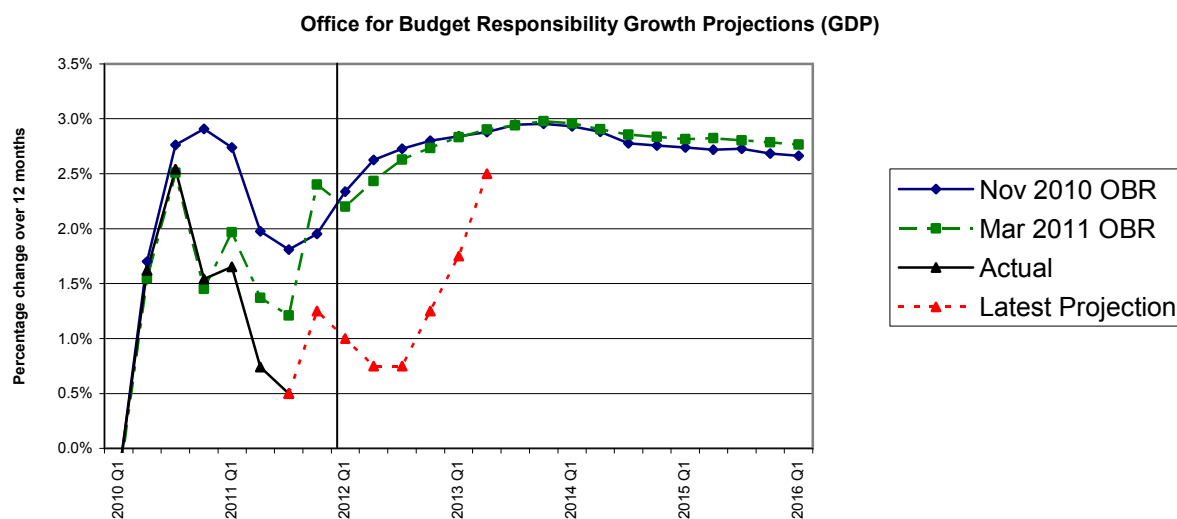
PART 1: NATIONAL FINANCIAL CONTEXT: RESOURCES

3. Budget planning takes place within the context of the national economic and public expenditure plans. This part of the report discusses the broad national assumptions within which the budget and medium term plan will be framed. The Chancellor of the Exchequer made his Autumn Statement to the House of Commons on 29th November to coincide with the release of the latest economic and fiscal outlook published by the Office for Budget Responsibility (OBR). The Autumn Statement replaces the previous pre-Budget report and provides the Chancellor with the opportunity to give an update on the economy and respond to the OBR report. The timing of the statement means it cannot be included in this report but a verbal update will be provided to Cabinet on the day.

The Economy

4. It has been well documented that the UK economy (along with many others across Europe and the western world) experienced a severe recession during 2008 and 2009. This recession was brought on by a number of factors (not least but not exclusively due to the banking crisis). The economic recovery has been much slower than earlier predictions and the Gross Domestic Product (GDP) is still well below its 2008 pre recession peak as demonstrated in graph 1 over the page. This graph shows the earlier (November 2010) predictions and the latest projections of growth in Governor of the Bank of England's statement on 16th November 2011.
5. In this report from the Monetary Policy Committee (MPC) the Governor of the Bank of England identified that the global economic outlook has worsened, in particular the concerns about the sustainability of the Euro area and that the Eurozone debt crisis was the single biggest risk to the UK. He predicted that the journey to a more balanced world economy would be long and arduous and cut the bank's estimate for economic growth to around 1% for the remainder of 2011 and throughout 2012.

Graph 1



6. The Bank of England (BoE) is responsible for monetary and financial stability in the UK. The main tool at its disposal is to control the price of money through setting interest rates via the BoE base rate. The BoE responded to the recession with successive interest rate cuts in 2008 and 2009 and by March 2009 it was down to 0.5% where it has remained ever since. Many economic analysts are predicting that the rate will have to stay at this historic low for some time until the recovery is well established and growth levels are sustainable. It is feasible the BoE may have to consider further quantitative easing if growth continues to remain weak.

7. Economic performance is essential if the Government is to meet its deficit reduction plans. These were based on a combination of recovering the overall tax yield following its decline during the recession and reducing public expenditure as a proportion of the nation's overall GDP. In reducing public spending the expectation was that the private sector would take up the extra capacity so there would not be an overall reduction in GDP. The sluggish recovery threatens to derail the deficit reduction plans and the government may not meet its target of eliminating the budget deficit by 2015/16

Inflation

8. The government has set a target of 2% for the underlying rate of inflation as measured by the Consumer Price Index (CPI). The annual rate of inflation has been running much higher than this throughout 2011. This has been ascribed to a number of factors including the impact of the VAT increase in January and volatility in commodity prices. Inflation is predicted to fall during 2012 (the impact of VAT increase will cease to be a factor after January 2012) but CPI is not expected to reach the Government's target until into 2013.

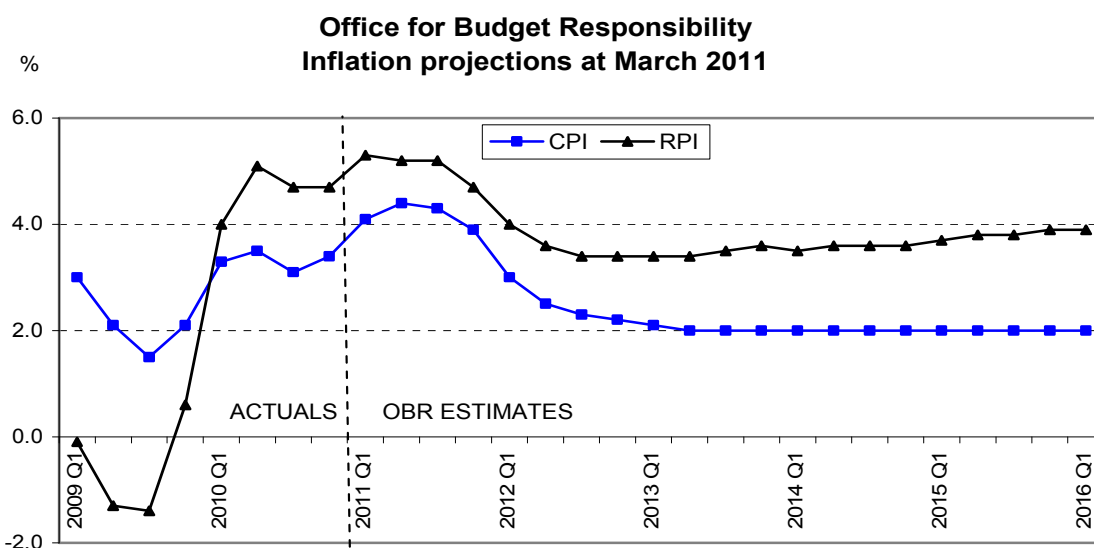
9. The November MPC report predicted inflation had peaked and would fall sharply in 2012 although the extent and pace of the fall remains uncertain. The committee judged that inflation should be below the 2% target in 2013 and 2014 although the scale of the difference would be minimal compared to the uncertainty with the predictions due to the scale of the reduction from recent high levels.

10. CPI in the year to September 2011 showed an increase of 5.2% (up 0.7% on August), RPI was 5.6% (up 0.4% on August). The September indices are important as they are used to

update benefits, tax credits and pensions. From 2012 CPI will also be used to update tax and national insurance thresholds. The updating of benefits is important to the County Council as it is linked to the charges we make for social care. The October indices show a slight reduction to 5% (CPI) and 5.4% (RPI) due to food, air travel and fuel prices.

11. Retail Price Index (RPI) is likely to exceed CPI and in many instances is still a key factor in the price we have to pay for goods and services and is written into many of our contracts. The historical rates of inflation and future predictions are shown in graph 2 below.

Graph 2



Pay and Unemployment

12. The latest OBR forecast for earnings published in March 2011 showed an average increase of 2% anticipated for 2011 and 2.2% for 2012. This compared with 1.7% for 2010 and 1.8% for 2009. Public sector pay in 2011 was frozen and it is estimated that this means average earnings in the private sector represent a 2.6% increase. The chancellor's announcement for a public sector pay freeze covered two years (2011 and 2012).
13. Unemployment in September 2011 rose to 2.62 million (8.3% of working age population) up 0.4% on the previous quarter according to data released by the Office for National Statistics (ONS). This takes the unemployment rate to its highest since 1996 and the largest number unemployed since 1994. Unemployment amongst the 16 to 24 range is significantly higher at 23.3% and now exceeds 1 million. Regionally unemployment is highest in the North East (11.6%) and lowest in the South East (6.3%). Unemployment rates rose dramatically during the recession from 5.2% in 2008 to 8% at the start of 2010.
14. The ONS also publish data on pay increases. This showed that in the year to September 2011 average pay (including bonuses) increased by 2.3% (down 0.4% on the three months to August), the increase excluding bonuses was 1.7%.

Public Expenditure

15. The outcome of the Coalition Government's Spending Review (SR2010) was published on 20th October 2010. This set out the total departmental spending plans for 2011/12 to 2014/15 following the Emergency Budget in June which outlined the Coalition Government's deficit reduction strategy. The SR2010 announcement for the Department for Communities and Local Government (CLG) showed some of the largest reductions for any government department, and that reductions in Formula Grant for local authorities would be front loaded with the biggest reductions in 2011/12. Table 1 below shows the spending review totals (note the 2010/11 baseline has been adjusted for the Area Based and Specific Grants transferring into the formula in 2011/12)

Table 1	2010/11 Baseline £bn	2011/12 £bn	Annual Change %	2012/13 £bn	2013/14 £bn	2014/15 £bn
CLG Total Resource	28.5	26.1	-8.4	24.4	24.2	22.9
Formula Grant funding	28.0	25.0	-10.8	23.4	23.2	21.9

16. The overall picture for Formula Grant shows a reduction of an average 21.8% in cash terms over the four year horizon. Within the 2011/12 Formula Grant settlement £19bn was funded from redistributed business rates and the remainder from Revenue Support Grant (RSG). It is anticipated that during the four year spending review period the annual yield from business rates will exceed the amount identified for Formula Grant. Since all business rates must be returned to local authorities by law it is anticipated the surplus will be used to replace other government grants rather than be available to supplement the Formula Grant settlement. The future of Formula Grant and business rates is considered at more length later in this report.
17. In addition to Formula Grant the CLG resource also includes funding for the Council Tax Freeze Grant, New Homes Bonus (NHB) Grant and Transitional Grant. The Council Tax Freeze Grant is fixed for four years to compensate councils for not increasing Council Tax between 2010/11 and 2011/12. Initially it was planned that there would be no extra grant to fund further freezes beyond 2011/12 although the Chancellor has subsequently announced that there will be a one-off grant in 2012/13 to fund a second year of a freeze. The implications of a further freeze are considered later in this report. Transitional Grant was available to a limited number of authorities facing the largest reductions in grants between 2010/11 and 2011/12 (KCC did not qualify for transitional support). NHB grant is allocated to reward new house building and is considered further in paragraph 20 below.
18. The council also receives a number of specific grants and un-ringenced grants from other departments which will also be influenced by spending reductions within departmental totals as a result of SR2010. Unlike CLG grants the totals for these grants have not been separately identified over the four year period and thus it is more difficult to predict likely funding levels beyond the 2012/13 provisional settlement.
19. The provisional Local Government Finance settlement for 2011/12 was published on 13th December 2010 and the final settlement confirmed on 31st January 2011. This provided details of the grant allocations for individual authorities. The settlement gave definitive allocations for 2011/12 and indicative allocations for 2012/13 within the overall amounts outlined in SR2010 (although there were some subsequent late notifications of 2011/12 grants and changes to the 2012/13 indicative allocations after the final settlement was announced). The final grant allocations for 2011/12 and the indicative allocations for

2012/13 are set out in table 2 below. Indicative allocations for 2013/14 and 2014/15 were not announced. We are expecting the updated provisional settlement for 2012/13 to be announced early December and will be factored into KCC's draft budget which we intend to launch before Christmas.

Table 2	Government Department	2011/12 Final £m	2012/13 Provisional £m
Grant Name			
Un-Ringfenced Grants			
Formula Grant	DCLG	315.987	289.104
Council Tax Freeze Grant	DCLG	14.342	14.342
New Homes Bonus	DCLG	1.379	
Early Intervention Grant	DfE	50.286	53.159
Learning Disability & Health Reform Grant	DH	34.768	35.594
Local Service Support Grant			
Extended Rights to Travel	DfE	1.546	1.918
Inshore Fisheries	DEFRA	0.138	0.138
Lead Local Flood Authorities	DEFRA	0.260	0.750
Safer Stronger Communities	HO	1.246	0.631
Specific Grants			
Dedicated School Grant	DfE	877.142	
Pupil Premium Grant	DfE	11.976	
Standards Fund	DfE	0.816	
PFI	DfE	16.859	
Environmental	DEFRA	1.205	
Drugs Strategy	DH	2.272	
Asylum	HO	15.111	

20. KCC's NHB grant was used in 2011/12 to support the overall budget rather than for any specific purpose. Nationally £200m was available to fund the grant. The grant was allocated to authorities based on the increase in Council Tax base between 2009 and 2010. It is anticipated that the NHB grant will increase in the coming years to eventually cover the tax base increase over a six year period. Some of this increase will be funded at the expense of Formula Grant although we have no detail how this will work. This could have a significant impact on the County Council as currently the majority of Formula Grant is allocated to upper tier authorities and yet 80% of the NHB grant goes to lower tier councils. Since we know only £250m is available nationally next year there is likely to be some top slice in 2012/13 as the NHB grant could potentially be more than double what it was in 2011/12. As a consequence we are projecting only a small net increase in NHB after allowing for this top-slice.
21. The increases in Early Intervention Grant (EIG), Learning Disability and Health Reform Grant and Lead Local Flood Authorities are already factored into the existing Medium Term Financial Plan (MTFP) and at this juncture we are estimating that these grants will continue at the same levels as 2012/13 in real terms for 2013/14 and 2014/15. We will need to closely monitor EIG as it is feasible that further cuts could be applied in 2013/14 or 2014/15 together with a further round of transitional damping.
22. Overall the authority is facing a net reduction of £22.8m (5.4%) on un-ringfenced grants for 2012/13 (those which we have discretion how to spend). Based on the SR2010 total we can expect a further reduction in Formula Grant in 2013/14 and 2014/15 (estimated £9m and £22m respectively) as well as potential reductions in other grants. These reductions are not as large as the reductions in 2011/12 but nonetheless represent a significant challenge to the authority to reduce costs year on year and provide services more effectively. The proposed strategy to address these reductions is outlined in part 2 of this report.

23. We will continue with the existing strategy that where there are reductions in specific grants we will have to reduce spending on a like for like basis as the authority cannot afford to substitute discretionary funding to replace lost specific grants.

Formula Grant

24. The present formula methodology was introduced in 2006/07 based on the 'four block' system. The model allocates a pre determined sum of money to all local authorities using the following blocks:
- i. Relative Needs Block – worked out using the Relative Needs Formulae (RNF) to determine differential needs across service specific sub blocks measured against the authority with the lowest relative needs
 - ii. Relative Resource Amount – deducts funding to take account of the different capacity to raise income through Council Tax compared to the authority with the lowest relative tax base
 - iii. Central Allocation Amount – allocated as a common per capita amount according to the functions of an authority
 - iv. Floor Damping Block – to ensure that all authorities receive a manageable grant settlement compared to the previous year
25. The four block model has been widely criticised due to its complexity, lack of transparency and potential instability due to the application of relative needs/resources against the lowest ranked authority. There have also been criticisms that some of the individual components favour particular types of authority and that the allocation of resources can be manipulated irrespective of needs. The damping methodology has meant that in effect the four block model has never been fully implemented and authorities are still receiving a damped version of the old Standard Spending Assessment (SSA) model. The four block model was introduced at the same time as the Dedicated Schools Grant (DSG) making comparisons with the SSA system difficult.
26. An additional £4bn of Area Based and Specific Grants were added into the Formula Grant in 2011/12. Many of these grants were added as specific "tailored" allocations reflecting previous grant allocations rather than added to RNF or central formula allocation. The damping methodology was also changed to reflect the overall reduction in Formula Grant with reductions more heavily damped for the most deprived authorities. These changes are in effect a bolt-on to the original model. Table 3 sets out the main components of the formula for 2011/12 and compares the allocations for the Kent area (KCC, Medway, Kent Police, Kent Fire and Rescue and Kent Districts) with the total for all Shire areas (including unitary authorities), Metropolitan areas and London. It also compares KCC's formula allocation with the 16 shire areas without fire responsibilities i.e. comparable authorities in terms of responsibilities.

Table 3		Population (thousand)	Tailored	RNF	RRF	Central	Damping	Total
All England (exc. Scilly)	£m		2,028.1	18,959.2	-6,076.1	9,959.3		24,870.5
	per capita	52,575	£39	£361	-£116	£189	£0	£473
London Area	£m		448.5	4,548.6	-1,279.4	1,489.2	194.2	5,401.2
	per capita	7,868	£57	£578	-£163	£189	£25	£662
Metropolitan Areas	£m		499.7	5,219.9	-682.0	2,160.4	-41.1	7,156.8
	per capita	11,357	£44	£460	-£60	£190	-£4	£634
Shire Areas	£m		1,079.8	9,190.6	-4,114.7	6,309.7	-153.1	12,312.4
	per capita	33,350	£32	£276	-£123	£189	-£5	£374
Kent Area (incl Medway)	£m		53.7	480.6	-244.9	321.4	-12.3	598.5
	per capita	1,694	£32	£284	-£145	£190	-£7	£361
All Shires without Fire	£m		387.1	2,684.6	-1,434.0	1,153.6	-66.9	2,724.4
	per capita	12,910	£30	£208	-£111	£89	-£5	£216
Kent County Council	£m		45.7	337.7	-179.5	128.4	-16.3	316.0
	per capita	1,437	£32	£235	-£125	£89	-£11	£231

27. Table 3 demonstrates the extent to which formula allocations favour London and Metropolitan areas compared to Shires, and that Kent authorities fare slightly less well than the average for all Shire areas. Although we have consistently challenged this formula methodology the consultation on the localisation of business rates explored later in this paper effectively proposes to crystallise the existing pattern of distribution.

Education Funding and Dedicated Schools Grant

28. DSG was introduced in 2006/07 and coincided with the introduction of the four block model for Formula Grant. DSG meant that schools were funded 100% by government grant with no funding from local taxation (Council Tax or business rates). The grant is specific and has to be spent on schools (although local authorities are able to provide a top-up from Council Tax or other local sources).
29. The grant covers both schools' delegated budgets and a range of local authority functions to support schools. The division of responsibilities between schools and the local authority remains a local decision although the range of functions which can be retained by the local authority are prescribed and any spending in relation to schools not included in this prescribed list must be delegated to individual schools. Furthermore the local authority cannot keep a disproportionate amount to fund its non delegated responsibilities compared to the amount allocated to schools without the agreement of the Schools' Funding Forum.
30. The local authority is still responsible for determining the formula used to allocate funding to individual schools, however, this has been subject to a minimum funding guarantee (MFG) which was introduced prior to DSG and ensures a guaranteed increase per pupil. The MFG for 2011/12 was a **decrease** of 1.5% per pupil. The budgets for the majority of schools are still determined by the formula although the existence of MFG makes it difficult to make any significant changes or correct previous inequities (particularly in relation to the allocation of former Standards Fund). The formula is agreed by the local authority following consultation with schools and the Schools' Funding Forum.
31. Ever since DSG was introduced in 2006/07 the amount for individual authorities has been determined according to a guaranteed unit of funding (GUF) per pupil with an overall cash

floor. In 2011/12 the GUF was determined according to the 2010/11 DSG per pupil plus the 2010/11 value of Standards Fund and other grants per pupil transferring into the DSG i.e. no overall cash increase per pupil. In 2011/12 the cash floor ensured no authority lost more than 2% in overall cash terms compared to the equivalent grants for 2010/11. In effect the cash floor provides a cushion against significant falling rolls. Prior to 2011/12 the GUF had percentage uplifts on the previous year's figure, and the floor ensured an overall cash increase.

32. The pupil numbers used for the DSG calculation are based on the full time equivalents in all maintained schools (including academies converting after April 2008), pupil referral units, alternative provision, and Private/Voluntary/Independent Early Years providers. The provisional grant is based on an estimate and allocations are finalised in July following national verification of annual census data. The GUF methodology means that an authority's grant allocation is adjusted annually for the overall change in pupil numbers but not for changes in any other characteristics e.g. age profile, special and additional needs, deprivation, etc. In effect this means the relative distribution of DSG has been crystallised since it was introduced. Table 4 below shows the relative value of GUF by authority area.

Table 4	2010/11 DSG per pupil	2010/11 Transferred Grants per pupil	2011/12 GUF per pupil
London			
Average (mean)	£5,247	£835	£6,082
Minimum	£4,311	£508	£4,944
Maximum	£7,871	£1,502	£9,373
Metropolitan Areas			
Average (mean)	£4,403	£761	£5,164
Minimum	£4,052	£580	£4,652
Maximum	£4,919	£957	£5,876
Shire Areas (incl. Unitaries)			
Average (mean)	£4,196	£622	£4,818
Minimum	£3,888	£491	£4,429
Maximum	£4,843	£870	£5,713
Kent Area	£4,268	£629	£4,897
KCC	£4,251	£634	£4,885

33. The DSG after the GUF and floor calculation is adjusted to reflect the transfer of academies since April 2008. This adjustment is based on the amounts of grant paid to individual academies which includes both the individual schools delegated budget and a pro rata share of the local authority retained budgets. We have consistently questioned the validity of the amounts paid to academies which if disproportionate would leave the remaining schools within the authority disadvantaged.
34. A separate Pupil Premium was introduced in 2011/12. This grant is passed on in full to schools and is allocated at £458 per child eligible for a free school meal or looked after by the authority and £200 per child from armed service families. The Pupil Premium is paid in addition to any additional funding included in local authority formula allocations (or inherent in the transferred Standards Fund and other grants). Since the vast majority of local authority formulae (and many former Standards Fund allocations) include factors to reflect deprivation and other additional educational needs it could be argued the Pupil Premium represents double funding.

35. We have no indication what the GUF, floor protection or MFG are likely to be for 2012/13 or the following two years. This does not have a direct impact on the remainder of the local authority's budget but we remain committed to endeavouring that Kent schools receive a fair and equitable funding settlement. We are anticipating the value of the Pupil Premium will double in 2012/13.

Consultation on Changes to the Local Government and School Funding arrangements

36. During the summer the Government launched three significant consultations affecting local authority and school funding. The deadlines for responses to all three consultations were all in October. The consultations covered the following issues:
- Business Rates Retention
 - School Funding
 - Localising Council Tax Benefit

Business Rates

37. The consultation on business rates retention proposed in effect to crystallise the existing national redistribution of business rates (as per the 2012/13 damped Formula Grant allocations) through setting each authority a baseline. Local authorities would be allowed to keep any additional business rates growth in future over and above the level assumed in the baseline. Under the proposals businesses would still pay the same rate of local tax which would continue to include the nationally set multiplier, valuations and reliefs. The Localism Bill may allow local authorities some further discretion to apply discounts but the impact would have to be funded out of a council's overall resources and would not attract central government funding.
38. Under the proposals the overall resources available for local government would still be constrained to the level set out in SR2010 (as above). This means the baseline would have to be scaled down from the 2012/13 levels and is likely to mean that in total the assumed level of the business rates within the baseline would be less than the business rates yield. The likely outcome is that for 2013/14 and 2014/15 the excess business rates would be used to fund other grants to local government rather than be available to supplement local government spending. Furthermore, the consultation suggested that from 2015/16 onwards the responsibilities of central and local government will need to be adjusted to reflect the level of business rates yield (this is likely to mean additional responsibilities for local government but these would have to be funded from business rate income rather than government grant). One of the crucial factors in the proposed new system will be the assumed level of business rates within these calculations.
39. The consultation proposals mean that individual local authorities would face potential volatility due to changes in business rates. As it stands the government is suggesting that the tariffs and top-ups would be adjusted for the impact of the annual changes to the national multiplier and mandatory reliefs, and the five yearly impact of the review of rateable values although no decisions have yet been announced. If implemented, individual local authorities would only benefit/suffer from changes in the tax base. The consultation also suggested the introduction of a "shock pot" to help authorities that faced an unmanageable reduction in the tax base and/or low growth combined with significant additional spending needs. This shock pot would be funded either by a levy on all authorities or only from those with excessive increases in the business rate tax base.
40. In our response to the proposals, we welcomed the provision of a stronger incentive for local authorities to promote business growth compared to previous initiatives, and welcomed less reliance on Government grants. We accepted the need for a compromise between full business rate retention and the need to ensure funding for local services in

areas with weak business bases. We also welcomed that the proposals are likely to enable local authorities to be able to borrow against future local tax receipts through tax increment financing (TIF) as currently authorities can only borrow against future savings.

41. We have concerns that the potential volatility could be significant for individual districts in the county, but believe that overall the county is in a relatively good position to benefit from the retention of business rate growth, although the amount of money could be fairly small compared to the financial challenges the authority is facing over the next few years. We are also concerned about the longer term implications of the proposals which could leave local authorities with additional responsibilities without adequate funding.
42. We will continue lobbying to ensure the split of business rate growth between upper tier and lower tier councils is equitable, and we would wish to explore the options for pooling with districts. We remain concerned that crystallising the existing redistribution nationally is unfair (as demonstrated in table 3) and we will continue to campaign for a more equitable distribution. We were also concerned that the consultation does nothing to address the inverse correlation between local business tax and spending on local services or the poor link between the two.

Schools Funding

43. The Government has conducted a two stage consultation about reform of school funding. The consultation took place amid the backdrop of talk of a possible National Funding Formula. It now seems that the government is favouring a national framework with the ability for local variations (with the possibility of an expanded role for the Schools' Funding Forum). The proposals also include a clearer and fairer approach to setting academy budgets.
44. Under the latest proposals the existing system described in paragraphs 28 to 33 above (which essentially provides a single amount per pupil) would be replaced by a grant containing four blocks (schools, high needs pupils, early years and central services).
45. The schools block would presume full delegation to schools and academies although some defined services may be retained locally for maintained schools if approved by the Funding Forum. The schools block would either be built up based on a simple national "shadow" formula for each school or determined in a similar way to the current system as an amount per pupil. The actual budget for each school could still be determined by a local formula although the number of factors would be limited and set nationally and the government is considering setting a national ratio for secondary to primary school funding with limited scope for local variation.
46. The high needs block would provide additional funding for high cost special needs pupils including those in special schools, out county placements and alternative education. The government is considering a simple flat rate with top-ups according to need type. The early years block would cover payments for free entitlement for 3 and 4 year olds. The central services block would cover those services funded out of DSG but not delegated to schools.
47. We are generally supportive of the proposals and in particular tackling the problems with the GUF which only takes account of changes in overall pupil numbers. The four blocks would enable grant allocations to take account of other changes. We have some reservations that if the schools block is based on shadow budgets for individual schools this could raise some school's expectations at the expense of other more deserving schools. We think it likely that the proposals if implemented would require greater delegation to schools (which we are already embarking upon) and will be consistent with the simplifications we have already made to our local formula. Any new system would not be introduced until 2013/14 at the earliest and would include significant damping.

Localising Council Tax Benefit

48. The proposals in this consultation are likely to have a much greater impact on district councils than the County Council but need to be considered in setting out the budget strategy. Currently district councils assess eligibility for Council Tax benefit and claim the full cost of both the administration and the impact on their Council Tax collection funds. In effect this means the full cost of Council Tax benefit is funded by HM Treasury.
49. Under the consultation proposals lower tier authorities would receive a single grant equivalent to current spending on Council Tax benefit in their locality less 10%. The districts would be responsible for determining their own criteria for eligibility for Council Tax benefit. The Government has proposed that the benefit for older people and other vulnerable adults would be protected.
50. The main benefits and risks will fall on district councils although in two tier areas the Government has suggested districts may wish to work in partnership with the upper tier authority to develop joint schemes. The main risk to local authorities stems from the grant being capped but Council Tax benefit remaining demand led. It is understood the government is considering allowing greater discretion on Council Tax discounts which could increase the tax base and go a long way to addressing concerns. Any changes to Council Tax benefit would not be implemented until April 2013.

Local Government Pension Scheme

51. Lord Hutton's review of public sector pensions was published in March 2011. This included 27 recommendations the most significant of which were that in future pensions would be based on average and not final salaries and that retirement age would be increased. Accrued rights for existing staff would be protected. The Government have broadly accepted Lord Hutton's recommendations but it is unlikely that changes will be implemented before 2015.
52. In addition to Lord Hutton's review the Chancellor of the Exchequer announced as part of SR2010 that there would be an increase in employee contributions to public sector pension schemes to deliver an additional £1.8bn saving on public spending by 2014/15. This equates to an increase in contributions equivalent to 3% of pay. The target for the Local Government Pension Scheme (LGPS) is £900m.
53. These changes to pension arrangements could have a significant impact on staff in the LGPS. In particular employee contribution rates are already relatively high by public sector standards and the bulk of staff are low paid. Consultation between employers and trade unions is carrying on but we need to be mindful of the risks and in particular the consequences on the County Council if staff withdraw from the local scheme.

Localism Bill

54. The bill received royal assent on 15th November and is now passed as an act of parliament. The act includes reforms to planning, regeneration and housing responsibilities as well as changes to governance. At this stage we are not anticipating any major additional spending implications arising from the act that will impact on our financial strategy.
55. The act includes provisions to give residents the power to veto excessive Council Tax increases through local referendum and give local authorities more discretion over business rate relief. These powers could influence future budget strategy where they reduce the amount of tax income available to the Council.

Funding for Social Care

56. We are still awaiting the Government's proposals on the future funding for social care following the independent review led by Andrew Dilnot. Currently assistance for council funded social care services is limited to those with under £23,250 of assets (those with assets in excess of this are deemed "self funders"). The review recommended that the threshold should be raised to £100,000 and that the lifetime care costs incurred by individuals should be capped to between £25,000 to £50,000, and ideally set at £35,000 (it is estimated under the current regime one third of those aged over 65 face costs in excess of this figure). The commission also recommended that there should be national standard for eligibility to state funded social care.
57. It has been estimated that nationally the commission's recommendations would add £1.7bn to the £14bn currently spent by local authorities on care services and that in future the additional cost could rise by up to 50% as more people reach retirement age. At this stage there is no funding identified within SR2010 to fund these additional costs should the review's recommendations be implemented during the current spending review period.

Interaction of services with the NHS

Social Care

58. SR2010 included additional funds within the NHS budget to support social care. Nationally £800m was identified for 2011/12 rising to £1bn by 2014/15. The money was intended to be available to break down long-standing barriers between health and social care. At the time we set the 2011/12 budget and 2011/13 Medium Term Financial Plan we had not had confirmation how much would be available in Kent or how much would be available to the County Council or what additional spending requirements may be attached to the funding.
59. We have had confirmation that £32m is available from the East and West Kent PCTs over the two years 2011/12 and 2012/13. This was reported to Cabinet on 19th September which set out the amounts available from health authorities for the development of post-discharge support and reablement, winter pressures as well as the new social care allocations over 2010/11 to 2012/13. The report to Cabinet identified that the new money for social care must be spent on services which also benefit health.
60. The draft budget which will be launched in the next few weeks will set out how we intend to use the extra funding from health. It is our intention that some of this money should be spent on preventative services which will provide long term benefits for both the health authorities and reduce future demographic pressures for the council. Some of the funding will be available to sustain services which would otherwise have to be reduced in light of the overall budget reduction the council faces.

Learning Disability and Health Reform

61. The 2011/12 budget included £35m new grant for Learning Disability and Health Reform. The vast majority of this grant replaced income we previously received from health authorities under section 256 of the National Health Act 2006 to support adults with learning disabilities. Just over £6m was identified for additional responsibilities which transferred from health authorities in 2009 and were governed by separate funding agreements.
62. By and large the new grant matched existing spending commitments. In time we are anticipating that this grant will increase with spending pressures and could transfer into Formula Grant (or whatever replaces Formula Grant with the transfer of business rates).

Public Health

63. Responsibility for public health spending is due to transfer to local authorities in 2013. At this stage we are still in preliminary discussions with health authorities about which staff and budgets will transfer and what mechanisms will be used to transfer funding. It is unlikely we will have any detail to include in the 2012/15 draft MTFP when this is launched in the next few weeks.

Council Tax Increases

64. Council Tax has been increasing at a level significantly above inflation for a number of years. In 2011/12 the Government announced a Council Tax Freeze Grant which was equivalent to 2.5% on Council Tax for any authority which did not increase it above 2010/11 levels. Nationally £652m was made available as part of SR2010 as new money to fund the freeze grant and was available for each year of the spending review period. It was an essential feature of the freeze that the additional funding was available each year as otherwise Council Tax would have to be increased in future years or further savings made to compensate. The consequence of these arrangements meant that all authorities froze Council Tax other than parish precepts. The grant for KCC was £14.3m.
65. In October 2011 the Chancellor of the Exchequer announced that a further £800m would be available in 2012/13 to support a second freeze for a further year. On the face of it this was good news as it would amount to an additional £14.4m for KCC towards balancing the 2012/13 budget. However, unlike the 2011/12 grant this extra money has been found from under spends elsewhere and will not be available for future years. This means that if authorities take-up the grant they would only be deferring future savings or Council tax increases. In spite of these difficulties we will be proposing to take-up the grant and freeze the County Council's element of Council Tax for a second year. This will be welcome news to families in these difficult economic times.
66. One of the impacts of the disproportionate allocation of government grants outlined in table 3 means that the government has expected council taxpayers in the South East (excluding London) to bear a much higher and increasing proportion of spending than in other regions, particularly in the North and Midlands. Table 4 shows that the proportion of spending borne by the council taxpayer is significantly higher in the South East (60%) compared to the North East (40%). The table also shows the differential increases in Council Tax since 2006/07

Table 4 Region	Proportion of 2011/12 Budget Requirement met by Council Tax %	Increase in Band D for all tiers since 2006/07 %	Average 2011/12 Council Tax per dwelling £
Kent	56.1%	15.5%	1,284.46
South East	60.2%	15.2%	1,373.60
South West	55.9%	15.9%	1,271.66
Eastern	56.5%	14.7%	1,293.40
East Midlands	49.3%	14.7%	1,139.65
West Midlands	43.8%	13.7%	1,113.90
Yorkshire & Humber	42.6%	14.0%	1,048.09
North West	42.1%	13.9%	1,087.83
North East	39.8%	13.7%	1,060.36
London	37.2%	7.8%	1,213.84
England	47.2%	13.5%	1,195.79

67. This analysis of grant changes and Council Tax demonstrates that the South East authorities have had the poorest deal from central government since the current funding system was introduced and as a consequence Council Tax payers have faced some of the largest increases. In an era when Council Tax is frozen and in effect the existing redistribution of business rates will be crystallised we will be continuing to campaign that these inequities are addressed as part of the review of local government funding.
68. The impact of the inequitable funding system has been partially compensated by councils making the greatest efficiency savings. Whilst this means that KCC is in good shape to tackle the financial challenge of additional spending demands and reduced funding it also means the authority may need more radical solutions than other councils.

PART 2: DISTRIBUTION OF RESOURCES IN KENT

Budget Timetable & Presentation

69. We are proposing to launch the draft 2012/13 budget and 2012/15 MTFP before Christmas. This will enable an adequate period for consultation prior to the budget and financial plans being agreed by County Council on 9th February. This timetable allows for a longer consultation period and earlier agreement of the budget than has been possible in previous years.
70. In proposing this challenging timetable we have been aware of the concerns of both KCC's members (who have previously commented that they do not have adequate time to scrutinise the budget proposals) and district council members (who have previously commented that they cannot set their own budgets until they have the precept from the County Council). We are continuing to explore ways to bring this timetable forward even earlier for future years.
71. We are also proposing to make further changes to the presentation of the budget and MTFP to make it more transparent and to focus on the significant issues. We made some presentational changes in 2011/12 to make the budget more understandable through the introduction of an A to Z of services rather than analysing spending by cabinet portfolio. By and large these changes have been well received and we intend to build on this for 2012/13 so that council members, the residents of Kent and other interested parties have a clearer picture of the proposed budget and how it has evolved from the current year.

Medium Term Financial Outlook

72. We are planning for a net reduction in funding of £11m for 2012/13 after taking account of the anticipated reduction in Formula Grant, additional Council Tax freeze grant, New Homes Bonus grant, Local Service Support Grant, and an increase in number of Council Tax payers. These amounts are our best estimates at this stage and cannot be confirmed until we get the provisional grant settlement and Council tax base estimates from District Councils. This is better than we forecast when we set the MTFP for 2012/13 which anticipated a reduction in funding of £30m. The improvement derives from unexpected changes to Council Tax freeze and Local Service Support grants and using New Homes Bonus to continue to support the revenue budget.
73. We are facing a number of additional spending demands for 2012/13 and the medium term thereafter, the vast majority of which are unavoidable. The latest estimate for these additional spending demands in 2012/13 is £93m. These are identified in appendix 1. This is significantly more than the £35m included in the published MTFP due in the main to the following:
- £15m is presentational as in the published MTFP we offset the reversal of one-off savings for 2011/12 against those savings whereas in 2012/13 we are showing this as a pressure
 - £12m is presentational as in the published MTFP we had the removal of one-off funding from previous years shown as a negative pressure which has now been moved to savings
 - £22m is pressures on children's services which we could not have foreseen at the time we set the last MTFP relating to the full year effect of addressing issues arising from the OfSTED inspection. This includes additional placements for children as we have cleared the backlog of cases, the recruitment of a full team of children's social workers and the new workforce strategy for children's social care on top of the one-off actions needed to the social care improvement plan which was funded in the 2011/12 budget
74. The impact of the net loss of funding of £11m and the £93m of additional spending demands means that we need to make £104m of savings in 2012/13 in order to balance the budget. This represents a substantial challenge and a savings target of a similar magnitude to the £95m we faced in 2011/12.
75. We have £67m of savings already identified in the current MTFP. £23m of these represent the full year effect of savings we made in 2011/12 and require no additional effort to achieve. Plans are well developed to deliver the remaining £44m of savings identified in the current MTFP (these represent savings which would not start to be delivered until 2012/13) and we are on schedule to meet this target.
76. The proposals for the balancing £37m of new savings will be included in the draft budget due to be launched before Christmas. These will include further efficiency savings and service reviews so that we preserve front line services as much as possible. The savings proposals will be presented consistent with the strategy outlined below and heralded in the Leader's speech to County Council on 21st July. Inevitably this report cannot include details of the proposals prior to the launch of the draft budget later this month.
77. The outlook for the following two years is for further reductions in Government funding consistent with the announcements in SR2010. It is difficult to quantify this with any certainty as provisional settlements have not been announced, the impact of the potential changes to the funding for local government outlined in paragraphs 37 to 42 is not yet

known, and the future of council tax freezes is still uncertain. Our best estimate is that our funding will reduce further by £24m in 2013/14 (£14.4m of which is the effect of one-off funding for Council Tax freeze in 2012/13) and £20m in 2014/15.

78. We estimate that we will face ongoing additional spending demands of between £50m to £60m per annum plus any additional pressures arising for one-off actions taken to balance budgets. The overall impact is that we will be looking for further savings of between £70m to £100m in 2013/14 and 2014/15. Savings of this magnitude are broadly consistent with our estimate 18 months ago that over 4 years savings of £340m would be needed in real terms as a consequence of tackling the national budget deficit.
79. We intend to publish a high level strategic 3 year plan together with the draft budgets for 2012/13 later this month. This plan will set out our best estimates of the financial challenge and our overall strategy to deal with it, whilst recognising that the second and third year estimates could be volatile. Unlike previous plans we are not proposing to break this down into individual portfolios. Setting individual 3 year plans for portfolios at a time when spending was rising made sense, but at a time of budget reductions we think it more important to set out a plan which clearly identifies the overall challenge and our intended direction of travel with more detail about the proposed response set out in the annual budget where estimates of both funding and additional spending demands are more robust.

Medium Term Financial Strategy

80. The general direction to tackling the financial challenge was set out in the Leader's speech to County Council on 21st July. In this he announced that the practice of setting directorates'/portfolios' cash limits is no longer relevant. Instead for 2011/12 we started to evolve a more priority led approach to setting the budget based around key themes such as reducing/managing demand and provision of cash alternatives rather than direct service provision.
81. The strategy for the next MTFP is develop these themes further and to add themes around personalisation, localism and incentivisation. We will undertake a thorough review of all of our current budgets and planned spending with reference to these themes with the aim of quantifying the scope for savings. Having identified the scope for savings, managers will be asked to develop delivery options around the principles of make, buy or sell. These options will identify the available alternatives and the likely impact.
82. We have established a Budget Programme Board chaired by the Cabinet Member for Finance and Business Support which includes the Deputy Cabinet Member for Finance, Cabinet Member for Environment, Highways & Enterprise (who represents Cabinet rather than his own portfolio) and two non executive County Councillors. The board also includes the Deputy Managing Director and Director of Finance & Procurement and is supported by senior offices from Finance and Business Strategy. The role of the board is to review/scrutinise additional spending demands, ensure the delivery of existing planned savings, review savings options under the themes outlined above and to safeguard future budgets and investment for growth.
83. Once the board has accepted that savings proposals should be put forward for inclusion in proposed future year's budgets, managers will develop detailed delivery plans including project initiation documents (PIDs) in advance of the draft budget being published. The board will also be responsible for ensuring there are sufficient options under development to enable a 3 year balanced budget to be presented in the revised MTFP high level plan.

84. The board has agreed a number of key fiscal indicators proposed by the Cabinet Member for Finance and Business Support. These are set out below and will be a valuable guide to the board, Cabinet and County Council to ensure we are on track to meet the financial challenge.
1. Net debt costs should not exceed 15% of net revenue spending.
 2. Council Tax increases should be at least 1% less than RPI.
 3. Management Overheads should not exceed 10% of net revenue spending.
 4. Corporate and Democratic Core (Strategic Costs) should not exceed 1.5% of net revenue spending.
 5. Income from commercial and traded activities should make a contribution of at least 5% to overheads, above the total cost of providing the service.

Financial Planning Risks

85. The planning assumptions for 2012/13 are robust as they are based on provisional grant settlements. The assumptions for 2013/14 and 2014/15 are estimates and could change following decisions about changes to the local government funding arrangements. We also have no firm information on future council tax freezes.
86. The biggest risk is the authority's ability to make the necessary savings over the next 3 years. The magnitude of these savings is much greater than we have had to achieve in the past and has to be sustained on a year on year basis. The strain on members, staff and customers will be significant. The strategy outlined in this report together with greater transparency around our budgets, enhanced consultation/communication/impact assessment and more detailed planning on the delivery savings have all been developed to help minimise this risk.
87. It is essential that in focusing on the risk around savings that we do not take our eye off the ball for the rest of the budget. Whilst a huge challenge, the savings only represent just 10% of our net spending and we must not let the other 90% get out of control. We will continue with the existing budget monitoring arrangements in spite of proposed restructuring in finance and in particular we will focus our financial support to managers of the most vulnerable budgets.
88. The overall economy will also still pose an ongoing risk to our planning. If the economy fails to recover from recession as quickly as planned the Government will face a difficult decision whether to delay the deficit reduction plan or make further savings. The latter could mean even greater reductions in local authority funding necessitating even greater savings. If inflation continues to exceed targets this will not only impact on our spending but could also force the government to realign its spending plans from SR2010 particularly if spending on benefits exceeds the SR2010 targets. Unemployment will also be key and the council will need to play a significant role promoting local employment but we also need to be aware of the macro situation and how it could impact on the government spending plans.
89. Table 5 below sets out the overall planning assumptions at this stage. The intention is to launch the draft budget and MTFP before Christmas although these assumptions may change in the meantime.

	2012/13 £m	2013/14 £m	2014/15 £m	3 Year Total £m

Base Budget Requirement	909	898	874	909
Estimated Funding Change	-11	-24	-20	-55
Affordable Budget	898	874	854	854
Base Budget Spending	909	898	874	909
Additional Spending Demands	93	57	52	204
Savings Requirement	-104	-81	-72	-259
Proposed Budget Requirement	898	874	854	854

Reserves

91. The Director of Finance is required to consider the adequacy of the authority's reserves as part of the budget process. Our existing strategy is to take a view about the balance of risk on our medium term financial plans in order that we maintain sufficient levels of reserves to meet such risks. In 2011/12 we increased the totality of general reserves to 3% of gross expenditure to cover unforeseen circumstances. This has been achieved but will be reviewed, as normal, during the budget process.
92. Part of the strategy to balance the budget for 2011/12 was to borrow £14m from long term reserves. As a general rule we would not recommend using such reserves to balance the budget but for 2011/12 we faced large and unexpected grant reductions and needed to borrow in order to buy some time to make the right decisions about where savings need to be made. In future we would not look to reserves to balance the budget as it merely delays the inevitable need to make savings and we would only consider using reserves where there is a need to take time to plan savings, or where those reserves are no longer required due to changing circumstances.

Appendix 1 – Estimated Additional Spending Demands

	2012/13 Restated	2012/13 Updated
	£'m	£'m
Existing categories		
Pay & Prices	7.1	6.9
Government/Legislative	4.5	3.4
Demand/Demographic	8.7	7.3
Service Strategies and Improvements	12.2	12.2
Replace One-Offs	15.4	15.4
Emerging	15.0	15.0
Sub-total	62.9	60.2
Major new spending demands		
Children's Social Services (see note 1)		19.8
Adults Social Care (see note 2)		9.3
Total Contribution Pay (see note 3)		2.0
Employers NI & staff travel (see note 4)		1.1
Other		2.0
Total pressures	62.9	94.4

Notes:

1. This additional spending demand reflects the current demand levels for children's social services. Our budget strategy is to use some of this funding to improve prevention services which we believe will over the coming years significantly reduce the number of Looked After Children we support by around 300 to 400. It is anticipated that a significant element of this new pressure will come out of the budget over the medium term, maybe around £10m - £11m.
2. This additional spending demand includes the use of NHS monies to improve prevention services which will provide long term benefits for the health authority and reduce future demographic pressures for the council.
3. Due to lower turnover and an overall reduction in the number of posts within the authority, performance related pay progression can no longer be funded from turnover of staff as it has been historically.
4. Employers' National Insurance contributions are increasing as part of the Government's spending review. In addition, this spending demand includes the additional 5p per mile being paid to casual users as agreed by County Council on 12 May 2011.

By: Alex King, Deputy Leader
To: Cabinet 5th December 2012
Subject: Vision for Kent 2012 - 2022
Classification: Unrestricted

1. Introduction

Statutory Context

The Vision for Kent is Kent's Sustainable Community Strategy (SCS). It remains a statutory requirement for local authorities to prepare and from time to time modify the SCS for their area. The Vision for Kent also forms part of KCC's Policy Framework.

The statutory requirements for a SCS are:

- Every local authority must prepare a strategy (referred to as a sustainable community strategy) for promoting or improving the economic, social and environmental well-being of their area and contributing to the achievement of sustainable development in the United Kingdom.
- A local authority may from time to time modify their sustainable community strategy.
- In preparing or modifying its sustainable community strategy, KCC must:
 - consult and seek the participation of each partner authority and such other persons as it considers appropriate and
 - have regard to any guidance for the time being issued by the Secretary of State.

2. Recent progress on the Vision for Kent

Extensive work across all local authorities in Kent and with key partners from across all three sectors during 2010 and early 2011 resulted in the draft Vision for Kent 2012-2022 attached at Appendix 1. The document is very different from previous versions of the Vision for Kent. Instead of being focused around service-specific themes, the Vision for Kent 2012-2022 is written around the three countywide ambitions, which are:

1. **To grow the economy** - For Kent to be 'open for business' with a growing, successful economy and jobs for all.
2. **To tackle disadvantage** - For Kent to be a county of opportunity, where aspiration rather than dependency is supported and quality of life is high for everyone.
3. **To put citizens in control** - For power and influence to be in the hands of local people so they are able to take responsibility for themselves, their families and their communities.

The refresh of the Vision for Kent was started under the oversight of the former countywide Local Strategic Partnership, the Kent Partnership. As we have moved through the process of revising the strategy, the Kent Forum has taken oversight of the Vision for Kent.

In May the Kent Forum approved an earlier draft for consultation and this was followed by public consultation between June and August. Following analysis of the responses, a Task and Finish Group of Leaders representing the Kent Forum has met to discuss the final content of the document.

Kent County Council has been engaged consistently in the development of the vision for Kent at both Member and officer level. The draft document and early feedback on consultation responses have been considered at Scrutiny Board (13 July), at Customers and Communities Policy and Overview Committee (15 September) and at Corporate Management Team (8 November). The three countywide ambitions also form the basis of KCC's Bold Steps for Kent.

3. Consultation

The draft Vision for Kent was subject to a ten week consultation exercise spanning June to August. Nearly 800 responses were received, of which 75% were from individual members of the public. In addition to completing a survey rating the importance of actions to achieve the three ambitions, respondents had an opportunity to submit comments and fuller responses.

The Kent Forum on 22 September was presented with an analysis of the Vision for Kent consultation. The report is reproduced at Appendix 2.

4. Equality Impact Assessment

An Equality Impact Assessment (EIA) has been carried out on the revised strategy and organisations representing Kent's minority groups were asked to give specific feedback on potential impacts as part of the consultation. Their comments have been taken into account in preparing the final draft, and will be taken forward in delivering the three ambitions. The EIA initial screening, full assessment and action plan is attached at Appendix 3.

5. Final Document

A Task and Finish Group of Leaders has discussed the final Vision for Kent. The Group, comprising the Leader of Kent County Council (the Chairman of the Forum), Canterbury City Council (the Vice Chairman of the Forum), Dartford Borough Council and Thanet District Council met on 26 October.

The Group received an analysis of the consultation exercise in the Vision for Kent, including the level of support each of the commitments in the draft document received from respondents. The Group advised on the three priority commitments for each ambition which are the core of the document attached.

6. Conclusion

The three countywide ambitions contained in the document focus attention on a smaller number of strategic, long-term goals for improving the county. This encourages partnership working focused around the big priorities leading to more holistic working and more innovative approaches, particularly in the areas where no one partner has all the answers. As the Sustainable Community Strategy it also acts as the 'glue' and sets the context for delivery plans on specific issues, such as the suite under *21st Century Kent - Unlocking Kent's Potential*.

Recommendations:

1. That Cabinet endorses the draft Vision for Kent;
2. That Cabinet recommends that County Council approve the Vision for Kent at its meeting on 15 December 2011 as required in the Policy Framework;
3. That the Vision for Kent is endorsed by the Kent Forum at its meeting in February 2012.

Contact:

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Kent Forum

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Page 1: Front page

Vision for Kent / Title Page / Logo/ Photographs

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1. Foreword

The Kent Forum is proud to present this Vision for Kent - Kent's Sustainable Community Strategy. As the Leaders of Kent's 14 Local Authorities¹ we came together as the Kent Forum in early 2011. This is our statement on the challenges facing Kent and the priorities for the county. It sets out three Countywide Ambitions that will guide the direction of public services in Kent for the next ten years. This is not a comprehensive statement of policy, but draws upon and links to existing strategies and delivery plans that are referred to throughout this statement.

Between June and August 2011 we consulted on a draft version of the Vision for Kent. We were delighted to receive nearly 800 responses and these have been influential in determining what is in this revised document.

This is a period of unprecedented reform and budget reductions. There are significant changes in education and schools, policing and community safety, health and social care, economic regeneration and more. These will bring great challenges for the people of Kent and for the public, private and voluntary and community sectors that serve them. To make our contribution as a strategic authority to help get the nation's economy back on track and ensure that Kent is advantaged during that period, we have to look very carefully at what services are provided and also find different and more innovative ways to deliver them.

However, the changes also bring great opportunities. We believe that nowhere is better placed than Kent to seize the moment, and to come through stronger and more resilient than before. Kent has much strength to draw on, including an enterprising private sector, a strong voluntary sector, vibrant communities, excellent and innovative public services and its location as the gateway between the UK and Europe.

The three countywide ambitions that form the Vision for Kent have been developed over a long journey of consultation with contributors across Kent, and we now commit to these. They are:

to grow the economy - for Kent to be 'open for business' with a growing and successful economy and jobs for all.

to tackle disadvantage - for Kent to be a county of opportunity, where aspiration rather than dependency is supported and quality of life is high for everyone.

to put citizens in control - for power and influence to be in the hands of local people so they are able to take responsibility for themselves, their families and their communities.

¹ The 14 Local Authorities are: Kent County Council, Kent and Medway Fire and Rescue Authority, Ashford Borough Council, Canterbury City Council, Dartford Borough Council, Dover District Council, Gravesham Borough Council, Maidstone Borough Council, Sevenoaks District Council, Shepway District Council, Swale Borough Council, Thanet District Council, Tonbridge & Malling Borough Council and Tunbridge Wells Borough Council

Our three countywide ambitions work together and cannot be seen in isolation as they interact with each other in very fundamental ways. Contributing to all three ambitions are important cross cutting themes including environmental sustainability, community safety and improved health.

Over the coming years, the three Countywide Ambitions will be at the forefront of what we do to make Kent a better place to live and work. Using our collective strengths we will work together with relentless focus on those areas where we can make a difference. We would be delighted if partners and agencies that work with us and deliver services to the people of Kent are able to support the Vision for Kent and for it to shape their delivery plans.

In Kent we want to create a prosperous, strong and sustainable society where people can plan for their futures. We will work with partners and with our communities and residents of Kent to develop opportunities and to break through barriers that hold people back. Kent will be a place where people have confidence that they can live a good quality of life, for themselves, their families and their communities.

We will refresh the Vision for Kent during its ten year lifespan to ensure that we continue to focus on the priorities for Kent.

Signed by Paul Carter, Chairman of Kent Forum and Leader of Kent County Council on behalf of Kent County Council and the Kent Forum

And

John Gilbey, Vice Chairman of Kent Forum and Leader of Canterbury City Council on behalf of Kent's 12 District Councils and KFRS

Page 5 and 6:

2. Our three Countywide Ambitions for Kent

Ambition 1: To grow the economy

For Kent to be ‘open for business’ with a growing and successful economy and jobs for all

Vision:

Kent will be known as a place where business is thriving, generating wealth and providing high value jobs, taking advantage of the strong small business sector and our geographical position as the gateway between the UK and Europe. Kent’s excellent infrastructure and attractive environment will support Kent’s existing business to grow and encourage new businesses to locate. Kent’s business and education sectors will together provide continual learning opportunities for everyone of working age. This will offer confident, adaptable and ambitious employees the ability to acquire new skills and thrive. Kent’s economy will be balanced and provide more jobs overall. With the success of Kent’s businesses, employees will be rewarded with good pay and excellent prospects that will lead to a high quality of life for themselves and their families.

Growing the economy is vital to Kent

Kent’s future prosperity is dependent upon a thriving business sector that generates wealth. A strong, diverse and resilient economy is the glue that holds our communities together, giving individuals opportunities and putting money in families’ pockets. A successful economy is fundamental to the second of our ambitions – to tackle disadvantage.

What are Kent’s challenges?

Kent’s economy, as with everywhere else in the UK, is taking a long time to recover from the downturn that commenced in 2008. The Kent economy needs to rebalance by growing the wealth generating private sector.

Kent’s Gross Value Added, Households Gross Disposable Household Income and average skills levels are below the regional average. Overall Kent has overdependence on low skilled, low value jobs and too many of its residents are dependent upon out of work benefits.

The pace of technological change is challenging and Kent needs to be at the forefront of this.

Kent’s economy is diverse and particularly based around small and medium sized enterprises. The economy has proved more resilient in some sectors and some geographic parts of Kent than others. It is important to build on our strengths and to take advantage of new opportunities for growth.

What are we already doing

We are doing everything we can to create the conditions for growth by investing in Kent’s infrastructure. Our plans are set out in a suite of far-reaching delivery plans called ‘21st Century Kent: Unlocking Kent’s Potential’. The eight delivery plans are listed below. Web links to these plans are on page 15:

- Growth without gridlock
- Kent Environment Strategy

- Kent Forum Housing Strategy
- Connected Kent
- Business sector conversations and strategies
- 14 -24 Skills and Employment Strategy
- Strategy for Later Life
- Kent Cultural Strategy

Through these delivery plans we are:

- Encouraging innovation and entrepreneurship by investing in developing skills needed for today's and tomorrow's world, so businesses have a skilled and adaptable workforce upon which to draw.
- Developing Kent's infrastructure to support the economy, including improving high-speed broadband access and delivering key transport projects.
- Supporting the private sector by discussing the challenges they face through a series of specific business sector conversations.
- Lobbying Government to support Kent's economy, for example the new designation of Sandwich as an Enterprise Zone will provide business rate discounts and other support for new businesses in the area. We will continue to promote Kent's interests, using Regional Growth Funding and seeking investment to support the economy.
- Marketing Kent, promoting its gateway location, cultural, sporting and leisure opportunities, environmental assets and excellent schools and lifelong learning.
- Drawing out the particular strengths and opportunities of our sub county areas, focussing our efforts where it derives maximum leverage.

Our top 3 commitments for Ambition 1 - To grow the economy

1. To deliver the critical infrastructure that will create the conditions for economic growth across all of Kent. This means:

- facilitating access to **high-speed broadband** that encourages economic growth in our rural areas;
- improving the **strategic road networks** both within the county and those that link Kent to the rest of the UK;
- maximising the opportunities of **high speed rail** and **Kent's airports and ports** that will reduce journey times to London and improve Kent's connectivity with London, UK and Europe;
- improvements in **integrated public transport** that gives access to employment and improve workforce mobility without burdening our road networks.

2. To raise the **career aspirations** of Kent's residents from early years through adulthood and to meet those increased aspirations with a range of **learning opportunities, apprenticeships and internships** that meet future business need.

3. To be **business friendly** and be the **county of choice** for inward investment and expansion by:

- Providing **sector-specific support** for business, particularly in areas of potential growth;
- Sell Kent as the **place to do business**, emphasising and enhancing its gateway location and natural assets;
- **Offer inducements** (financial and other) for inward investment and expansion;
- Maximise the amount that public sector partners **procure from Kent companies** and that use Kent workforce;
- **Minimising the bureaucracy** placed on business and champion the removal of unnecessary regulation

Page 7 and 8: Ambition 2 To tackle disadvantage

For Kent to be a county of opportunity, where aspiration rather than dependency is supported and quality of life is high for everyone

Vision:

Everyone in Kent has the potential to lead a happy and fulfilled life. All people in Kent, regardless of where they live or their own personal circumstances, will have the aspiration and opportunities they need to create a positive life for themselves, their families and their communities. We will work to understand and break down the barriers that stop this from happening. People in Kent will feel optimistic and secure about their futures, and work towards achieving their goals, with minimal dependence on support from services.

We must tackle disadvantage

Disadvantage has economic and personal costs. For people not to achieve their potential has an impact on the individual, their family, their community, the economy and the county. At a time of reductions in public spending we must prevent people from becoming more disadvantaged and strengthen the resilience of individuals to deal with life's challenges.

What are Kent's challenges?

Quality of life in Kent is generally high but this masks significant and unacceptable variations in life outcomes across Kent, both spatially in different parts of Kent and in groups of people experiencing similar difficult circumstances.

Skills levels are a big determinant to how successful people are and too many young people leave full time education without a full compliment of basic skills and without ambition.

There is a big gap in educational attainment for children who receive free school meals, who are 'looked after' or who have migrated to Kent. There is a gap in the employment rate of people who have low basic skills; people with previous custodial sentences; and people with mental health or substance misuse problems.

Unemployment, low skills, low income and poor housing all contribute to inequality in health outcomes with life expectancy varying by as much as 17 years depending upon which part of Kent you live.

Some spatial areas in the county, including smaller pockets in otherwise better off parts of the county, are impacted by disadvantage. Disadvantage has different characteristics in different places such as rural communities or coastal communities.

Disadvantage does not result only from a lack of opportunity. A lack of aspiration and positive role models, as found in some families where there is little or no track record of employment, reduces ambition for the future. While most people are receptive to doing better a small minority are intent on pursuing lifestyles that damage themselves and those around them.

What we are already doing

The 21st Century Kent delivery plans discussed under Ambition 1 (see above) are central to creating the employment opportunities, securing the skills and providing the

infrastructure that are fundamental to tackling many of the characteristics of disadvantage, such as low income and poor housing.

We also have a range of plans and initiatives that will reduce the stubborn gaps in outcomes such as those in health, educational attainment and skills. These include plans to:

- Tackle family poverty;
- Reduce health inequalities, including action to tackle smoking and promote responsible drinking, healthy nutrition and encourage physical activity;
- Safeguard children and vulnerable adults;
- Reduce domestic abuse;
- Improve literacy and reading;
- Secure employment of socially excluded adults.

We have targeted projects aimed at tackling particular dimensions of disadvantage at both a county and district level. An example at county level is the Kent Apprenticeships programme which is supporting employers to recruit apprentices, providing opportunities for young people who might otherwise drop out of education, employment and training. Projects at local level include health prevention work in Kent's districts to promote healthy lifestyles.

The most vulnerable and those that struggle to help themselves are and will continue to be protected and supported to enjoy the best possible quality of life.

Our top 3 commitments for Ambition 2 - To tackle disadvantage

1. To reduce the number of Kent residents on out of work benefits by:
 - encouraging a **desire and commitment** from all residents **to work** as part of the productive economy;
 - providing people with the **support and basic skills training** to equip them for work.
2. Inspire young people to become **fully engaged in their families, schools and communities** so they take full advantage of all the learning, recreational and development opportunities including volunteering, that are a foundation for achieving their lifelong potential.
3. To ensure there is choice of high quality and accessible **services that that will prevent and tackle disadvantage**, particularly:
 - integrated **health and social care** that will close the inequalities gap
 - support for **vulnerable children and their families** to give all young people a chance
 - **housing** that supports strong communities, supports a good quality of life and helps reduce household costs including tackling fuel poverty

Page 9 and 10: Ambition 3 To put citizens in control

For power and influence to be in the hands of local people so they are able to take responsibility for themselves, their families and their communities

Vision:

Individuals, families and communities within Kent will be involved in shaping the services that affect their lives and will influence decisions about how services are provided. Those that provide services will work together with individuals and communities to find solutions that suit everyone. Charities, businesses and community groups will provide more targeted support and services that people, families and communities need, working with them at every step. Kent will be a place where people have a sense of community, purpose and belonging and where they feel safe and secure.

Why we must put citizens in control

Recent decades have seen an expansion of the state. This has shifted responsibility away from people and communities looking after themselves to a situation where there is a more dependent relationship upon one size fits all services provided by public agencies. This model holds back innovation, fails to provide tailored solutions to individual or local circumstances and is no longer financially sustainable.

Kent has a vast untapped resource in its own residents, voluntary and community groups and the faith sector. We must pursue alternatives that focus on independence and that give choice and control to residents. Responsibility will be passed back to residents, benefiting them, their communities and the county as a whole.

We must also encourage all residents to accept their personal responsibilities and recognise the impact that their actions and behaviour can have on others. The vision is for Kent's people to be as self-reliant as possible, not creating unnecessary demands upon public services and looking out for each other, particularly the more vulnerable members. We will encourage as many people as possible to get actively engaged and volunteer in designing and delivering services.

What are Kent's challenges?

This is a fast changing landscape and the next few years will see legislative developments. The Locality Act has been passed (November 2011) and there are other proposals in the Open Public Services White Paper. This will give us the legislative framework which will enable us to develop the way forward.

Consulting with 1.4 million Kent residents in a helpful and useful way is a huge challenge and one we are determined to meet. We consulted extensively on this document. Residents said that it is important to know that they have been listened to and that we reflect what they say in subsequent plans.

We recognise that there is an appetite from voluntary and community groups, parish and town councils and the faith sector to become more involved in public services in a range of ways up to and including direct delivery. We welcome this ambition and as the legislative framework takes shape will work with others to support greater engagement in delivering services that are both localised and sustainable.

What are we already doing

The plans and actions mentioned under ambitions 1 and 2 are being taken forward in a way that will give more choice, greater diversity of provision and more control to individuals. For example we are personalising services for social care by putting individuals firmly in the driving seat of determining the care that meets their own unique needs, when they want it.

Our elected representatives of both County and District Councils have a vital role and are working in their communities, bringing agencies together to address local priorities. There is an ongoing programme of development to support elected representatives to become effective community leaders.

We are working with representatives of the voluntary and community sector at both county and district levels to enhance the sector's capacity so that it can become more innovative. We have ambitious plans to encourage the growth of charities and social enterprises that can take on more responsibility for providing services.

We are continuing to make our decision making processes, performance and spending transparent and open. For example we are publishing details of senior officer salaries, Member allowances, invoices over £500 and seeking to make our annual budgets more accessible and easy to understand.

Our top 3 commitments for Ambition 3 - To put citizens in control

1. To support individuals to determine the services that they require, encouraging them to accept personal responsibility and to identify and get involved in delivering **innovative solutions that meet their personal needs**, thus delivering better outcomes for less cost.
2. To encourage a more resilient society where local communities identify local priorities and have more **influence and involvement in the shape and delivery of services in their community** which overcomes the need for remote and one size fits all solutions from public agencies.
3. **Support the Voluntary and Community Sector** to enhance its capacity, innovate and become more entrepreneurial so the sector can grow and can deliver more value for public sector investment, whilst retaining their independence.

3. Cross Cutting Themes

The three ambitions are the specific priorities that partners have identified to focus activity over the next 10 years. However, there are other very important issues for Kent where the challenges and solutions connect across all three ambitions. We must continue to work on them in order to achieve the ambitions and make Kent a great place to live and work. These themes include:

Protecting and enhancing the environment

Everything we do to develop and improve Kent's infrastructure must be sustainable. In growing the economy, we need to support low carbon technologies and help businesses operate more resource-efficiently. Tackling climate change is everyone's responsibility, and we will support and encourage people and communities to play their part including through volunteering. We must make the most of Kent's natural environment for people to enjoy, contributing to their wellbeing, and also to attract business and tourism. The Kent Environment Strategy sets out the priorities in this area.

Improving community safety, crime and anti-social behaviour

In order to build a strong economy, improve our lives and take control, the people and communities of Kent need to feel safe from crime, anti-social behaviour, fires and accidents. There is more that we can do to reinforce a sense of community in our areas which can be undermined by issues such as bullying, drug and alcohol abuse and domestic abuse. Partners will work together and with Kent's communities to find solutions to these problems. The Kent Community Safety Agreement provides more details.

Improving Health

Seeing improvements in residents' health overall while at the same time tackling the health inequalities gap is hugely important. Many public agencies have a role in tackling the social determinants of ill health but improvements will only be made with the support of employers, the voluntary and communities sector and residents themselves. Business can support positive physical and mental health and derive the benefits from a healthy workforce. Residents need to accept greater responsibility for their own health and reap the reward of better health for longer.

4. Delivering the ambitions

The ambitions for Kent are interrelated

No one ambition can be seen in isolation of the other two. The three ambitions connect with each other and like three legs of a stool all three need to be in place. Progress can only be achieved in one ambition with supporting actions from the other two. Progress in the ambitions will positively reinforce each other creating a virtuous circle. For example, a strong economy will help to tackle disadvantage which will help people and communities take greater control over their lives, but the economy cannot be strengthened without making improvements in disadvantage, such as reducing dependency on benefits, raising aspirations and skill levels and improving health. To make these improvements, people and communities need to have greater control over the services they receive and take more responsibility for improving their lives.

The ambitions apply differently across Kent

The three ambitions are the highest priorities across the whole of Kent. However, Kent is a large and diverse county and different areas of Kent have different needs, challenges and opportunities. This will include differences in skills levels, jobs, benefit dependency, health and the environment. Kent is divided into 12 localities (District/Borough Council areas) which are the building blocks for service delivery in Kent. It will be essential for partners working in the localities, including Locality Boards, to identify local priorities and deliver the ambitions in a way that meets them. In Kent, we want to see as much devolution as possible to local communities.

Working together on delivery

The three ambitions are complex and far-reaching priorities which no one organisation can achieve by working on their own. Kent partners need to work together in a smart and flexible way, joining up the services and initiatives that we provide for residents to get the best possible outcomes and operate as efficiently as possible. We will stand together to promote and protect Kent's needs and interests, working with national government and internationally.

To achieve the ambitions, we must work with Kent's people and communities. We will be open, we will listen and we will support people and communities to work with us to solve problems and improve their lives as we have with supporting people to design their own care package and helping communities manage local facilities.

Many organisations and groups contribute to making Kent a better place. We are delighted that so many partners have already shown their support for the three countywide ambitions, and know that many will make a contribution to the three ambitions in their own work. Some of the messages of support received for the ambitions can be found on the Kent Forum website - www.kentforum.org.uk. We will work with partners from all sectors in Kent - public, private and voluntary, to achieve Kent's ambitions.

Knowing whether we are making progress

Kent Forum has set the three ambitions for Kent, and it is our responsibility to ensure that we make good progress towards them. In order to do this we will use existing performance information from across the county that is robust and meaningful to tell how well the county is doing and identify areas where we need to see more improvement. We will do this via an annual report to Kent Forum. This will be proportionate and not bureaucratic, as

more detailed and regular performance management will continue to be carried out by the partner authorities and other organisations that deliver services that support the ambitions. We will make sure that performance information is open and transparent so that members of the Kent community can hold partners to account for performance. More information on performance management is provided on the Kent Forum website - www.kentforum.org.uk.

Links to delivery plans

The main partnership delivery plans are listed here:

21st Century Kent

http://www.kent.gov.uk/community_and_living/regeneration_and_economy/21st_century_kent.aspx

Active Lives Now: The future of social care in Kent

http://www.kent.gov.uk/adult_social_services/leaflets_and_brochures/active_lives_leaflet.aspx

Bold Steps for Kent (Kent County Council Medium Term Plan to 2014/15)

http://www.kent.gov.uk/your_council/priorities_policies_and_plans/priorities_and_plans/bold_steps_for_kent.aspx

Digital Strategy

Link to be included in final version

Early Intervention and Prevention Strategy (children and young people)

Link to be included in final version

Growth Without Gridlock: A Transport Delivery Plan for Kent

<https://shareweb.kent.gov.uk/Documents/News/growth-without-gridlock.pdf>

Involving the Whole Community: The Kent Approach to Literacy and Reading 2011-2021

Link to be included in final version

Kent and Medway Housing Strategy

<http://www.kentforum.org.uk/reports-and-files/Kent-Forum-Housing-Strategy-FINAL.pdf>

Kent Community Safety Agreement

<http://www.kentpartnership.org.uk/reports-and-files/CSA-May-09.pdf>

The Cultural Strategy for Kent 2011-2015

http://www.kent.gov.uk/leisure_and_culture/arts_development/cultural_strategy.aspx

Kent Environment Strategy

http://www.kent.gov.uk/environment_and_planning/environment_and_climate_change/environment_strategy.aspx

Kent Partners Compact (public agencies and the voluntary & community sector)

http://www.kent.gov.uk/community_and_living/volunteering/promoting_volunteering/kent_partners_compact.aspx

Kent Public Health Strategy - Living Life to the Full

http://www.kent.gov.uk/your_council/priorities_policies_and_plans/priorities_and_plans/strategy_for_public_health.aspx

Kent Rural Delivery Framework

<http://www.kentruralnetwork.org.uk/kent-rural-framework>

Learning and Skills Strategy

Link to be included in final version

Living Later Life to the Full - A Policy Framework for Later Life

http://www.kent.gov.uk/your_council/priorities,_policies_and_plans/priorities_and_plans/strategy_for_later_life.aspx

Further delivery plans are available on partner's websites. A list of partners, along with statements of support, is available on www.kentforum.org.uk

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Appendix 2

To: Kent Forum, 22 September 2011

**Subject: Vision for Kent 2011-2021:
Consultation responses and next steps**

By: Paul Carter, Chairman, Kent Forum

Summary

The consultation period for Vision for Kent 2011-2021 has ended. This paper reports on the consultation responses received and the proposed process and timeframe for developing and agreeing the final version of Vision for Kent.

Recommendations

That Kent Forum:

1. Notes the summary of consultation responses
2. Appoints the Chairman of Kent Forum and three other Leaders to meet to give direction to the development of the final version of Vision for Kent
3. Agrees the proposed timeline for developing and approving the final version of Vision for Kent

1. Introduction

1.1 At its meeting on 24 May 2011, Kent Forum approved the consultation draft of Vision for Kent 2011-2021. The consultation started on 20 June and ran until 22 August 2011.

1.2 The consultation was open to everyone, and groups that were specifically targeted were:

- Members of the public
- Parish Councils
- Those working in the Voluntary and Community Sector
- Members of the business community
- Representatives of public sector organisations working in Kent

1.3 A variety of methods and channels of communication and engagement were used to encourage people to respond to the consultation.

1.4 At the close of the consultation, **793** responses were received.

2. Consultation responses

2.1 Appendix 1 shows a top-level analysis of the consultation responses received². More detailed analysis will be done over the next few weeks to inform the development of the final version of Vision for Kent.

² The initial analysis is based on Snap Survey and Paper Questionnaire responses. We have also received 20 written responses which we will take into consideration.

2.2 Some of the most significant points to note are:

- The Vision for Kent consultation has received a high number of responses compared to similar consultation exercises
- **580 (75%)** of respondents were members of the public
- There were a good number of responses from the other target groups, with **56** responses from Parish Councils, **64** from public sector organisations, **46** from VCS organisations and **13** from businesses
- **46.5%** of respondents were female, **33%** male and 13% did not wish to say with 7% not replying.
- The majority of respondents were aged **56-65 (23%)** and **46-55 (20%)**
- **81%** of respondents felt that the ambitions strike the right balance between being realistic and ambitious
- **59%** of Voluntary and Community Sector respondents felt that the priorities of the VCS in Kent were well represented in Vision for Kent
- **69%** of business sector respondents felt that the actions identified in Vision for Kent would make Kent a better place to do business
- **73%** of Parish Council respondents felt that the draft responds to the balance of need between the rural and urban communities in Kent
- **54.5%** of respondents wish to receive feedback at the end of the consultation

2.3 Respondents were given a list of actions that could contribute to the delivery of each ambition and asked to select the two asked that they felt were important. The actions most frequently selected are shown in the table below.

Ambition	Action rated most important (all respondents)	Action rated second most important (all respondents)
1 - To grow the economy	Encourage companies to take on more apprentices and trainees (56%)	Improve Kent's infrastructure (roads, rail, broadband connection (48.5%))
2 - To tackle disadvantage	Encourage young people to be in education, training or work (56%)	Support unemployed people to get back into work (48%)
3 - To put citizens in control	Tackle crime and anti-social behaviour (41%)	Support people in taking more control over what happens in their neighbourhood (41%)

2.4 As well as selecting the two most important actions to deliver each ambition from a list, around 30% of all respondents suggested other actions that they felt needed to happen to achieve the ambitions. In total, there are over 900 suggestions of other things that partners could focus on to help achieve the ambitions. In this early stage of the analysis some key messages are starting to emerge for each ambition and these are shown in the table below.

Ambition	Theme	Theme	Theme
1 – To Grow the Economy	Improve all types of infrastructure including roads, rail, air, and broadband	Reduce unnecessary regulation and increase support for businesses, especially SMEs and entrepreneurs	Raise employment through support, training, education, apprenticeships and opportunities
2 – To Tackle Disadvantage	Encourage self reliance and promote personal resilience	Deploy a range of incentives to get people into training and work	Support realisation of aspirations, particularly young people
3 – To put citizens in control	Give people a real say through effective consultation and engagement	Support people to take control by offering training or advice	Take effective measures to reduce crime and anti-social behaviour

2.5 Postcodes have been obtained from respondents, so that responses can be broken down for each District area. Feedback will be presented to localities via Locality Boards and/or LSPs, allowing them to use the feedback to shape their actions to achieve the ambitions.

3. Equality Impact Assessment

3.1 The initial screening has taken place and identified four groups where further information is required on the potential impact of Vision for Kent. These groups were faith groups; black and minority ethnic groups; people with disabilities and gay, lesbian and bi-sexual groups.

3.2 A number of community groups have been consulted to gather further information in these areas. From these responses a full Equality Impact Assessment is being developed and will feed into the final version of Vision for Kent.

4. Next steps

4.1 The feedback received will now be used to influence the development of the final version of Vision for Kent 2011-2021.

4.2 The Chairman of Kent Forum has suggested that a small Task and Finish Group of Leaders gives direction to the development of the final version of Vision for Kent, taking into account the main themes from the consultation responses.

Three District Council Leaders, one from each of the three Ambition Boards, are asked to volunteer to take part in a meeting which will take place during October.

4.3 The Task and Finish Group will sponsor a final draft to be brought to the Kent Forum in January.

4.4 It is a requirement of KCC's Policy Framework that new versions of Vision for Kent are approved through full County Council; KCC has scheduled this for 15 December. District Councils may also wish to take the proposed final draft through their Cabinet, full Council or other committees. If District Councils wish to do this then the ideal time will be between the start of November (following the Task and Finish Group) and 27 January.

4.5 Respondents who indicated that they would like to receive feedback on how the responses are used will be contacted with a summary of changes made and a link to the final version of the document.

Recommendations

That Kent Forum:

1. Notes the summary of consultation responses
2. Appoints the Chairman of Kent Forum and three other Leaders to meet to give direction to the development of the final version of Vision for Kent
3. Agrees the proposed timeline for developing and approving the final version of Vision for Kent

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Appendix 3

KENT COUNTY COUNCIL EQUALITY IMPACT ASSESSMENT

Please read the EIA GUIDANCE and the EIA flow chart available on KNet.
This form dated 17/12/2010 supersedes all previous EIA/ CIA forms

Directorate:

Business Strategy and Support

Name of policy, procedure, project or service

Vision for Kent 2012-2022

Type

Overarching policy

Responsible Owner/ Senior Officer

Graeme Brown, Kent Forum Manager

Date of Initial Screening

22 March 2011

Date of Full Screening

23 November 2011

DRAFT

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 (Young and Old) Page 196	YES	YES	Medium	Low	<p><u>Potential positive impact</u> V4K contains specific priorities and commitments around achieving better outcomes for children and young people, and for older people.</p> <p>Some of the priorities for young people include:</p> <ul style="list-style-type: none"> - narrowing the gap in educational attainment between children in certain disadvantaged groups, e.g. looked after children, and other children; - reducing numbers of 'NEET' young people; - supporting a healthy start in life for all children through initiatives like promoting breastfeeding. <p>Some of the priorities for older people include:</p> <ul style="list-style-type: none"> - supporting independent living at home wherever possible; - making use of the experience and expertise of older people to support communities through volunteering; - embracing an ageing workforce and the opportunities it presents <p><u>Potential negative impact</u> Specific commitments are made for younger and older people based on what we know about need in Kent and where the most positive impact can be made. There are no specific commitments to support people who are not</p>

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	
Page 197					<p>younger or older (i.e. between the two.) However Vision for Kent makes many commitments to support people based on criteria other than age - i.e. unemployment, living in a rural area, housing need, and makes commitments that aim to improve quality of life in Kent for everyone. When implementing specific projects related to achieving the ambitions of the vision, further impact assessments will need to be undertaken in order to ensure that there are no negative impacts to various age groups.</p> <p>a) N/A b) No c) V4K aims to promote equal opportunities for younger and older people as explained above.</p>
Disability	YES	YES	Medium	Medium (but more info needed)	<p><u>Potential positive impact</u> One of the three ambitions in the V4K is to tackle disadvantage. Through this ambition, V4K aims to improve quality of life and opportunities for people with disabilities as a group of people in Kent that can be disadvantaged. Commitments include:</p> <ul style="list-style-type: none"> - Supporting independent living at home wherever possible - Identifying where health and social services can better integrate to deliver a more responsive service, - Improving early access to mental health services <p>The Vision for Kent also talks about improving access to services and opportunities for everyone.</p>

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	
Page 198					<p>V4K commits to tackling crime and anti-social behaviour and building public confidence so that people feel safe in their communities. It also talks about strengthening communities and encouraging individuals in neighbourhoods and communities to work together. This will have a positive impact on disabled people by tackling hate crime and the increased fear of crime and anti-social behaviour that may affect disabled people, and by promoting social inclusion.</p> <p><u>Potential negative impact</u> V4K talks about putting citizens in control and encouraging people who take more responsibility for their own lives and be less dependent on services. This is intended to have a positive impact on people including people with disabilities by giving them more control over the support they receive etc. This section acknowledges that additional support may be needed by some groups of people to take control, and commits to providing this. However, there is the potential for people with disabilities to not be able to take advantage of, feel threatened by or, perceive these developments as 'barriers' and it may be necessary to take additional measures to make sure that people with disabilities are empowered to take control where possible, whilst also continuing to receive the support and services they need. Systems and policies will be created in a way to design out any disadvantage that may be experienced by disabled people. This will be monitored through impact assessments for specific projects related to the implementation of V4K.</p>

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	
Page 199					<p>Under the ambition 'To grow the economy,' V4K talks about Kent becoming a place where there are 'jobs for all.' Commitments are made to supporting people to find appropriate employment and reducing benefit dependency. Employment may be more difficult to access for people with disabilities who are not able to work and will remain dependent on benefits and other support. A statement may need to be included to acknowledge this. There is also no specific reference to additional support that may be required by people with disabilities who could work if given additional support.</p> <p>a) N/A b) Yes. Need to ask Disabled groups for their views on the issues above. c) V4K aims to promote equal opportunities for disabled people as explained under 'Potential positive impact' above.</p>
Gender	YES	YES	Low	None	<p><u>Potential positive impact</u></p> <ul style="list-style-type: none"> - Reference to promoting pre-natal health and breastfeeding support which is targeted towards women and will have a positive impact. - Commitment to reduce domestic abuse - as women are more likely to be victims of domestic abuse, this will have a positive impact on women. - The ambitions to Tackle Disadvantage and to Grow the Economy will address unemployment and include addressing employment inequalities, e.g. higher levels of unemployment for men in East Kent. <p><u>Potential negative impact</u> Vision for Kent makes many commitments to support people based on</p>

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	
					<p>criteria other than gender, and makes commitments that will affect quality of life in Kent for everyone. There is no immediate evidence to suggest that being male or female will affect how the commitments impact on individuals, aside from those few specific commitments above.</p> <p>a) N/A b) No. c) Some positive impact on equal opportunities for women as above.</p>
Page 200 Gender identity	YES	YES	Low	None	<p><u>Potential positive impact</u> V4K commits to tackling crime and anti-social behaviour and building public confidence so that people feel safe in their communities. It also talks about strengthening communities and encouraging individuals in neighbourhoods and communities to work together. This may have a positive impact on transgender people by tackling hate crime and the increased fear of crime and anti-social behaviour that may affect transgender people, and by promoting social inclusion.</p> <p><u>Potential negative impact</u> There is no evidence to suggest negative impact on people due to gender identity.</p> <p>There could be potential for negative impact through the delivery of specific projects and initiatives that will deliver the countywide ambitions if the needs of transgender people are not adequately taken into account. This has been identified as an issue to take forward in the delivery of Vision for Kent.</p>

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	
					a) N/A b) No c) Some positive impact on equal opportunities for transgender people as explained above.
Race Page 201	YES	YES	Low	None/ Low (but more info needed)	<p><u>Potential positive impact</u> V4K recognises the diversity of Kent. As above, V4K commits to tackling crime and anti-social behaviour and strengthening communities. This may have a positive impact on people from BME groups by tackling hate crime and increased fear of crime and anti-social behaviour. It may also help to improve relations between people of different race and promote social inclusion.</p> <p>There is also evidence to suggest that some of the gaps in quality of life outcomes that Vision for Kent aims to narrow are more commonly experienced by people from some racial backgrounds. Examples include educational attainment and health. By tackling these outcome gaps, there should be a positive impact.</p> <p><u>Potential negative impact</u></p> <p>As above, V4K commits to tackling crime and anti-social behaviour and strengthening communities. This may have a positive impact on people from BME groups by tackling hate crime and increased fear of crime and anti-social behaviour. It may also help to improve relations between people of</p>

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	
Page 202					<p>different racial groups and promote social inclusion.</p> <p>Many of the commitments in the V4K aim to improve life in Kent for all people, and there is no immediate evidence to suggest that a person's race will negatively affect how the commitments impact on them. However more information is required to understand whether the commitments in V4K could have a negative impact on people from minority racial backgrounds in Kent, or fail to meet their needs.</p> <p>There could be potential for negative impact through the delivery of specific projects and initiatives that will deliver the countywide ambitions if the needs of people of all racial backgrounds are not adequately taken into account. This has been identified as an issue to take forward in the delivery of Vision for Kent.</p> <p>Locality Boards developing action plans to achieve the Ambition Boards in their area will use information on the racial makeup of areas to ensure that they are meeting the needs of people in the area.</p> <p>a) N/A b) Yes - consultation with special interest groups for race is required as above c) Some positive impact on equal opportunities for people from BME groups as explained above.</p>

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	
Religion or belief	YES	YES	Low	None/ Low (but more info needed)	<p><u>Potential positive impact</u> As above, V4K commits to tackling crime and anti-social behaviour and strengthening communities. This may have a positive impact on people from faith groups by tackling hate crime and increased fear of crime and anti-social behaviour. It may also help to improve relations between people of different faith groups and promote social inclusion.</p> <p><u>Potential negative impact</u> Many of the commitments in the V4K aim to improve life in Kent for all people, and there is no immediate evidence to suggest that a person's faith will negatively affect how the commitments impact on them. However more information is required to understand whether the commitments in V4K could have a negative impact on people from different faith groups in Kent, or fail to meet their needs. Greater reference could be made to the importance of faith groups in community development and community leadership in the ambition 'To put citizens in control' (this was picked up in the EIA for a Sustainable Community Strategy from a Kent Borough.) Reference will be made to this in the draft.</p> <p>There could be potential for negative impact through the delivery of specific projects and initiatives that will deliver the countywide ambitions if the needs of people of all faith groups are not adequately taken into account. This has been identified as an issue to take forward in the delivery of Vision for Kent.</p>

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	
					<p>a) N/A</p> <p>b) Yes - consultation with special interest groups for faith is required as above</p> <p>c) Some positive impact on equal opportunities for people from faith groups as explained above.</p>
Sexual orientation Page 204	YES	YES	Low	None/ Low (but more info needed)	<p><u>Potential positive impact</u> Similar to other strands, commitments in the Vision for Kent about creating stronger, safer communities has potential for positive impact on lesbian, gay and bisexual people through reducing hate crime and fear of crime and improving social inclusion.</p> <p>There is also evidence to suggest that some of the quality of life outcomes that Vision for Kent aims to improve may be more likely to affect lesbian, gay and bi-sexual people. Examples include mental health and smoking. By tackling these issues, there should be a positive impact.</p> <p><u>Potential negative impact</u> Many of the commitments in the V4K aim to improve life in Kent for all people, and there is no immediate evidence to suggest that a person's sexuality will negatively affect how the commitments impact on them. However more information is required to understand whether the commitments in V4K could have a negative impact on lesbian, gay and bisexual people in Kent, or fail to meet their needs.</p> <p>There could be potential for negative impact through the delivery of specific</p>

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	
					<p>projects and initiatives that will deliver the countywide ambitions if the needs of lesbian, gay and bisexual are not adequately taken into account. This has been identified as an issue to take forward in the delivery of Vision for Kent.</p> <p>a) N/A b) Yes - consultation with special interest groups for gay, lesbian and bisexual people is required as above a) Some positive impact on equal opportunities for gay, lesbian and bisexual people as explained above.</p>
Pregnancy and maternity Feb 2015	YES	YES	Low	None	<p><u>Potential positive impact</u> V4K makes specific commitments to support pregnant women and new parents through pre-natal support and providing early parenting support to prevent disadvantage in the future. Commitments to help people into work will also have a positive impact on single parents getting back into work after the birth of their child as they are more likely to be unemployed</p> <p>a) N/A b) No. c) As explained in 'positive impact' as above.</p>

Part 1: INITIAL SCREENING

Context

Explain how this policy, procedure, project or service relates to a wider strategy

Vision for Kent 2012-2022 is the new Sustainable Community Strategy for Kent. It replaces the existing Vision for Kent which was published in 2006 and is in need of updating. Sustainable Community Strategies are developed by Local Authorities and set an overall strategic direction and long term vision for the economic, social and environmental well-being of a local area in a way that contributes to sustainable development (Local Government Act 2000.)

In Kent, the Vision for Kent 2012-2022 will be owned by the Kent Forum. The Kent Forum is the top-level strategic partnership for the county and is made up of Kent's democratically elected members (currently the 13 Council Leaders and the Chairman of the Fire Authority.) The Kent Forum will be supported by the Joint Kent Chiefs which is the top-level executive partnership for the county, currently made up of Chief Executives of the 13 Councils and the Primary Care Trusts, the Chief Constable and Chief Fire Officer. The Joint Kent Chiefs will support the Kent Forum in their role to ensure that good progress is being made towards achieving the Vision for Kent 2012-2022.

The Vision for Kent 2012-2022 identifies three countywide ambitions, which are the areas that all partners have agreed to prioritise to improve life in Kent over the next 10 years. Ambition Boards (one for each ambition) reporting to the Joint Kent Chiefs will be developed to strategically facilitate and oversee the achievement of the ambitions. Locality Boards for each District area will deliver the ambitions at a local level in a way that is appropriate to the area.

Aims and Objectives

Provide a summary of what the policy, procedure, project or service is trying to achieve and how it will be achieved

The Vision for Kent 2012-2022 provides three clear areas of priority (three countywide ambitions) for making Kent a better place over the next 10 years. It is an overarching partnership strategy that is intended to set direction for partners and bring them together to focus on these priority areas that will make the biggest difference. Agencies that commission and deliver services in Kent will be able to sign up to the Vision and it will help them develop and prioritise their own delivery plans.

The three countywide ambitions in the Vision for Kent 2012-2022 are:

- 1) To grow the economy
- 2) To tackle disadvantage
- 3) To put citizens in control

More detail on why these are important, the impact they will have and how they will be achieved is set out in the draft document.

Beneficiaries

Set out who the intended beneficiaries?

The Vision for Kent 2012-2022 aims to make Kent a better place for everyone who lives and works here.

Consultation and data

Please record any data/research and/or consultation you have carried out to inform your screening

The Vision for Kent 2012-2022 has been in development since approximately April 2010. During this time, a huge amount of consultation has taken place with partners and other service providers/commissioners from the public, private and voluntary sectors in Kent. This has shaped the draft. Importantly, the three countywide ambitions that make up the Vision for Kent 2012-2022 were identified through a mapping exercise, looking at the top priorities of the main organisations that provide or commission services in Kent. This was supported by facilitated workshops with partners.

In addition, statistical information about Kent has been used in developing the Vision for Kent 2012-2022 to help identify priorities and current and future needs and opportunities. The main sources for this have been [We are the people of Kent](#), [We are the older people of Kent](#), the draft Kent Children and Young People's Plan 2011-2014 (in development,) [Unlocking Kent's Potential \(Regeneration Framework,\)](#) and statistics from the [Kent Public Health Observatory](#).

Equality Impact Assessments of delivery plans that are linked to and will help deliver the Vision for Kent 2012-2022 have also been used to conduct the initial screening and full assessment. The purpose of this is to pick up on any impacts identified in these Assessments that may also apply to the Vision.

To give people the opportunity to comment on the draft and shape the final version of the Vision for Kent 2012-2022 before it is formally adopted, it will be subject to a 10 week formal consultation period. A consultation plan has been developed and is attached as Appendix 1. Following the consultation period, we will revisit the full Equality Impact Assessment in light of the new feedback and any equality and diversity issues that it raises. We will also use this period of consultation to consult with special interest groups where a potential impact has been identified by this screening.

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.

Potential for adverse impact:

Potential for adverse impact of the Vision for Kent has been identified for disabled people and will be further investigated in the Full Assessment.

For all equality strands, there is potential for adverse impact through the delivery of specific projects and initiatives that will deliver the countywide ambitions if the needs of all people including minority groups are not adequately taken into account. This has been identified as an issue to take forward in the delivery of Vision for Kent and will be added to the EIA action plan. A statement will also be added to delivery sections ('How?') of the Vision for Kent stating that partners will ensure that equality and diversity is a key component of delivering the countywide ambitions.

Unknown impact:

The initial screening has shown that more information is needed on the potential impact of the Vision for Kent on:

- Disabled people
- Black and Minority Ethnic groups
- Faith groups
- Gay, lesbian and bisexual people

Impact on these groups will be further investigated in the Full Assessment

Potential for positive impact:

There is potential for specific positive impacts and promoting equal opportunities for the following groups due to some of the commitments made in Vision for Kent:

- Younger people and older people
- Disabled people
- Women
- Transgender people
- People from Black and Minority Ethnic groups
- People from faith groups
- Gay, lesbian and bisexual people
- Pregnant women and new parents

Potential for positive impact for everyone:

The Vision for Kent 2012-2022 commits to developing fairer, safer, stronger, better communities in Kent. It makes many commitments around improving the services and environment in Kent which will be of benefit to all people and some which will have a stronger benefit to the county's most disadvantaged people. The services, projects and initiatives that will deliver the countywide ambitions will be tailored to needs of the area when being designed and delivered, and this will be of benefit to everyone. The Vision for Kent also commits partners to giving control to people who use their services, working with them to design flexible solutions that meet individual needs.

JUDGEMENT

Option 1 – Screening Sufficient

NO

Following this initial screening our judgement is that no further action is required.

Justification:

Option 2 – Internal Action Required

NO

There is potential for adverse impact on particular groups and we have found scope to improve the proposal

(Complete the Action Plan at the end of this document)

Option 3 – Full Impact Assessment

YES

Only go to full impact assessment if an adverse impact has been identified that will need to undertake further analysis, consultation and action

Sign Off - N/A

I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.

Senior Officer

Signed:

Date:

Name: Graeme Brown

Job Title: Partnership Manager, Kent Forum

Directorate Equality Lead

Signed:

Date:

Name: Ann Cook

Part 2: FULL ASSESSMENT

Name

Of the policy, procedure, project or service
Vision for Kent 2012-2022 (currently in draft form)

Responsible Owner/ Senior Officer:

Graeme Brown, Kent Forum Manager

Date of Full Equality Impact Assessment:

Planning of full assessment in this form - 14.04.11
Gathering of data, analysis and action planning - to be carried out between
May and November 2011
Full assessment completed – 23.11.11

Scope of the Assessment

Set out what the assessment is going to focus on, as directed by the findings from your initial screening

The initial screening identified potential for negative impact on one group (disabled people) and a need for more information on the potential impact on four groups (disabled people, Black and Minority Ethnic groups, faith groups and gay, lesbian and bisexual people.) The reasons why these judgements were made and specific issues for investigation are explained below:

Disabled people

To investigate whether there is potential for disabled people to be 'left behind' in the ambition 'Putting citizens in control' and whether additional measures will be required to support disabled people to take control of their lives.

Also to investigate whether there is potential for negative impact for disabled people of the commitments around 'jobs for all' and reducing benefit dependency in the ambition 'To grow the economy.' There is potential for this to impact negatively on disabled people who are not able to work and will continue to rely on benefits and other support. A balancing statement might need to be added to the draft and actions taken to mitigate any negative impact.

Finally, to determine if there is any further potential for negative or positive impact on disabled people that has not so far been picked up.

Black and Minority Ethnic groups

To determine if there is potential for negative or positive impact on Black and Minority Ethnic groups that has not so far been picked up.

Faith groups

To determine if there is potential for negative or positive impact on people belonging to different faith groups that has not so far been picked up. There may be impacts around the ambition 'To put citizens in control' and commitments to strengthen communities and encourage people to take more responsibility for themselves, their families and communities.

Gay, lesbian and bisexual people

To determine if there is potential for negative or positive impact on gay, lesbian and bisexual that has not so far been picked up.

In addition, Vision for Kent 2012-2022 is going out for a 10-week formal consultation period from June to August 2011. Public sector employees and elected Members, Parish Councils, representatives from the voluntary and community sector and representatives from the business sector will be asked to comment on whether Vision for Kent meets the needs of their organisations and the people they serve.

Also, consultation will be open and promoted to the public in Kent, who will be asked to comment on the Ambitions and whether Vision for Kent is missing anything that is important to them. Partners will help to promote the consultation to their service users, in order to promote the consultation widely and particularly to groups which may be hard to reach. Where possible equalities information will be collected about people who provide feedback, to allow us to see whether certain groups are identifying the same issues, and also to see how representative the respondents are of the Kent population.

The consultation may pick up further equality and diversity issues. Comments will be used to influence the final version of Vision for Kent.

Information and Data

State what information/data/research you have used to help you carry out your assessment

Information collected during the full assessment was in the form of feedback and answers to questions from the special interest groups identified. This was in the form of verbal feedback written down at consultation meetings, or in the form of a written response from the group. For the general consultation, tailored questions were prepared for each of the main stakeholder groups and responses were in the form of an email or letter, or written down during a phone conversation. Questions were also prepared for members of the public, who were asked to respond by returning a short paper survey, or complete the survey online.

In total just under 800 consultation responses were received. 75% of the responses were from members of the public. In addition, over 900 individual comments and suggestions were received about specific elements of the draft strategy.

All consultation responses and feedback were recorded. The results of the consultation were carefully analysed and used to make recommendations on redrafting the final version of the new Vision for Kent. This analysis fed into the Leaders Task and Finish group, chaired by Paul Carter, which considered these recommendations and developed the final version of the Vision for Kent.

Involvement and Engagement

Provide details of all the involvement and engagement activity you have undertaken in carrying out this assessment and summarise the main findings

As identified in the initial screening, special interest groups from the following diversity strands were identified for consultation on potential impact:

- Disabled people
- Black and Minority Ethnic groups
- Faith groups
- Gay, lesbian and bisexual people

Suitable groups were identified and contacted to ask their opinion on the Vision for Kent and any specific issues that were picked up in the initial screening. Colleagues from KCC's Communication, Consultation & Community Engagement division advised on groups to contact in order to ensure that people from these groups are as widely represented in the consultation as possible. The list of groups contacted either via email or post were:

Disability:

East Kent Association of Senior Citizens Forums
Kent Enterprise Trust
Tonbridge and District Mencap Society
Canterbury Umbrella
Dial Kent
Tunbridge Wells Disability Access Group
Level Playing Field (KCC internal staff group)

BME:

African Caribbean Forum
BME Concern
Canterbury Citizens Advice Bureau
Guru Nanak Day Centre
Kent Equality Cohesion Council
Unite (KCC internal staff group)

Faith:

Greek Community of Margate
Shorne Parochial Church Council
Shri Guru Ravidass Gurdwara
Pembury Baptist Church
Santi Vanaram Buddhist
Canterbury Muslim Cultural Centre
Kent Equality Cohesion Council
Christians at KCC (KCC internal staff group)

LGBT:

Acceptance
Solos Inc
Kent Union LGBT Liberation

Kent LGBT Advisory Group
Metro Centre (Young People LGBT Forums)
Kent Equality Cohesion Council
Rainbow (KCC internal staff group)

From this consultation responses were received from 7 groups across the range of diversity strands.

As mentioned above, Vision for Kent 2012-2022 also went out for general consultation and the consultation plan is attached (see Appendix 1.)

Work was also conducted with the KCC Gypsy and Traveller Unit to hand deliver consultation leaflets to all residents of their sites across Kent. The total of households delivered to was 143. The site managers also offered to help with the reading or understanding of the content.

The KCC Staff group for young people 'Greenhouse' were also consulted.

Judgement

Set out below the implications you have found from your assessment for the relevant diversity groups. If any negative impacts can be justified please clearly explain why.

Consultation with special interest groups did not raise any issues with the Vision for Kent as a strategy, with the three ambitions in general, or with specific commitments within the strategy.

Comments focused on either how the ambitions and commitments were delivered or specific wording within the draft Vision for Kent.

Wider consultation, and a subsequent meeting of the Vision for Kent Leaders Task and Finish group, identified the need for a shorter, more focused document. Therefore consultation responses on specific wording within the Vision for Kent have been superseded, however these comments were taken into consideration when developing the shorter Vision for Kent.

Specific impacts which were raised related to the delivery of the Vision for Kent are addressed in the Action Plan.

Action Plan

Provide details of how you are going to deal with the issues raised in judgement above and complete the Action plan at the end of this document

See Action Plan.

Monitoring and Review

Provide details of how you intend to monitor and review progress against the above actions

Monitoring and reviewing to be conducted by specific KCC directorates (owner of the action), as detailed in the Action Plan.

A review of the Vision for Kent strategy to be carried out periodically within it's 10 year lifespan.

Sign Off

I have noted the content of the equality impact assessment and agree the actions to mitigate the adverse impact(s) that have been identified.

Senior Officer

Signed:

Date:

Name: Graeme Brown

Job Title: Partnership Manager, Kent Forum

Directorate Equality Lead

Signed:

Date:

Name: Ann Cook

Equality Impact Assessment Action Plan -

Protected Characteristic	Issues identified	Action to be taken	Expected outcomes	Owner	Timescale	Cost implications
Age	Ambitions may impact on differing age groups in differing ways, particularly through the planning and delivery process	Ensure differential age impacts are taken into account when designing specific project and work streams	Age trends are taken into account and responded to through delivery mechanism	ALL Ambition Boards		Nil – Included in existing operations
Gender	Various gender inequalities exist such as unemployment levels in East Kent for men	Ensure gender impacts for both men and women are taken into account through the use of statistical and other data in order to understand trends and issue	Gender trends are taken into account and responded to through delivery mechanism	ALL		
Race	Lack of awareness in BME businesses could lead to missed economic opportunities.	BME businesses to be engaged including opportunities, support and use of networks	Full engagement of BME businesses leading to equal opportunities to fulfil potential	Ambition Board 1	Ongoing	Nil – Included in existing operations.
Race	Differing health issues in BME communities	To reflect the differing health issues prevalent in BME communities	Closing health inequalities gap	Ambition Board 2	Ongoing	Nil – Included in existing plans.

Race	Differing living arrangements for BME families e.g. larger family groups catering for extended family	To take into consideration differing living arrangements	Diversity needs recognised and accommodated	Kent Housing Group	Ongoing	Will need to be managed within existing housing budgets
Race	Migrant communities remain unaware of available services	Outreach and community engagement to raise awareness of public services	To reduced gap in awareness and ensure services are equally accessible.	Ambition Board 2 / Ambition Board 3	Ongoing	Nil – Included in existing plans.
Race	A risk lack of awareness in BME communities could lead to missed opportunities in relation to Locality Act.	For future funding and contract opportunities to be available to all organisations and people	BME groups are equally aware of opportunities and are able to engage fully in the opportunities of the Localism Act	Ambition Board 3	Ongoing	Nil – Included in existing plans.
Race	Language and cultural barriers in accessing information and being involved in decision making	Use of wide ranging communication methods to ensure involvement of BME communities	BME groups are able to equally take part in decision making processes	Ambition Board 3	Ongoing	Nil – Included in existing plans.

Race	Lack of understanding regarding potential of BME VCS sector.	Targeted engagement of BME VCS sector	A vibrant BME VCS sector that delivers support for BME communities	Ambition Board 3	Ongoing	Nil – Included in existing plans.
Disability	Risk current economic climate increases challenge for disabled people to find work	Continue existing plans on employment of socially excluded adults	Improving employment rate of disabled people	Ambition Board 2	Ongoing	Nil – Included in existing plans.
Disability	Disabled people may require greater support in finding employment	Public agencies and VCS fully aware of range of support available	Equal access to employment support	Ambition Board 2	Ongoing	Nil – Included in existing plans.
Disability	Reductions in public expenditure could lead to loss of control rather than gaining it	Risk is understood and taken into consideration when taking service decisions	Disabled people are not disproportionately affected	Kent Forum	Ongoing	Nil – Included in existing plans.
Disability	Disabled and vulnerable people cannot depend on volunteers to provide support	Statutory services will be continued to be provided	Disabled and vulnerable people will continue to receive support from a range of providers	Ambition Board 2	Ongoing	Nil – Included in existing plans.

Religion & belief	Failure to recognise faith group's contribution could lead to missed opportunities to use their potential to deliver the three ambitions.	Full awareness of potential of sector understood by partners	Faith groups engaged	Ambition Board 3	Ongoing	Nil – Included in existing plans.
Sexual Orientation/ Race/ Gender/ Disability	Hate crime perpetrated on those minority groups	Working together with partners to ensure that there are clear protocols and shared understanding and responses to Hate Crime across the County	People living in Kent are free from harassment crime and victimisation			
Sexual Orientation	Homophobic bullying negatively impacts young people's confidence and achievement	Tackling homophobic bullying in schools and communities	Reduced incidents of homophobic bullying. Children and young people are able to attend school free from victimisation and harassment and bullying. Reduce risk of suicide linked to	Ambition Board 2	Ongoing	Nil – Included in existing plans.

			bullying.			
Sexual Orientation / Age	Less secure housing arrangements leading to homelessness	Planning and housing delivery to reflect particular LGBT and young people issues	Appropriate provision provided	Kent Housing Group	Ongoing	Nil – Included in existing plans.
Sexual orientation	LGB people present differing health, sexual health and mental health needs	Differing needs accommodated in health provision	Differing needs recognised and appropriate provision provided including preventative services	Health and Well-being Board	Ongoing	Will need to be managed within existing health budgets
Sexual Orientation	There are relatively few LGBT specific vol orgs / community groups within Kent.	Ensure limited number of LGB groups does not prevent engagement and reflection of LGB issues	Equal voice for LGB vol orgs / community groups	Ambition Board 3	Ongoing	Nil – Included in existing plans.

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

To: Cabinet – 5 December 2011

Subject: Quarterly Performance Report, Quarter 2, 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 KCC Quarterly Performance Report for Quarter 2, 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. New information has been added to the report for Quarter 2 and further developments are planned for future quarters.
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 2 Performance Report

5. New information added to the report for this quarter includes:
 - Summary financial information
 - Information on contacts by service to the contact centre
 - Results of key consultations
 - Additional information relating to our staff
6. An executive summary of performance for quarter 2 is provided on pages 4 to 5 of Appendix 1 which details the main results against the key performance indicators.

Recommendations

7. Cabinet is asked to NOTE this report.

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KCC Quarterly Performance Report Quarter 2, 2011/12

Cabinet, 5 December 2011



Foreword

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

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

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

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

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

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

We hope you find this report useful and we 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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Executive Summary

Our key performance highlight to report at this time is the good 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. However, a recent unannounced inspection from Ofsted carried out during October 2011 found that "All areas for development identified at the previous inspection of contact, referral and assessment arrangements in August 2010 have been tackled and most have improved to a satisfactory standard." The Ofsted report went on to say that "the area for priority action identified at the inspection of contact, referral and assessment arrangements in August 2010 has been addressed".

There is of course still much to do to improve our services for vulnerable children, and the contact, referral and assessment arrangements are only part of the overall service provided. We will continue to place the needs of vulnerable children as our highest priority and we will work to deliver a service which will be regarded not just as adequate but as excellent.

Highlights of results against our KPIs included in this report are as follows:

Children's Social Services:

- Key improvement targets have been achieved, including significant reductions in assessment backlogs and the number of cases which are left unallocated for too long.
- More needs to be done to invest in preventative services to reduce the number of children with child protection plans or who come into care.

Education:

- Pupils in Kent have done well this year at Key Stage 2, with the county average closing the gap to the national average. GCSE results remain ahead of the national average but our improvement this year has been less than the national improvement.
- 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 have introduced the Kent Challenge 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. 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 number of disengaged young people in Kent who turn to crime continues to reduce.

Economic support:

- Due to the global economic downturn the level of inward investment by businesses into Kent has reduced in recent years but performance this year, after an initial slow start, is currently close to the target we set.

Adult Social Care

- We continue to deliver improved personalisation of services and more choice and control for service users. We are achieving our current targets for allocating personal budgets and providing clients with assistive technology (telecare).
- We have more to do to ensure that the number of clients accessing enablement services is as high as it can be – we are reviewing our progress and targets to ensure we deliver this.

Highway maintenance

- Our performance in delivering timely repairs to roads and pavements continues to be on target and complaints have reduced.

Waste management

- We continue to maintain good performance in relation to waste management and are achieving our current year targets.

Customer Services

- Use of our website has been below our target level this year 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
Current ratings	6	9	14	29
Previous ratings	8	6	15	29

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

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

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

Performance Assurance Team (PAT)

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

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

Data quality note

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

Bold Steps for Kent

Many of the KPIs included in this report have references to Bold Steps Priorities.

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 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 service 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.

Summary of Performance for our KPIs

Indicator Description	Service Area	Page	Current Status	Previous Status	Direction of Travel
Number of children's social care cases not allocated to a social worker for over 28 days	Children's Social Care	28	Green	Green	↑
Number of initial assessments in progress and out of timescale	Children's Social Care	29	Green	Green	↓
Number of children looked after per 10,000 children aged under 18	Children's Social Care	30	Red	Red	↓
Percentage of children leaving care who are adopted	Children's Social Care	32	Red	Green	↓
Number of children subject to a child protection plan per 10,000 children aged under 18	Children's Social Care	34	Red	Red	↑
Percentage of establishment caseholding posts filled by qualified social workers	Children's Social Care	36	Amber	Amber	↑
Percentage of children subject to a child protection plan for two or more years	Children's Social Care	38	Red	Red	↑
Percentage of pupils achieving level 4 and above in both English and Maths at Key Stage 2	Education	40	Amber	Red	↑
Percentage of pupils achieving 5+ A*-C grades at Key Stage 4 including GCSE English and Maths	Education	42	Amber	Amber	↓
Number of schools in category (special measures or with notice to improve)	Education	44	Red	Red	↑
Number of starts on Kent Success Apprenticeship scheme	Skills	46	Green	Green	↓
Number of starts in Kent on the National Apprenticeship Scheme	Skills	48	Green	Green	↑
Percentage of pupils permanently excluded from school	Young People	50	Amber	Amber	↑
Percentage 16 to 18 year-olds not in education, employment or training	Young People	52	Amber	Green	↓

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

Summary of Revenue budget monitoring position for financial year 2011/12			
Cabinet Member	John Simmonds	Corporate Director	Andy Wood
Portfolio	Finance and Business Support	Division	Finance and Procurement

Revenue Budget position by portfolio	Net Budget £ m	Forecast Gross Variance £ m	Management Action £ m	Forecast Net Variance £ m
Education, Learning & Skills	56.2	-1.2		-1.2
Specialist Children's Services	110.8	+12.6		+12.6
Adult Social Care & Public Health	317.4	-2.6		-2.6
Environment, Highways & Waste	149.1	-3.5		-3.5
Communities, Customer Services & Improvement	91.1	+0.1		+0.1
Regeneration & Enterprise	4.1			
Finance & Business Support	136.8	-5.1		-5.1
Business Strategy, Performance & Health Reform	48.8	-0.2	-0.7	-0.9
Deputy Leader	7.4	-0.1		-0.1
Total (excluding schools)	921.9	+0.0	-0.7	-0.7
Schools		+4.2		+4.2
TOTAL	921.9	+4.2	-0.7	+3.5

Commentary

The latest forecast revenue position (excl Schools) before the implementation of management action is for breakeven, which is a reduction of £1.8m since the October Cabinet report. Management action is currently expected to reduce this to an underspend of £0.7m, with residual pressures currently forecast within the Specialist Children's Services and Communities, Customer Services & Improvement portfolios.

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 £11.8m (excluding Asylum). Within this, the activity levels for Fostering and Residential Care 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 2012-15 MTP.

Commentary

Within Adult Social Care there is forecast underspend of £2.6m. Within this there are cost pressures relating to clients with a disability or mental health needs which are likely to be as a result of medical advances enabling people to live with more complex needs. These pressures are more than offset by underspending on direct payments for all other clients groups and on domiciliary, day, nursing and residential care for older people. In view of this overall forecast underspending position, work is ongoing to establish the demographic pressures for adult social care now anticipated over the medium term, in order to update the assumptions already reflected in the published MTFP.

Within Education, Learning and Skills the savings on Home to School transport experienced in 2010-11 are continuing in 2011-12, with a saving of £1.2m forecast. This saving will be reflected in the 2012-15 MTFP.

Schools reserves are forecast to reduce by £5.7m 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 remaining Kent Schools are expected to increase their reserves by £1.5m giving an overall expected movement in schools reserves of -£4.2m.

The savings on the waste budgets experienced last year, mainly due to lower than budgeted waste tonnage, are continuing in 2011-12, with a £2.7m saving forecast.

An unexpected un-ringfenced grant increase of £1.5m is being held within the Finance & Business Support portfolio to offset pressures elsewhere across the authority.

We have recovered a further £0.767m in October from our principal investments in the collapsed Icelandic Banks, bringing our total recovery so far to £11.854m, which all relates to the our £18.350m investment in the UK registered Heritable Bank. Following the Icelandic Supreme Court's confirmation of KCC as a preferred creditor, we are expecting our full £15m principal investment in Glitnir Bank during December and 98% of our £17m principal investment with Landsbanki, although the timing of this is as yet uncertain.

We have also recovered all of our £10m principal investment plus interest, as expected on the re-scheduled maturity date of 31 October 2011, from the troubled Dexia bank.

Summary of Capital budget monitoring position for financial year 2011/12			
Cabinet Member	John Simmonds	Corporate Director	Andy Wood
Portfolio	Finance and Business Support	Division	Finance and Procurement

Capital Budget position by portfolio	Budget	Actual Spend
	£ m	Variance £m
Education, Learning & Skills	152.2	-6.6
Specialist Children's Services	12.7	0.2
Adult Social Care & Public Health	12.1	
Environment, Highways & Waste	94.5	7.2
Communities, Customer Services & Improvement	18.3	0.2
Regeneration & Enterprise	14.5	
Finance & Business Support	7.7	1.5
Total (excluding schools)	312.1	+2.5
Schools	24.7	
TOTAL	336.8	+2.5

Commentary
<p>Key headlines:</p> <p>Highways Major Maintenance - £4.1m is to be spent on major patching and full surface dressing works on the roads worst affected by winter damage funded by government grant.</p> <p>Victoria/Drovers Roundabout - these projects are overspending by £2.7m, grant funding is being sought to cover the overspend but there is a risk that the funding is not approved.</p> <p>Enterprise Resources Planning Programme - £1.4m is required for the improvement of Oracle to enable ongoing savings of £3m per annum.</p>

Commentary

Building Schools for the Future Unit Costs - a £4.7m underspend has been declared due to the cost of compensation claims being met from elsewhere in the programme and reduced development costs following the downsizing of the BSF and Academy Programme. £4.1m of the underspend has been requested to be used to fund the shortfall/overspend on the Academy projects.

Further detail on all capital projects and related re-phasing and variances can be found in the full Financial Monitoring report.

Incoming calls received by KCC Contact Centre (Contact Kent) : top ten contact lines			
Cabinet Member	Mike Hill	Director	Des Crilley
Portfolio	Customer and Communities	Division	Customer Services

All figures rounded to nearest thousand and shown as thousands.

Contact Phone Line	Apr to Jun 2010	Jul to Sep 2010	Oct to Dec 2010	Jan to Mar 2011	Apr to Jun 2011	Jul to Sep 2011	Change to last year
247 main phone line	31	41	30	32	40	48	+20%
Office switchboards	37	32	45	52	40	31	+4%
Libraries and Archives	42	43	47	41	37	35	-14%
Highways and Transport	34	34	35	39	36	41	+14%
Registration Services	34	30	25	35	40	22	-2%
Education Line	11	13	15	18	26	31	+135%
Adult Social Services	20	19	19	22	27	25	+35%
Blue Badges	11	11	9	10	17	16	+51%
Adult Education	13	20	13	13	11	17	-13%
Children Social Services (out of hours)	10	9	9	8	10	9	+3%
Other lines	19	18	21	18	29	25	+47%
Total Calls (in thousands)	261	270	269	287	314	301	+16%

Commentary

The number of phone line contacts to the Contact Centre was 16% higher for the first half of this year compared to last year.

Some of the increase was due to new phone lines moving into the Contact Centre such as Concessionary Fares which was previously run by district councils. However nearly all services and all phone line channels have seen increased caller volumes so far this year with only Libraries and Archives, Adult Education and Registration Services showing reduced caller volumes.

The increase in demand at the contact centre has had an adverse impact on the call answering response times achieved and call answering response rates are reported elsewhere in this report.

Detailed analysis of the call data shows the following changes to caller volumes so far this year compared to last year:

- The 247 main line is now receiving more calls than any other line, showing that this phone number is currently being accepted as the best main contact line for any KCC service.
- Library and Archives was previously the service with the highest caller volume but currently Highways and Transport are receiving more calls with the increase in calls to Highways and Transport being a result of changes to the speed awareness course qualification criteria process.
- The Education line is receiving a significantly higher call volume this year due to the change for the 'In year school admissions' process. This increase means this line is currently receiving more calls than the Adult Social Care and the Adult Education lines, which previously had higher volumes.
- Call volumes for the Blue Badge service have increased due to the service being delivered differently, as instructed by the Department for Transport. This increase in calls now places this service higher than the Adult Education phone line for call volumes.
- Calls to the Registration Services line have reduced as certain calls are going directly to Registration offices.

Number of complaints received by Kent County Council – top ten service areas							
Cabinet Member	Mike Hill			Director	Matt Burrows		
Portfolio	Customer and Communities			Division	Communication and Engagement		
Complaints by Service area	Apr to Jun 2010	Jul to Sep 2010	Oct to Dec 2010	Jan to Mar 2011	Apr to Jun 2011	Jul to Sep 2011	12 month Totals
Highways and Transportation	534	532	646	247	261	288	1,442
Children's services *	131	104	125	128	(132)	(144)	529
-- Education services					14	15	
-- Children's social care					118	129	
Adult Social Services	139	126	123	135	126	82	466
Libraries & Archives	45	25	23	23	47	255	348
Insurance claims	96	49	51	220	56	15	342
Environment *	103	102	44	71	(93)	(113)	321
-- Waste management					68	58	
-- Countryside access					25	55	
Adult Education	32	49	38	32	33	36	139
Commercial Services	13	27	18	17	59	31	125
Gateways and Contact centre	0	48	10	3	10	25	48
Youth services	5	12	18	8	3	9	38
Other services	37	49	62	49	50	52	202
Total	1,135	1,123	1,158	933	870	1,039	4,000

* 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 up 19% compared to last quarter but down 7% compared to the same time last year, thus continuing the trend of last quarter for less complaints being recorded this year – for the half year position complaints recorded are 15% less than last year. The rise in complaints this quarter can be accounted for by the increase in complaints recorded by Libraries and Archives (see below). All complaints are monitored to determine whether there are any emerging trends that can be addressed by the service areas.

Highways and Transportation: The majority of complaints received by KCC relate to highways and transportation. Complaints in this area are down 48% 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 51% compared to the same time last year. This accounts for much of the reduction in complaints this year compared to last year.

Children's Social Services: There was a slight increase in complaints this quarter although no specific trends have been identified.

Adult Social Services: There was a noticeable reduction in complaints received this quarter. The top reasons for complaints are disagreements with decisions made and poor communications. Recently there have been a number of complainants disputing service fees, mostly resulting from poor communication. KCC has now adopted a standard letter which provides clear information on what amounts clients will have to pay.

Libraries & Archives: Complaints are recorded on comment cards and due to a noticeable reduction in the number of comment cards received last year in comparison with previous years, managers were reminded to ensure that comment cards are clearly visible within libraries. As a result there has now been an increase in comment cards received in the last quarter and the issues being raised from newly received comments cards are being examined to identify potential improvements which can be made to the service.

Insurance Claims: The number of Insurance claim complaints for the quarter were significantly down due to the reduction of pothole complaints.

Environment: The number of complaints received regarding Country Parks has increased this quarter from 25 to 51 (100%). The largest number of complaints were about the lack of outside shelter at Trosley and dogs not allowed on patio area. Dogs are now allowed on patio area and the management team are looking into ideas to provide shelter.

Result of key public consultation exercises			
Cabinet Member	Mike Hill	Director	Matt Burrows
Portfolio	Customer and Communities	Division	Communication and Engagement

Vision for Kent - the community strategy for the county, owned by the Kent Forum.

The draft strategy, the Vision for Kent 2011-2021 was subject to a formal consultation between June and August 2011. The target audience for the consultation included members of the public, elected members and public bodies including parish councils, private sector businesses and voluntary and community organisations including the faith sector.

Just under 800 consultation responses were received with 75% of the responses being from members of the public. In addition, over 900 individual comments and suggestions were received about specific elements of the draft strategy. The three most highly rated actions for each ambition were as follows:

Ambition 1 - To grow the economy	Ambition 2 - To tackle disadvantage	Ambition 3 - To put citizens in control
Deliver critical infrastructure Promote apprenticeships Provide lifelong learning opportunities	Reduce dependency on benefits Prevent young people from becoming disengaged Provide a choice of high quality, integrated health and social care	Support communities to have more control over their local area Tackle anti-social behaviour and crime Provide the information that residents need to get involved in decision making and hold services to account

The results of the consultation have been carefully analysed and used to make recommendations on redrafting the final version of the new Vision for Kent. The final draft will be presented to Kent County Council on 15 December for approval and to the Kent Forum on 8 February.

Charging Policy for non-residential adult social care services.

The council decided to review its Charging Policy for non-residential adult social care services as budget pressures had led to a need for residents to contribute more for the services they receive. A consultation was undertaken between May and July 2011 to both inform people about the proposals and to seek their views. As well as existing and prospective service users, KCC members and staff, voluntary sector organisations, district councils, NHS partners and other stakeholders were invited to respond to the consultation. As well as writing to stakeholders, sixteen public consultation meetings were also held.

The consultation produced 6,766 separate responses. There were four proposals in the consultation and the responses were as follows:

Proposal	Consultation response
Charge people who use mental health services in the same way as all other people in receipt of services	The number of respondents who agreed with this proposal was nearly the same as the number who disagreed
Include day care and transport as part of the services that can be charged for	45% of respondents disagreed with this proposal
Increase the amount of available income that is taken into account when working out a person's charge from 85% to 100%	59% were against and 21% agreed with the proposed change
Reduce the standard amount allowed for the Disability Related Expenditure Assessment (DREA) from £21 to £17 per week for all	20% of respondents agreed but 59% disagreed

The consultation evaluation report was published on www.kent.gov.uk/fsccharging. The Cabinet Member for Adult Social Services and Public Health decided that all four proposals will go ahead with proposals 1-3 taking effect from April 2012, and proposal 4 coming into effect from January 2012.

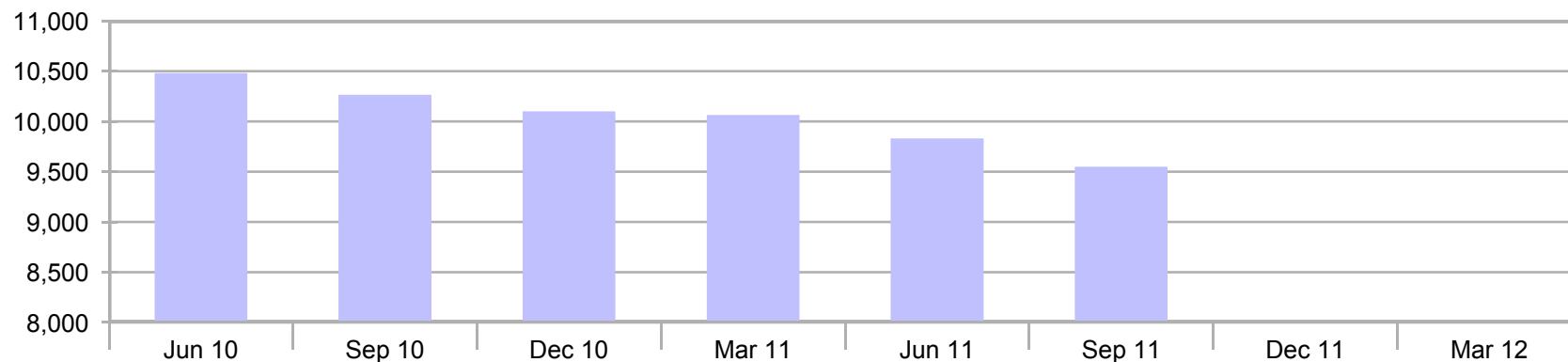
Home to school transport provision.

A consultation was conducted between March and May 2011 on proposals to change the discretionary elements of home to school transport provision, including the proposal to stop providing free transport above the statutory requirements to children assessed to be of selective ability, and children attending the nearest (voluntary aided) church school if it is of the same denomination as the child. Various stakeholders were invited to respond to the consultation including young people (Kent Youth County Council), parents, schools, Diocesan Boards, KCC members, district councils, and neighbouring local authorities. The top three comments on the proposals were as follows:

- 33% were concerned that the proposals added to financial hardship for families
- 25% considered the proposals unfair in a local authority that operates a selective system
- 17% made reference to the Kent Freedom Pass and about half of these comments were concerned about the increase of the pass to £100 and the possibility of future increases

In June 2011 KCC Cabinet agreed to implement the proposals from September 2012 onwards. The council will in future only provide home to school transport on denominational or selective grounds for low income families or where there is a statutory requirement to do so. Any pupil in receipt of transport assistance on denominational or selective grounds prior to September 2012 will continue to receive this support. For more details please see full Cabinet report. The impact of this decision on parental preferences for schools will be monitored and if required a further review of school transport policy will be completed in the future.

Number of full time equivalent (FTE) staff employed by KCC (excludes schools)



Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	10,477	10,259	10,094	10,061	9,826	9,545		

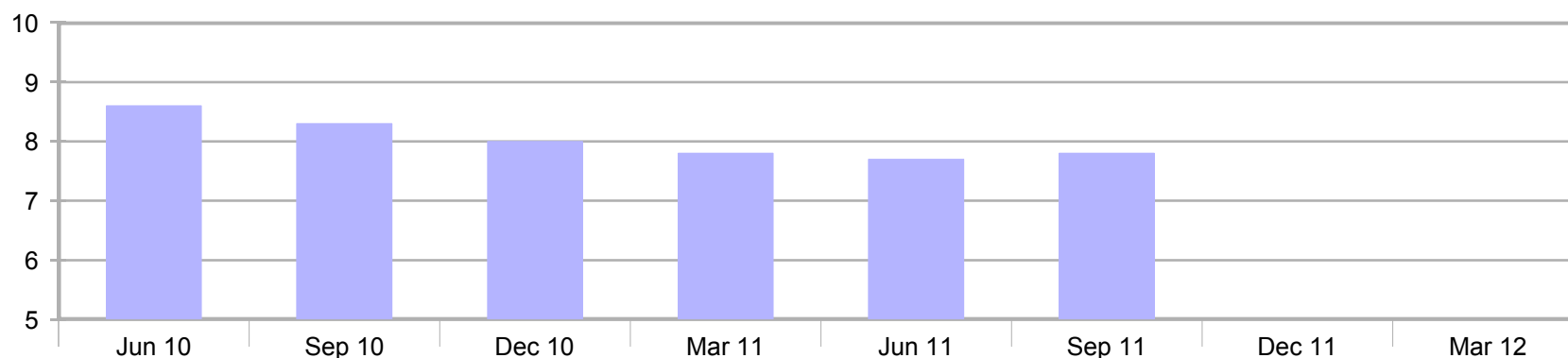
Commentary

KCC has reduced its FTE workforce by 7.5% in the last 12 months and further reductions will be achieved in the year ahead.

Data Notes

Unit of measure: Number of FTE
 Data Source: Oracle Human Resources database
 Data is reported as count at each quarter end

Average number of days of sickness per full time equivalent member of staff



Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	8.6	8.3	8.0	7.8	7.7	7.8		

Commentary

Sickness has shown a slight increase in the quarter compared to previous quarter but performance continues to be better than previous year.

Available comparative data for this indicator shows:

CIPFA benchmarking club, Other county councils, unitaries and police forces = 10.1 days

CIPFA benchmarking club, Other county councils and Medway = 8.9 days

CBI, Absence & Workplace Health Survey 2011, Public sector = 8.1 days

Civil service = 8.7 days

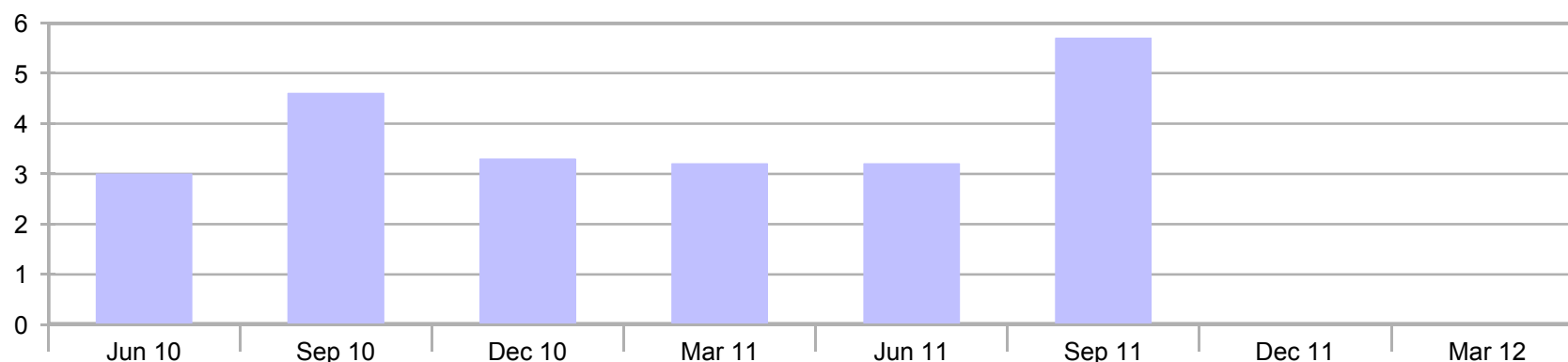
Data Notes

Unit of measure: Average number of days per FTE

Data Source: Oracle Human Resources database

Data is reported as totals for the 12 months ending each quarter.

Staff turnover - percentage of staff leaving as a percentage of headcount



Trend Data	Jun 10	Sep 10	Dec10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	3.0%	4.6%	3.3%	3.2%	3.2%	5.7%		
12 month total	11.7%	12.9%	13.7%	14.1%	14.4%	15.3%		

Commentary

Turnover for the quarter had been high compared to previous quarter and the same time last year. The quarter to September traditionally sees higher turnover particularly in relation to staff working with schools. Turnover this year has been maintaining levels comparable to similar organisations. Turnover at this time is higher than in previous years due to the level of re-structuring the council is delivering, as it slims its workforce down to deliver significant savings in budget.

Available annual comparative data for this indicator shows :

CIPFA benchmarking club, Other county councils, unitaries and police forces = 14.7%

CIPFA benchmarking club, Other county councils and Medway = 14.7%

Xpert HR Survey 2011, Public sector average = 12.6%

Data Notes

Unit of measure: Number of staff leaving KCC expressed as a percentage of headcount, excluding casual relief, sessional or supply contracts. Figures do not include schools.

Data Source: Oracle Human Resources database

Data is reported as percentage for each quarter but 12 month totals are also provided in the data table.

Disciplinaries, Grievances and Employment Tribunals

Case Type		Jun 2011	Sept 2011	Dec 2011	Mar 2012
Disciplinaries		94	48		
Grievances		12	6		
Harassment		10	5		
Performance & Capability					
- Performance		19	23		
- Ill Health		62	119		
Employment Tribunals		4	4		
TOTAL CASES		201	205		

Commentary

Disciplinaries have decreased since Quarter 1 as the new Business Support team was put in place by August 2011 and closed many outstanding cases.

Performance and Capability: Ill Health has increased also as the new Business Support team reinforced their formal procedures linked to 3 months sickness absence or more.

Data Notes

The information reported in the current open cases being dealt with by the Business Support team.

Health and Safety Incidents

	Year to Mar 11	Apr-Jun 11	Jul-Sept 2011	Oct-Dec 2011	Jan-Mar 2012
Number of reported incidents	1,823	291	368		
Days lost due to accident/incident	1,472	424	351		

Commentary

Reported incidents for the first half of the year are lower than the rate seen last year. However the days lost is currently higher than last year.

	Year to Mar 11	Apr-Jun 11	Jul-Sept 2011	Oct-Dec 2011	Jan-Mar 2012
RIDDOR					
Major injury incidents	12	3	1		
Over 3 day injuries	54	3	8		

Commentary

We are legally required to report certain accidents and incidents to the Health and Safety Executive (HSE) under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR 1995).

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KCC Risk Register

Risk management framework

In response to the challenging external environment and development of organisational Change to Keep Succeeding and Bold Steps for Kent programmes, the Council's risk management framework is being revised to focus on the embedding and re-energising of risk management across KCC, ensuring that it is seen as part of the day-to-day business activity of the Council. The aim is to ensure that managers see the benefits of risk management and can embrace a process that is not seen as overly complex or bureaucratic.

The framework will be stripped back to core principles that facilitate the answering of these key questions:

- What might stop us achieving what we want to do (i.e. the risks)?
- Can we tolerate these risks as they are?
- If not, what can we do to manage the risks down to an acceptable level to ensure our objectives are delivered?
- What is our exposure to shared risk from partners and suppliers?
- Are we using past experience to inform risk management?
- Can we ensure effective monitoring of changes to the proximity or impact of risk?
- Can risk also provide opportunities and act as a driver for timely contingency planning?

As part of the review of our risk management framework, and to address some of the issues raised above, the policy is being refreshed to ensure that it is fit for purpose. This includes closer alignment to the Office for Government Commerce (OGC) guidance, which is consistent with the international standard on risk management (ISO 31000), but is designed to be more practical, to aid implementation. It adheres to the principle that risk aligns with objectives; fits the context of the organisation; engages stakeholders; provides clear guidance; informs decision making; facilitates continual improvement; creates a supportive culture; and achieves measurable value.

The new Risk Management Policy will not cover all elements of the ISO 31000 standard for risk management at this stage. For example, there will be one 'current' risk score, not the traditional two (or three). This will help to simplify the process for managers. Once the consideration of risk becomes embedded in all of the Council's business activities, these aspects can be added back into the framework if desired.

Work Programme

A work programme for the risk management team (now led within the Business Strategy division) is being devised, focusing on re-energising risk management across KCC in a non-bureaucratic way. This will include:

- Strengthening the common links between business planning, business continuity and performance management;
- Production of a Risk Management Statement of Required Practice (SORP), due for launch as a draft in December 2011, underpinned by a refreshed risk management handbook.
- A series of risk management workshops and training events held for Members and Officers to raise awareness and understanding of the management of risk. Risk Management was the main focus of the 'Challenger' event for Officers on 2nd November. Views gathered from managers on the day are being analysed to inform our approach to embedding risk management.
- Tying in with the Kent Manager development programme, so that managers see the management of risk as an essential element of good management. A standard within Kent Manager requires that effective risk management arrangements are in place to minimise the Council's exposure to risk and uncertainty.

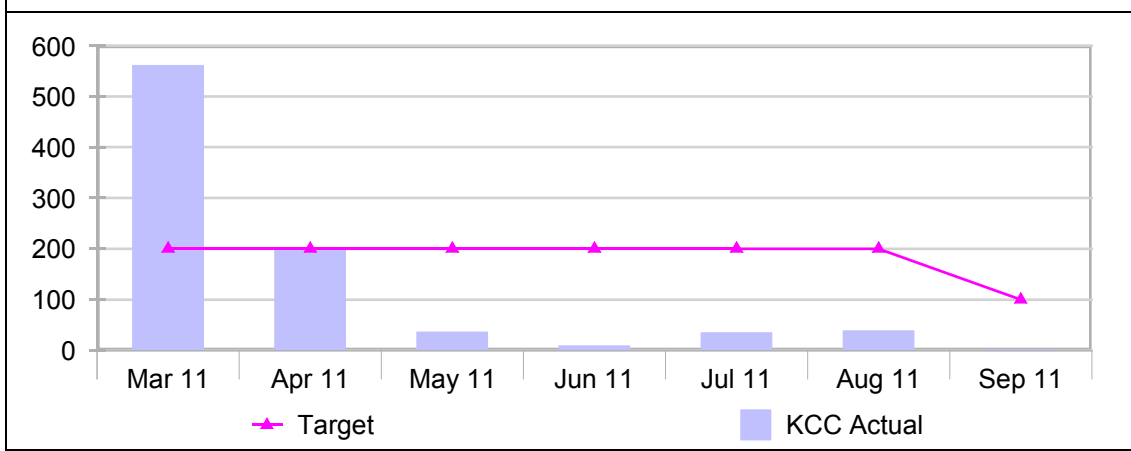
Corporate risk register

This is a critical early piece of work to be completed. Risk identification workshops were held with 'Pioneer' officers in July and with Cabinet and CMT in September. A further two Cabinet/CMT workshops are taking place in November to complete the register and ensure alignment with service and budget planning processes and priorities. A final version of the risk register will be presented to Cabinet for approval in January, ahead of inclusion in the Medium Term Financial Plan. New risk registers within directorates will be produced in line with the revised risk management framework, which will then be available for Member scrutiny.

The refreshed corporate risk register will be available for the Quarter 3 report.

Number of children's social care cases not allocated to a social worker for over 28 days Green ↑

Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Bold Steps Ambition	To tackle disadvantage
Cabinet Member	Jenny Whittle	Director	Jean Imray
Portfolio	Specialist Children's Service	Division	Specialist Children's Service



Data Notes.
 Tolerance: Lower values are better
 Unit of measure: Number
 Data Source: ICS

Data is reported as count at each month end.

The Improvement Plan phase 1 target was to reduce the number to 200 by August 2011 and Improvement Plan phase 2 changed this target to 100 to be achieved by April 2012.

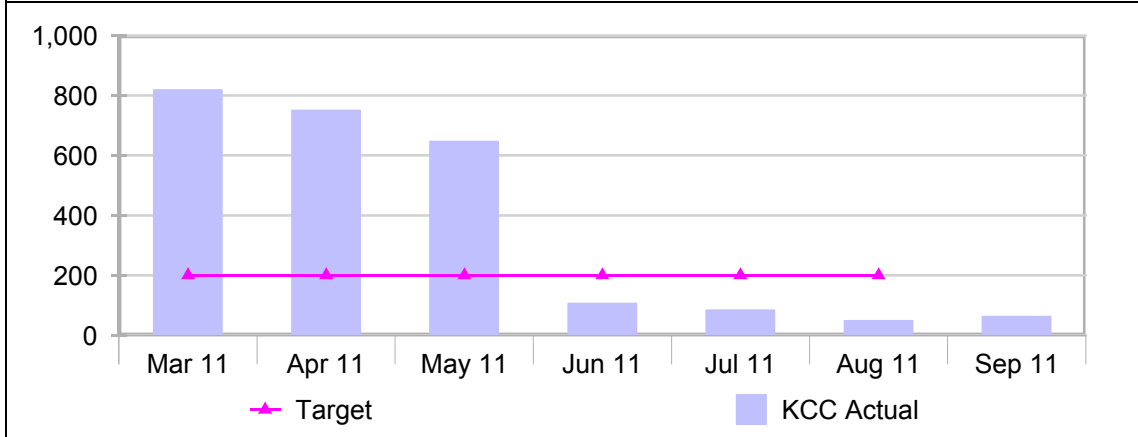
Trend Data – month end	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11
	KCC Result	561	202	36	9	35	39
Target	200	200	200	200	200	200	100
Rag Rating	Red	Amber	Green	Green	Green	Green	Green

Commentary

This target has been achieved.

Number of initial assessments in progress and out of timescale Green ↓

Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements	Bold Steps Ambition	To tackle disadvantage
Cabinet Member	Jenny Whittle	Director	Jean Imray
Portfolio	Specialist Children’s Service	Division	Specialist Children’s Service



Data Notes.
 Tolerance: Lower values are better.
 Unit of measure: Number
 Data Source: ICS
 Data is reported as count at each month end.

Trend Data – month end	Mar 11	Apr 11	May 11	Jun 11	Jul 11	Aug 11	Sep 11
	KCC Result	819	751	658	107	85	50
Target	200	200	200	200	200	200	100
Rag Rating	Red	Red	Red	Green	Green	Green	Green

Commentary

This target has been achieved.

Number of looked after children (LAC) per 10,000 children aged under 18						Red ↓																									
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent			Bold Steps Ambition	To tackle disadvantage																										
Cabinet Member	Jenny Whittle			Director	Jean Imray																										
Portfolio	Specialist Children's Service			Division	Specialist Children's Service																										
<table border="1"> <caption>LAC per 10,000 children aged under 18 in Kent</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual</th> <th>Target</th> <th>Statistical neighbour</th> </tr> </thead> <tbody> <tr> <td>Mar 09</td> <td>46</td> <td>47</td> <td>45</td> </tr> <tr> <td>Mar 10</td> <td>47</td> <td>47</td> <td>48</td> </tr> <tr> <td>Mar 11</td> <td>54</td> <td>47</td> <td>48</td> </tr> <tr> <td>Jun 11</td> <td>56.0</td> <td>47</td> <td>-</td> </tr> <tr> <td>Sep 11</td> <td>56.4</td> <td>47</td> <td>-</td> </tr> </tbody> </table>				Quarter	KCC Actual	Target	Statistical neighbour	Mar 09	46	47	45	Mar 10	47	47	48	Mar 11	54	47	48	Jun 11	56.0	47	-	Sep 11	56.4	47	-	<p>Data Notes. Tolerance: Lower values are better Unit of measure: Number per 10,000 children Data Source: ICS for current year and DfE for previous year.</p> <p>Data is reported as the position at each quarter end. Data shown includes unaccompanied asylum seeker children. Counts rounded to nearest 5.</p>			
Quarter	KCC Actual	Target	Statistical neighbour																												
Mar 09	46	47	45																												
Mar 10	47	47	48																												
Mar 11	54	47	48																												
Jun 11	56.0	47	-																												
Sep 11	56.4	47	-																												
Trend Data – quarter end	Previous Years			Current Year																											
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
KCC Result	46	47	54	56.0	56.4																										
Target			47	47	47	47	47																								
Statistical neighbour	45	48	48																												
Rag Rating	Amber	Green	Red	Red	Red																										
Number of LAC	1,420	1,475	1,695	1,745	1,765																										
Commentary																															
<p>Numbers of looked after children (LAC) in Kent continue to increase. Much of the focus to date of the Children Social Services' Improvement Plan has been around tackling the backlog of cases and improving throughput, which as anticipated has resulted in more children becoming looked after. Work is now underway to develop a projected downwards trajectory for numbers of LAC – see actions below.</p> <p>The data shown above includes unaccompanied asylum seeking children (UASC) which is a particular pressure in Kent and if these are excluded the current result would be 49.7.</p>																															

Number of looked after children (LAC) per 10,000 children aged under 18	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Current actions include:</p> <ul style="list-style-type: none"> • Robust gatekeeping of decisions to take children into care • Robust tracking of permanency planning • Improving the percentage of children who are adopted (see specific actions against the next indicator) • Identifying end dates for all LAC • Targets at district level included in performance management arrangements. <p>In the longer term, the following actions will help reduce the number of looked after children:</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 and mitigating actions	
<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. The Phase 2 Improvement Plan includes a key theme to develop preventative services and despite the financial climate, ways are being found to invest in these services.</p>	

Percentage of children leaving care who are adopted				Red ↓			
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent	Bold Steps Ambition	To tackle disadvantage				
Cabinet Member	Jenny Whittle	Director	Jean Imray				
Portfolio	Specialist Children's Service	Division	Specialist Children's Service				
				<p>Data Notes. Tolerance: Higher values are better Unit of measure: Percentage Data Source: ICS Results are reported as 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). Counts rounded to nearest 5. The indicator is calculated as the number of children adopted as a percentage of the number of children who ceased to be looked after.</p>			
Trend Data – year to date	Previous Years			Current Year			
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	9.5%	9.1%	8.0%	15.1%	9.5%		
Target			11%	11%	11%	11%	11%
Statistical neighbour	13%	13%	10%				
Rag Rating	Red	Red	Red	Green	Red		
Number of adoptions	75	70	60	25	40		
Commentary							
<p>The 11% target which is specified in the Improvement Notice is a very challenging one. The denominator includes unaccompanied asylum seeking children (UASC) who cease to be looked after but adoption is not an option for these children.</p> <p>Timescales for assessments have been reduced to 6 months. There are now 61 assessments scheduled for approval by March 2012.</p>							

Percentage of children leaving care who are adopted	Red ↓
What actions are we taking to improve performance (and drivers of performance)	
<p>Actions to improve the rate of adoptions include:</p> <ul style="list-style-type: none"> • A robust system has been put in place to ensure assessments are given priority and numbers have increased • Acting on the findings of the adoption review by Martin Narey which identified actions to speed up the adoption process • District managers and adoption leads are jointly monitoring the progress of all children requiring adoption • Improvement in permanency planning has been delivered including agreeing permanency policy and prompts, conducting workshops with staff, and ensuring permanency plans are identified and in place by the time of the second review for all looked after children • Robust performance monitoring of adoption rate • A tracking process has been established to ensure that there is no drift in plans for children identified for adoption. 	
Risks and mitigating actions	
<ul style="list-style-type: none"> • Shortage of adopters • Delays in court processes • Recruitment delays • If progress is made in reducing the numbers of looked after children, the number of adoptions must increase proportionately just to maintain the current adoption rate. 	

Number of children subject to a child protection plan, per 10,000 children aged under 18						Red ↑	
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent			Bold Steps Ambition	To tackle disadvantage		
Cabinet Member	Jenny Whittle			Director	Jean Imray		
Portfolio	Specialist Children's Service			Division	Specialist Children's Service		
				<p>Data Notes.</p> <p>Tolerance: Lower values are better Unit of measure: Number per 10,000 children Data Source: ICS for current year and DfE for previous year.</p> <p>Data is reported as the position at each quarter end.</p>			
Trend Data – quarter end		Previous Years			Current Year		
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	32.1	39.9	52.1	53.8	51.6		
Target			39.9	39.9	39.9	39.9	39.9
Statistical neighbour	27.6	30.7	40.0				
Rag Rating	Amber	Red	Red	Red	Red		
Number of children	1,022	1,243	1,621	1,676	1,616		
Commentary							
<p>The number of children subject to a child protection plan reduced during the summer period and stood at 1,616 by the end of September. This improvement brings the count to lower than the position seen in March, but we still have a lot to do to achieve our challenging target. The initial focus of the Improvement Plan was to tackle the backlog of cases and improving throughput, which as anticipated resulted in more children becoming subject to a child protection plan in the short term. However other actions in the Improvement Plan are now helping to deliver a stabilisation of the number of children with child protection plans and further plans are in place to deliver a reduction to the target level.</p>							

Number of children subject to a child protection plan, per 10,000 children aged under 18**Red ↑****What actions are we taking to improve performance (and drivers of performance)**

- Reviewing and undertaking change promotion work on current cases where children have been subject to a child protection plan for over 18 months
- Amending current child protection procedures to reduce the number of children who are both looked after and subject to child protection plans
- Strengthening child protection and conference processes, including assessments, reports and multi-agency working;
- Working to strengthen Kent Safeguarding Children's Board functions, including its scrutiny function to ensure that agencies are effectively engaged in multi-agency child protection planning
- Training child protection conference chairs in order to ensure more focussed, outcome-based planning
- More rigorous gatekeeping of the child protection work
- Conducting a review of section 47 processes
- Increasing options for step down services
- Strengthening of training, both internal and multi-agency, in respect of child protection conferences.

Risks and mitigating actions

Child protection activity may continue to rise in the short term as improvement plan actions to strengthen child protection planning and increase multi-agency support and intervention will need some time to bed in and deliver full impact.

The current drive to reduce the number of looked after children, will mean increased pressure to manage risk in the community and this will lead to more children being subject to child protection plans.

Percentage of caseholding posts filled by permanent qualified social workers						Amber ↑																			
Bold Steps Priority/Core Service Area	Ensure we provide the most robust and effective public protection arrangements			Bold Steps Ambition	To tackle disadvantage																				
Cabinet Member	Jenny Whittle			Director	Jean Imray																				
Portfolio	Specialist Children's Service			Division	Specialist Children's Service																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Sep 10</td> <td>81%</td> <td>90%</td> </tr> <tr> <td>Dec 10</td> <td>80%</td> <td>90%</td> </tr> <tr> <td>Mar 11</td> <td>83%</td> <td>90%</td> </tr> <tr> <td>Jun 11</td> <td>82%</td> <td>90%</td> </tr> <tr> <td>Sep 11</td> <td>87.4%</td> <td>90%</td> </tr> </tbody> </table>				Quarter	KCC Actual (%)	Target (%)	Sep 10	81%	90%	Dec 10	80%	90%	Mar 11	83%	90%	Jun 11	82%	90%	Sep 11	87.4%	90%	<p>Data Notes.</p> <p>Tolerance: Higher values are better Unit of measure: Percentage Data Source: ICS</p> <p>Data is reported as the position at each quarter end.</p> <p>Posts held by agency staff are not included in the figures for this indicator.</p>			
Quarter	KCC Actual (%)	Target (%)																							
Sep 10	81%	90%																							
Dec 10	80%	90%																							
Mar 11	83%	90%																							
Jun 11	82%	90%																							
Sep 11	87.4%	90%																							
Trend Data – quarter end		Previous Year			Current Year																				
	Sep 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
KCC Result	81%	80%	83%	82%	87.4%																				
Target	90%	90%	90%	90%	90%	90%	90%																		
Rag Rating	Amber	Red	Amber	Amber	Amber																				
Percentage agency staff	6.0%	8.8%	16.1%	23%	25%																				
Commentary																									
<p>The percentage of the social worker establishment posts held by permanent staff has shown a good increase this quarter.</p> <p>This target is about recruiting permanent staff and reducing agency staff and is not just about managing vacancies. It is also about improving the balance between experienced and newly qualified social workers</p> <p>Taking account of agency workers the children's social care workforce is currently over establishment at 112% at the end of September. The high use of agency staff over the last 9 months has been critical in dealing with backlogs of assessments so that the caseloads could be decreased to manageable levels.</p>																									

Percentage of caseholding posts filled by permanent qualified social workers	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. This includes actions to ensure we improve the balance between experienced and newly qualified social workers.</p> <p>A three month recruitment campaign to attract experienced social workers, principal social workers and team leaders began 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 and mitigating actions	
<p>The division still has too high a proportion of staff who are recently qualified and this may continue if suitable experienced staff are not attracted to the posts on offer. The workforce strategy includes actions to mitigate this risk.</p>	

Percentage of children subject to a child protection plan for two or more years						Red ↑	
Bold Steps Priority/Core Service Area	Improve services for the most vulnerable people in Kent			Bold Steps Ambition	To tackle disadvantage		
Cabinet Member	Jenny Whittle			Director	Jean Imray		
Portfolio	Specialist Children's Service			Division	Specialist Children's Service		
				<p>Data Notes.</p> <p>Tolerance: Lower values are better Unit of measure: Percentage Data Source: ICS</p> <p>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).</p>			
Trend Data – year to date	Previous Years			Current Year			
	Mar 09	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	10%	12.7%	11.3%	11.2%	11.0%		
Target			6%	6%	6%	6%	6%
Statistical neighbour	7.4	6.5	6.6				
Rag Rating	Red	Red	Red	Red	Red		
Number of children	85	100	126	46	93		
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 ↑
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What actions are we taking to improve performance (and drivers of performance)

Current actions being taken to improve performance include:

- Review and undertake change promotion work on current cases where children have been subject to a child protection plan for over 18 months to try to prevent them moving into the 2 year plus category
- Review and take action to ensure timely decision making and progression of all child protection cases 2 years plus
- Strengthening child protection and conference processes, reports and assessment work
- Strengthening the Kent Safeguarding Children's Board's scrutiny function to ensure effective multi-agency engagement in child protection 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
- Tracking planned case conferences of children who have been subject to a child protection plan for 18 months to ensure timely decision making and progression.

Risks and mitigating actions

The current work underway to improve throughput and reduce drift in child protection planning will impact adversely on this indicator because it is measured by the number of children subject to a plan for 2 years or more when the child protection plan ends. This will inevitably lead to a percentage increase before work begins to have an impact and therefore a drop in performance is to be anticipated.

Percentage of pupils achieving level 4 and above in both English and Maths, Key Stage 2				Amber ↑			
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential			Bold Steps Ambition	Help the economy to grow		
Cabinet Member	Mike Whiting			Director/Head of Service	Sue Rogers		
Portfolio	Education, Learning and Skills			Division	Standards and Kent Challenge		
				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 – annual data							
	2006	2007	2008	2009	2010	2011	2012
KCC Result	66%	67%	69%	68%	70%	72%	
Target = National Average	70%	71%	73%	72%	73%	74%	
Statistical neighbour average	70%	72%	73%	73%	74%	74%	
Rag Rating	Red	Red	Red	Red	Red	Amber	
Commentary							
<p>Provisional results for 2011 show an encouraging movement towards the national average for Kent pupils which was also seen last year. Kent's results have increased by two percentage points for each of the last two years compared to a national rise of one percentage point each year. Final results for 2011 will be published in early December.</p> <p>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.</p>							

Percentage of pupils achieving level 4 and above in both English and Maths, Key Stage 2**Amber ↑****What actions are we taking to improve performance (and what are the drivers of performance)**

1. Formation of new Kent Challenge team and implementation of a bespoke improvement programme based on best practice in National Challenge programmes in 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.

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 and the effective chairing of regular schools improvement boards to monitor progress. The programme will also ensure the embedded use of performance data to track pupil progress, to steer intervention and to secure high quality teaching. In practice there will be 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.

Risks and mitigating actions

As a significant number of schools become academies this impacts on the available budget within the council to support the remaining maintained schools.

There is also a risk that the local Authority and DfE will not immediately agree on the sustainable solution for some schools, which may delay the implementation of improvement measures.

Percentage of pupils achieving 5+ GCSE A* to C including English and maths				Amber ↓			
Bold Steps Priority/Core Service Area	Ensure all pupils meet their full potential	Bold Steps Ambition	Help the economy to grow				
Cabinet Member	Mike Whiting	Director/Head of Service	Sue Rogers				
Portfolio	Education, Learning and Skills	Division	Standards and Kent Challenge				
			<p>Data Notes Tolerance: Higher values are better Unit of measure: Percentage Data Source: Department for Education (DfE)</p> <p>Data includes all pupils at state funded schools and alternative provision including academies. Independent schools are not included. Data is reported as result for each year. Target taken from DfE School and Local Authority target setting (though this process has now been abolished by the DfE).</p>				
Trend Data – annual data							
	2006	2007	2008	2009	2010	2011	2012
KCC Result	46.8%	48.5%	50.0%	52.0%	56.8%	58.9%	
Target				56.0%	57.0%	60.1%	
Statistical neighbour average	44.1%	46.0%	48.2%	50.2%	54.3%	57.5%	
Rag Rating				Amber	Amber	Amber	
Commentary							
<p>Provisional 2011 GCSE data shows that Kent's results have continued to rise this year, and continue to be above both the national average and the statistical neighbour average. However Kent's improvement this year (+2.1%) was less than the national increase (+4.9%) and the statistical neighbour average increase (+3.2%). The business plan target, which was an aggregation of targets set by schools in autumn 2009, was also not met. Final data will be available in December.</p> <p>Kent's performance over time on this indicator, continuing to be above the national average, is an indication of the success of Kent schools' inclusive approach to securing educational success for the vast majority of its young people. It should however be noted that academies' results are included in the above figures and almost half of Kent's mainstream secondary schools now have academy status. This means they are now outside of local authority control and our ability to influence the overall county result will diminish each year as more schools convert.</p>							

Percentage of pupils achieving 5+ GCSE A* to C including English and maths	Amber ↓
What actions are we taking to improve performance (and what are the 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 in 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 and the effective chairing of regular schools improvement boards to monitor progress. There programme will also ensure the embedded use of performance data to track pupil progress, to steer intervention and to secure high quality teaching. In practice there will be 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.</p> <p>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 and mitigating actions	
<p>With significant numbers of schools becoming academies there is an adverse impact on the available budget to support the remaining maintained schools which the local authority works with.</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	Bold Steps Ambition	Help the economy to grow																												
Cabinet Member	Mike Whiting	Director/Head of Service	Sue Rogers																												
Portfolio	Education, Learning and Skills	Division	Standards and Kent Challenge																												
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Term</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Apr 10</td> <td>14</td> <td>10</td> </tr> <tr> <td>Jul 10</td> <td>16</td> <td>10</td> </tr> <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	Apr 10	14	10	Jul 10	16	10	Dec 10	18	10	Apr 11	18	10	Jul 11	17	10	Dec 11	-	10	Apr 12	-	10	<p>Data Notes</p> <p>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.</p> <p>Data is reported as position at each term end.</p>			
Term	KCC Actual	Target																													
Apr 10	14	10																													
Jul 10	16	10																													
Dec 10	18	10																													
Apr 11	18	10																													
Jul 11	17	10																													
Dec 11	-	10																													
Apr 12	-	10																													
Trend Data – end of term position		Previous Year			Current Year																										
		Apr 10	Jul 10	Dec 10	Apr 11	Jul 11	Dec 11	Apr 12																							
KCC Result		14	16	18	18	17																									
Target		10	10	10	10	10	10	10																							
Rag Rating		Red	Red	Red	Red	Red																									
Special Measures		9	9	10	11	11																									
Commentary																															
<p>At the end of October there were 11 schools in special measures and 4 with notices to improve. This was a result of 2 schools gaining satisfactory re-inspections in the early part of the autumn term. We expect 3 more schools to no longer be subject to a notice to improve and 3 to come out of special measures by the end of December. Two more schools should also come out of special measures by April.</p> <p>Latest available comparative data shows that as a percentage of state funded schools (slightly different indicator from the one shown above as all state schools includes academies) there were 3.2% of schools in category at the end of the Spring 2011 term in Kent, which compared to 2.3% average 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 on April 1st • Brenchley and Matfield has a new headteacher and is expected to be out of category by Christmas • Chantry is becoming a sponsored 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 and mitigating actions	
<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>	

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			Bold Steps Ambition	Help the economy to grow																										
Cabinet Member	Mike Hill			Director	Angela Slaven																										
Portfolio	Customer and Communities			Division	Service Improvement																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Sep 10</td> <td>102</td> <td>88</td> </tr> <tr> <td>Dec 10</td> <td>106</td> <td>88</td> </tr> <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>109</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	Sep 10	102	88	Dec 10	106	88	Mar 11	103	88	Jun 11	119	88	Sep 11	109	88	Dec 11	-	88	Mar 12	-	88	<p>Data Notes.</p> <p>Tolerance: Higher values are better Unit of measure: Number Data Source: Supporting Independence Programme</p> <p>Data is reported as rolling 12 month total.</p> <p>No comparative data from other local authorities is currently available for this indicator.</p>			
Period	KCC Actual	Target																													
Sep 10	102	88																													
Dec 10	106	88																													
Mar 11	103	88																													
Jun 11	119	88																													
Sep 11	109	88																													
Dec 11	-	88																													
Mar 12	-	88																													
Trend Data – rolling 12 month results		Previous Year			Current Year																										
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
KCC Result	102	106	103	119	109																										
Target	88	88	88	88	88	88	88																								
Rag Rating	Green	Green	Green	Green	Green																										
Commentary																															
<p>The number of apprentice starts within KCC remains above target and this is expected to continue into the coming quarter to December 2011.</p>																															

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 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. The KCC apprenticeship scheme provides a one-to-one support service to employers throughout the process, outlining the benefits of having an apprentice and making sure that the process is easy and straightforward.</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 Kent youth services to develop a programme for them. Consequently they have taken on 10 youth work apprentices this quarter to start work in youth centres in November 2011.</p>	
Risks and mitigating actions	
<p>Due to current uncertainties surrounding restructures there is a risk that some 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>	

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			Bold Steps Ambition	Help the economy to grow																	
Cabinet Member	Mike Hill			Director	Angela Slaven																	
Portfolio	Customer and Communities			Division	Service Improvement																	
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Period</th> <th>KCC Actual</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Oct 10</td> <td>2,410</td> <td>1,780</td> </tr> <tr> <td>Jan 11</td> <td>4,210</td> <td>2,700</td> </tr> <tr> <td>Apr 11</td> <td>6,420</td> <td>3,860</td> </tr> <tr> <td>Jul 11</td> <td>8,720</td> <td>5,020</td> </tr> </tbody> </table>					Period	KCC Actual	Target	Oct 10	2,410	1,780	Jan 11	4,210	2,700	Apr 11	6,420	3,860	Jul 11	8,720	5,020	Data Notes.		
					Period	KCC Actual	Target															
Oct 10	2,410	1,780																				
Jan 11	4,210	2,700																				
Apr 11	6,420	3,860																				
Jul 11	8,720	5,020																				
Tolerance: Higher values are better Unit of measure: Number Data Source: Data Service, Skills Funding Agency			Data is reported as academic year to date and includes all ages and all qualification levels Target = previous year performance																			
Trend Data – academic year to date	Academic Year 2010/11				Academic Year 2011/12																	
	Oct 10	Jan 11	Apr 11	Jul 11	Oct 11	Jan 12	Apr 12															
KCC Result	2,410	4,210	6,420	8,720																		
Target = previous year	1,780	2,700	3,860	5,020	2,410	4,210	6,420															
Rag Rating	Green	Green	Green	Green																		
Commentary																						
<p>The National Apprenticeship Service figures are based on academic rather than financial year. The figure for the 2010/11 academic year of 8,720 is a 74% increase on the previous academic year.</p> <p>Although Kent is delivering a significant increase in the level of apprenticeships this year, in past years Kent has had the lowest level of apprenticeship starts 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 ↑
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What actions are we taking to improve performance (and drivers of performance)

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.

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.

We are 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.

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 a successful campaign was run in Canterbury earlier in the year. The campaign aims to get 100 apprentices in 100 new businesses.

There is close working 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.

Risks and mitigating actions

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.

Percentage of pupils permanently excluded from maintained school				Amber ↑			
Bold Steps Priority/Core Service Area	Young people		Bold Steps Ambition	To tackle disadvantage			
Cabinet Member	Mike Whiting		Director/Head of Service	Alex Gamby			
Portfolio	Education, Learning and Skills		Division	Advocacy and Entitlement			
				<p>Data Notes</p> <p>Tolerance: Lower values are better Unit of measure: Percentage Data Source: Impulse database</p> <p>Data includes pupils in maintained schools and academies, but excludes pupils in independent schools.</p> <p>Data is reported as rolling 12 month total.</p>			
Trend Data – rolling 12 month results	Previous Year			Current Year			
	Jun 08	Jun 09	Jun 10	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	0.17%	0.12%	0.10%	0.12%	0.11%		
Target			0.10%	0.10%	0.10%	0.10%	0.10%
Statistical neighbour	0.12%	0.10%	0.09%				
Rag Rating	Red	Amber	Green	Amber	Amber		
Number of pupils	370	260	210	248	245		
Commentary							
<p>The year to the end of September saw a slight decrease in the number of permanent exclusions compared to the year to June 2011, although performance remains behind target. The most frequently cited reason for exclusion of pupils is persistent disruptive behaviour.</p> <p>The recently published comparative data for academic year 2009/10 (to Jul 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 30 exclusions.</p>							

Percentage of pupils permanently excluded from maintained school	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The ability of the local authority to challenge maintained schools over the use of pupil exclusion as a sanction for difficult challenging behaviour has in recent past years helped deliver a significant decrease in both permanent and fixed term exclusions. However the local authority does not have the same influence in relation to academies, and with more schools becoming academies it is not surprising that the levels of exclusions have more recently shown an increase.</p> <p>Local authority officers continue to support and where necessary challenge schools 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> <p>KCC has recently agreed to be part of a national DfE pilot, starting in 2012, which will see some schools finding and funding onward placement for pupils that the school would have otherwise excluded.</p> <p>The imminent commissioning of an evaluation of the "Zero Tolerance of Permanent Exclusion" approach, introduced in Ashford some three to four years ago. This approach appears to have delivered very positive results, but it is important to determine exactly what delivered the improvement, what external factors influenced this, whether there have been any unintended consequences and whether the lessons learnt can be applied to other localities.</p>	
Risks and mitigating actions	
<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>	

Percentage of 16 to 18 year-olds not in education, employment or training (NEET)						Amber ↓	
Bold Steps Priority/Core Service Area	Young people			Bold Steps Ambition	To tackle disadvantage		
Cabinet Member	Mike Whiting			Director/Head of Service	Sue Dunn		
Portfolio	Education, Learning and Skills			Division	Skills and Employability		
						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. The indicator is based on young people aged 16 to 18 at the time of measurement but does not include those of statutory school age. This means the cohort size reduces during the year as young people become age 19 and then increases again in September.	
Trend Data – average for each quarter	Previous Year			Current Year			
	Sep 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	5.4%	5.1%	4.9%	5.5%	6.1%		
Target	4.6%	4.6%	4.6%	5.9%	5.9%	5.9%	5.9%
Rag Rating	Red	Red	Amber	Green	Amber		
Number of NEETs	1,926	2,345	2,050	2,021	2,119		
Commentary							
<p>Figures for the quarter to September show an increase compared to the previous quarter and are higher than the same time last year. An increase at September is expected as young people leave learning in the summer months, however this year the early indications are that numbers are continuing to increase and the indicator is likely to become significantly off target in the quarter to December. The increase in NEETs compared to last year has mostly been seen in Thanet and Swale, where a higher percentage of young people usually enter employment at 16. The withdrawal of the Education Maintenance Allowance (EMA) could also be a contributory factor in these localities.</p> <p>Note that a contract variation with Connexions signed in March 2011 agreed a revised NEETs target from 4.6% to 5.9%. Results for Kent in December 2010 of 4.9% (counted on a slightly different basis from the numbers reported above) 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.</p>							

Percentage of 16 to 18 year-olds 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. • Discussion of the increase in Ashford and Thanet at the next performance view meeting of the Connexions contract to determine causes and what action could be taken to further assist these areas. 	
Risks and mitigating actions	
<p>The economic downturn is resulting in less jobs available for young people. However so far this has to some degree been balanced by an increase in young people of this age range staying on at school.</p>	

Number of first time entrants to youth justice system				Green ↑			
Bold Steps Priority/Core Service Area	Support families with complex needs		Bold Steps Ambition	To tackle disadvantage			
Cabinet Member	Mike Hill		Director	Angela Slaven			
Portfolio	Customer and Communities		Division	Service Improvement			
				<p>Data Notes.</p> <p>Tolerance: Lower values are better Unit of measure: Number Data Source: Careworks case management system</p> <p>Data is reported as rolling 12 month total.</p> <p>Data rounded to nearest count of 10</p>			
Trend Data – rolling 12 month totals		Previous Year			Current Year		
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	1,680	1,540	1,430	1,420	1,330		
Target	2,325	2,325	2,325	1,500	1,500	1,500	1,500
Rag Rating	Green	Green	Green	Green	Green		
Commentary							
<p>During 2010/11 the number of first time entrants fell each quarter and this trend has been sustained into 2011/12.</p> <p>Between 2009/10 and 2010/11 there was a reduction in the total number of first time entrants of 25%. Although this is a very positive result, national data drawn from Police National Computer (PNC) shows that Kent has a higher rate of first time young offenders (14.2 per 1,000 young people aged 10-17) than the average of statistical neighbours (12.3 per 1,000 young people).</p> <p>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.</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 and mitigating actions	
<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 the 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. 	

Number of gross jobs created in Kent and Medway through inward investment				Amber ↑			
Bold Steps Priority/Core Service Area	Respond to key regeneration challenges working with our partners	Bold Steps Ambition	Help the economy to grow				
Cabinet Member	Kevin Lynes	Director	Barbara Cooper				
Portfolio	Regeneration and Enterprise	Division	Economic Development				
				<p>Data Notes. Tolerance: Higher values are better Unit of measure: Number of gross jobs Data Source: Locate in Kent monthly monitoring</p> <p>Data is reported as count for financial year to date (April to March) at each quarter end.</p> <p>Gross jobs created includes jobs safeguarded and indirect jobs.</p>			
Trend Data – year to date	Previous Years			Current Year			
	Mar 10	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	3,786	2,611	2,588	418	1,462		
Target	3,158	2,973	3,100	775	1,550	2,325	3,100
Rag Rating	Green	Amber	Red	Red	Amber		
Commentary							
<p>Performance is now only slightly behind target. This is 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 Locate In Kent (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.</p>							

Number of gross jobs created in Kent and Medway through inward investment**Amber ↑****What actions are we taking to improve performance (and drivers of performance)**

A successful late summer and early Autumn means that job figures are now closer to the pro-rata target than they were in June and most of the companies other targets are being achieved or close to being achieved. Nonetheless 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.

During the summer all staff worked particularly hard to improve the number of investments and jobs achieved and work was carried out on the website to increase hits, Discovery Park and the Enterprise Zone were promoted and a Memorandum of Understanding signed with UK Trade and Investment. A part time Investor Manager has been appointed to look after larger Kent companies, especially those with an overseas parent, and larger LiK successes. This will bring in further projects. A half yearly review of the Locate in Kent (LiK) Business Plan was carried out and approved at the October 2011 Board meeting. Following the Board meeting, proposals will be put forward to the Regeneration Fund, for additional money to generate more foreign direct investment (fdi) projects and to raise the profile of Kent as a business location, particularly bearing in mind the opportunity at Discovery Park.

The pipeline, i.e. the number of projects that may become successful investments, is currently (mid October), very healthy, at 341, 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, the new aftercare project and working with partners. A new website is also under development and will be launched once the initial results of the marketing Kent work are known.

Risks and mitigating actions

The main risk is the continuing poor economic outlook, and steps to deal with this are outlined above. 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 40 '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.

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	Bold Steps Ambition	Put the Citizen in Control																												
Cabinet Member	Graham Gibbens	Director	Anne Tidmarsh																												
Portfolio	Adult Social Care and Public Health	Division	Older People and Physical Disability																												
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Quarter	KCC Actual (%)	Target (%)																													
Sep 10	20.8	-																													
Dec 10	25.8	-																													
Mar 11	32.0	30																													
Jun 11	34.0	33																													
Sep 11	37.0	37																													
Dec 11	43	43																													
Mar 12	50	50																													
Trend Data – quarter end	Previous Year			Current Year																											
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
KCC Result	20.8%	25.8%	32.0%	34.0%	37.0%																										
Target			30%	33%	37%	43%	50%																								
Client numbers	4,220	6,430	7,740	8,085	8,892																										
Rag Rating			Green	Green	Green																										
Commentary																															
<p>Performance continues to improve and is currently on target and the forecast is that the target of 50% should be achieved by March 2012.</p> <p>This key indicator is monitored on a monthly basis by the Directorate Management Team and the indicator receives a high level of attention nationally as well as locally. For the related national indicator Kent achieved 20.5% in 2010/11, compared to a national rate of 28.9%.</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>The approach to increasing take up of Personal budgets is threefold:</p> <ol style="list-style-type: none"> 1. To ensure that all new clients are allocated a personal budget. 2. To ensure that all existing clients are allocated a personal budget at review. 3. To ensure that data quality issues are resolved as and when they arise. <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. Performance is monitored and managed closely by the Divisional and Directorate Management Teams through Locality Action plans. These Action plans ensure that performance is owned by the operational teams, accountability is held at all levels, including setting individual targets and action plans, and training and knowledge gaps are identified, whether policy, practice or system based. Training has already been provided for localities where this need has been highlighted and this will continue. Teams are targeted if data quality or practice issues arise:- e.g where reviews have been undertaken and no personal budget is allocated. 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 and mitigating actions	
<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 are new for the service and may take longer than planned to develop. <p>Action taken</p> <ol style="list-style-type: none"> 1. Tight system of performance monitoring in place; performance identified as key priority and escalation routes clarified. 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. 	

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		Bold Steps Ambition	Put the Citizen in Control																					
Cabinet Member	Graham Gibbens		Director	Anne Tidmarsh																					
Portfolio	Adult Social Care and Public Health		Division	Older People and Physical Disability																					
<table border="1"> <caption>Graph Data</caption> <thead> <tr> <th>Quarter</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>973</td> <td>970</td> </tr> <tr> <td>Dec 11</td> <td>985</td> <td>985</td> </tr> <tr> <td>Mar 12</td> <td>1,000</td> <td>1,000</td> </tr> </tbody> </table>				Quarter	KCC Actual	Target	Mar 11	985	980	Jun 11	966	960	Sep 11	973	970	Dec 11	985	985	Mar 12	1,000	1,000	<p>Data Notes. Tolerance: Higher values are better. Unit of measure: Number Data Source: Adult Social Care Swift client system</p> <p>Data is reported as the position at the end of the quarter.</p> <p>No comparative data from other local authorities is currently available for this indicator.</p>			
Quarter	KCC Actual	Target																							
Mar 11	985	980																							
Jun 11	966	960																							
Sep 11	973	970																							
Dec 11	985	985																							
Mar 12	1,000	1,000																							
Trend Data – quarter end	Previous Year			Current Year																					
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
KCC Result			985	966	973																				
Target			980	960	970	985	1,000																		
Rag Rating			Green	Green	Green																				
Commentary																									
<p>The number of clients with a telecare service has increased in the quarter and performance continues to be ahead of target.</p> <p>The decrease in the actual and target numbers between March 2011 and June 2011 was 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.</p>																									

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 now 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. This includes promoting telecare through hospitals and also as a service to provide continued support to people after a period of enablement.</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>Targets have been set across all the teams, and are monitored and managed closely by the Divisional and Directorate Management Teams through Locality Action plans, which requires Heads of Services to report back on their performance, ensure targets are set at team and individual level and identify training needs within their teams.</p>	
Risks and mitigating actions	
<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 as well as additional support for data quality. 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. 	

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	Bold Steps Ambition	Put the Citizen in Control				
Cabinet Member	Graham Gibbens	Director	Anne Tidmarsh				
Portfolio	Adult Social Care and Public Health	Division	Older People and Physical Disability				
				<p>Data Notes. Tolerance: Higher values are better Unit of measure: Number Data Source: Adult Social Care Swift client system</p> <p>Data is reported as number of clients accessing the service during the quarter.</p> <p>No comparative data for other local authorities is available for this indicator.</p>			
Trend Data – number per quarter	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result			1,500	1,527	1,631		
Target per quarter			1,800	1,800	1,800	1,800	1,800
Rag Rating			Amber	Amber	Amber		
Commentary							
<p>The number of clients provided with an enablement service has increased again this quarter but remains behind target. Enablement has been in place for over a year to support new client referrals to Adult Social Care. Initial performance increased as expected last year but numbers of people in receipt of enablement so far this year have been lower than the 600 per month (1,800 per quarter) set as the target level for the year. However if we can maintain the level of increase seen this quarter for the rest of the year then the target should be achieved by year-end.</p> <p>All the assessment and enablement teams now have enablement services available for their locality.</p> <p>Figures include externally commissioned enablement services and our in-house Active Care service.</p>							

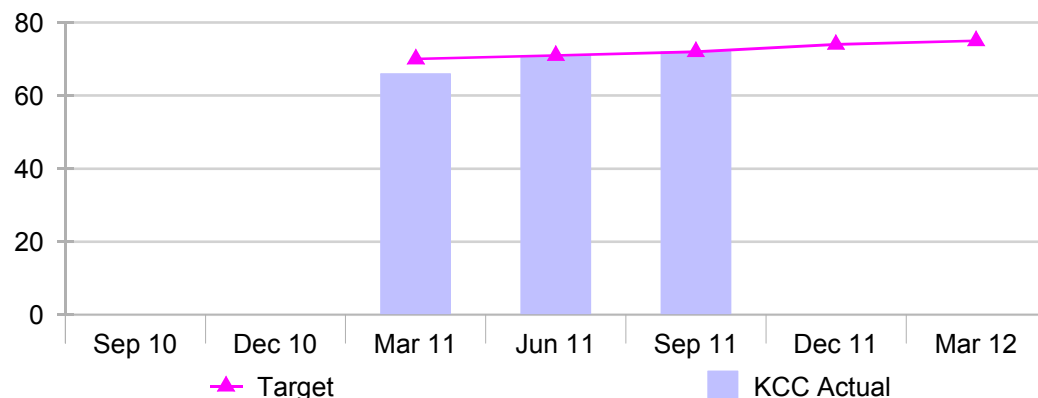
Number of adult social care clients provided with an enablement service	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>Numbers are expected to increase in the future since more people are accessing enablement services as part of their assessments and people who are already receiving care packages are now being referred to enablement services with the aim of increasing their independence. The number of clients receiving enablement is monitored on a monthly basis at Divisional and Directorate Management Teams. All heads of service and team leaders are proactively ensuring that enablement is being seen as the main care pathway for all appropriate referrals.</p> <p>Kent Enablement at Home, which is KCC's in-house provider of home-care is increasing its capacity to ensure that all demand for enablement is being met.</p> <p>In addition, the reasons why some clients are not receiving enablement are being carefully examined. About 60% of people who do not receive enablement need the provision of equipment to allow them to live independently. Some localities are participating in an Occupational Therapy project which is reviewing clients already in receipt of homecare with the aim of assisting them to become more independent through the provision of equipment. Provision of equipment helps deliver the same outcome as enablement services i.e. allowing people to become more independent. A full 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>	
Risks and mitigating actions	
<ol style="list-style-type: none"> 1. Clients not being referred to the service when it would be suitable. 2. Lack of enablement capacity or specialism (dementia). 3. Other enabling type services may meet the demand for enablement in other ways, such as provision of equipment or intermediate care. 4. Unrealistic expectations in terms of targets set relative to potential changes in referral rates and overall client numbers. <p>Actions being taken</p> <ol style="list-style-type: none"> 1. The enablement review is being carried out, and performance to target is closely monitored at team level. 2. Review of crisis services in East Kent carried out and new services proposed to be commissioned. 3. Careful monitoring of other services provided to evidence that the equivalent outcomes to enablement services are being achieved. 4. Review of referral and client numbers and target expectations to be revisited in the light of findings. 	

Percentage of adult social care assessments completed within six weeks						Green ↓													
Bold Steps Priority/Core Service Area	Empower social service users through increased use of personal budgets			Bold Steps Ambition	Put the Citizen in Control														
Cabinet Member	Graham Gibbens			Director	Anne Tidmarsh														
Portfolio	Adult Social Care and Public Health			Division	Older People and Physical Disability														
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Quarter	KCC Actual (%)	Target (%)																	
Mar 11	79.8	75																	
Jun 11	79.7	75																	
Sep 11	78.0	75																	
Trend Data – quarterly data		Previous Year			Current Year														
		Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12											
KCC Result				79.8%	79.7%	78.0%													
Target				75%	75%	75%	75%	75%											
Rag Rating				Green	Green	Green													
Commentary																			
<p>Performance continues to be within good tolerance of the target level. The target level has been reviewed and now stands at 75% with the aim to ensure that people do not spend too much time in an enablement service or are assessed too quickly.</p> <p>This indicator serves to ensure that we have the right balance between ensuring enablement is delivered effectively and ensuring the whole assessment process is timely. Factors affecting this indicator are linked to waiting lists for assessments, assessments not being carried out on allocation and some 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</p>																			

Percentage of adult social care assessments completed within six weeks	Green ↓
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 is to be carried out in relation to enablement impacting on timelines for assessments. 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 and mitigating actions	
<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. 	

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	Bold Steps Ambition	Put the Citizen in Control
Cabinet Member	Graham Gibbens	Director	Anne Tidmarsh
Portfolio	Adult Social Care and Public Health	Division	Older People and Physical Disability



Data Notes.
 Tolerance: Higher values are better
 Unit of measure: Percentage
 Data Source: Adult Social Care Swift client system

Data is reported as percentage for each quarter.

No comparative data is currently available for this indicator.

Trend Data – quarterly data	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result			66%	71%	72%		
Target			70%	71%	72%	73.5%	75%
Rag Rating			Amber	Green	Green		

Commentary

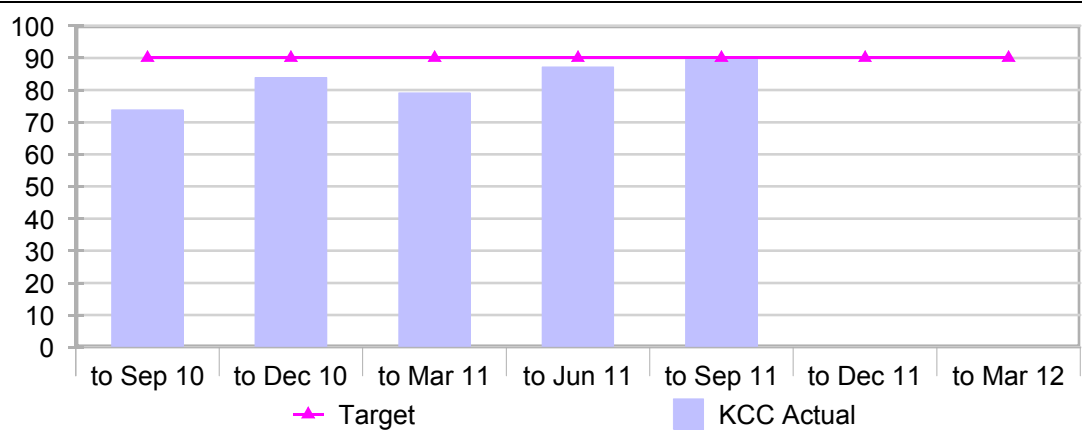
The percentage of outcomes achieved has increased to 72% for this quarter and results are on target. People’s needs and outcomes are identified at assessment and then updated at review, in terms of achievement and satisfaction.

The annual service user survey resulted in a national indicator relating to “Self reported experience of social care users”. The Families and Social Care Directorate are very aware that Kent’s performance was not as high as other councils and so continues to promote and monitor the achievement of people’s outcomes to ensure better performance in future.

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>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 through the Locality Action Plans. These require Heads of Service to comment on and action performance improvement, as well as identifying training needs and risks. 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 to be delivered to ensure delivery of the target.</p> <p>Actions include ensuring that when Hospital Teams carrying out their first review they record outcomes on Swift (the client database), that Enablement services when carrying out first review ensure outcomes are recorded or reported to the assessment officer for recording on Swift, and that all assessment officers and case managers record outcomes.</p>	
Risks and mitigating actions	
<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 led 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. 	

Percentage of routine highway repairs completed within 28 days Green ↑

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



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 includes requests for repairs made by the public but not those identified by highway inspectors.

Trend Data – results by quarter	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	74%	84%	79%	87%	90%		
Target	90%	90%	90%	90%	90%	90%	90%
Rag Rating	Red	Amber	Red	Amber	Green		
Service requests	12,600	15,000	20,600	12,600	16,400		

Commentary

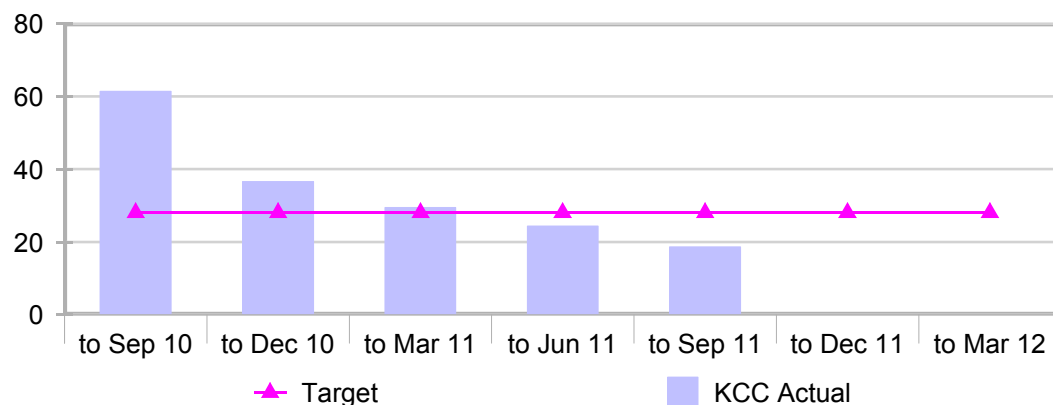
Performance has improved over the summer and our target has been met for the quarter. Improved performance was partly because of the lower demand during the quieter months but it is also notable that this has been delivered while also coping with some disruption due to the transfer of operations to a new contractor at the start of September. We are continuing to clear the backlog of outstanding enquiries that are beyond the 28 day target.

Early indications for October are that 89% of routine highway repairs have been completed within 28 days.

Percentage of routine highway repairs completed within 28 days	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>We are continuing to focus resource on clearing the backlog to reduce it to zero before demand increases. We are sharing resources across team boundaries to provide extra help where it is needed. The new contract with Enterprise is now well under way. The contract offers a more robust performance mechanism with financial penalties if the contractor does not meet agreed service standards. 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>Operational Performance Measures (OPMs) are in place within the new contract. Weekly depot meetings are being held to constantly monitor performance and ensure improvement. However, there are some areas for development, particularly in the ordering of work. As mentioned above, we have completely changed the way we order routine repair works, moving from a process of ordering labour to ordering specific items of work using a detailed schedule of rates. All staff have now been trained to order work in the new way and to manage the very different and more robust form of contract.</p>	
Risks and mitigating actions	
<p>The change of contract and related works ordering procedures continues to be a risk to the speed of completing routine repairs.</p> <p>We have trained all relevant staff and continue to provide mentoring and coaching for new and less experienced personnel to bring them up-to-speed.</p> <p>Increase in demand due to bad weather could lead to a lowering of performance but the new contractual arrangements should allow a more flexible response than we were able to achieve in previous years.</p>	

Average number of days to repair potholes	Green ↑
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Bold Steps Priority/Core Service Area	Highways	Bold Steps Ambition	N/a
Cabinet Member	Bryan Sweetland	Director	John Burr
Portfolio	Environment, Highways and Waste	Division	Highways and Transportation

**Data Notes.**Tolerance: **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.

Trend Data – quarterly results	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	61.4	36.6	29.5	24.4	18.6		
Target	28	28	28	28	28	28	28
Rag Rating	Red	Red	Amber	Green	Green		
Service requests	7,180	4,350	8,640	5,130	2,820		

Commentary

Performance has continued to improve over the summer months, due to a low demand for pothole repairs. The number of potholes repaired in September 2011 at 544 was the lowest level completed in the last 2 years. There is usually lower demand for pothole repairs in summer months but demand has been exceptionally low this year, due to the previous Find & Fix programmes to repair potholes throughout 2010 and in early spring 2011, which were followed by a significant surface dressing programme. However, this increased surface dressing was only possible due to additional government funding for this financial year and we could only afford to treat 5% of the local road network.

During the winter months, the number of requests for pothole repairs is expected to increase but we expect performance in responding to these to remain on target - early indications for October are that a 13 day average is being achieved.

Average number of days to repair potholes	Green ↑
What actions are we taking to improve performance (and drivers of performance)	
<p>The new contract with Enterprise is now well under way. The contract offers a more robust performance mechanism with financial penalties if the contractor does not meet agreed service standards. The accountability and risk for delivery sit clearly with the contractor.</p> <p>We are looking closely at performance across all districts to ensure a consistent level of service across the county. Operational Performance Measures (OPMs) are in place within the new contract. Weekly depot meetings between KCC and Enterprise staff are held and weekly performance is monitored to ensure continual improvement. Works are audited by local teams to ensure compliance. However, there are some areas for development, particularly in the ordering of work. As mentioned above, we have completely changed the way we order routine repair works, moving from a process of ordering labour to ordering specific items of work using a detailed schedule of rates. All staff are now trained to order work in the new way and to manage the very different and more robust form of contract.</p>	
Risks and mitigating actions	
<p>The key risk is being able to cope with the inevitable increasing demand this winter and the period following it, particularly if we have prolonged cold spells as we did last year. To mitigate this risk we have been reviewing and streamlining processes from when the defect is identified right through to repair. We are training additional resources that can be brought in from other teams to cope with peaks in demand</p> <p>The change of contract and related works ordering procedures also continues to be a risk to the speed of completing pothole repairs. We have trained all relevant staff and continue to provide mentoring and coaching for new and less experienced personnel to bring them up-to-speed. We are also holding Enterprise to account through their performance measures and have emphasised that pothole repairs are a top service priority.</p>	

Percentage of satisfied callers for Kent Highways 100 call back survey				Green ↓																											
Bold Steps Priority/Core Service Area	Highways			Bold Steps Ambition	N/a																										
Cabinet Member	Bryan Sweetland			Director	John Burr																										
Portfolio	Environment, Highways and Waste			Division	Highways and Transportation																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Sep 10</td> <td>61</td> <td>75</td> </tr> <tr> <td>Dec 10</td> <td>67</td> <td>75</td> </tr> <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>90</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 (%)	Sep 10	61	75	Dec 10	67	75	Mar 11	72	75	Jun 11	93	75	Sep 11	90	75	Dec 11	-	75	Mar 12	-	75	<p>Data Notes. Tolerance: High values are better Unit of measure: Percentage Data Source: Contact Centre telephone survey</p> <p>Data is reported as the percentage achieved for each individual quarter. No comparative data is available for this indicator. 100 customers are asked each month: 'Overall were you satisfied with the response you received from Highways?'</p>			
Quarter	KCC Actual (%)	Target (%)																													
Sep 10	61	75																													
Dec 10	67	75																													
Mar 11	72	75																													
Jun 11	93	75																													
Sep 11	90	75																													
Dec 11	-	75																													
Mar 12	-	75																													
Trend Data – quarterly results	Previous Year			Current Year																											
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
KCC Result	61%	67%	72%	93%	90%																										
Target	75%	75%	75%	75%	75%	75%	75%																								
Rag Rating	Red	Red	Amber	Green	Green																										
Commentary																															
<p>Our 100 call back survey has recorded high satisfaction levels above target for the last 2 quarters and performance has improved considerably compared to the same time last year. The data is further supported by the additional comments we have been receiving as a part of the survey which are generally of a more positive nature, such as 'the work was done in 2 to 3 days' and 'the standard of work was good'. It is encouraging that satisfaction levels have stayed high despite the recent period of significant change as our maintenance contract ended with Ringway and started with Enterprise,</p> <p>The next three months will cover the start of our winter service delivery period and it will be important to maintain our customer satisfaction levels in what is historically a challenging period of high customer demand and expectation. Early indications for October are that 85% of customers are satisfied with our service.</p>																															

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>Our new contract with Enterprise puts more focus on delivery to a specific response time or date rather than what can be achieved by the level of contractor resource we have ordered. This places the risk firmly with the contractor and a proportion of the contractors profit is at risk each month if these standards are not met.</p> <p>The customer satisfaction survey is made up of the key elements of our highway service e.g. potholes, streetlights and drainage. Team managers are asked to review both their relevant rating and the commentaries to identify any potential improvements in internal process or service delivery. We will be undertaking a review of current service delivery standards and establishing the levels of service we can and cannot deliver as part of the 2012/13 budget review. Effective communication of our service delivery plans is vital in order that our customers have the right expectations of us and can judge our performance appropriately.</p>	
Risks and mitigating actions	
<p>The immediate risk is that we have another winter season of severe snow and ice which puts increasing demand on staff and the contractor to assess and deliver a service which meets public expectations. A key risk is ensuring that customer demand does not lead to a pressure on budgets as we drive Enterprise to repair all faults within the agreed repair times.</p> <p>Looking ahead, there will need to be a greater balance between undertaking larger scale (programmed) works to maintain the structural integrity of the asset, thereby reducing customer demand for the short-term (reactive) works. We are currently developing better information for Members and the public on the levels of service we are able to deliver based on our current budgets. Once developed, it will be important to communicate this clearly and positively to the public so that they understand our approach. The risk is that we continue to be judged according to what the public “think” we should be doing, rather than against our new service delivery plans.</p>	

Percentage of municipal waste recycled or converted to energy and not taken to landfill				Amber ↑			
Bold Steps Priority/Core Service Area	Waste Management		Bold Steps Ambition	N/a			
Cabinet Member	Bryan Sweetland		Director/Head of Service	Caroline Arnold			
Portfolio	Environment, Highways and Waste		Division	Waste Management			
				<p>Data Notes.</p> <p>Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month totals.</p> <p>Municipal waste is the total waste collected by the local authority and includes household waste, street cleansing and beach waste.</p>			
Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 10	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	54.5%	69.8%	70.4%	70.8%	71.7%		
Target			71.5%	71.4%	71.8%	72.0%	72.2%
South East	54.5%	62.1%	65.7%				
Rag Rating	Amber	Green	Amber	Amber	Amber		
Tonnage Managed	760,000	735,000	739,000	727,000	726,000		
Commentary							
<p>The percentage of Kent's waste being diverted away from landfill continues to increase annually and is on track to deliver the current year target by March 2012, through improvements to how household waste is being managed via Kent's infrastructure.</p> <p>In the year to 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 e.g. weekly collection of food waste already introduced in Maidstone, Dover and Shepway areas.</p> <p>A review of the composition of the residual waste streams being managed through the network of household waste recycling centres, will be implemented during the current year, with operational changes being implemented from April 2012 where feasible and practical. This review seeks to identify opportunities for the diversion of additional materials into either the recycling stream or to be used for energy recovery.</p> <p>A step change in performance will be delivered when residual waste from Canterbury City Council is diverted away from landfill and used to create energy at the Allington Waste to Energy Plant. This change will happen from January 2013 and will result in less than 15% of Kent's municipal waste being sent to landfill.</p>	
Risks and mitigating actions	
<p>New kerbside collection services may not deliver the improvement in recycling that is expected. This risk can be managed by engaging with the residents when introducing new services, and through contract management of the Waste Collection Contractor.</p> <p>Unforeseen operational circumstances at KCC's waste transfer stations and household waste recycling centres, along with the reprocessing plants operating at a lower than contracted capacity could reduce performance. Performance levels and operational activity are kept under regular review so that appropriate and swift action can be taken should such events occur.</p> <p>The service provided by the network of household waste recycling centres are currently under review by an Informal Member Group of the County Council, and any changes resulting from this review could impact on the overall performance of the network.</p>	

Kg of residual household waste per household				Green ↑			
Bold Steps Priority/Core Service Area	Deliver the Environment Strategy		Bold Steps Ambition	N/a			
Cabinet Member	Bryan Sweetland		Director/Head of Service	Caroline Arnold			
Portfolio	Environment, Highways and Waste		Division	Waste Management			
				<p>Data Notes. Tolerance: Lower values are better Unit of measure: Kg per household Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month total.</p> <p>Residual waste is waste which is neither reused or recycled. e.g. waste which is taken to landfill or which is incinerated.</p>			
Trend Data – rolling 12 month totals	Previous Years			Current Year			
	Mar 10	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	699	673	666	648	641		
Target			669	658	658	658	658
South East	684	644					
Rag Rating	Amber	Amber	Green	Green	Green		
Commentary							
<p>The amount of residual household waste per household being managed throughout Kent continues to fall due to improved recycling rates being delivered and because overall volumes of waste being produced by residents continues to reduce. Recycling improvements include the introduction of weekly food waste collections by district councils along with improvements in the amount of waste being captured through other kerbside recycling services.</p> <p>The national result was 625 kg for 2009/10 and for the South East region 644kg was achieved, compared to a Kent result of 673. 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 (e.g. paper/card, and cans/glass/plastics) and organics for composting (including separately collected weekly food waste) are rolled out by district councils. Shepway have completed the roll out of their new services and Dover will complete their roll out by the end of 2011. 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 and mitigating actions	
<p>The planned level of diversion and capture from the residual waste stream into the recycling and organic waste streams does not materialise as planned, therefore reducing overall performance.</p> <p>District councils fail to procure new collection services and fail to roll out new services as planned, however this risk 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>	

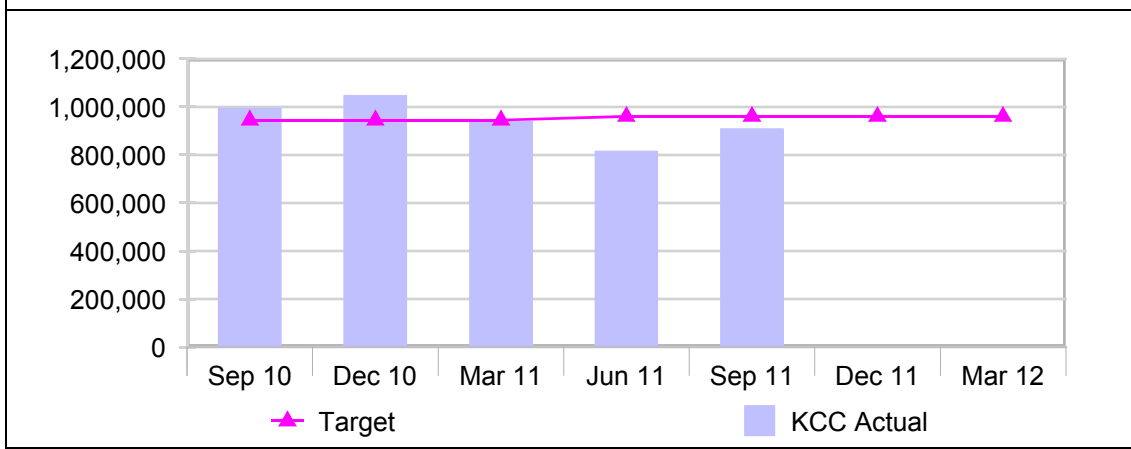
Percentage of waste recycled and composted at Household Waste Recycling Centres						Green ↑																									
Bold Steps Priority/Core Service Area	Waste Management			Bold Steps Ambition	N/a																										
Cabinet Member	Bryan Sweetland			Director/Head of Service	Caroline Arnold																										
Portfolio	Environment, Highways and Waste			Division	Waste Management																										
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Date</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Mar 09</td> <td>65.7</td> <td>69.7</td> </tr> <tr> <td>Mar 10</td> <td>68.9</td> <td>69.7</td> </tr> <tr> <td>Mar 11</td> <td>69.9</td> <td>69.7</td> </tr> <tr> <td>Jun 11</td> <td>70.3</td> <td>69.7</td> </tr> <tr> <td>Sep 11</td> <td>70.7</td> <td>69.7</td> </tr> <tr> <td>Dec 11</td> <td>70.5</td> <td>69.7</td> </tr> <tr> <td>Mar 12</td> <td>70.6</td> <td>69.7</td> </tr> </tbody> </table>				Date	KCC Actual (%)	Target (%)	Mar 09	65.7	69.7	Mar 10	68.9	69.7	Mar 11	69.9	69.7	Jun 11	70.3	69.7	Sep 11	70.7	69.7	Dec 11	70.5	69.7	Mar 12	70.6	69.7	<p>Data Notes. Tolerance: Higher values are better Unit of measure: Percentage Data Source: KCC Waste Management</p> <p>Data is reported as rolling 12 month total.</p> <p>No comparator data for other local authorities is currently available for this indicator.</p>			
Date	KCC Actual (%)	Target (%)																													
Mar 09	65.7	69.7																													
Mar 10	68.9	69.7																													
Mar 11	69.9	69.7																													
Jun 11	70.3	69.7																													
Sep 11	70.7	69.7																													
Dec 11	70.5	69.7																													
Mar 12	70.6	69.7																													
Trend Data – rolling 12 month totals		Previous Years			Current Year																										
	Mar 10	Mar 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																								
KCC Result	65.7%	68.9%	69.9%	70.3%	70.7%																										
Target			69.7%	70.2%	70.4%	70.5%	70.6%																								
Rag Rating			Green	Green	Green																										
Tonnage handled	127,000	131,000	135,000	134,000	133,000																										
Commentary																															
<p>For the first six months of 2011/12 approximately 74% of the waste received by our household waste recycling centres was recycled or composted. However performance is highly seasonal so the 12 month totals are shown above and this shows a result of 70.7% for the 12 months ending September. The year end forecast is for performance to achieve target.</p> <p>In May this year a new household waste recycling centre was opened at New Romney replacing a weekend only mobile service and performance is over 75% for the new site. 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, with for example the North Farm HWRC re-opened in October following re-construction of the site layout to ease congestion, and to ensure the quantity and quality of recycled material is maximised.</p> <p>To identify opportunities for the diversion of additional materials away from landfill or being processed via the waste to energy plant at reduced cost, a review of the composition of the residual waste streams being managed through the network of household waste recycling centres will be undertaken towards the end of 2011 to identify opportunities for the diversion of additional materials.</p>	
Risks and mitigating actions	
<p>The services provided by the network of household waste recycling centres are currently under review 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>	

Percentage of calls to Contact Kent answered within 20 seconds						Red ↑																			
Bold Steps Priority/Core Service Area	Improve access to public services			Bold Steps Ambition	Put the Citizen in Control																				
Cabinet Member	Mike Hill			Director	Des Crilley																				
Portfolio	Customer and Communities			Division	Customer Services																				
<table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>KCC Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>to Sep 10</td> <td>85.3%</td> <td>80%</td> </tr> <tr> <td>to Dec 10</td> <td>80.1%</td> <td>80%</td> </tr> <tr> <td>to Mar 11</td> <td>75.9%</td> <td>80%</td> </tr> <tr> <td>to Jun 11</td> <td>37.4%</td> <td>80%</td> </tr> <tr> <td>to Sep 11</td> <td>66.3%</td> <td>80%</td> </tr> </tbody> </table>				Quarter	KCC Actual (%)	Target (%)	to Sep 10	85.3%	80%	to Dec 10	80.1%	80%	to Mar 11	75.9%	80%	to Jun 11	37.4%	80%	to Sep 11	66.3%	80%	<p>Data Notes.</p> <p>Tolerance: Higher values are better Unit of measure: Percentage Data Source: Siemens Hipath telephone system</p> <p>Data is reported as percentage achieved for each individual quarter.</p> <p>No comparator data for other local authorities is currently available for this indicator.</p>			
Quarter	KCC Actual (%)	Target (%)																							
to Sep 10	85.3%	80%																							
to Dec 10	80.1%	80%																							
to Mar 11	75.9%	80%																							
to Jun 11	37.4%	80%																							
to Sep 11	66.3%	80%																							
Trend Data – results by quarter		Previous Year			Current Year																				
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12																		
KCC Result	85.3%	80.1%	75.9%	37.4%	66.3%																				
Target = previous year	80%	80%	80%	80%	80%	80%	80%																		
Rag Rating	Green	Green	Amber	Red	Red																				
Calla received	270,000	269,000	287,000	314,000	301,000																				
Commentary																									
<p>During the quarter to September Contact Kent response times have improved compared to the quarter to June but remained behind target with performance this year having been adversely impacted by increased call volumes, budget pressures and increased call complexity. To assist with the situation additional resource has been allocated to the Contact Kent with nine new permanent staff posts added in September and recruitment for a further nine posts in progress.</p> <p>The situation is now improving with average response times each week having been around the 80% target since the beginning of August (sometimes above and sometimes below). Performance for quarter three expected to move closer to the 80% target level.</p> <p>Despite slower call answering times, the percentage of calls which are answered has been over 90% each week since July.</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>In addition to resources recruited so far, Contact Kent will be focusing on two or three service areas of high call volumes, such as those related to libraries and highways, during the coming year, with the aim of moving more customer contact to the kent.gov.uk website.</p> <p>This feeds into a longer term strategy of “channel shift” - the migration of customer contact towards more efficient and cost effective channels, which is a component of the emerging customer services strategy.</p> <p>A more comprehensive review of Contact Kent operations is underway, which will ensure that the business model is fit-for-purpose for the future. This is due to report by the end of the calendar year.</p>	
Risks and mitigating actions	
<p>There is a risk that call volumes, patterns and types are higher or lower than forecast levels, so close monitoring is being employed to evaluate whether resources deployed are adequate to achieve service delivery targets.</p> <p>Early forecasts suggest that the UK could face another harsh winter. Staff shortages arising from snowfall can lead to reduced ability to handle calls speedily, in addition to higher call volumes usually experienced at that time. The service has a business continuity plan in place to mitigate against these risks, and has been working closely with the KCC web team and emergency planning team to ensure that more information is available online.</p>	

Number of visits to KCC web site				Amber ↑
Bold Steps Priority/Core Service Area	Improve access to public services	Bold Steps Ambition	Put the Citizen in Control	
Cabinet Member	Mike Hill	Director	Matt Burrows	
Portfolio	Customer and Communities	Division	Communication and Engagement	



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.

Trend Data – visits by quarter	Previous Year			Current Year			
	Sept 10	Dec 10	Mar 11	Jun 11	Sep 11	Dec 11	Mar 12
KCC Result	993,000	1,048,000	939,000	816,000	909,000		
Target = previous year	945,000	945,000	945,000	960,000	960,000	960,000	960,000
Rag Rating	Green	Green	Amber	Red	Amber		

Commentary

There was an increase in visits to the KCC website during the last quarter that reflects the seasonal demand for schools information, such as term and exam dates and applying for a school place. Web site visits this year are lower than last year due to the Kent library computers no longer using the KCC web-site as a home page which created an inflated picture in last year’s figures.

However, page views are higher in this quarter compared to the same quarter last year, which could suggest we are engaging our visitors and offering them other content which they are also interested in.

Number of visits to KCC web site	Amber ↑
What actions are we taking to improve performance (and drivers of performance)	
<ul style="list-style-type: none"> • We are using YouTube to host videos and drive people to the website, as well as engaging with our followers on Twitter providing them with useful content and encouraging them to click through to the website. • Press releases include links back to Kent.gov. Readers are asked to visit the website for more information or are recommended useful content. The winter service page (www.kent.gov.uk/winter) has been publicised on YouTube, Twitter and in press releases. We will monitor page views over the winter period to determine if visits show an increase compared to last winter. • We are using analytics to track user journeys in the highways section, and will begin to monitor other top tasks. This will help us improve content and encourage online transactions. • In the longer term, the migration of customer contact towards more efficient and cost effective channels will lead to more visits to the kent.gov.uk site. 	
Risks and mitigating actions	
<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, Kent Adult Education). The Corporate Management Team has been asked to recommend which external sites move into kent.gov.uk.</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. Analysis on contact centre call volumes and web stats for our most-used services is underway as part of the Customer Services Strategy, which will provide recommendations for how to improve web content to encourage more people to use the website as their first point of contact.</p>	

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By: Jenny Whittle, Cabinet Member for Specialist Children's Services
Andrew Ireland, Corporate Director, Families and Social Care

To: Cabinet – 5 December 2011

Subject: **KENT'S MULTI-AGENCY LOOKED AFTER CHILDREN STRATEGY**

Classification: Unrestricted

Summary: This report presents the draft Looked After Children Strategy.

Recommendations: Cabinet is asked to ENDORSE the Multi- agency Looked After Children Strategy.

Introduction

1. (1) Kent County Council's improvement notice includes a requirement to put in place a detailed Looked After Children Strategy that sets out how the authority and its partner agencies will promote better outcomes for its looked after children and care leavers.

(2) The strategy has been influenced by feedback and contributions from all key agencies and services - schools and further education colleges, health services, Connexions, Catch 22, Young Lives Foundation and through the following boards; all of whom have endorsed the strategy:

- Kent's Corporate Parenting Group – May 2011 and July 2011
- Kent's Safeguarding Children's Board – May 2011
- The Corporate Parenting Panel – July 2011

(3) A commitment to support the implementation of the Looked After Children Strategy will be sought from the Kent Association of Headteachers.

(4) The strategy also includes contributions by children and young people through Kent's Children in Care Council. These are outlined in the strategy.

(5) The strategy contains 2 annexes that underpin the strategy:

- Annex A sets out the roles and responsibilities of professionals/staff involved in delivering corporate parenting. This was a specific issue highlighted by Ofsted as needing to be part of a looked after children strategy.

- Annex B outlines Kent's pledge to looked after children and care leavers.

(5) The strategy is also underpinned by the Looked After Children Work Plan; setting out the actions that are being undertaken with respect to looked after children and care leavers to achieve Kent's improvement plan, and by the placement strategy (under development), which is a 3 year strategy seeking to reduce looked after children numbers and overall expenditure on looked after children by the end of March 2015.

Financial Implications

2. The strategy is underpinned by Kent County Council's Specialist Children's Services' placement strategy, which seeks to reduce numbers and expenditure required to support looked after children, whilst also delivering better outcomes.

Bold Steps for Kent and Policy Framework

3. The strategy supports Bold Steps, especially focusing on tackling disadvantage and supporting independence through improving outcomes and reducing numbers of looked after children.

Legal Implications

4. None envisaged. The strategy encourages improved practice which is in line with existing legislation whilst encouraging a reduction in bureaucracy that can get in the way of promoting better outcomes for looked after children / care leavers.

Equality Impact Assessments

5. An equality impact assessment has been undertaken and no specific issues were identified from this assessment that required further attention in the strategy.

Implementation Proposals

6. (1) Each agency involved in delivering corporate parenting for looked after children and care leavers will be required to develop an operational plan setting out how they will contribute to delivering the looked after children strategy.

(2) These plans will be presented to the Kent Corporate Parenting Group and Corporate Parenting Panel for endorsement and review.

(3) An annual report from Kent Corporate Parenting Group, setting out progress in delivering the strategy, is to be presented to senior management groups/boards and member boards.

(4) The placement strategy will be a key driver in delivering the changes in practice and performance that are reflected in the objectives of the multi-agency Looked After Children Strategy. Members of Kent Corporate Parenting Group will be asked to secure support from their agencies/services to ensure that the objectives set out in the placement strategy are achieved. In this respect the placement strategy is seen as being something that is in the interests of all agencies involved in delivering corporate parenting; as well as promoting better outcomes for children and young people through strengthening their sense of permanency and belonging.

(5) Officers are in the process of developing Area/District based operational plans that will support the implementation of the strategy.

Risk and Business Continuity Management

7. The need for a multi-agency strategy was identified by Ofsted and is included in the requirements outlined by the Secretary of State in the improvement notice to Kent County Council.

Consultation and Communication

8. (1) The strategy has been consulted on widely - see Section 1 (2) of this report – including seeking the views of carers, professionals, elected members (via the Corporate Parenting Board) and children / young people.

(2) An executive summary of the strategy is to be produced. A summary of the strategy for children and young people will also be developed in liaison with Kent's Children in Care Council.

Sustainability and Rural Proofing Implications

9. The planned reduction in numbers of looked after children through the placement strategy includes measures to ensure that reductions made will be sustainable in the longer term, therefore maintaining effective services but at a lower cost (ie more for less).

Are there any Personnel or Health and Safety Issues which are relevant?

10. None envisaged.

Alternatives and Options

11. None. A multi-agency looked after children strategy is a requirement from the Secretary of State.

Conclusions

12. (1) The Looked After Children Strategy seeks to improve outcomes for looked after children / care leavers through enabling all key agencies to work together under shared goals and objectives in order to deliver good and effective corporate parenting.

(2) In addition to being a specific requirement from the Secretary of State, the implementation of the strategy will also enable opportunities to reduce the numbers of children and young people needing to be looked after.

Recommendations:

13. Cabinet is asked to ENDORSE the multi-agency Looked After Children Strategy.

Background Documents:

None

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Kent's Looked-after Children Strategy 2011 - 2014

Improving services and outcomes
for looked after children and care leavers
through good and effective corporate parenting



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Opening statements



Our strategy to deliver good and effective corporate parenting for children and young people in our care provides a clear commitment across all agencies in Kent to

safeguard and promote the welfare of this vulnerable group.

The strategy seeks to achieve this in three ways. Firstly, it provides a means to bring together the contributions made by different parts of Kent County Council and partner agencies; each of which has a vital role in the delivery of corporate parenting for looked after children and care leavers. Secondly, the strategy reflects the importance of listening to children and young people, involving them in decision making, and understanding how the decisions that we make for them affect them personally. Lastly, the actions outlined in the strategy reflect a recognition that more needs to be done to improve the life chances of children and young people who need to be looked after, especially if they are to fulfil their educational potential.

Our looked after children deserve the best start in life. I want them to be able to look back at their time in care as having been a positive experience, full of good memories of growing up, and opportunities to develop the skills and confidence they need to succeed in life.

Paul Carter – Leader of Kent County Council



Kent's strategy for delivering good and effective corporate parenting represents the local authority and partner agencies' commitment to

improve outcomes for children and young people in need of support and care through the looked after system. It provides clear direction and focus on what needs to be done to make this happen, which is about establishing and strengthening effective relationships between professionals and staff, and with children and young people and their families.

As a corporate parent, I welcome the messages that the strategy sends out to everyone who is involved in promoting and safeguarding the welfare of looked after children and care leavers. In particular, the views of children and young people that are represented throughout the strategy demonstrate the importance we give to listening and involving them in decision making at both a personal and strategic level. This does not, however, take away the responsibility that I, other corporate parents and those delivering corporate parenting on our behalf have in doing everything possible to ensure that children and young people's experience of being looked after is a positive one that makes a real difference in their lives.

Jenny Whittle - Cabinet Member for Specialist Children's Services



Kent's multi-agency strategy to improve services and outcomes for looked after children is one of the ways that we are realising the

strategic vision that Kent County Council has set out in its agenda for change 'Bold Steps for Kent'. It is an absolute priority for all of us.

What I especially like about this strategy is that it focuses on the things that really matter about being a good parent. This means putting children and young people at the centre of everything that we do, and achieving more than each of us can do on our own by establishing and maintaining good relationships with children and young people, their families and between the professionals involved in their lives.

A strategy alone is not sufficient to achieve the ambitions that we have set. Everyone involved in working with looked after children and care leavers needs to understand how the things that they do in delivering corporate parenting make a difference to the lives of children and young people.

We want each of you to discuss what this strategy means for you and your teams, in the role that you contribute to promoting good and effective corporate parenting and how you can help achieve the ambitions and aspirations that we have set for our children and young people.

***Katherine Kerswell - Managing Director,
Kent County Council***



NHS Eastern and Coastal Kent and NHS West Kent, and their partners are fully committed to improving the emotional health

and wellbeing of children in care, through strong partnership working and the development of holistic services.

In order to achieve high quality services and positive outcomes for looked after children, which are also economically advantageous, it is essential that a long term strategic approach is taken and sustained.

This is a comprehensive strategy for looked after children. It endorses the development of more integrated and effective preventative services to avoid the necessity of children becoming looked after and, if they do, to reunite them with their families successfully wherever possible.

The roles and responsibilities of health and partner organisations in delivering positive outcomes to the lives of vulnerable children and young people are clearly defined in the strategy, and will underpin the service delivery in our respective organisations.

We believe that this strategy provides a strong foundation to improve the lives of looked after children and young people.

***Ann Sutton - Chief Executive NHS Kent
and Medway***

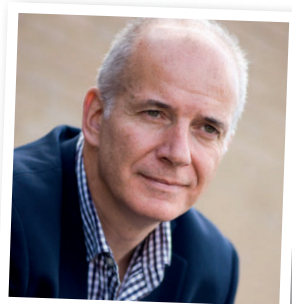


Kent's further education colleges and universities fully support Kent's Looked-after Children Strategy 2011-14.

Through the Kent and Medway Further Education and Higher Education Young Care Leaver's Strategy Group they will support the implementation of the strategy. Through the designated member scheme, they will ensure there is a positive transition to further and higher education for all young people in care or leaving care.

The colleges and universities are very supportive of the multi-agency approach to addressing the issues identified within the strategy and welcome the opportunity to help improve outcomes and life chances for these young people.

Graham Razey - Chair, Kent and Medway Further Education and Higher Young Care Leavers in Post-16 Education Strategy Group



Catch22 is proud to have been a partner of KCC in the development of services for looked after children and care leavers for more than 25 years.

The strategy demonstrates the commitment to continue sharing the responsibilities of KCC as a corporate parent and striving to improve how we carry this out. It not only sets out the task ahead of us but, in meaningful and achievable ways, describes how we'll go about making sure that the potential of young people in and leaving care

is achieved. Catch22 will embrace the aim of reducing bureaucracy, and will look to our own resources to provide opportunities for improving education, training and employability, building on the progress we've made together in the past year.

Parents will always need direction and the resources to improve. We applaud and fully support this strategy as a method to help us and young people make the most of what we have to offer and, in turn, encourage them to participate positively as citizens.

Chris Wright - Chief Executive, Catch22



Connexions Kent and Medway welcomes the implementation of Kent's Looked-after Children Strategy 2011-14. We commit to providing independent impartial advice and

guidance to young people who are looked after by helping them gain the necessary confidence, skills and qualifications to maximise their potential.

The views of children and young people who are looked after are evidenced throughout the document, giving clear direction to all corporate parents and partner agencies as to how we need to behave and work to provide the best outcomes for all young people who are looked after.

We must continue to listen to and empower these young people to ensure that we all translate the words in the strategy into actions that provide every individual with positive, enriching and fulfilling experiences that enable them to maximise their life opportunities.

Positive relationships and the sharing of common objectives between agencies is the key to the success of this strategy and its ability to deliver its promises to young people. Our responsibilities as corporate parents and partner agencies are defined and we must all ensure that we meet them. Connexions Kent and Medway gives its commitment to working with all agencies in the delivery of this strategy and to continual improvement.

***Sean Kearns – Chief Executive,
Connexions Kent and Medway***

As chair of Kent's Corporate Parenting Panel, I welcome the implementation of Kent's strategy for improving services and outcomes for looked after children and care leavers.



We will continue to ensure that children and young people are fully engaged in the reviews of our progress in implementing the strategy. I look forward to seeing ongoing improvements in the services and support that Kent provides.

***Cllr Ann Allen – Chair of Kent's
Corporate Parenting Panel***

As a corporate parent, I am committed to ensuring that all looked after children and care leavers in our care are provided with services and support that they need in order to achieve the best possible start in life. I believe that this strategy points the way to how we can work together to deliver a level of corporate parenting that will make a real difference to the lives of children and young people as they grow up and achieve independence.

I am pleased that, in addition to the recognition of the role of elected members and staff in delivering corporate parenting, children and young people themselves have been able to contribute to the development of this strategy - so that it reflects what they believe makes a difference in their lives.

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Introduction

This strategy is about 'good and effective corporate parenting'. That means it's about us – the children and young people in and leaving Kent's care. It's about how we are looked after and how things can be made better for us – not just while we are in care but also afterwards. The strategy contains a lot of words we wouldn't use and some we might not understand. But that's OK because we have been asked what we think and we've had our say. What we've said is in the strategy for all to see. We really want this strategy to work, so that children's and young people's experience of being in Kent's care is a positive one and builds solid foundations for our future.

Statement made by the Kent Children in Care Council

Kent County Council and its partners are committed to providing good and effective parenting to all the children and young people it looks after. This includes all young people who are care leavers, 16 to 24 years of age and have left care following their 16th birthday.

Corporate parenting is our collective responsibility to this group of children and young people. It goes beyond our other legal obligations to all children and young people in Kent. Looked after children have a right to good and effective parenting during their time in care, which enables them to achieve their potential and enjoy the same outcomes in education and health that we would want for any other child.

This includes doing everything possible to ensure that their time in care is a happy experience and leaves them feeling cared about, as well as cared for. It is an opportunity for them to develop strong, supportive relationships that extend well in to their adult life. Being good and effective corporate parents also means having high expectations of ourselves, as well as being ambitious for our children to achieve and do their very best.

Achieving this goal requires the collective engagement of all parts of the local authority and its partners to work together to establish a firm foundation of improvements in the way that children and young people are supported to succeed. It also requires involving children and young people in the decisions being made about them, and understanding their needs from their point of view.

This strategy document sets out the key challenges and objectives that we will need to address in order to achieve this, and what we will do to make this happen.

Our strategy is contained under five headings, which reflect the key issues impacting on the lives of looked after children and care leavers:

- Working together
- Becoming effective life long learners
- Developing into successful and responsible adults
- Being emotionally, mentally and physically healthy
- Feeling safe and nurtured in a home setting.

The timescale of this strategy is from April 2011 to March 2014.

Kent's multi-agency Corporate Parenting Group, and the county council's Corporate Parenting Panel, will review the progress that we make in delivering good and effective corporate parenting.

In addition to the quarterly reporting that Kent will make to central government on our progress to deliver the improvement plan, Kent's Corporate Parenting Group will produce an annual report. Kent's Children in Care Council will be encouraged and enabled to contribute to this document.

What is good and effective corporate parenting?

Corporate parenting recognises that public agencies are accountable for discharging parental responsibilities, and that good results depend on children/young people receiving the support that they need to fulfil their potential throughout life.

Good corporate parenting is about doing what any parent should do to promote the safety and welfare of their child; keeping children at the centre of everything that we do.

Effective corporate parenting involves working across agency boundaries. It requires everyone involved in the child/young person's life working together (with minimal bureaucracy) to provide the quality of care necessary to achieve the best possible outcomes for the child/young person in all aspects of their lives, especially in relation to their education and health.

Within this strategy, the concept of corporate parenting is also separated into two roles; those who are the corporate parents and those who deliver corporate parenting.

Corporate parents are represented by elected members of the local authority and senior officers, within Kent County Council, including all the directors and other members of Kent County Council's Pioneers Group. The job descriptions of all senior officers now includes a specific reference to their role as corporate parents.

The National Children's Bureau (Hart and Williams, 2008) has distinguished three levels of corporate parents:

- › **Level 3:** Specialist responsibility - lead elected members for children/ Director of Children's Services and Managing Director
- › **Level 2:** Targeted responsibility - corporate parenting groups
- › **Level 1:** Universal responsibility - all elected members.

A good and effective corporate parent at any level should know:

- how many children are looked after by their authority
- the reasons why their children have become looked after
- the profile of their looked after children (gender, age, race, religion and disability)
- where their children and young people are looked after
- the number of placement and education moves they experience while being looked after
- how the health needs of their looked after children and care leavers are being met
- how information about looked after children and care leavers is shared between relevant services in the local authority and partner agencies
- whether the best possible care is being provided for their looked after children and care leavers. Would it be good enough for my child?
- whether the outcomes for their children have been improving year on year. Are we being ambitious enough for them?
- what is being done to improve any shortcomings in performance and outcomes
- whether the schools and education establishments that their children attend know that they are looked after, and who their carers and corporate parents are
- how many of their school-aged children

are in receipt of a good education, and how many are absent from school (for whatever reason) for a significant amount of time during the school year

- how we celebrate the achievements of looked after children and care leavers
- the living arrangements that young people move to when they leave care, and if they need further support; whether in continuing education, employment or training, and
- consider the outcomes of looked after children and care leavers when making decisions in other aspects of their work for the council.

The delivery of corporate parenting

refers to the functions undertaken by staff in the local authority, local district councils, and partner agencies (including schools and further and higher education colleges) working on behalf of the corporate parents to promote the welfare and safety of children and young people looked after by them.

A summary of the roles, responsibilities and expectations of key members of staff in the local authority and partner agencies who are involved directly in delivering corporate parenting is presented in Annex A.

The meaning of corporate parenting to children and young people:

The clarification of corporate parenting used in this strategy is helpful for professionals, who need to understand their role in the corporate parenting process. For looked after children and young people, the meaning of corporate parenting will become evident more through their experience than it will through adult explanation. It

is from the daily interactions with carers, friends and family within the placement, the dedicated and regular time with their social workers and teachers, and the way that reviews are conducted that young people's understanding of corporate parenting is formed. It is, therefore, the people who deliver corporate parenting who have the most formative role to play. This is as much about attitude as activity and arguably more about relationships than resources.

Part of our strategy for ensuring that children and young people experience a positive sense of corporate parenting will be to look at reducing bureaucracy getting in the way of the decisions taken about them. We understand that bureaucracy is necessary to promote the safety and welfare of children, but it should not lead to situations where the person making decisions is so high up the managerial ladder that they are shielded from the consequences of the decision on the child/young person's life.

In order to prevent this from happening we will:

- look at how we can delegate much of the decision making for looked after children to their carers, supported by social workers, teachers and other professionals involved in the child/young person's life
- explore how we deliver and commission services to looked after children and care leavers that minimise bureaucracy and strengthen relationships between the child and key professionals in their lives
- look at how the recommendations outlined in the Munro Review of Child Protection (DfE, May 2011) should be applied to safeguarding looked after children and care leavers.

For staff and teams whose role in promoting better outcomes for looked after children is peripheral, there will be other ways in which they can demonstrate their contribution to effective corporate parenting. For example by offering apprenticeship opportunities for looked after children and care leavers, or thinking about how services they provide could be included as a firm commitment to looked after children and care leavers in Kent's Pledge. (Annex B)

Where we are

A profile of Kent's looked-after children/care leaver population

At 30 June 2011, there were 1745 children and young people looked after by Kent County Council. Of this group of children and young people:

- 233 (13.4%) were unaccompanied asylum seeking children
- 66 (3.8%) were placed with a parent
- 93 (5.3%) were living with a relative/family friend
- 1082 (62%) were living with non-related local authority foster carers
- 87 (5%) were in a residential children's home
- 183 (10.5%) were placed outside Kent of which 31 (1.8%) were living with a relative and 20 (1.1%) were placed with KCC-registered foster carers in Medway
- 84 (4.8%) have a disability
- 270 (15.5%) have a statement of educational needs
- 65 (6.5%) of 1040 looked after children over 10 years of age have been involved in offending
- 819 (46.9%) are under 12 years of age
- 716 (41%) are girls, 1029 (59%) boys

- 356 (20.4%) belong to an ethnic minority
- The average number of placements that our looked after children experience during their time in care is 3.4 (with a range of 1 to 56 placements)
- The average length of time that a child/young person is looked after before achieving permanence or leaving care is 580 days (1.59 years)
- The main reasons that children and young people become looked after are:
 - › Abuse or neglect = 274 (26.5%)
 - › Absent parenting = 268 (25.9%)
 - › Family dysfunction = 285 (27.6%)
 - › Family in acute stress = 117 (11.3%)
 - › Parental illness or disability = 33 (3.2%)
 - › Socially unacceptable behaviour (young person) = 24 (2.3%)
 - › Child's disability = 16 (1.5%)
- Kent is also responsible for supporting 1108 care leavers:
 - › 183 (16.5%) are relevant children (aged 16 and 17 years)
 - › 925 (83.5%) are former relevant children (aged between 18 and 24 years)
- 529 (47.7%) are asylum seekers
- 476 (43%) care leavers are being supported through Kent's Social Work Practice pilot (Catch22); 8 (0.7%) through Kent's children's disability team
- 324 (29.2%) are girls, 784, (70.8%) boys.

Key issues and challenges

Current performance:

The Ofsted Inspection of safeguarding and looked after children services (19 November 2010) highlighted a number of concerns about Kent's ability to deliver good and effective corporate parenting. Ofsted acknowledged that we are doing some things well and are confident in our ability to deliver the improvements necessary to meet our responsibilities as good and effective corporate parents to looked after children and care leavers.

Kent's Corporate Parenting Group (KCPG) has developed a work plan to support the implementation of Kent's improvement plan (which is now in phase 2). It sets out what actions we are taking to make the changes Ofsted have told us need to happen for our performance to improve.

Kent's rising looked after children population:

In Kent, the number of children and young people needing to be looked after (excluding unaccompanied asylum seeking children and those in short breaks) has risen by 385 since June 2008 (from 1127 to 1512 - June 2011). Most of this increase is because children and young people are being looked after for longer. This can be attributed, in part, to changes in practice introduced through the Public Law Outline (2008), which has led to the unintended consequence of delays in some court cases. The implications of the Southwark Judgement, which clarifies that homeless 16 and 17 year old young people are entitled to be looked after, has also resulted in

more young people becoming looked after following their 16th birthday.

A key part of Kent's strategy to promote better outcomes for children and young people is to ensure that they become looked after when this is the only way to promote their welfare, everything is done to ensure that they don't drift into care and that they can return home or achieve a sense of belonging and long term stability in other ways.

Kent's Placement Strategy (2011-15) sets targets and objectives do to reduce the number of children looked after through a range of service and practice initiatives, including:

- Reducing drift in care through robust care planning and ensuring that plans are implemented without delay, and that children and their families are involved in decision making
- Ensuring that, wherever possible, children and young people are enabled to return home to live with their parents, extended family or achieve permanency through adoption. We will do this by working together (including with adult services) in undertaking multi-agency assessments and providing support (especially from schools)
- Ensuring that we have an effective adolescent strategy that responds speedily to teenagers and their parents/families in crisis, giving them choice in the way that problems are resolved, and that doesn't lead to out-of-home care becoming the only resort
- We will ensure that the way that we support children on the edge of care living with family/friends provides a real alternative to the looked after system.
- Through the implementation of Kent's

preventative strategy, intervene in family problems at the earliest point to prevent escalation

- The implementation of specialist social work teams for looked after children.

New legislation and guidance:

This strategy is being implemented at a time of change, both political and in terms of major revisions to the legislation of social care, health and education that underpins our legal duties and responsibilities to looked after children and care leavers. Kent and its partners will be providing training for elected members and those responsible for delivering corporate parenting to ensure that they are familiar with the new regulations and guidance. The key objectives will be to:

- Ensure that everyone involved in corporate parenting is aware of the legislative changes to the children Act 1989 that came into force on 1 April 2011
- Make sure that there is clear guidance for everyone involved in delivering corporate parenting to help them understand how the legislative changes impact on their role, and that they know where they can receive additional guidance and advice on the regulations and how they should be implemented
- Keep children and young people at the forefront regarding how the regulations and statutory guidance are implemented
- Provide opportunities for multi-agency training
- Enable Kent's Children in Care Council, and other groups of children and young people, to contribute to the training being delivered to social workers, carers, teachers, nurses and other professionals involved in supporting them.

Looked after children placed in Kent by other authorities:

In addition to children and young people looked after by Kent County Council more than 1300 children are placed in Kent by other local authorities. Kent County Council and its partners have varying levels of responsibility to meet the needs of these children and young people, and this affects the priority that each agency will give them in their strategic implementation and operational plans. Aside from these differences, Kent County Council and its partners will work together to ensure that we:

- work with the corporate parents (the placing local authorities) of these children and young people to ensure effective communication about where children and young people are living in Kent
- let the placing authorities know the areas of Kent which have high numbers of looked after children (such as Thanet) and why additional placements would not be in children's' best interests
- are proactive in encouraging placing authorities to identify ways in which more children and young people can be enabled to remain living closer to their families, friends and local communities
- lobby the Government to ensure that the new sufficiency duty requiring local authorities to commission sufficient placements in their own area is being monitored and implemented.

How we obtain and use information:

An important element of good and effective corporate parenting is understanding and knowing what is happening to the children and young people being looked after. In Kent this means continuing improvements

in the information that all agencies obtain about looked after children and care leavers, and how we use and share this with each other. This is especially important in relation to how we use information to understand the education and health needs of our children and young people. It also means working with Kent's Children in Care Council to ensure that children and young people understand how we use personal information to promote better outcomes, and give them a greater say in how services are delivered.

offer support and advice

- *Let us have a consistent social worker that we can establish a good relationship with, and feel comfortable to talk to and tell them about our problems*
- *Let us leave care when we are ready to*
- *Help us find employment and plan for our futures*
- *Take the plans that you make for us seriously and implement them*
- *Provide us with a contract of entitlements*

What children and young people in Kent say about their experience of being looked after

In November 2009, Kent's Children in Care Council invited Kent's corporate parents to the launch of a DVD called 'Care to Listen'. It was designed and produced by some of Kent's looked-after children and care leavers to describe, from their point of view, what it is like to be looked after. The DVD is now an integral part of the training of social care, education and health staff involved in supporting the needs of looked after children and care leavers.

The key things that looked after children and care leavers want to tell us:

- *Provide us with more information about the carers we are placed with before the move*
- *Talk to us, not about us*
- *Take time to tell us what is happening, and before decisions are made*
- *Make sure we have an adult who cares about us, we trust and who is there to*

Our strategic objectives

Working together

A key objective of our strategy is to improve our corporate parenting so that we are able to work together more effectively. This requires everyone understanding their role in delivering good and effective corporate parenting, training and awareness raising in order to understand the needs of looked after children and care leavers and improve the way in which we collect, share and use information. It also recognises the need for better joint commissioning of services in those areas where different agencies have shared interests and overlapping responsibilities. This will allow us to target our limited resources more effectively.

An emphasis on working together encompassing the need to involve children and young people in decision making; in relation to how this affects them personally, and also in how they are able to have a say in the way services are provided and developed.

Our approach to engaging children and young people in decision-making rests on the following principles:

- Children and young people have views of their own, which cannot be represented by their parents or professionals
- Participation by children and young people leads to better decisions, which are more likely to be implemented effectively
- Research tells us that a failure to listen to children can have damaging consequences for their personal safety and/or the safety of others

- Involving children and young people in decision making enhances their sense of responsibility, resilience and ability to make decisions appropriately as they grow up
- Children and young people are legally entitled to be consulted when decisions are made that affect their lives. The United Nations convention on the Rights of the Child recognises that children and young people have the right that their views and opinions should be taken seriously in matters that affect them (UN Convention, 1989, Article 12).

What Kent's Children in Care Council says about working together:

- *Decisions about us should be made with us*
- *Don't tell us it's in our best interests without asking us first*
- *Give us options, rather than just your choice*
- *Give us information that we can understand*
- *Take time to explain things to us*
- *If you say to us that you are going to do something, do it - or explain to us why it hasn't been possible*
- *Turn up on time to meetings with us.*

Where we are:

In November 2010, Ofsted concluded that Kent County Council and its partners' performance in partnership working to support looked after children and care leavers was adequate overall. It included some examples of good partnership working in operational practice. This includes:

- Establishing effective partnership arrangements between the youth offending service and children's social services
- The development of multi-agency teams within Kent's virtual school (VSK).

This is also reflected in Kent's performance in enabling over 95% of looked after children to participate and share their views in their looked after review meetings.

Working together effectively, however, has been undermined by a lack of strategic focus and purpose which this document seeks to address. There is also a need to strengthen our involvement with the voluntary sector so that we are able to use their capacity more effectively to support looked after children and care leavers more effectively.

In the same report, Ofsted praised Kent County Council and partners for the way in which they established a sound platform across all agencies that encourages regular and systematic engagement of looked after children and care leavers regarding their wishes and feelings. This is reflected in the development in 2010 of Kent's fully elected Children in Care Council, and the way the county councillors with a specific remit for championing the rights of this group of children have engaged with them.

Ofsted also found evidence of good

engagement with looked after children by foster carers, independent reviewing officers and within community health services.

While we are doing some things well in the way in which we work together, we recognise that there is still much that needs to be done to reach the level of performance that we think represents effective corporate parenting. The steps we will need to undertake in order to achieve this are outlined in the next two sections.

What we will do:

- Develop a contract of entitlement for looked after children and care leavers
- Encourage children and young people to contribute to the design and development of services for them by strengthening Kent's Children in Care Council's ability to represent their views and interests
- This will include increasing the numbers of children and young people involved with the children in care council, and the way in which the CICC tells children and young people about the work it is doing on their behalf
- Make sure that everyone involved in promoting the safety and welfare of looked after children and care leavers understands other people's roles in delivering good and effective corporate parenting and the importance of working together
- Ensure that all children and young people looked after and in the process of leaving care know how to make a complaint if they are unhappy with any aspect of the service they have received or are receiving, and ensure that they are supported in doing this
- Look at ways in which we can use the

experiences of young people leaving care to improve services

- Develop more sophisticated ways of using and sharing information.

about their views and opinions before any decisions are made that affect them. We will also explain the reasons for a decision when this does not reflect the child/young person's wishes and feelings.

How we will get there:

1. We will increase the number of young people who can contribute their views about the services and support they receive, through:
 - › Strengthening arrangements to support the Children in Care Council by increasing the number of apprenticeship posts involved in co-ordinating the running of the CICC from 1 to 2
 - › Increasing the number elected to Kent's Children in Care Council from 12 to 24
 - › Promoting area Children in Care Councils as well as a central Children in Care Council
 - › Ensuring that the Children in Care Council reflects the views and opinions of disabled children and minority groups
 - › Raising awareness of Kent's Pledge among children and young people.
2. The recruitment of all staff who have a key role in delivering looked after and care leaving services will involve a panel of young people
3. We will continue to involve looked after children and young people in delivering training to social workers, carers, teachers, nurses, Youth Offending Service workers, elected members and other key staff involved in delivering services and support for them
4. We will ensure that (appropriate to their age and understanding) looked after children and care leavers are consulted

Becoming effective life-long learners

A good education is essential in order to become successful and healthy throughout life. We want our children to do well in school and in any further and higher education that they choose to undertake. Most importantly, we want them to achieve their very best in everything that they do. We also want to ignite in them a passion for learning that remains with them as they move into adulthood and independence, so that they are able to respond and adapt effectively to the challenges that they will face in the future.

Some looked after children do very well at school, but they often face additional barriers to success in their education. This includes missing substantial periods of their education, which can occur for different reasons, such as delay in being given a school place; poor health; being excluded from school; placement changes making it harder to get to school; being placed in the wrong school for them; and truanting.

Having at least one adult in their life who acts as a good role model, encourages them to attend school and supports them in their reading and doing their homework is as important for every school-aged looked after child as being provided with a good school.

Our strategy will focus on addressing the imbalances that children and care leavers face so that they can achieve their very best.

What Kent's Children in Care Council say about education:

- *Sometimes other things in our lives get in the way of our education*
- *Help us catch up when we need to*
- *Schools should be safer places*
- *Take bullying seriously*
- *Don't make us stand out in school as different from the other students*
- *We need adults who take a real interest in what we do at school – not just in the classroom but in sports, acting, music and other stuff*
- *Exams aren't everything. Some of us shine in other ways.*

Where we are:

In November 2010, Ofsted concluded that KCC and its partners performance in helping looked after children and young people to enjoy and achieve was inadequate; especially in relation to promoting better educational outcomes.

While a headteacher had been appointed in September 2010 to run Kent's Virtual School for looked after children, this initiative had not been in place long enough to have any impact on raising the educational performance of looked after children.

Despite the work undertaken by individuals, partnership working was not as effective as it needed to be to increase standards and raise the aspirations of our looked after children and young people. Together with poor overall achievement in terms of school attendance, exclusions and education performance in Key Stage SATs we recognise that Ofsted had no choice but to rate KCC and its partners performance in this area as 'inadequate'.

This is reflected in Kent County Council's performance on a number of indicators used by the government to establish how well local authorities are promoting the education of looked after children.

Kent's performance on these indicators for 2010/11 is outlined below:

- NI99 - 46% - 1% above national average for looked after children (L4+ Maths KS2)
- N1100 - 45% - 1% above national average for looked after children (L4+ English KS2)
- N1101 - 10.4% - 1.46% below national average for looked after children (5A*-C inc. EandM KS4)
- CF/C24 - 12% - 0.5% above national average for looked after children (25+ days absence)
- 150% above the national average for looked after children permanent exclusions at 1%.

We recognise that a test of KCC and it's partners ability to deliver good and effective corporate parenting is how well everyone communicates and works together to promote better educational outcomes for this group of children and young people. The virtual school for looked after children and care leavers has led to a service, with a clearer vision and identity and giving direction and leadership for the whole of Kent, with respect to the importance of education and raising expectations for educational achievements of looked after children and care leavers.

What we will do:

- Build capacity in schools and other educational settings

- Ensure that personal education plans (PEPs) are based on a comprehensive and integrated assessment of the child/ young person's needs which identifies any learning difficulties and puts in place appropriate help for them
- For young people in post-16 education, working in partnership with sixth forms colleges and training providers, continue to provide personal education plans
- Robustly track and monitor looked after children's performance and outcomes
- Ensure all looked after children have timely access to high quality support and intervention
- Improve attendance of looked after children
- Promote the role of the designated member of staff (further and higher education) for looked after children in Kent's further education colleges and universities.

How we will get there:

1. A targeted local authority response to promote better educational outcomes of looked after children and care leavers through:
 - Ensuring all services work closely and efficiently to provide timely high quality support
 - Schools to receive a menu of continuing professional development opportunities along with high quality information, advice and guidance
 - Sharing best practice through direct working opportunities and the Virtual School Kent website
2. Develop a portfolio of learning needs assessments in partnership with Kent education psychology service. Develop best practice and model initial personal education plan process built on effective assessment of learning needs

3. Secure, robust and functional management information system that is fit for purpose for a range of professionals working with looked after children. A system with up-to-date, accurate education, health and social indicators to regularly track and monitor to ensure effective planning and use of resources
 4. Develop a locality based delivery model, building a team around the child and which will reduce the staff to looked after children from 1:750 (July 2010) to best-practice ratios of 1:30-50
 5. Develop best-practice model with attendance and behaviour service, including a robust service level agreement with the education welfare service. In addition, develop the Kent Looked After Children Exclusion Strategy to include closer working with schools, colleges, academies, pupil referral units and alternative curriculum placements and reduce exclusions by offering support officers in the school from the virtual school Kent.
- 33% by the end of the academic year 2011/12
 - Narrow the gap in attainment (measured by the percentage of young people achieving 5 A*-C at GCSE including English and maths) between looked after children and their peers to no more than 36% by the end of the academic year 2011/12
 - Reduce the percentage of looked after children who miss 25 days or more days of schooling during the academic year to no more than 11%.

These five actions will ensure that the educational attainment of looked after children achieves or exceeds the following targets that the Secretary of State has asked KCC and its partners to achieve:

- Narrow the gap in attainment (measured by the percentage of young people achieving level 4 in English at the end of Key Stage 2) between looked after children and their peers to no more than 34% by the end of the academic year 2011/12
- Narrow the gap in attainment (measured by the percentage of young people achieving level 4 in maths at the end of Key Stage 2) between looked after children and their peers to no more than

Developing into successful and responsible adults

We also know from our experience supporting young people through the process of leaving care that many do go on to achieve success in their lives, and they value continuing support during early adulthood from their corporate parents. It is widely accepted that without good and effective corporate parenting during their transition into adulthood and independence, care leavers are vulnerable to becoming needy, disenfranchised and alienated adults; increasing their likelihood of mental health problems in adult life, going to prison, unemployment, and being homeless.

What Kents' Children in Care Council say about leaving care:

- Don't underestimate how scary leaving care is for us
- Most young people in the country don't leave home until their mid-20s and can still rely on parental support after that. What about us? Where can we turn for help when we've left care?
- Have a range of decent accommodation with different levels of support to fit our needs and capabilities
- Don't rush us into independence. Work with us until we are ready
- Don't judge us by our mistakes. You were 21 once!

Where we are:

During Ofsted's inspection of Kent County Council in 2010, the quality of support provided to young people who were looked after or in the transition of moving into adult independence as care leavers was praised by the inspectors. Ofsted noted that Kent's 16 plus service, one of four phase 1 social work practice pilots, was spoken about positively by young people for raising ambition and aspiration and making a positive difference in their lives, including opportunities for ongoing education, training and employment.

Kent County Council and its partners are also seen to have responded well to providing services for unaccompanied asylum seekers, all of whom are looked after and/or eligible for leaving care services by virtue of the Hillingdon Court Judgment (2003). Services were seen as providing good support in relation to access to education and effective advice on housing, and for providing two dedicated independent reviewing officer posts. Kent's service for unaccompanied asylum seekers was also recognised for the way it provides information about services, rights and entitlements to unaccompanied asylum seekers in different languages and helping young people learn to speak and understand English. It was noted, however, that more work is needed on providing quick and easy access to legal advice.

With respect to disabled children, while they are considered to receive an overall good service, Ofsted has noted that those who do not meet the threshold for adult services continue to give cause for concern. Kent County Council and its partners have also been responsive to ensuring that the needs of homeless 16 and 17

year olds are being met. Kent is one of the first local authorities to establish clear protocols between local authority children and young people's services and local housing authorities regarding how the needs of these young people will be met, in accordance with section 20 (CA 89) and the Southwark Court Judgment (2009).

Kent County Council and its partners performance in relation to a range of relevant indicators that it reports to government each year was (2010/11):

- N1147: Care leavers in suitable accommodation = 82% approx (94% excluding unaccompanied asylum seekers who have gone missing due to their immigration status)
- N1148: Care leavers in education, training or employment at 19 years = 60%

Kent County Council and its partners are moving in the right direction to help young people develop into successful and responsible adults. Nevertheless, there are still areas in our delivery of corporate parenting that we need to improve. This includes more focus on helping young people who have become disengaged from education, and providing more apprenticeship opportunities for older looked after children and care leavers to help them develop the skills they need to be successful in work.

While nearly all of our looked after children and care leavers aged 16 years or more have an up-to-date pathway plan, more work is required to improve the quality of these plans, so that they are achievable. We know from listening to young people that many feel that not enough is being done to ensure that their pathway plans are implemented properly.

More work also needs to be done to improve the support provided to looked after children and care leavers who are experiencing emotional and mental health problems. This includes extending accessibility to Child and Adolescent Mental Health Services to all young people up to their 18th birthday instead of having to access adult mental health services.

The actions being taken to improve accessibility of child and adolescent mental health services for looked after children and care leavers are detailed under the strategic objective - 'Being emotionally, mentally and physically healthy' (see page 25).

What we will do:

- Ensure that every young person in the process of leaving care has a good pathway plan, based on a thorough assessment of their needs, and which is implemented to time
- Ensure that our care leavers are able to live in suitable accommodation in good quality surroundings that leaves them feeling safe and secure
- Support our care leavers to know what support (financial and practical) is open to them and how they can obtain it
- Provide specific help to young people leaving care in obtaining employment or training or in pursuing further education
- Support care leavers who want and are able to go into higher education.

How we will get there:

1. Review, with our young people, the design and content of the current pathway plan to ensure that it is delivering good and effective corporate parenting

2. Work with the health services to improve accessibility and impact of child and adult mental health services for 16 and 17 year olds
3. Work with district housing authorities, social housing associations and other key partners in the voluntary sector to increase the range of accommodation provision for young parents, offenders and those with a learning disability. This includes recruiting and training more supported accommodation providers across the county
4. Develop with staff, the children in care council, and other young people, the implementation of the 'pathway to independence training pack' and a range of other training opportunities in respect of social skills development
5. Continue to develop a range of employment, education and training opportunities, that reflect the aspirations and needs of looked after children and care leavers. They will have those needs represented on all employment, education and training strategic groups
6. We will identify apprenticeship opportunities within Kent County Council and encourage voluntary agencies we commission services from to provide apprenticeships for our looked after children and care leavers in order to ensure we can guarantee an opportunity for all our looked after children to apply for an apprenticeship.

Being emotionally, mentally and physically healthy

Helping looked after children to acquire good physical, mental and emotional health is a fundamental component of positive health and wellbeing and an essential pre-condition to successful learning, happiness, and success in life. Looked after children and care leavers are more likely to experience poor physical and mental health. Many looked after children come into care with chronic physical and mental health problems that have not been spotted due to neglect.

There is a risk that the experience of being looked after can exacerbate these difficulties if they are not dealt with promptly, and services and support to address them are delayed. Being looked after can also generate other stresses in the child and young person's life that create new health problems for them, especially in relation to emotional and mental health, which can get in the way of them achieving their best.

The National Institute for Health and Clinical Excellence (October, 2010) outlines the following principles and values for promoting the quality of life for looked after children:

- Put the voices of children, young people and their families at the heart of service design and delivery
- Deliver services that are tailored to the individual and diverse needs of children and young people by ensuring effective joint commissioning and integrated professional working
- Develop services that address health and wellbeing and promote high quality care
- Encourage warm and caring relationships between child and carer that nurture attachment and create a sense of belonging so that the child or young person feels safe, valued and protected
- Help children and young people to develop a strong sense of personal identity and maintain the cultural and religious beliefs they choose
- Ensure young people are prepared for and supported in their transition to adulthood
- Support the child or young person to participate in the wider network of peer, school and community activities to help build resilience and a sense of belonging
- Ensure children and young people have a stable experience of education that encourages high aspiration and supports them in achieving their potential.

What Kent's Children in Care Council say:

- *Treat us with respect and remember that the stuff you want us to talk about can be really private and personal*
- *Too many changes in our lives does our heads in. Sometimes, it feels like 'pass the parcel'*
- *Don't make us go to medicals*
- *Getting the right help when we need it can take too long*
- *Sometimes you seem more worried about teeth than the really heavy stuff*
- *We need to be able to speak with people who will listen, understand and help.*

Where we are:

Ofsted in 2010 highlighted the need for Kent County Council and its partners in primary care and hospital trusts to improve the way in which services, such as initial health assessments, and ongoing health reviews, were being delivered.

The percentage of Kent's looked after children who receive an annual health assessment each year (82.5% in 2009/10) has remained below the national average of 85.6%.

The average time a child waits to receive an initial health assessment in Kent is around three months. This should be undertaken within 20 working days of a child/young person becoming looked after.

We need to do much more to improve the support that looked after children who are experiencing emotional and mental health problems, receive from us. While not all looked after children will need specialist support, the child and adolescent mental health services needs to become much more effective and consistent in its ability to meet their needs.

We also need to do more to ensure that looked after children are properly screened to identify those with a substance misuse problem.

What we will do:

- Ensure that all looked after children get access to annual health reviews and an initial health assessment within 20 working days of being looked after
- Achieve by March 2012 the target set by the Secretary of State that the

percentage of looked after children having health and dental checks increases to at least the England average of 85% and to at least maintain this during 2012/13

- Make sure that every looked after child has a health plan based on a thorough integrated assessment of their needs
- The local authority and NHS Kent and Medway have collaborated to redesign child and adolescent mental health services for looked after children. This includes the child and adolescent mental health services for looked after children and also specialist child and adolescent mental health services
- Ensure that looked after children and care leavers get an opportunity to take part in consultations about health delivery
- Become more effective at monitoring health outcomes for looked after children and care leavers, and using this information in strategic planning
- Encourage looked after children and care leavers to take age-appropriate responsibility for their own health care.

How we will get there:

1. The primary care trust and the local authority will work with providers to meet statutory timescales for health assessments, and to improve the quality of health assessments in line with national requirements
2. All health assessments will consider, as appropriate, health promotion such as substance misuse, sexual health and smoking
3. Approval has been given to re-procure services which provide early intervention across Kent, including consultation with professionals working with looked

after children. Approval has been given to re-procure community child and adolescent mental health services to prioritise looked after children and provide services to meet their needs. Procurement started in September 2011, and the new service will start in September 2012. Until then, current services will ensure that looked after children receive the most appropriate service

4. In order to provide a more integrated and consistent service for young people in Kent, a community child and adolescent mental health services model for the delivery of specialist and targeted mental health services is being developed and will be introduced in April 2012.

Feeling safe and nurtured in a home setting

Good and effective corporate parenting ensures looked after children maintain their safety and also promotes the kinds of risk taking associated with increased self esteem and happy memories of childhood.

All children need to be kept safe from the risks they might face whilst growing up, which have become increasingly complex through modern technology, such as mobile phones and the internet. Many looked after children have missed out on parental guidance on personal safety before coming into care, which can leave them especially vulnerable.

Being looked after should provide a nurturing environment for children and young people to grow up in. It should be a time that they can look back to with happy memories.

Growing up in a stable, supportive and nurturing family, where children and young people feel secure, is one of the most important factors in helping them to achieve this. It increases their stability and security, their resilience to cope with adversity, and helps them to establish healthy relationships with other people.

We want all our looked after children and care leavers to feel safe and secure, and to experience as strong a sense of belonging as possible. We will ensure that all looked after children and care leavers have at least one adult they can turn to in times of need.

What Kent's Children in Care Council say:

- *It's difficult to feel secure when you are moved from place to place*
- *Listen to what we say about staying put and moving on*
- *It can be difficult to adjust to a new placement when it is so different from the one before*
- *My room's untidy, I'm late down for breakfast, and I don't say much. What's the problem? I'm a teenager - Get over it!*
- *Social workers don't have caseloads. They have individual young people who need support.*
- *We need people who are going to be there for us long term.*

Where we are:

While Ofsted rated Kent County Council's performance in promoting outcomes for looked after children as inadequate, they did form a view that the authority was performing adequately with respects to keeping it's looked after children safe and Kent's children were, on the whole, being seen regularly by a social worker.

In 2010/11 Children's Social Services revised its guidance for social workers and other staff regarding the promotion of permanency for children and young people.

Kent's fostering service has consistently received a good rating from government inspectors, and now has 700 foster carers, enabling the majority of Kent County Council's looked-after children to live in a family setting with over 80% in foster care.

Effective protocols have also been in

place since 2007 between children's social services and Kent County Council's youth offending service, which help to ensure good partnership working between the two services so that staff are clear about their roles and responsibilities.

Kent County Council's homelessness protocols for older looked after children and care leavers was introduced in 2010 in response to the Southwark Court Judgement (2009), and is a good example of partnership working between the local authority and district council housing authorities.

There is still much to achieve in order for Kent County Council and it's partners and to become a good and effective corporate parent. This includes a focus on improving the following:

- The level of support provided to children and young people who need to be placed long distances from home, ensuring that wherever possible children remain living close to their family, friends and communities
- The frequency of visits made to looked after children, ensuring that social workers meet the new regulations regarding visiting frequency to looked after children in different placement types from April 2011
- Aligning Kent's missing-from-care and missing-from-education safeguarding processes
- Reductions in the number of children being excluded from school (see also section on 'Becoming effective lifelong learners')
- Placement stability
- A focus on promoting permanence; ensuring that all looked after children have a strong sense of stability and belonging where they live.

What we will do:

- Ensure that 'permanency' is at the heart of all decisions made regarding children and young people
- Meet the target issued by the Secretary of State to improve the percentage of children adopted to 11% by March 2012 and to 13% over the period 2012/13
- Increase the stability of placements for all looked after children by increasing placement choice, and reducing the number of children who live a long distance from their family and friends. This includes reducing the number of children or young people placed in Thanet and other areas of Kent experiencing high levels of deprivation
- Ensure that every looked after child has an up-to-date care plan that addresses their placement needs, education, health, day-to-day arrangements for care, permanency and planning for independence/adulthood (where appropriate)
- Implement the recommendations from the Independent Review of Kent County Council's adoption service
- Make sure that adults who work with disabled children and unaccompanied asylum seeking children or young people have the skills and tools to communicate effectively
- Maintain good record keeping of children's case files to ensure effective decision making with respect to children's welfare and safety
- Help looked after children and care leavers understand their past and the reason why they looked after through direct work, such as life story work, revisited at key stages as they grow up.

How we will get there:

From April 2011:

1. Implement Kent County Council's revised permanence policy, including strengthening the sense of permanence and belonging for looked after children in long term care through the role of permanence panels
2. Look at ways to improve the stability of social workers allocated to looked after children, and ensure that the frequency of visits being made to looked after children are at least the minimum statutory requirement
3. Ensure that all social workers and foster carers are working to the Fostering National Minimum Standards (2011)
4. In response to what children and young people have told us about their experiences of coming in to care (see page 14) make sure that all carers have a family profile which will be shared with children and young people before they are placed
5. Continue to involve young people in the selection of foster carers
6. Provide training and support to all carers, children and young people about e-safety.

Taking the strategy forward

Kent's Corporate Parenting Group will work in partnership with the Corporate Parenting Panel, and with Kent's Children in Care Council, and other key boards, such as the Kent and Medway Further Education and Higher Education Strategy Group for the educational support of young care leavers. This partnership will provide the strategic leadership to ensure that all agencies involved in corporate parenting understand

their part in delivering and achieving the objectives in the time required.

The implementation of the strategy is supported in four ways:

- Through Kent's Pledge to looked after children and care leavers (Annex A)
- Kent's looked after children Work Plan (Annex B)
- The development of a strategic implementation/operational plan by each agency/service delivering corporate parenting
- Regular monitoring of the strategy, including quarterly reporting each year to Kent County Council's improvement board and Cabinet.

application of G) (FC) (Appellant) v London Borough of Southwark (Respondents).

United Nations Convention on the Rights of the Child. (1989). Article 12:

"Parties shall assure to the child who is capable of forming his or her own views the right to express those views freely in all matters affecting the child, the views of the child being given due weight in accordance with the age and maturity of the child..."

References

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Department for Education. (2011). The Munro Review of Child Protection: Final Report – A child centred system.

National Institute for Health and Clinical Excellence (NICE). (October 2010). Promoting the quality of life of looked after children and young people. NICE publication health guidance 28.

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Annex A:

Roles and responsibilities of professionals working with looked after children and care leavers to deliver corporate parenting

Social workers

The role of the social worker is to promote the welfare and safety of looked after children and care leavers through the provision of services to provide support and using various legal powers to reinforce the norms and values of society in respect of how children should be brought up.

Given the statutory nature of what social workers do, they often take on the role of 'lead professional' to protect and promote the welfare of vulnerable children, including those children who are looked after. The lead professional role is reinforced in the Children Act 2004. It is also a statutory requirement that every looked after child is allocated a social worker, who must be registered with the General Social Care Council.

Social workers take a variety of approaches, including the application of assessment, therapeutic and direct work with children/young people and their families, providing information and advice, mobilising resources, and working in partnership with other agencies.

Social workers have a number of specific responsibilities for looked after children:

- A primary responsibility is to ensure that every looked after child has a care plan, based upon an up-to-date assessment of the child's needs. The care plan includes a focus on the education, health, and placement needs of the child, and must also set out the day-to-day arrangements for how looked after children are to be cared for. For children looked after for more than four months, their care plan must also set out how permanence will be achieved. This may be rehabilitation home, adoption, or where permanence outside of the looked after children system is not possible, how the child can establish a strong sense of stability and belonging while they are looked after. The care plans for young people looked after from their 16th birthday must also include a pathway plan, which sets out how their transition to adulthood will be achieved
- Social workers also fulfil the statutory duty placed on local authorities to ensure that every looked after child is visited within minimum intervals. This can be anything from weekly to every three months, depending on their needs and the stability of their placement. Children and young people have a right to request a visit from their social worker between intervals, which social workers must respond to wherever possible. Some visits to looked after children must take place at their placement, with their carers but they also must have an opportunity to speak with their social worker on their own. The safeguarding function of social workers also means that some visits to the child/young person in their placement should be unannounced
- Social workers are also responsible for ensuring that every looked after child has a statutory review meeting, which must occur at set intervals. These are within the first 28 days of the child becoming

looked after, then three months later, followed by intervals of no more than every six months thereafter

- For care leavers, the statutory review meeting is replaced with a review of their pathway plan, which must be at intervals no more than six months
- Social workers are required to work closely with the designated teacher in the child's school to ensure that an effective personal education plan is in place, which is drawn up with the child, parents, carers, and other relevant people - and updated at least six monthly
- Social workers should also be supportive to the child's carers, and maintain regular contact with the child's school in order to monitor progress.

Foster carers

Foster carers provide a safe environment for children where they can experience as full a family life as possible. Carers can make everyday decisions as they would their own child, and without the child feeling that they 'stand out' as a looked after child (Foster Carers Charter DfE 2011). The fostering task is set out in Volume 4 of the Children Act 1989 Regulations and Guidance which emphasises that foster carers should:

- Make children feel welcomed into the foster home, treated and valued as a member of the family, and included in the everyday life of the family
- Subject to the child's care plan, help to promote, support and encourage children to maintain positive and constructive contact with their parents and wider family, friends and others who are important to them
- Model respect for the children they care for, and provide them with private space for their belongings, to do homework, see friends and family, manage personal issues and feel safe
- Give the child information, appropriate explanations and choices about what happens in line with their care plan
- In close partnership with the child's social worker and the fostering social worker, give individual personal support to the child in view of their gender, faith, ethnic origin, cultural and linguistic background, sexual orientation and any disability they may have
- With support from the fostering service, health professionals and the child's social worker, be responsible for the day to day health of children placed with them. For children receiving short break care, responsibility for health care remains with the parents, but foster carers will be responsible for maintaining ongoing health treatment during the short break, and for emergency treatment
- Protect children from harm, including abuse, accidents, bullying or negative attitudes. They should be able to recognise and deal with any indications or incidents of bullying, act proactively and intervene positively, engaging with those bullying as well as those being bullied
- Promote positive behaviour by responding positively to each child or young person's individual behaviour and to be skilled at both diffusing difficult situations and avoiding situations escalating
- Understand that supporting looked after children to attend school regularly and succeed in education are primary tasks. This includes helping the child with their homework and attending parent meetings where appropriate. They should work with the responsible authority to ensure that arrangements are in place

for monitoring school attendance and educational progress and achievement. They should enable children to take part in activities such as sports, children's clubs, drama groups, etc

- Give children and young people age appropriate opportunities to learn the skills they need to develop self-esteem and a positive sense of personal identity, and be prepared for adult life.

Fostering social workers

The fostering social worker assesses prospective foster carers, and provides social work support, information and advice to carers to enable them to provide consistent, high quality care to the child. (The Fostering Services (England) Regulations 2011; The Children Act 1989 Guidance and Regulation volume 4: Fostering Services; Fostering Services: National Minimum Standards).

The fostering social worker:

- assists in dealing with relevant services, such as health and education
- supports foster carers to help individual children and young people cope if they are subject to discrimination, marginalisation or ridicule from their peers by virtue of their gender, religion, ethnic origin, cultural background, linguistic background, nationality, disability, sexual orientation or looked after status
- identifies, as part of the approval process for carers, any individuals who may play a significant role in providing support for these carers in their role
- facilitates an appropriate match between the child and the carer, where the placement can reasonably be expected to meet the child's needs
- ensures information on carers is provided to the child, in partnership with the child's social worker, before placement
- supports the child's social worker in drawing up the placement plan for the child
- in considering whether a relative, friend or other connected person should be approved as a foster carer, take account of the needs of the child who would be placed with them and the capacity of the carer to meet those particular needs
- oversees the support received by the carer
- supports the foster carer, particularly where children display very challenging behaviour, and aid understanding of how children's previous experiences can manifest in challenging behaviour
- supervises the foster carer, ensuring that they are meeting the child's needs and offer support and a framework to assess the carer's performance and develop their skills
- ensures the foster carer records, and helps children record (subject to age and understanding), significant life events, including photographs and other memorabilia of their time in placement
- makes regular visits to the foster carer, including at least one unannounced visit a year, to ensure that the home continues to meet the needs of looked after children
- supports carers where young people are approaching adulthood
- provides a written report of the annual review of the foster carer
- ensures that the foster carer evidences attainment of the Children's Workforce Development Council standards within 12 months of approval
- provides comprehensive information about the policies and procedures of the fostering service, including those relating

to the handling of allegations, and about the support which will be offered.

The county adoption service

The county adoption service is a social work service which works with children's districts to identify permanent placements for looked after children through adoption. The service recruits, assesses and supports prospective adopters and it supports the children, their birth families and their adoptive families before the adoption order is made and afterwards.

Residential care workers

These people work in different settings, including children's homes, residential schools, and secure residential units. Residential care workers are responsible for providing primary care to children and young people living in the residential home. It is usual that each child/young person living in the home is allocated one particular residential care worker who will act as their 'keyworker'. This person takes a particular interest in the child's life, working with his/her social worker and other professionals, and attending meetings concerning them such as reviews. There is expected to be good liaison between the residential care/key worker and the designated teacher; through care workers attending school meetings, parents evenings and looked after children reviews.

Like foster carers, residential care workers are responsible for supporting children in their educational achievement, both through activities within the home and engaging with their schools and successfully promoting attendance. Residential staff have a responsibility to act as an advocate for, or

on behalf of, a looked after child who maybe experiencing difficulties. If, for example, children are excluded or not on a school roll then they must work closely with the child's social worker and the responsible authority so that the child is properly supported and enabled to resume full time education as soon as possible.

Residential children's homes must also ensure that children/young people have dedicated spaces where they can complete homework and undertake private study without being distracted by what else is going on in the home. Residential care workers also need to know their responsibilities in terms of whether they are authorised to give medical consent and sign permission slips for schools trips and activities. These delegations must be outlined in the child placement plan, which should be in place within 10 working days of a child/young person being placed in the residential home.

The roles and responsibilities of children's homes are laid out in the National Minimum Standards for Children's Homes (revised April 2011), and the Children's Homes Regulations 2001 (revised 2011).

Independent reviewing officers

This role was introduced by statute in 2004. Their primary focus is to quality assure the care planning and review process for each looked after child, and ensure that their wishes and feelings are given full consideration.

The statutory duties of the independent reviewing officer are outlined under section 25B (1), of the Children Act 1989, and in the Independent Reviewing Officer Handbook, which is part of the Children Act 1989

amendments in Volume 2 Care Planning, Placement, and Case Review Regulations and Statutory Guidance (2010).

The statutory duties of the independent reviewing officer are:

- Monitor the performance by the local authority of their functions in relation to the child's case
- Participate in any review of the child's case
- Ensure that any ascertained wishes and feelings of the child concerning the case are given due consideration by the appropriate authority
- Perform any other function which is prescribed in regulations

The key responsibilities of the independent reviewing officer are:

- Promote the voice of the child
- Ensure that plans for looked after children are based on detailed and informed assessments, are up to date, effective and provide a real and genuine response to each child's needs
- Make sure that the child understands their rights to make a complaint and to access an advocate if they need help in expressing their views
- Offer safeguards to prevent drift in care planning and delivery of services
- Monitor the activity of the local authority as a corporate parent in ensuring that the child's wishes and feelings are given proper consideration and weight and that the child fully understands the implications of any changes to his/her care plan

Youth Offending Service workers

The principal aim of the youth justice system is to prevent offending by children and young people. The Youth Offending Service is a multi-agency partnership of representatives from specialist children's services, health, education, police, and probation.

The Youth Offending Service is responsible for:

- Assessing children and young people either seen as being at risk of offending or having been identified as involved in offending behaviour - the key themes relating to the assessment are:
 - The likelihood of offending/re-offending
 - The degree of risk of serious harm they may present to others (the public protection role of the service)
 - Any need they may have for their welfare to be safeguarded.
- Providing reports for Youth Offender Panels (referral orders) and, when requested, for the Courts to advise on the sentencing of children and young people
- Preparing intervention plans in partnership with the child/young person, parents/carers and other agencies. This includes the Secure Estate when children/young people are in custody, whose provision is relevant to the factors associated with each child/young person's offending and those most likely to assist their desistance from further offending. With respect to looked after children:
 - › the Youth Offending Service intervention plan should be integral

- to the care plan/pathway plan and should be supportive of the latter
- › the Specialist Children's Services social worker/16+ worker and the foster carers for the looked after child should be involved in the planning.
- Co-ordinating the provision of services (e.g. education, child and adolescent mental health services, substance misuse) in line with the objectives of the intervention plan. The Youth Offending Service worker, when the child/young person is 'looked after' will work with the lead professional, i.e. the social worker or the 16+ worker, to ensure an effective joint approach to the achievement of the agreed objectives
- The delivery of offending behaviour programmes designed to assist the child/young person to understand the reasons for their offending and to provide them with the skills and motivation to desist from further offending
- Maintaining a level of contact with the child/young person which is proportionate to the assessed risk of them re-offending/ causing serious harm to others/both. This will include making home visits and where a looked after child is in a placement engaging those responsible for their care in these visits as it is intended their relationship with the looked after child will enable their support to be complementary to the work of the Youth Offending Service case manager
- Ensuring the child/young person complies with the requirements of their sentence and of their intervention plan and, where they do not, instigating enforcement action via returning them to court
- Keeping the progress of the child/young person towards the objectives of their intervention plan under review and

contributing to other reviews relating to their status and, if they are a looked after child, establishing an exit strategy as the statutory intervention comes to an end.

Schools

Identify a member of staff as the designated teacher to act as a resource and advocate for looked after pupils, responsible for monitoring and promoting their progress (including attendance) ensuring personal education plans are in place and are regularly reviewed, and ensuring information regarding individual looked after pupils is shared with other professionals, as appropriate.

Inform parents and foster carers and intervene to address any attendance problems.

Should only use exclusion as a last resort and always within the legal guidelines.

Listen to their looked after children to find out if there are any issues getting in the way of them doing well at school, such as why they may not be attending school regularly (e.g. bullying, problems with learning, anxiety).

Have high expectations for looked after children as for all pupils. Put pastoral support in place for pupils at risk of disaffection, documented within a pastoral support plan.

Respect looked after children's privacy by ensuring that only those who need to know about the child/young person's circumstances are informed, particularly in relation to maintaining confidentiality about the child's looked after status.

Work in partnership with agencies such as

social services and health to promote the welfare of looked after children.

Designated doctors and nurses for looked after children

The designated doctor and nurse role are senior positions in the health service to assist the primary care trust in fulfilling their responsibilities as commissioner of services to improve the health of looked after children. The designated role is intended to be a strategic one, separate from any responsibilities for individual children or young people who are looked after, although the professionals may also provide a direct service to children and young people, and provide advice and support to other health professionals who work with looked after children, such as doctors, nurses and health visitors.

Working closely together designated doctors and nurses fulfil the following functions:

- Advisory role – providing strategic and expert advice to the primary care children's trusts, and other professionals on health issues concerning looked after children and young people
- Quality assurance/performance management - ensuring that sufficient information is available to determine the quality of health assessments, plans and services provided to looked after children
- Policy and procedures – making sure that health and other professionals working closely with them are clear about what is expected of them in order to deliver good and effective practice
- An annual report on the health of looked after children – presented to

the chief executive of the primary care trust, focussing on the effectiveness of health care planning for looked after children, progress in meeting national and local targets, and accessibility of health services including child and adolescent mental health services (CAMHs) for looked after children and young people.

- Training – contribute to the planning and delivery of training for health professionals working with looked after children and young people.

Health visiting service

The health visiting service is a service for all children under the age of five years old or until they first attend school, and their families. The Health Visitor Implementation Plan 2011-2015 – A Call to Action published on 8th February 2011 sets out the framework for the development of the government's vision to increase the numbers of health visitors by 4,200 FTE (full time equivalent) nationally and describes the new health visiting model as follows:

- **Community** - Based on the Joint Strategic Needs Assessment the service will understand the needs of local communities creating a directory of services to meet those needs. Health visiting professionals in the local area are to be supported in community development work undertaking the new 'building community capacity' training module
- **Universal** - All elements of the Healthy Child Programme 'Pregnancy and the First Five Years of Life' are to be delivered using evidence – based on universal prevention. Health visitors will lead the delivery of the core universal contacts through integrated children's services

while directly delivering those areas specific to health visiting prioritising first time and vulnerable parents. Every family will be offered 'a programme of screening tests, immunisations, developmental reviews and information and guidance to support parenting and healthy choices'² in line with the requirements of the Healthy Child Programme. The 'progressive universalism' approach will be based on a holistic and robust health needs assessment incorporating medical (physical and emotional), social, environmental and relationship elements

- **Universal plus** - The health visiting service will undertake specific areas of each progressive part of the programme where clearly it is the role of the health visiting service to do so using clearly defined evidence based care packages. Where the progressive elements of the programme relate to other disciplines or agencies the health visiting service will make timely referrals to or sign post on to other disciplines/agencies providing a flexible and seamless approach
- **Universal partnership plus** - as a minimum the health visitor service will ensure that there is a named health visitor on the management board of every local Sure Start Children's Centre and there are services/drop-in sessions provided by health visitors through the centre. The health visiting service actively participates in the Common Assessment Framework process.

School nursing service

The school nursing service is for all children aged four to 19 years, and up to the age of 25 years for those who have complex health needs. School nursing teams include Registered Specialist Community Public Health Nurses – School Nursing, Registered Nurses, Registered Paediatric Nurses, Qualified Nursery Nurses and experienced secretarial, clerical and administrative support. The school nursing service provides a child-and-family-centred, public health based service to local communities in partnership with other organisations. Determination of need is based on a holistic and robust health assessment which incorporates a review of health (physical, emotional and developmental) needs, immunisation status, access to primary and dental care, and social, environmental and relationship elements. Reviews are undertaken at key stages such as school transition in year six/seven as set out in the Healthy Child Programme or as determined by changes in collaboration with other members of the school health team and wider Healthy Child Programme team. Each child and their family will thereby receive support that is appropriate for their needs as determined by the health assessments/reviews and professional judgement. The most vulnerable children will receive intensive interventions and co-ordinated support packages.

The school nursing service contributes to every child being offered a programme of screening tests, immunisations, reviews and information and guidance to promote healthy choices as described in the healthy child programme. The delivery of these will support health and wellbeing outcomes.

The school nursing service provides the core element of the school health team while forming an integral part of the wider

Healthy Child Programme team. The service delivers the programme 'from five to 19 years' through integrated services for children and their families. The Healthy Child Programme is delivered by a range of professionals across general practice, sexual health services, immunisation teams, safeguarding, youth workers, counsellors, public health specialists, education, further education, amongst others⁴. The service is provided in a range of settings including schools, doctors' surgeries, other community settings, hospitals and family settings. The exact location depends on the agreement between the member of the school nursing team, the child, young person and their family or carer.

The school nursing service will ensure that children are offered appropriate referral to specialist services, and will signpost families to wider support.

As Specialist Community Public Health Nurses, school nurses work, as appropriate, with a range of other services including NHS community services, doctors, CAMHs, acute hospital trusts, public health, local authorities, education, Youth Offending Service, and voluntary services.

School nursing teams work across professions and organisations, uniting the multi-professional and multi-agency team around a common goal. The aim is to ensure that communication, information sharing and referral systems are in place so that no child or family 'falls through the net'.

Virtual School Kent, roles and responsibilities

The virtual school head role was successfully piloted by 11 authorities for two years between 2007 and 2009.

The evaluation of the pilots found that the virtual school head role can make a real difference, especially when the virtual school head has a strategic role and sufficient seniority to influence practice and the use of resources across the authority.

Following the evaluation, the expectation was that by Easter 2010, all local authorities should have appointed a virtual school head. The core purpose of this role is to be relentless in driving up improvements in the educational progress and attainment of all looked after children.

The Virtual School Kent was established in September 2010. By organising, focussing and coordinating the efforts of a range of professionals and others, The Virtual School aims to:

- Ensure that every child in the care of Kent has the opportunity to fulfil his or her potential by identifying and addressing the barriers that prevent them achieving their potential
- To narrow the gap between the attainments and achievements of young people who have been in Kent Local Authority Care and those of their peers who have not
- To improve their life chances by highlighting specific areas of action and taking appropriate steps to address them.

It ensures education and health needs and service delivery are an integral part of the care process planning for Kent looked

after children and young people. It aims to improve educational and health outcomes for this vulnerable group of learners.

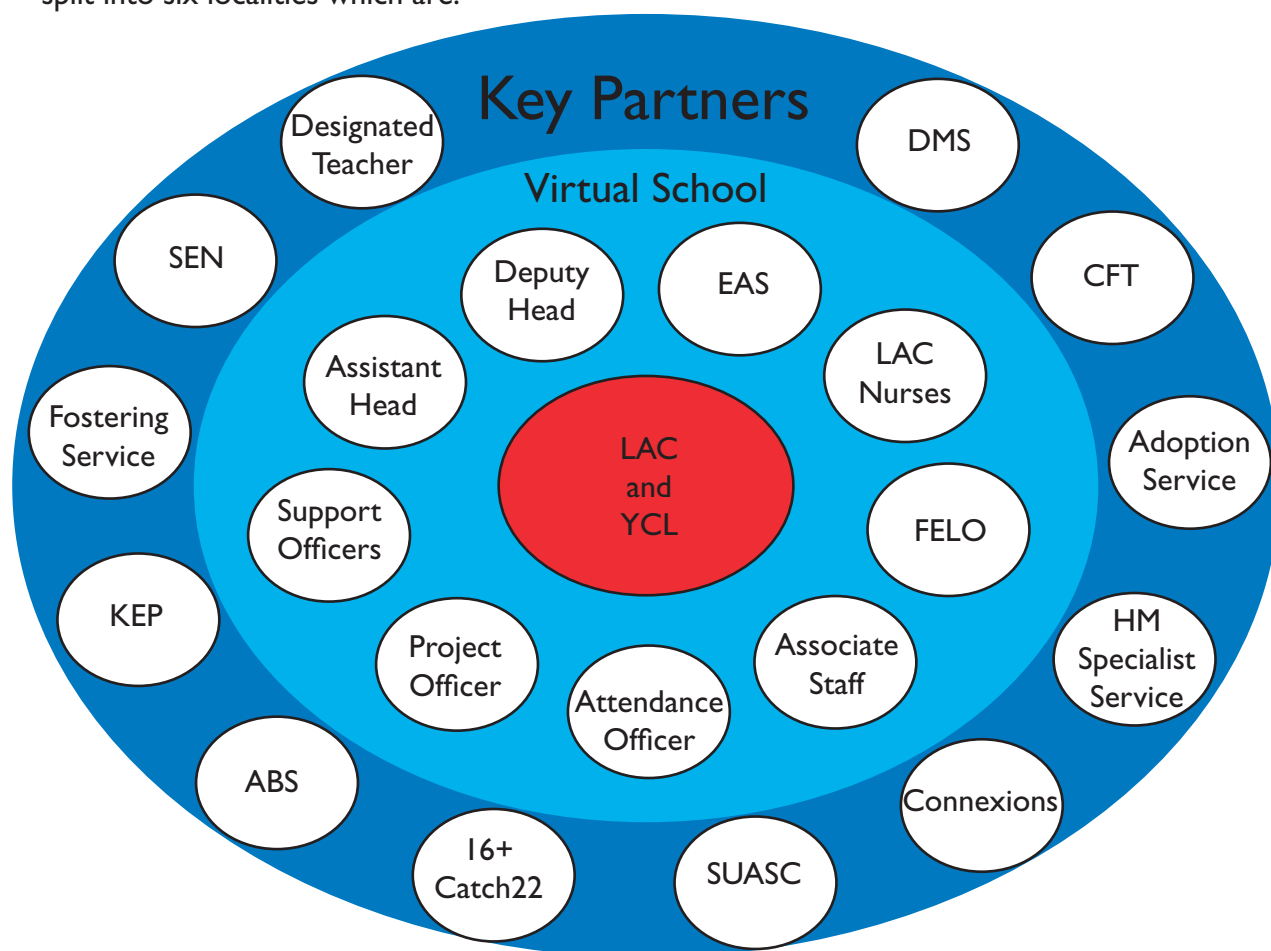
The Virtual School Kent has:

- a website www.virtualschool.lea.kent.sch.uk. The website has separate education, health, social care and foster carer pages. It endeavours to share good practice and is a portal for information advice and guidance
- an integrated data set - the website links via a secure gateway to our integrated data set, and on to national, Kent, area and district looked after children data sets
- a governing body - hosted by the newly formed Corporate Parenting Panel.

- North West Kent - Sevenoaks, Dartford and Gravesham
- South West Kent - Tunbridge Wells, Tonbridge and Malling and Maidstone
- East Kent 1 - Canterbury and Swale
- East Kent 2 - Ashford and Shepway
- East Kent 3 - Thanet
- East Kent 4 - Dover and lead responsibility for Kent looked after children placed out of authority and SEN

The rationale behind this locality based model is to create a Virtual School Kent Team around our looked after children. The Virtual School Kent is based on partnership working with colleagues from Families and Social Care, Education Learning and Skills, Safeguarding Children’s Health Services, CAMHs, Connexions, health authorities and independent care providers to really deliver holistic support.

The Virtual School Kent delivers a locality based model. Virtual School Kent will be split into six localities which are:



The Virtual School Kent senior leadership team:

- A Head Teacher
- A Service Manager
- Three Deputy Heads - Achievement and Standards, East and West Kent and Education Assessment

The core team:

Assistant head - progress and achievement:

- Track and monitor the progress of all KCC looked after children in the locality.
- Assess their learning needs and identify barriers to success. Co-ordinate the deployment of support.
- Quality assure education planning for all KCC looked after children in the locality.
- Supervise transition planning. Model good Education planning practice.
- Supervise looked after children Education training within the locality for designated teachers, schools, social workers, foster carers and governors.
- Advocate for all KCC looked after children in the Locality positively challenging the practice of schools, CFE and other agency services, CandF Teams and Fostering Teams

Fostering education liaison officers

- To provide support and guidance to carers/parents, families and social workers of children and young people in the care of KCC in a school context, to enable positive participation, to encourage their involvement in the

learning environment and improve their learning opportunities.

- To work directly with carers/parents, empowering them and their children get the most out of the educational opportunities available to them.
- To work with carers/parents on preventative and early intervention strategies and link to other specialist services and agencies within the child's network of support.

Looked after children nurses

- Looked after children's nurses provide a comprehensive programme of holistic, co-ordinated health care to those children who are 'Looked After' and currently live in the Kent Community NHS Trust economy, or were living in this PCT area at the time of entering care before April 2007
- The service works in partnership to provide support for their carers, teachers and social workers to promote the achievement of optimum health and wellbeing of this client group and so improve the life chances of looked after children
- The primary aim of the service is to achieve the best health and wellbeing outcomes for all looked after children. This is achieved by the co-ordination and undertaking of the statutory annual health review looked after children's health assessments (six monthly for those aged under five years old), and the formulation, implementation and monitoring of holistic health care plans in collaboration with the local authority
- The service monitors and screens health and development including immunisations, smoking, alcohol and substance misuse, sexual health and emotional health and

- wellbeing (age appropriate)
- The service identifies individual risks and protective factors provide opportunities for health promotion and relevant guidance to carers, parents, teachers and social workers.

Support officers:

- Provide support to teachers and schools allowing qualified teachers to make even more effective use of their time, as well as building capacity within other associate staff
- Contribute to pupils' learning and will have a significant impact on pupils' achievement
- The primary focus of the support officer's post is to work under the professional direction of the assistant head within the Virtual School Kent as part of the professional team to support learning activities for pupils
- Deliver withdrawal session set by or with the assistant head or teachers and/or support pupils undertaking lessons delivered via distance learning or computer-aided techniques
- Progress pupils' learning and to assess, record and report on development, progress and attainment as agreed with the teacher.

The Education Assessment Service (EAS):

- EAS provides a service to unaccompanied asylum seeking children who arrive in Kent and become 'looked after' if they are assessed as being under 18 years old.
- When they arrive they are not assigned to a school/college immediately but are assessed by EAS to identify their initial

- educational needs prior to planning and subsequent education placement
- EAS is also responsible for advising and negotiating with schools and colleges at a strategic level to ensure that appropriate education provision is available to meet the needs of unaccompanied asylum seekers. These young people have in many cases had limited and / or interrupted formal education and have little or no English language on arrival.

Associate partners

The Virtual School Kent works alongside partner agencies and involves staff from these services:

Connexions personal advisers:

- Connexions Kent provides a service to young people aged 13-19 years old. It also supports young people up to the age of 25 who have a learning difficulty or disability
- Connexions Kent provides an integrated and impartial approach to guiding and supporting young people through their teenage years
- Any information shared with a personal adviser is dealt with in confidence. Connexions Kent will not share this information with any other agencies unless we believe that what they have told us could put them or someone else at risk, or if it would help or be of benefit to the young person, such as a job or training opportunity
- All young people within this age group, including those who are looked after children and care leavers, have access to the universal services provided by Connexions Kent.

- In addition the Connexions service has nominated looked after children personal advisers (PAs) who work closely with each of the three teams within the Virtual School Kent in order to provide a dedicated service to this group of young people
- These PAs have a key role in ensuring that the service to looked after children and the Virtual School Kent works effectively by brokering their knowledge across the wider Connexions Service
- They develop effective links with Connexions PAs in the twelve locality-based teams within Kent and colleagues within other priority group teams as appropriate
- They are responsible for reporting to the Virtual School Kent on the outcomes of referrals, ensuring intervention is undertaken in a timely fashion and informing of progress against agreed actions
- The looked after children PAs are supported by a team leader with responsibility for the operational management of the services provided by Connexions Kent to looked after children and care leavers.

Universal services

This includes impartial information, advice and guidance to young people on career options, finding work, staying on in education, training/apprenticeships, volunteering, managing money, benefits as well as issues affecting a young person's health and emotional wellbeing.

This is delivered by a combination of face-to-face interviews, group work and signposting to information.

Targeted/intensive support

In addition to the universal services, referral can be made to the Intensive Support Service. This is delivered by individual work with those young people facing multiple barriers to achieving their potential and planning/supporting them at transition periods.

It includes the use of focused support and tracking of key targets, including attendance at information, advice and guidance interviews, September Guarantee and the use of the Six Session Approach for face-to-face work. This approach involves clear action planning and regular review of progress with the young person in order that work undertaken provides results which improve outcomes for the young person.

The personal adviser working with the young person may be a dedicated looked after children PA or it may be a colleague from one of the other priority groups (YOT/Health/LDD). This is determined by the primary need for the young person at the time of referral and reviewed as necessary.

Education welfare officers:

- The looked after children education welfare officers are responsible for both Kent and OLA looked after children (prioritising Kent looked after children under 85%) who are registered in Kent's schools where absence impacts upon local authority and individual school performance
- They provide support and challenge to schools and education providers to address barriers which impact upon looked after children's regular attendance
- Key issues to be reported to Virtual

School Kent Team, for example, where excessive absence due to medical appointments in school time

- Ensure compliance with statutory responsibilities of ABS
- They provide flexible allocation across the county, responding to individual requests requiring intensive support
- They work alongside the wider ABS Team, where whole school absence/persistent absenteeism has been deemed higher than national average due to looked after children absence
- The education welfare officers maintain individual pupil caseloads and are supervised on a monthly basis by locality district managers
- Their role is to contribute in reducing overall absence in partnership with ABS generic EWOs and inclusion/exclusion officers.

Attendance and Behaviour Service – core objectives:

- Reduce rates of non-attendance and exclusion
- Ensure pupils out-of-school have timely access to full time education
- Support development and delivery and assure the quality of a range of diverse educational and vocational opportunities for young people
- Ensure provision of alternative education appropriate for pupils and young people unable to engage with, or excluded from mainstream school
- Support children and young people in developing the skills to enable them to engage appropriately in school
- Monitor, track and support children missing education
- Safeguard the rights of school-aged children in employment and

entertainment

- Offer support to children educated at home to ensure they are receiving a suitable education.

Designated teachers

Since September 2009, the governing bodies of maintained schools have had a statutory obligation to appoint a designated teacher who is responsible for supporting the educational achievement of the looked after child on the school roll.

The Virtual School Kent works closely with the designated teacher in schools who provides a central point of contact within the school. They should have lead responsibility for helping school staff to understand the things which affect how looked after children learn and achieve. An important role of the Virtual School Kent is to provide training and support for the designated teachers, and to challenge school performance in areas such as attendance and behaviour.

The designated teacher should:

- Promote a culture of high expectations and aspirations for how looked after children learn
- Make sure the young person has a voice in setting learning targets
- Be a source of advice for staff about differentiated teaching strategies appropriate for individual children and in making full use of Assessment for Learning
- Make sure that looked after children are prioritised in one-to-one tuition, and that carers understand the importance of supporting learning at home
- Have lead responsibility for the

development and implementation of the child's Personal Education Plan (PEP) within the school

- Make sure there is an agreed process in place for how the school works with others
- Focus on how everyone contributes to promoting the child's educational achievement
- Communicate school policies (e.g. around Home School Agreements) to social workers and carers
- Ensure the school does everything possible to maximise educational stability for the child, especially by finding ways of sharing information through the PEP and in providing advice to the local authority about the impact of disrupting education.

Improving emotional and mental health

The Virtual School Kent is responsible for commissioning from Kent and Medway Partnership Trust a targeted integrated mental health service for Kent looked after children which sits alongside child and adolescent mental health services.

The service provides a specialist approach to improve the emotional health and wellbeing of Kent looked after children and young people living in Kent County Council placements aged 0 – 16 years. This is through an enhanced, therapeutic approach, supporting foster carers and the professional team around the child to promote permanence and placement stability.

Virtual School Kent, legislation and guidance:

The Virtual School Kent service is provided in accordance with the following:

The Children Act 1989

The Children Act 2004

The Crime and Disorder Act 1998

The Rehabilitation of Offenders Act 1974 (Section 2, Annex A)

The Children and Young Persons Act 1969

The Criminal Justice and Police Act 2001

The Leaving Care Act 2000

The Criminal Justice and Immigration Act

The Children (Leaving Care) Regulations 2001

The Adoption and Children Act 2002

The Children Act 2004

The Children and Young Persons Act 2008

Statutory guidance on The Role and Responsibilities of the Designated Teacher for Looked After Children (2009)

NICE/SCIE guidance on the health of looked after children

Who Pays? Establishing the Responsible Commissioner DH (2007)

Statutory Guidance on Promoting the Health and Wellbeing of Looked After Children. (2009) Department for Children, Schools and Families and Dept. of Health

Promoting the Quality of Life of Looked-After Children and Young People. (2010) National Institute for Health and Clinical Excellence Healthy Lives, Brighter Futures. Department of Health and Department for Children, Schools and Families. February 2009

The Healthy Child Programme (Pregnancy and the First Five Years of Life). Department of Health and Department for Children, Schools and Families. October 2009

The Healthy Child Programme: 5-19 years.

Department of Health and Department for Children, Schools and Families. October 2009

Working Together to Safeguard Children (2010) Department for Children, Schools and Families

Care Matters: Transforming the Lives of Children and Young People in Care. Department for Children, (2006)

Care Matters: Time for Change 2007.

Department for Children Schools and Families

Catch22 (16+ service)

This service meets the needs of young people aged 16-21yrs (25yrs if in higher education or other agreed training or education provision who are looked after by the local authority or have been previously looked after by the local authority). The purpose of the service is to enable these young people to have the opportunity to enjoy stability of placement, to maximise their social and educational achievement, achieve economic independence, to progress to adulthood and achieve their potential in life.

The Catch22 16plus team is a multi-disciplinary team who bring a range of skills and experience to their work with young people. The team comprises social workers, caseworkers, accommodation officers, mental health workers and youth workers.

Operations manager

The operations manager provides managerial oversight to all three teams. They are responsible for:

- Management and supervision of all contract requirements
- Strategic developments of the service
- Performance management
- Budget responsibility.

Team leaders

They are responsible for:

- Performance management
- Day to day budget allocation
- Liaison with children and families teams
- Liaison with other professionals
- Development and maintenance of good practice
- Ensuring all statutory work is undertaken.

Social workers

Social workers will work with eligible young people. They will be responsible for:

- Undertaking an assessment of needs of the young people as defined by part I of the pathway planning process.
- Preparation and maintenance of the pathway plan based on the assessed needs and following on from discussion and involvement of the young person and their carers to
- Maintain monthly contact with the young person their families and / or carers
- Develop constructive relationships with a range of other services and professionals
- Keep accurate and up to date records.

Case workers

Case workers will work with relevant and former relevant young people.

The caseworker is the key professional responsible for co-ordinating each care leaver's support. They will:

- Provide advice and support
- Develop constructive professional relationships with a range of other agencies
- Participate in assessments and

- preparation of pathway plans
- Co-ordinate how services are provided to the young person
- Participate in the review of the pathway plan
- Keep accurate and up to date records.

Accommodation officer

The accommodation officers will work alongside operational staff in providing a range of alternative approved accommodation for young people who wish to move on from their foster carers and gain independent living skills. They will:

- Recruit a range of suitable approved providers of supported accommodation
- ensure the accommodators are appropriately trained
- Provide group support evenings
- Provide regular supervision to the providers
- Ensure young people's needs are matched with appropriate providers
- Keep accurate and up to date records.

Mental health workers

The mental health workers will work alongside operational staff in providing professional support in all aspects of mental health. They will:

- Provide advice and support to staff members on individual cases
- Undertake direct work with young people as identified via the pathway planning process
- Liaise with other health professionals from children's and adult mental health services
- Assist in referrals of young people to

- CAHMs and adult services
- Organise support groups for young people
- Provide training and discussion groups to the staff teams
- Keep accurate and up to date records.

Youth worker

The youth worker will work with each team. They will:

- Train young people to participate in interviews of staff within Catch22 and KCC
- Ensure young people assist in the recruitment of foster carers and Supported accommodators
- Organise quarterly consultation events for young people
- Organise and run the monthly young people's action groups
- Organise a range of residential opportunities
- Organise day trips
- Ensure young people are represented on local, county and national initiatives and consultation events.

Administrative staff

Provide support services to each team at a local level. They provide:

- telephone/reception duties
- Filing
- Payment of invoices
- Payment of subsistence to young people
- Invitation to meetings
- Minute taking
- General administrative duties

Independent visitors

There is a duty upon the local authority to arrange for an independent visitor to be provided for any looked after child or young person, where it appears to be in the best interests of that child or young person to do so. Such provision should be considered as part of the care plan or as part of a case review.

Independent visitors are trained volunteers whose role is to:

- Promote the child/young person's developmental, social, emotional, educational, religious and cultural needs
- Encourage the child/young person to exercise his/her rights and to participate in decisions which will affect him/her
- Support the care plan for the child/young person and his/her carers
- Aim, as far as possible, to complement the activities of the carers.

The independent visitor's functions are to visit, advise and befriend the child/young person. Befriending involves establishing a relationship of trust over a period of time and being a consistent adult in the child/young person's life.

Independent visitors for Kent's looked after children and young people and care leavers are provided through the Kent Independent Visitors Service, which is responsible for recruiting, training, supervising and supporting the volunteers and for receiving and 'matching' referrals.

The Young Lives Foundation is commissioned to provide the independent visitor service for Kent.

Upfront Rights and Advocacy Service

Upfront is the independent rights and advocacy service for all Kent's looked after children and care leavers, and is provided in line with the National Standards for the Provision of Children's Advocacy Services (Dept of Health, 2002). The role of the advocate is to represent the views, wishes and needs of the child or young person to the decision-makers, and to help the child or young person navigate the system. Advocacy is led by the views and wishes of children and young people and champions their rights and needs.

Referrals for advocacy can be made to Upfront by the child or young person themselves or by another on their behalf (e.g. social worker, carer or parent). The advocate will meet with the child/young person to identify the advocacy issue and map out the process for raising and seeking resolution of that issue. The steps to be taken will be agreed with the child/young person including the level and type of advocacy support the child/young person wishes to receive. Some children/young people may choose to make a complaint through Kent County Council's formal complaint procedure, the advocate will support them during each required stage of the procedure.

The Young Lives Foundation is commissioned to provide this service for Kent's looked after children and care leavers.

Annex B:

The Kent Pledge to children and young people looked after by Kent County Council

We understand that being in care and leaving care isn't always easy and that it can bring extra challenges and pressures for you. If we are going to get it right for you we need to make a real difference to help you do your best and have success in your life.

Our pledge includes a number of things we will do that will help make sure that your time in care is a positive experience. These are based around six themes:

- A sense of belonging
- An adult who is always there for you while you are in care
- A good education
- Good memories for the future
- Getting ready for being an adult
- Championing your needs and interests.

We are making a pledge to you because you are a child or young person in care or leaving care living in Kent.

Ideally we would want to make the same commitments to all children in care living in Kent, but this is not possible at the moment. This is because your needs are different, and it also depends on which local authority is responsible for your care. It is just as important to make sure that the commitments that we make to you are ones that we are confident that we can keep and that will be important to you and have a positive effect in your life.

This is why we have made two separate pledges. These are:

- Our pledge to children and young people looked after by Kent County Council

- Our pledge to children and young people in care placed in Kent by another local authority.

We will check our pledge to you often so that, when we can, we will improve on the commitments that we make and listen to your views.

We understand that being in care and leaving care isn't always easy and that it can bring extra challenges and pressures for you. If we are going to get it right for you, we need to make a real difference to help you do your best and have success in your life.

Our pledge includes a number of things we will do that will help to make sure that your time in care is a positive experience. These are based around six themes:

- A sense of belonging
- An adult who is always there for you while you are in care
- A good education
- Good memories for the future
- Getting ready for being an adult
- Championing your needs and interests.

We will check our pledge to you often so that, when we can, we will improve on the commitments that we make and listen to your views.

A sense of belonging

We will:

- Find a placement for you that is as near as we can to your family and friends
- Help you keep in contact with family and friends and, when this is not possible, give you a clear reason why
- Make sure we take into account your views and, if appropriate your parents' views of the type of carers that you would want when choosing your placement and short break/respice care
- When we make decisions, take account of your age, background and beliefs, including your ethnic and cultural needs and any needs you may have because of a disability, especially communication needs
- Arrange for you to get your National Insurance number for your 16th birthday or as soon as possible after being entitled to have one
- Get you a passport by your 16th birthday if you are legally allowed to have one - sooner if you need one to go on holidays with your carers and take part in school activities.

An adult who is always there for you while you are in care

We will:

- Make sure that you have a named social worker or caseworker and an independent reviewing officer and know how you can contact them
- Make sure that you have at least one person in your life who you can expect to be around throughout your time in care
- Make sure that you have a named nurse that you can contact if you have any questions about your health.

A good education

We will:

- Make sure that you have a place at a school that will help you to do your best;
- Make sure that three- and four-year old children in care can go to early years education
- Work with your school and the 'designated' teacher to help you do your best (all schools should choose a teacher who is in charge of all of the school's services for those children in care who go to the school)
- Give you chances and support to stay in education beyond 16, including help going to university and further education if you want to do this
- Help you catch up with schoolwork if you fall behind
- Expect your carers to take an active interest in your education and make good links with your school, including going to parent's evenings and other school events
- Provide a computer if you have been in care for six months or more and are aged 11 years or over and, if appropriate, access to the internet
- Celebrate your achievements and success.

Good memories for the future

We will:

- Provide for you opportunities to take part in hobbies and interests (including sports, art and music)
- Help you build a photo album of important people in your life and places you have been to while in care.

Getting ready for being an adult

We will:

- Make sure that we ask you about important decisions we make in your life
 - If you have a disability, make sure that you have your own 'communication passport', if you need one, that tells others how you communicate and how they can communicate with you
 - Make sure that the home we provide for you when you are going to leave care is safe and properly supported, and that temporary accommodation is a last resort and used for as little time as possible
 - Up to your 21st birthday, help you with council tax and making sure you don't lose out on Housing Benefit as a result of taking part in education, training and low-paid employment;
 - Help you make the most of your chances for training, further education and employment
 - Give you £1000 for every year you complete in higher education or up to a maximum of £2000 for the whole period of the course
 - Make sure that your move to adult services, if you need them, is as smooth as possible.
- complain and how to get in touch with Upfront (Kent's Children's Rights Service), who can give you support to help you make a complaint
- Give you access to a solicitor (at our cost) if you want legal advice about your care order, or any other legal order affecting you - such as contact with certain people in your life.

Championing your needs and interests

We will:

- Make sure that you are able to tell us your wishes, feelings and interests - taking into account any disabilities you have
- Listen to your wishes and feelings before making decisions that affect you and support you if you need help to do this
- Work with you and your family to make sure that plans for your care are up to date and meet your educational, health and care needs
- Make sure that you know how to

By: Jenny Whittle, Cabinet Member for Specialist Children's Services
Andrew Ireland, Corporate Director, Families and Social Care

To: Cabinet - 5 December 2011

**Subject: ANNUAL UNANNOUNCED INSPECTION OF CONTACT,
REFERRAL AND ASSESSMENT ARRANGEMENTS IN
CHILDREN'S SERVICES**

Classification: Unrestricted

Summary:

Informs Members of the findings of the recent Ofsted inspection.

1. (1) On the 11 and 12 October 2011, Ofsted undertook their latest unannounced inspection of the contact, referral and assessment arrangements in the Specialist Children's Service in Kent.

(2) This inspection notes the significant progress made since the last inspection. Inspectors found that the areas identified as requiring action in the previous inspections in August and in November 2010 have been tackled. The report also highlights areas where further development is needed. The summary of the Inspectors' findings are attached as Appendix A.

Recommendations:

2. (1) Cabinet is asked to:

- (a) NOTE the findings of the recent Ofsted inspection;
- (b) COMMENT ON the areas where further development is required.

Malcolm Newsam
Interim Director, Families & Social Care
01622 694173
malcolm.newsam@kent.gov.uk

Background documents:

Appendix A: Ofsted letter, 9 Nov - Annual unannounced inspection of contact, referral and assessment arrangements within Kent County Council children's services

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9 November 2011

Mr Malcolm Newsam
Interim Corporate Director of Families and Social Care
Kent County Council
Sessions House
County Hall
Maidstone
Kent
ME14 1XQ

Dear Mr Newsam

Annual unannounced inspection of contact, referral and assessment arrangements within Kent County Council children's services

This letter summarises the findings of the recent unannounced inspection of contact, referral and assessment arrangements within local authority children's services in Kent County Council which was conducted on 11 and 12 October 2011. The inspection was carried out under section 138 of the Education and Inspections Act 2006. It will contribute to the annual review of the performance of the authority's children's services, for which Ofsted will award a rating later in the year. I would like to thank all of the staff we met for their assistance in undertaking this inspection.

The inspection sampled the quality and effectiveness of contact, referral and assessment arrangements and their impact on minimising any child abuse and neglect. Inspectors considered a range of evidence, including: electronic case records; supervision files and notes; observation of social workers and senior practitioners undertaking referral and assessment duties; and other information provided by staff and managers. Inspectors also spoke to a range of staff including managers, social workers, other practitioners and administrative staff.

The inspection identified areas of practice that met requirements, with some areas for development.

All areas for development identified at the previous inspection of contact, referral and assessment arrangements in August 2010 have been tackled and most have improved to a satisfactory standard, although many are yet to be consolidated. Some areas require further development, in particular: sustaining improved timeliness of assessments; ensuring that assessments are of an appropriate quality; and management oversight of casework.

The area for priority action identified at the inspection of contact, referral and assessment arrangements in August 2010 has been addressed. The recommendations from the safeguarding and looked after children inspection in

November 2010 which related to contact, referral and assessment services have also been addressed.

From the evidence gathered, the following features of the service were identified:

The service meets the requirements of statutory guidance in the following areas

- Children in need of protection receive a timely assessment of risks and needs. Assessments are conducted by suitably qualified and experienced social workers. This was an area for priority action at the last inspection.
- Thresholds for access to children’s social care services are clear. Satisfactory action has been taken to ensure that partner agencies are familiar with these thresholds. This enables referrals to be appropriate and clear and makes better use of early intervention through the common assessment framework.
- The recent introduction of a central referral team for the county has improved responsiveness and has resulted in a reduction in referrals to social care services which could be dealt with more suitably by universal or community based services.
- All child protection cases are allocated. Significant progress has been made to reduce the level of unallocated cases. As a result there are a small number of unallocated children in need cases at the time of this inspection, and these are suitably overseen by managers.
- Children are routinely seen within assessments and their views are recorded and taken into account in case planning. The diverse needs of children are satisfactorily identified and addressed in assessments.
- Children’s records are appropriately stored and records seen were sufficiently detailed and up to date. This was an area for development at the previous inspection.
- Appropriate action has been taken by managers, since the last inspection, to ensure that cases which do not require ongoing social work assessment or intervention are promptly closed, and those that do are actively case managed.
- Significant progress has been made in workforce planning and in the recruitment and retention of staff. As a result caseloads have been reduced to manageable levels.
- Staff have access to relevant training opportunities. They receive regular supervision from managers and have ready access to them for advice and direction in case planning.
- Effective arrangements are in place to ensure prompt transfer within social care services of cases requiring support following assessment.

- Effective arrangements for communication between the emergency duty service and the referral and assessment service are well established.
- Robust management information systems have been developed since the previous inspection and are appropriately used by managers to identify and respond to casework and service development issues.

Areas for development

- Significant progress has been made to improve the timeliness of assessments since the last inspection, through temporary additional staffing assigned to reduce the extensive backlog. As a result the timeliness in recent months has improved to be in line with or better than those of comparator authorities and national levels. However, this improvement has yet to be sustained and when aggregated over the year the timeliness of core assessments remains low. This was an area for development at the previous inspection.
- Positive action has been taken to improve the quality of assessments. Most assessments seen in this inspection were of a satisfactory quality. However the quality of analysis in assessments is still too variable, with some lacking sufficient focus on key risk factors. This was an area for development at the previous inspection.
- Whilst management oversight is clearly evident in decision making and case planning, the recording of the reasons for management decisions and directions in case planning is not sufficiently explicit in some cases. This was an area for development at the previous inspection.
- Changes made to the information and recording systems since the last inspection have improved management information and case recording. However the current system remains inefficient. The council recognises this and is commissioning a new system to address the issues.
- The recently introduced audit framework requires managers to routinely audit cases. However this activity is not yet sufficiently embedded to enable the learning from these to systematically shape service delivery.

Any areas for development identified above will be specifically considered in any future inspection of services to safeguard children within your area.

Yours sincerely

Pietro Battista
Her Majesty's Inspector

Copy: Katherine Kerswell, Chief Executive, Kent County Council
 Andrew Spencer, Department for Education

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By: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Andrew Ireland, Corporate Director, Families and Social Care

To: Cabinet – 5 December 2011

Subject: **BLUE BADGE REFORM**

Classification: Unrestricted

Summary:

This paper provides an update on the implementation of the revised Blue Badge Service. It advises on the work currently in progress to identify efficiencies which may be achieved by improvements to the new service.

The paper provides the costs associated with the service and the potential financial impacts when the Department for Transport removes funding in 2013/14.

The paper further provides a recommendation to increase the charge for a Blue Badge from £2 to £10 on 1 January 2012. The Badges are valid for 3 years.

Recommendations

Cabinet is asked to:

- i. **NOTE** the changes to the Blue Badge service as described in the report
- ii. **CONSIDER** and agree the future charging level for Blue Badges, based on the options set out in paragraph 6 (4)
- iii. **APPROVE** the Communication Plan as set out in Appendix A of the report

Introduction

1. (1) The Department for Transport's Reform Programme introduces a number of measures which aim to ensure that badges are issued fairly against a background of rising demand and that the scheme remains sustainable in the long term for those disabled people who rely on it in the most.

(2) On 1 April 2011 Kent County Council successfully launched a new process for issuing Blue Badges. This revised process was implemented to coincide with the transfer of Blue Badge funding from the NHS to Local Authorities, KCC received £162k.

(3) An interim review was completed on 30 July 2011, which enabled Families and Social Care (FSC) to review progress made and also to identify the areas for a formal review undertaken in September 2011 as a part of its ongoing commitment to support disabled people.

Policy Context

2. (1) The Blue Badge Scheme has been in place since the early 1970s and is based on the requirements of S 21 of the Chronically Sick and Disabled Persons Act, 1970. Since then, the demand for badges and pressures to extend eligibility has steadily increased. A review in 2007 highlighted several areas where improvements needed to be made to the administration of the scheme, the eligibility criteria and to prevent abuse. After further consultation, the Government published a reform strategy in October 2008 that included a number of commitments to ensure that the Blue Badge Scheme remains relevant.

(2) Following national consultation <http://assets.dft.gov.uk/consultations/dft-2011-20/blue-badge-consultation-response.pdf> the reforms to the Blue Badge program were set out in a letter to local authorities sent on 14 February 2011. The actions for Kent County Council were set out in a briefing to Cabinet Members on 4 April 2011. £162k funding was transferred to Kent County Council in April 2011 with a commitment to further funding for 2012/13 after which the service is expected to be self financing.

(3) The county council has been in contact with a number of neighbouring authorities, all of whom are planning to increase the charge for Blue Badge to £10 although the implementation date varies between January and March 2012. Consultation methodology amongst neighbouring authorities also varies, some are consulting widely on the changes, some are consulting only with people who phone for renewal of Blue Badge and others are not consulting.

The Blue Badge Service

3. (1) The revised Blue Badge service was implemented on 1 April 2011, people who request or renew a Blue Badge now contact KCC and if they meet certain eligibility criteria they may automatically be assessed as eligible for a Blue Badge or they may receive an independent medical assessment to determine eligibility at one of the Gateway's across Kent.

(2) KCC completed an interim review of the implementation of the revised service and made some changes in response to public need. Additional Independent Medical Assessors (IMAs) have been recruited and additional Gateway sites are now used to improve accessibility.

(3) The revised service was implemented using temporary staff as IMAs as it was anticipated that KCC would want to make changes in the way the service operates in order to ensure it is as efficient as possible. KCC now has a better understanding of the process and aims to reduce the IMA costs by undertaking more desk top assessments and adopting a trusted assessor model. This will require a registered Occupational Therapist or Physiotherapist to be based at

Contact Kent within the Blue Badge service but will reduce the number of IMAs overall.

Systems

4. (1) The Department for Transport (DfT) has commissioned a National Blue Badge Information Solution (BBIS) from Northgate. This system is intended to reduce multiple applications and to reduce fraud by linking to Payne's Security who will be responsible for production of the new secure badge.

(2) FSC has explored the options available in relation to the system, and has signed the access agreement for the Northgate system, this places any risk of failure with DfT (as commissioners). The expected date for implementation of the system is 1 January 2012, information on the system was published at the end of August 2011.

Consultation and Communication

5. (1) The county council is obliged to inform, consult and involve the public under the duty introduced by the Local Government and Public Involvement in Health Act 2002. This came into force as a statutory duty on all councils in April 2009.

(2) The policy of the authority and good practice guidance on consultation acknowledge that, there is a range of contacts between councils and its residents. The different types of engagement range from 'providing information' gathering opinions', 'making choices' 'generating options' and 'joint decision-making'. The planned changes relate to the cost of the Blue Badge service and the need for it to be self financing. This limits the ability for the public to influence the provisional decision and it is considered that 'providing information' is the appropriate level of consultation.

(3) Accordingly, a Communication Plan has been developed, which is attached as Appendix A. It is not possible to inform everyone who might apply for a Blue Badge of the increase in charges. Letters will be sent to all existing Blue Badge holders. There are 79269 existing badge holders and with printing and mailing the cost will be about £32k.

(4) The potential for media interpreting the increased charge as a further impact on people with disabilities has been identified as this coincides with the non residential charging increases. This potential has been discussed with the Communications Team to ensure that we have a clear message about why this increase is necessary.

Financial Implications

6. (1) KCC is currently charging £2 per badge which, based on 2009/10 activity provides an income of £45k. DfT transferred £162k from the NHS for 2010/11 and has committed to fund the service for 2012/13, after this the Blue badge scheme is expected to be subject to normal financial arrangements and no additional funding is allocated.

(2) With the change in legislation from 1 January, new secure badges will need to be issued at a cost of £4.60/badge. On current volumes, this will add £103,500 to the full year expenditure or £25,875 for a quarter.

(3) It is important to note that the current £2 charge is for administration of the present Blue Badge service including production of the badge, this charge is levied for all applicants whether they are successful or not. The £10 fee can only be levied if the applicant is successful and £4.60 of this will then be paid to the contractor for the production of the badge (which shifts from the LA). The remaining fee will cover the assessment and administration costs and any shortfall for these services will fall onto Kent County Council.

(4) The change in the legislation enables local authorities to raise the charge for Blue Badges from £2 to £10 from 1 January. This increase in charge will come at the same time as the first phase of increases in charges to those disabled people who contribute to the cost of their non-residential care services. The Blue Badge service is not subject to means testing and it does not fall within the meaning of community care services.

		11/12 Shortfall	12/13 Shortfall
Option 1	Continue charging £2	£177k	£246.5k
Option 2	Charge £10 from 1 January 2012	£132k	£66.5k
Option 3	Charge £10, from 1 April 2012	£177k	£66.5k

(5) Cabinet Members are asked to consider and decide between these options.

Legal Implications

7. (1) Cabinet's attention is drawn to the equality duties. As a public authority, Kent County Council is required to have regard to Equality Act 2010. In particular with reference to section 149 of the Act. Which provides that councils need to exercise its functions 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.

Equality Impact Assessment

8. (1) Department for Transport have completed an Equality Impact Assessment (Appendix B) for the national Blue Badge service improvements. Kent has completed an Equality Impact Assessment (Appendix B1) based on the service revisions made, this will be revised following amendments to the service to make it more efficient and cost effective.

Alternatives and options

9. (1) If the planned introduction of the increased Blue Badge fee is not approved this would put additional pressure of £246.5k onto the county council's budget from January 2012.

Risk and Business Continuity Management

10. (1) Blue Badge contacts and administration are managed within Contact Kent. Where a contact indicates that a person should receive an IMA the arrangements are made using Outlook calendar and therefore a date, time and place for assessment can be agreed with the person at point of contact.

(2) The Post Office are also interested in exploring how they might support Blue Badge applications further work is being undertaken through Access and Assessment to explore this however it is not clear how this would add value to the current arrangements.

Independent Mobility Assessments

(3) Independent Mobility Assessments (IMA) are undertaken by the equivalent of 4FTE agency staff working up to 37.5 hours per week at a cost of £197,800 per annum.

(4) There is a potential to develop a trusted assessor role within Contact Kent, an IMA will be based within Contact Kent to 'sign off' telephone assessments undertaken by Contact Kent staff in a Trusted Assessor role. The service has been running for 7 months and has provided considerable intelligence on how a more streamlined approach can be developed. Work is currently being undertaken to progress this.

Contact Kent

(5) The cost of contacts relating to Blue badges is £351,000 per annum; there has been an increase in contacts due to queries relating to the changed service, this is expected to continue as people apply for renewal of an existing badge.

(6) As part of the improvements to the Blue Badge service people can now apply for their badge up to 12 weeks. Before the changes, people had less than 6 weeks lead in time prior to the renewal date..

(7) The Blue Badge team comprises a Manager, 0.5FTE, staff, 5 FTE and apprentices, 2 FTE. A rough calculation of the costs relating to their time equates to

£150,800. Costs currently include in-house badge production, as this will transfer to Northgate/ Payne's Security, it is estimated that costs will reduce to £140,000. Apprentices will continue to support the new process.

(8) Implementation of a Trusted Assessor role in Contact Kent is likely to reduce IMA staff costs and increase in the costs for Contact Kent, however as the IMA's attract both an agency fee and a higher hourly rate the costs will be off set and result in a positive balance.

Enforcement

(9) The revisions to Blue Badge are part of the coalition governments strategy to reduce fraud. The new badges will have a photograph of the eligible person and will be designed to make reproduction difficult. Current Blue Badge data is held on local systems, the national system will provide a data base used by all local authorities and is intended to reduce multiple badge applications.

(10) Badges will display the holders picture and will be produced by a security company, £4.60 taken from the Badge fee will pay for this.

(11) Enforcement of Blue badges is through district and borough councils each of whom has a lead officer for Blue Badge enforcement. Lead officers are identified to contractor as part of the registration process.

Conclusion

11. (1) The changes to the Blue Badge service have be driven by the Department for Transport 's reforms. The reforms are being introduced in response to a national consultation and aim to provide a more efficient service and to reduce the fraud associated with Blue Badge.

(2) The increase charge is introduced in response to the Department for Transport's intention that the service should be self financing.

Recommendations

12. (1) Cabinet is asked to:
- i. **NOTE** the changes to the Blue Badge service as described in the report
 - ii. **CONSIDER** and agree the future charging level for Blue Badges, based on the options set out in paragraph 6.4
 - iii. **APPROVE** the Communication Plan as set out in Appendix A of the report.

Appendices:

Appendix A - Communication Plan

Appendix B - Department for Transport Equality Impact Assessment

Appendix B1 - Kent Equality Impact Assessment

Background Documents

Blue Badge Reform Programme Documents

National Impact Assessment 7.12.10

Letter from Norman Baker to Local Authorities 14.2.2011

Summary of the Blue Badge Reforms 14.2.2011

Blue Badge Reform Programme (FAQ'S) February 2011

Lead Officer/Contact:

Janice Grant, Senior Policy Manager

Tel No: 01622 696375 (7000 6375)

e-mail: janice.grant@kent.gov.uk

Appendix A to the Blue Badge Reform Report

Communications Plan

Key people

Graham Gibbens, Andrew Ireland, Anne Tidmarsh, Daniel Waller, Michael Thomas-Sam, Janice Grant

Key messages

- Reforming the Blue Badge process is driven by the Department for Transport
- The charge to Blue Badge users has been £2 since the 1970s
- The increased charge will go towards the cost of employing medical assessors, making the badge and the administrative process

Background

Recent changes to the system for applications means applicants no longer see their GP, but contact KCC who undertakes the assessment

Department for Transport wants the Blue Badge system to become self-funding
Department for Transport wants it to be impossible for anyone to apply for more than one Blue Badge (by applying in more than one county)

Maximum charge to Blue Badge applicants is £10 (restricted by government) – even this charge would not cover costs

Once issued, a Blue Badge is valid for three years

Expected public response

It should be expected that negative public and media reaction will focus on the 500% increase in charges

This will be highlighted as a particular difficulty for already vulnerable people

Core lines

- KCC believes that Blue Badges are immensely important and make a vital difference to quality of life and supporting independence
- Government is right to want to develop a standardised system, to reduce fraud
- It is vital that an assessment takes place before any Blue Badge is issued so that the system is not abused
- A £10 charge for the Blue Badge is still good value – offering free parking, close to key shops and buildings, at the equivalent of £3.33 a year
- Anyone with concerns or questions should contact 08458 247 100

Dates

Cabinet decision on 5th December,

New charges will be implemented on 1st January

National Blue Badge Information System and the issue date for new badges 1st January

Audiences

People who already have a Blue Badge and those who might expect to need one in the near future

Families and carers, local members, staff and unions, general public and media, MPs

Methods

Communication with the general public will depend on web and media-based techniques

Letters to all existing badge holders

One voice – single face/voice of change

The changes, the reasoning behind them and details/explanations will be available on the KCC website – www.kent.gov.uk/xxxxxxx

This information could also be repeated in a printed form – leaflets for public, briefings for stakeholders (what about distribution?)

Press release material, responsive statements prepared in advance and continuing relationship with Kent media

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EqIA Screening Proforma

Name of the function, policy or strategy: Reform of the Blue Badge Scheme	Current or Proposed: Proposed						
Person completing the assessment: Robert Ringsell	Date of assessment: 29th October 2010						
<p>Purpose of the function, policy or strategy: The objectives of the reform programme are to address current problems, especially those relating to fraud and abuse. We aim to improve operational efficiency, reduce public sector costs and improve customer service. The programme supports freedom and fairness and is targeted at addressing the mobility needs of those disabled people who need the most help to travel.</p> <p>There are currently 2.5 million badges on issue. The number has trebled in the last 20 years and demand is forecast to increase further as the population ages. Blue Badges in England are issued by 152 top tier issuing authorities.</p>							
Questions – Indicate Yes, No or Not Known for each group	Gender	Religion or Belief	Age	Disability	Ethnicity and Race	Sexual Orientation	Transgender
Is there any indication or evidence that the different groups (indicated on the right) have different needs, experiences, issues or priorities in relation to the particular policy?	N	N	Y	Y	N	N	N
Is there potential for, or evidence that, this policy may adversely affect equality of opportunity for all and may harm good relations between different groups?	N	N	N	N	N	N	N
Is there any potential for, or evidence that, any part of the proposed policy could discriminate, directly or indirectly?	N	N	N	N	N	N	N
Is there any stakeholder (staff, public, unions) concern in the policy area about actual, perceived or potential discrimination?	N	N	N	N	N	N	N
Is there an opportunity to better promote equality of opportunity or better community relations by altering the policy or working with other government departments or the wider community?	N	N	N	N	N	N	N
Is there any evidence or indication of higher or lower uptake by different groups?	N	N	Y	Y	N	N	N
Do people have the same levels of access? (this includes overcoming non-physical barriers such as access to the website)	Y	Y	Y	Y	Y	Y	Y

If you have answered “no” to all the questions, an EqIA is not required.

If your answer is “yes” or “not known” to any of these questions then consider the proportionality aspect in terms of providing a lower standard of service or offering a service on different terms than you would to other people. After considering the proportionality aspects you will need to decide whether an Initial Equality Impact Assessment is needed.

Initial Equality Impact Assessment Proforma

Name of the function, policy or strategy to be assessed: Reform of the Blue Badge Scheme
Current or Proposed: Proposed

Person completing the assessment: Robert Ringsell

Date of assessment: 29/10/10

1. Aims, objectives and purpose of the function, policy or strategy

We aim to address current problems relating to fraud and abuse, improve operational efficiency, reduce public sector costs and improve customer service. The programme supports freedom and fairness and is targeted at addressing the mobility needs of those disabled people who need the most help to travel. The proposed reform includes the following proposals:

1. Supporting the transfer of eligibility assessments from an applicant's GPs to independent mobility assessors. This involves: a transfer to local authorities of current NHS spend on Blue Badge assessments. It is hoped that the transfer can begin in 2011/12.;
2. Requiring the use of independent mobility assessments in more cases when eligibility is in doubt.
3. Issuing new good practice guidance to local authorities to help them make improvements in scheme administration, eligibility assessment and enforcement.
4. Implementing from September 2011 a new badge design that is harder to copy, forge and alter. Arrangements for printing, personalising and distributing the badge will also be changed to prevent fraud from happening in the first place and to introduce more effective monitoring of cancelled, lost and stolen badges.
5. Raising the maximum fee for a badge that local authorities can charge from £2 to £10. Local authorities have discretion over whether or not to charge the fee. For those that do, a fee of £10 will allow for the new badge design to be produced and will help to cover local authority costs more appropriately.
6. Amending primary and secondary legislation to provide improved powers for local authorities to tackle abuse and fraud and address other issues. This will involve:
 - extending the grounds available to local authorities to refuse to issue and to withdraw badges
 - providing local authorities with a power to cancel badges that have been lost, stolen or that have expired
 - providing local authority-authorised officers with a power to confiscate, on-the-spot, badges that have been cancelled or misused
 - amending existing legislation to clarify wrongful use of a badge and the powers to inspect badges

<ul style="list-style-type: none"> ▪ amending residency requirements for Armed Forces personnel and their families posted overseas on UK bases ▪ possibly, making it an offence not to return a badge when given notice to do so by a local authority. This is subject to further discussions ▪ possibly, amending the route of appeal against badges being withdrawn that currently means appeals are dealt with by the Secretary of State. Options for these appeals to be dealt with locally are currently being explored <p>7. Establishing with local authorities a common service delivery project [known as the Service Improvement Project] that will deliver operational efficiency savings, help to reduce and prevent abuse and improve customer services. The project will also result in an on-line application facility and should result in faster, more automatic renewals for people whose circumstances do not change between renewal periods.</p> <p>8. Extending eligibility to more disabled children under the age of 3 with specific medical conditions and providing continuous automatic entitlement to seriously disabled service personnel and veterans.</p> <p>9. Investigating, through further research, whether eligibility should be extended to people with a severe temporary mobility impairment lasting at least one year. If such an extension is taken forward then eligibility in such cases is likely to be confirmed through an independent mobility assessment.</p> <p>The overall programme of measures result in estimated yearly benefits of £43.2 million and costs of £15.4 million.</p>	<p>2. Who is intended to benefit from the function, policy or strategy and in what way?</p> <p>Local authorities will benefit from being able to charge a higher fee for a badge that more appropriately covers costs, efficiency savings from the service delivery system and social benefits from improvements to enforcement and the new badge design. Badge holders will benefit from free parking and increased mobility due to the proposed eligibility extensions and measures to tackle misuse and abuse.</p>	<p>3. Stakeholder Management: responsibility and ownership</p> <p>Adam Simmons has accountability for this function or policy at senior management level.</p> <p>Sally Kendall and Caroline Fish have responsibility on a day to day basis and are responsible for implementation.</p> <p>Local Authorities and DPTAC have also influenced the development of this policy.</p> <p>Local authorities are responsible for the administration and enforcement of the Blue Badge scheme.</p>	<p>3. Potential Project Management and Risks Issues?</p> <p>We have a programme and project risk registers to identify the risks throughout the reform and measures to mitigate them where possible. (e.g. To promote stakeholder support for the programme and ensure buy in, representative organisations and local authorities are invited workshops and receive newsletters updating them on proposals.)</p>	<p>5a. Will the aim of the function, policy or strategy, along with any of its intended outcomes:</p>
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(i) eliminate discrimination, Please explain below

(ii) promote equality of opportunity Yes No Please explain below

(ii) promote good relations between different groups? Yes No Please explain below

The Blue Badge Scheme allows people with severe mobility problems, who have difficulty using public transport, to park close to where they need to go. Research has shown that 75% of badge holders would go out less often without a badge and 64% would be more reliant on friends and family members.

5b. From the available evidence, what level of impact, if any, is the delivery of this function, policy or strategy going to have on the different equality groups set out below.

Equality Group	Positive impact				Negative impact			No impact	Reason and evidence supporting your assessment for each of the equality groups
	H	M	L		H	M	L		
H = High M = Medium L = Low									
Gender								√	
Religion or Belief								√	
Age		√							Carers with children between the ages of 2-3 with specific medical conditions would benefit from the eligibility extension. Around two-thirds of badge holders are over the age of 65 and they would benefit from the customer service improvements and be able to park in spaces made available by improved enforcement measures.
Disability	√								The Blue Badge scheme gives severely disabled people access to vital services and a better quality of life by improving access to parking. The aim of the reform programme is to give local authorities the tools to run the scheme efficiently, deliver the scheme to the right people and target those who break the rules.
Ethnicity & Race								√	
Sexual Orientation								√	
Transgender								√	

- If you have identified any low or medium adverse impacts then please go to Q6.
- If you have identified any high adverse impacts then you will need to complete a full impact assessment please go to Q8 now.

6. Is there any action that could be taken to minimise or remove any low or medium adverse impact identified in Q5b

Yes please go to Q7 No please explain why below?

N/A

7. Please complete the table below with details of the actions & monitoring arrangements that will be put in place to address the not known response(s) in Q5b.

Action	By Whom	By When
<p>The Blue Badge reform programme will be reviewed in 2015 to ensure that improvements have been delivered by local authorities, and that disabled people are benefitting from the changes.</p> <p>The following monitoring information arrangements will be put in place:</p> <ul style="list-style-type: none"> • Reports from the Service Improvement project on, for example, turnaround times, use of on-line versus paper applications, and levels of enforcement activity; • The DfT's annual statistical return from local authorities will identify numbers of badges issued, rejection rates, numbers of badges reported as lost or stolen, uptake of independent mobility assessments, numbers of prosecutions taken and numbers of badges withdrawn by local authorities for mis-use; • Subject to resources, periodic surveys of local authorities and badge holders; <p>Reports from other organisations. Eg. The National Fraud Authority estimate periodically the current costs of fraud from abuse of blue badges.</p>	<p>Department for Transport</p>	<p>2015</p>

Please seek clearance from the Press Office to publish this EqIA on the DFT Website.
<http://www.dft.gov.uk/consultations/eqias/>

Signed off by (SCSPB1 or above): Name: Adam Simmons

Job Title: Divisional Manager

Full Equality Impact Assessment Proforma

This proforma is a continuation from Q5 in the initial impact assessment proforma

<p>8. Consideration of alternatives to minimise adverse impact or eliminate unlawful discrimination. Please summarise the changes that you propose to make or have made to the policy, strategy or function.</p>		
<p>9. Consultation on possible impact (adverse) or action plan with stakeholders affected. Who needs to be, or has been, consulted and involved (disabled people only) to assist you to make a judgement about the policy/function or, in the proposed changes, to mitigate the adverse impact as outlined in your Action Plan? Please record your findings from the consultations including methods used, numbers, groups targeted etc in section 12 at the end of this proforma.</p>		
<p>10. Determine if any further research/new evidence from experts and/or interested groups is required Are there any gaps in your previous or planned consultation and research? <input type="checkbox"/></p>		
<p>Are there any experts/relevant groups that can be contacted to get further views or evidence on these issues? Yes <input type="checkbox"/> No <input type="checkbox"/></p>		
<p>11. Identification of an <u>action plan</u> with proposed changes to mitigate adverse impact If an action plan already exists, covering similar headings, please attach. Alternatively, please list any recommendations for action that you plan to take as a result of this impact assessment under the given headings.</p>		
Action Required	By Whom	By When
		Resources Implications

12. Consultation on possible impact (adverse) or action plan with stakeholders affected

Please record your findings from the consultations including methods used, numbers, groups targeted etc.

Please seek clearance from the Press Office to publish this EqIA on the DfT Website.
<http://www.dft.gov.uk/consultations/eqias/>

Signed off by (SCSPB1 or above): Name _____

Job Title: _____

KENT COUNTY COUNCIL
EQUALITY IMPACT ASSESSMENT

Please read the EIA GUIDANCE and the EIA flow chart available on KNet.
Blue Badge Improvement Services

Directorate:

Families and Social Care

Name of policy, procedure, project or service

Blue Badge Policy and Practice Guidance
Blue Badge Improvement Service (BBIS)

Type

Service provided through the Blue Badge team based at the contact centre
Blue Badge is a chargeable service and the proposal is to increase the charge
to provide a higher contribution to the costs associated with delivering the
service and badge production to enable the service to self finance.

Responsible Owner/ Senior Officer

Anne Tidmarsh, Director Older People and Physical Disability

Date of Initial Screening

12.10.11

Screening conducted by Derrick Douglas, Policy Officer with challenge
from Keith Wyncoll, Equalities Manager

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	Yes	Medium	Low	Previously, badges were issued to all applicants over 80yrs and over without the need for a mobility assessment. Their mobility will now be assessed to bring KCC in line with Equalities Policy
Disability			Medium	Low	Some disabled people who previously were awarded badges on the basis of GP reports fail to meet the eligibility criteria following the more robust independent mobility assessments. People with automatic entitlement find that the process is much quicker when their badges have to be renewed.
Gender	Considered but no issues identified.	Promotion of the Blue Badge Scheme to all sections of the community	N/a	N/a	Universal Service
Gender identity	Considered but no issues identified	Promotion of the Blue Badge Scheme to all	N/a	N/a	Universal Service “

		sections of the community			
Race	Considered but no issues identified	Promotion of the Blue Badge Scheme to all sections of the community	N/a	N/a	Documentation can be produced in other formats if requested.
Religion or belief	Considered but no issues identified	Promotion of the Blue Badge Scheme to all sections of the community	N/a	N/a	Universal service
Sexual orientation	Considered but no issues identified	Promotion of the Blue Badge Scheme to all sections of the community	N/a	N/a	Universal service
Pregnancy and maternity	Considered but no issues identified	Promotion of the Blue Badge Scheme to all sections of the community	N/a	N/a	Universal service
	Considered but no issues identified	Promotion of the Blue Badge Scheme to all sections of the community.	N/a	N/a	Universal service

Part 1: INITIAL SCREENING

Context

The Department of Transport's Blue Badge Improvement Service is a response to the concerns of the public and law enforcement agencies regarding widespread fraud and misuse of the badges.

The Government has introduced legislation that will allow local authorities to charge up to a maximum of £10.00 when a Blue Badge is issued. This will more closely align the costs of administering the service to those who directly benefit from the use of the blue badge.

The policy is also consistent with Localism legislation which allows badge issuing authorities to decide on the fee the charge for issuing the badge

Aims and Objectives

- To develop a more robust and fair approach to eligibility
- To increase enforcement powers
- To develop a more transparent system.

Beneficiaries

Blue Badges Applicants

Disabled children

Carers

Enforcement Officers

District and Borough Councils

Police

GPs

Hospices

KCC staff

Blue Badge Team

The Blue Badge Service

Prior to 1st April 2011 any applicant who was automatically entitled to a Blue Badge because they met the eligibility criteria for a mandatory badge was issued with one via the Blue Badge team at the Contact Centre in Maidstone.

For the majority of applicants who did not qualify automatically but may be entitled to a discretionary badge, the Blue Badge team would request GP reports to aid the decision on whether to issue a badge. BBIS removed this need for LAs to approach GPs and the monies that previously funded their reports was transferred from Health to KCC to fund Independent Mobility Assessments. The Department for Transport has committed to providing funding for 2011/12 and 2012/13 only. The service will then become self financing.

The revised Blue Badge service was implemented on 1st April 2011. People who request or renew a Blue Badge now contact KCC and if they meet certain

eligibility criteria they may automatically be assessed as eligible for a Blue Badge or they may receive an independent mobility assessment to determine eligibility for a discretionary badge at one of the Gateway's across Kent.

From January 1st badges will be produced externally, therefore of each £10, £4.60 will be for production of the badge. The remaining money will be used to pay for the administration of the service and the assessments required as part of the new service, the shortfall in funding will be picked up by Kent County Council.

Consultation and data

- Extensive consultation was carried out nationally involving disabled and older people and organizations
- KCC also contributed to the development of this policy by responding to the national DfT consultation
- The Department of Transport carried out a survey with Blue Badge holders that suggested that 68% of badge holders supported an increase in the current £2 fee. When asked how much would be a fair price, 25% thought it would be fair to charge over £10, however 59% thought it should be between £3 and £10.

Potential Impact

People over 80 likely to feel disgruntled that they have to be formally assessed when their badge is up for renewal, generating complaints

Adverse Impact:

Some over 80s who previous were awarded a badge without a mobility assessment may be ineligible for a badge following a robust assessment by an independent mobility assessor.

Approximately 20% increase in assessments now that people aged 80 and over have to undergo assessment when they reapply for a badge

Positive Impact:

BBIS will result in:

- more robust approach to assessment.
- fairer and more consistent assessment and awarding of badges.
- better enforcement powers

JUDGEMENT

Option 1 – Screening Sufficient

NO

Following this initial screening our judgement is that no further action is required.

Justification:

- The Department of Transport conducted a widespread and thorough consultation with the involvement of disabled and older people organizations. BBIS is substantially based on the feedback from this consultation.
- It carried out an Equalities Impact Assessment which it feels is sufficient.

Option 2 – Internal Action Required YES

The need to communicate change to all key disability and older people groups in the county is recognised and would be recommended.

Option 3 – Full Impact Assessment NO

By: Jenny Whittle, Cabinet Member for Specialist Children's Services
Andrew Ireland, Corporate Director of Families and Social Care

To: Cabinet - 5 December 2011

Subject: **CHILDREN'S SERVICES IMPROVEMENT PLAN – QUARTERLY UPDATE**

Classification: Unrestricted

Summary:

Provides Cabinet with a quarterly update on progress on the Children's Services Improvement Plan.

Recommendations:

Cabinet is asked to **NOTE:**

- (a) the very significant progress that has been made since the last quarterly report, and
- (b) the content of the letter from the Independent Chair.

1. Introduction

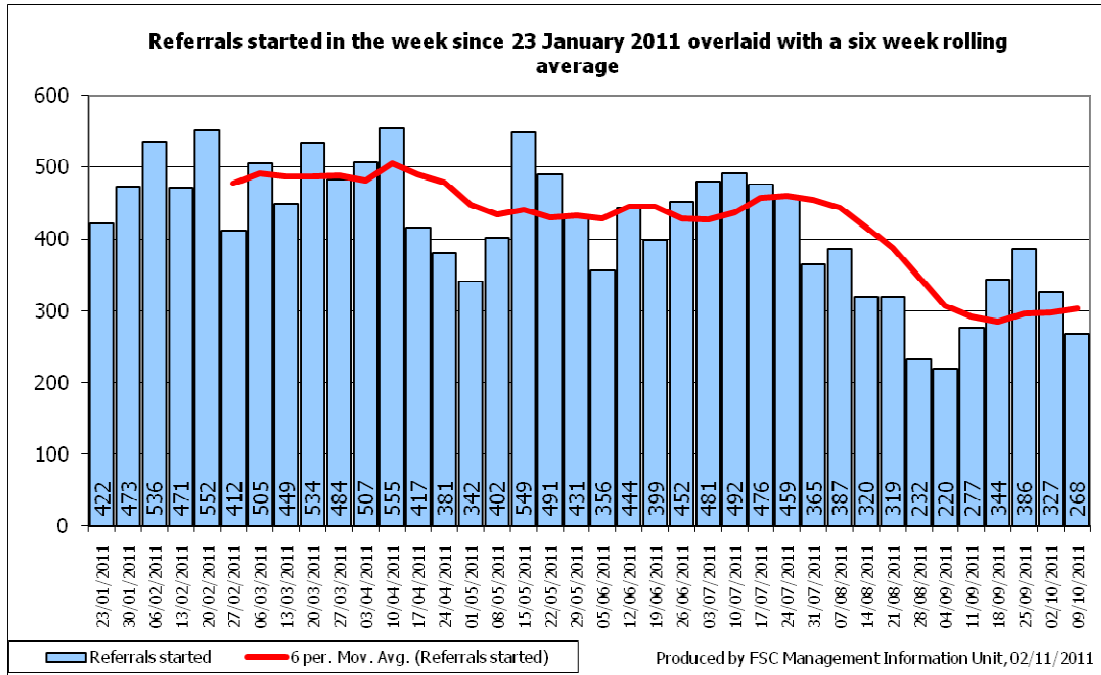
This is the third regular report to Cabinet on progress made in implementing the Improvement Plan. The previous report, in September 2011, outlined Phase Two of the Improvement Plan. This report lays out the progress made over the past three months.

2. Performance

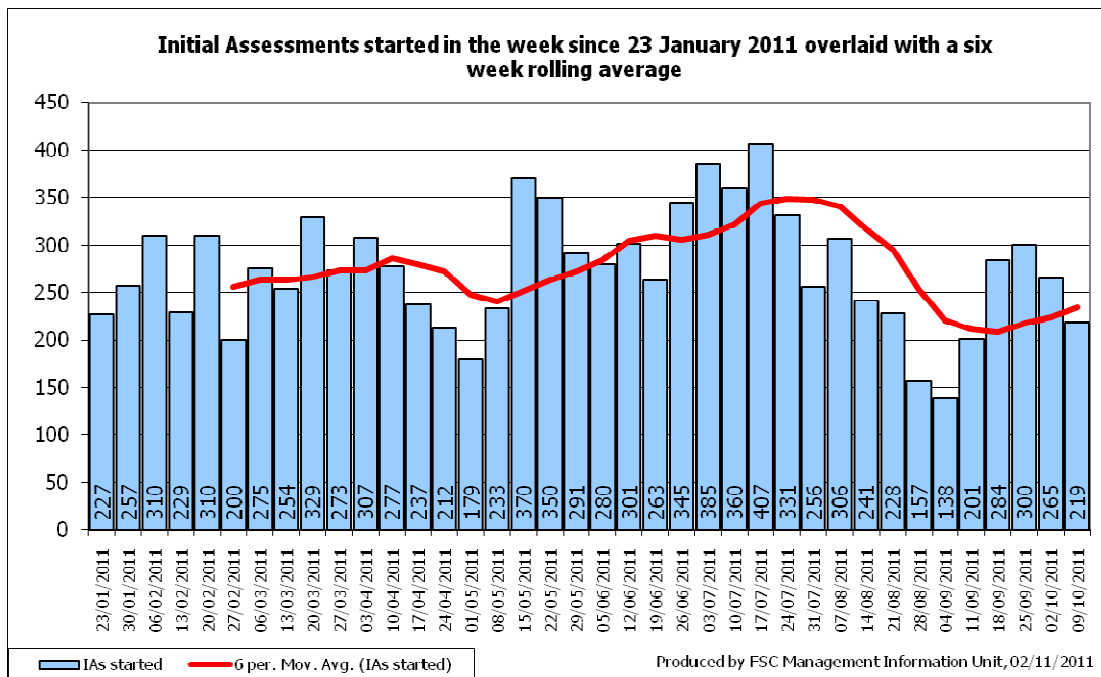
We have continued to sustain good progress across the key areas following the achievement of the August Improvement Notice targets. In October we achieved the following:

- Initial assessments out of time 63
- Core assessments out of time 92
- Unallocated cases over 28 days 81

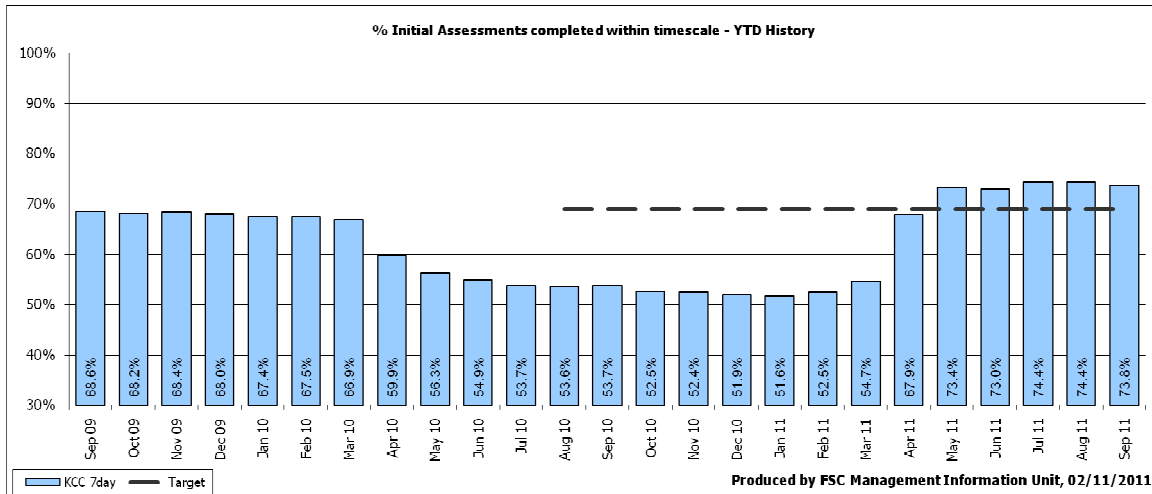
A key plank of Phase One was to "Fix the front-door" and we have now achieved this. The introduction of the County Duty System has led to a significant reduction in the number of inappropriate referrals. This has continued in October and is now a clear sustainable trend.



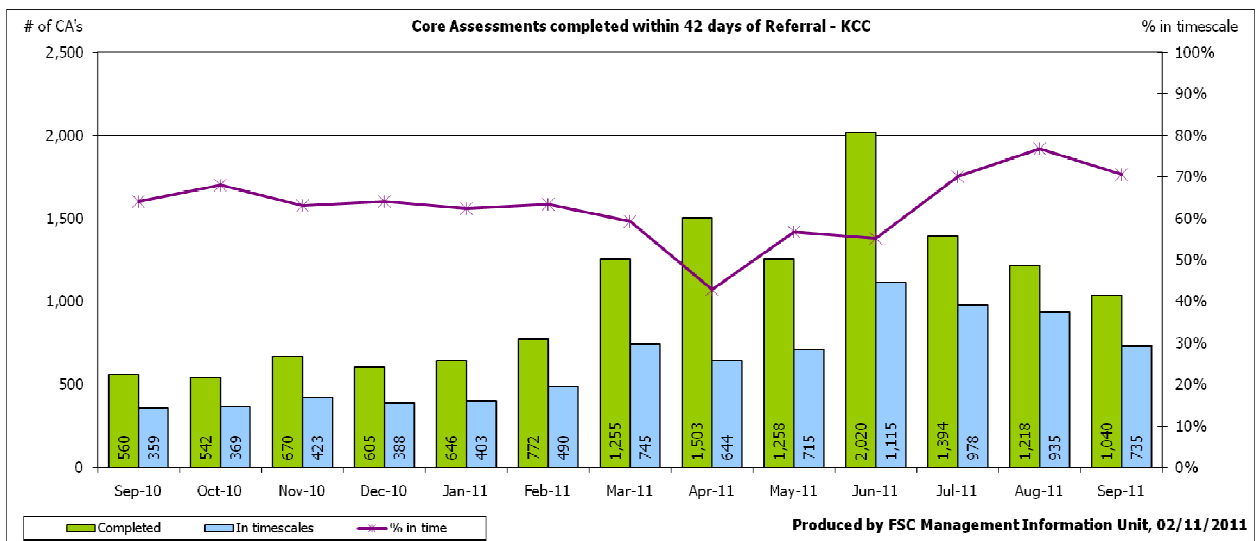
The reduction in initial assessments has also continued



We continue to be high performing in the timeliness of initial assessments with 73.8% having been completed on time so far this year. The following chart demonstrates the consistent achievement this year.



The timeliness of core assessments has continued to be an issue but has been addressed in the deep dives with District Managers. The following chart demonstrates the improvement over the year. Current performance is running at 70% with a year to date figure of 60%.



Reduction in Volumes

There is now clear evidence of a significant reduction in volumes being presented to the services.

- **Referrals:** In May we averaged over a four week period 468 referrals a week. In the last six weeks we have averaged 225.
- **Referrals progressing to Initial Assessment:** In May we commenced 311 initial assessments week. In the last six weeks we have averaged 196.

In summary we have reduced the work coming into the system by 36% over the past six months.

- **Reduction in Children subject to a plan:** In addition since we began the second round of deep dives we have reduced the numbers of CP cases from 1707 to 1363 a reduction of 344.
- **Reduction in Children in Need:** We have also reduced the number of children in need by a further 1179 over the past eight weeks.
- **Reduction in LAC** The one remaining stubborn indicator is the number of Looked after Children which has not yet shown any decrease. However, there is an emerging trend in a reduction in admissions.

At the beginning of October all decision making around high cost places has been escalated to the Director and all other admissions to the Heads of Service. This has led to a significant number of requests being diverted to alternative services and a reduction in children entering the system. We expect this trend to continue and be significantly increased once the new targeted intervention services come on stream in the New Year.

Ofsted Unannounced inspection

The Ofsted unannounced inspection of the contact referral and assessment service was published on 9 November. The inspectors concluded that the Council has made significant improvements since the last inspection in 2010 and saw evidence that staff at all levels were engaging enthusiastically with the improvement programme. They stated that all areas identified for development in the last inspection were being tackled and most were now satisfactory. This inspection report is the subject of a separate agenda item to this meeting.

Inspection of the Adoption Service

In the first week of November, Ofsted also undertook an inspection of our adoption service. The verbal feedback from the inspection team was very positive about the service and the lead inspector informed us that the judgement is likely to rate the service as a solid "good" when it is published next month. This will, however, have to be moderated in line with national performance.

This puts Kent's adoption service and children's services as a whole in a particularly strong position to take forward the government's new agenda on adoption. We know we can do much more- in particular, by increasing the supply of adoptive parents, speeding up the recruitment process and improving on care planning and early decision making for children in the care system. This will require a whole system approach which encompasses the contributions of not just the adoption service but district teams, our legal services, the judiciary and CAFCAS. We are very fortunate that there is strong political leadership in Kent for this direction and a real commitment to improving the life chances of looked after children.

For these reasons the Cabinet Member invited Martin Narey, the new Adoption Czar, to review the adoption system in Kent and provide some external challenge as a "critical friend". His report will also be published in December and this will assist us in responding to the imminent Green Paper.

In addition we have made arrangements for Coram, one of the most successful voluntary sector adoption charities in the country, to provide temporary management support to the service and help drive forward these initiatives. Mrs Whittle and the Director of Specialist Services have also begun working with the judiciary to discuss how delays in the courts can be reduced. This all adds up to a very strong strategic approach to improving adoption within Kent. The action plan and Narey report will be presented to the next Corporate Parenting Panel and all Members are invited to attend that event.

Letter from the Chair of the Improvement Board

The Independent Chair of the Improvement Board Ms Railton completed her quarterly report on 4 October. This letter is attached as an Appendix to this report. Ms Railton summarises:

There is significant evidence that the Council has regained control over the management of contact, referral and assessment activity in relation to safeguarding and that it has combined the shorter term fix of additional, temporary staff, with activity intended to secure, over time, more sustainable change – a leadership and management development programme, improvements to ICT and front line delivery sites, a new approach to commissioning services for children, and strengthened corporate parenting arrangements.

...The evidence presented to the Improvement Board supports this assessment and represents the successful completion of the first phase of improvement work.

Cabinet will note that many of the issues identified by Ms Railton in the last quarter have now been substantially addressed – the reduction in referrals, assessments and child protection cases. Ms Railton concludes

There is no doubt that this is an improving picture. The political and professional leadership continues to be very effective in creating the environment for successful improvement work. The focus going forward will be on quality, sustainability and working with partners.

2. Financial Implications

£3.5m has been allocated to support the improvement programme this year, in addition to the costs of implementing the workforce strategy.

3. Bold Steps for Kent and Policy Framework

Improving Children's Services following the Ofsted Inspection last autumn has been identified as the Council's top priority.

4. Legal Implications

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.

5. Equality Impact Assessments

There are no issues to report on this.

6. Risk and Business Continuity Management

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
- Recruiting and retaining experienced staff and managers
- Untoward safeguarding incidents

7. 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.

8. Sustainability and Rural Proofing Implications

There are no sustainability and rural proofing implications.

9. Conclusion

The Council has continued to progress over this period; good performance has been sustained and there are clear trends now evident to demonstrate that work is being more appropriately referred into the service, responded to promptly and closed down effectively.

The two independent inspections have corroborated this progress and furthermore confirmed that the quality of work inspected was assessed as adequate or above.

Nonetheless we are aware there is still some way to go but the recent inspections have confirmed that the Phase One improvement plan delivered the required results and that Phase Two Improvement Plan is focused on the right areas.

Andrew Ireland
Corporate Director Families & Social Care
01622 694173
andrew.ireland@kent.gov.uk

Appendix

SECOND REPORT TO THE PARLIAMENTARY UNDER-SECRETARY OF STATE FOR CHILDREN AND FAMILIES AND TO THE LEADER OF KENT COUNTY COUNCIL FROM THE INDEPENDENT CHAIR OF THE KENT IMPROVEMENT BOARD

Introduction

The Kent Improvement Board has continued to meet on a monthly basis since the first report was submitted in May. The first phase of the Improvement Plan covering January 11 to August 11 has been successfully completed and an Improvement Plan covering September 11 to February 12 is currently under consideration. Reporting to the Board by the council and the local health services continues to be transparent and thorough.

Compliance with the Improvement Notice

All three of the Improvement Notice targets that were due to be met by August have been addressed. These covered:

- Unallocated cases over 28 days – target no more than 100; achieved 40
- Initial assessments out of timescale – target 200; achieved 53
- Core assessments out of timescale – target 100; achieved 88

A written performance management and quality assurance framework has been prepared and is being implemented by KCC. The evidence about all aspects of the quality of front line practice is not yet flowing through but the council has carried out “unannounced” checks on all its District Intake and Assessment Teams and looked in detail at a sample of 56 cases. This work has confirmed that the management of activity has significantly improved with half the Districts described as Green rated ie functioning well; 2 Districts rated Amber and 4 rated Red. 48 of the cases were assessed as being adequately handled but 8 required follow up due to safeguarding concerns.

Overall, these findings suggest the right direction of travel but with more work required to ensure consistency across Districts. The findings also resonate with my own findings on a visit to front line staff in one of the Districts. Social workers and their managers were very positive about the work done to gain control over activity levels and caseloads, the greater opportunity afforded for effective practice, including direct work with children, and the greater visibility of senior managers and elected members.

In the short term capacity and capability within children’s social care has been enhanced by bringing in a peripatetic team to work on unallocated cases, reduce numbers of incomplete assessments and restore appropriate assessment timescales. Vacancy rates are reducing and on track to reduce to 10% as required during the current notice period. The Council has a workforce strategy and a recruitment campaign is in progress. It targets experienced staff.

The supervision policy has been re-issued to staff and all managers have gone through a supervision training programme. A supervision audit has been carried out and has identified areas where further improvements are required.

Local health commissioners and providers are making good progress towards the target of having at least 85% of health and dental checks for children in care achieved.

Sufficiency of Progress

There is significant evidence that the Council has regained control over the management of contact, referral and assessment activity in relation to safeguarding and that it has combined the shorter term fix of additional, temporary staff, with activity intended to secure, over time, more sustainable change – a leadership and management development programme, improvements to ICT and front line delivery sites, a new approach to commissioning services for children, and strengthened corporate parenting arrangements.

The council's own assessment of progress at this stage is that it looks

“well placed to extend this focus [on immediate weaknesses and restoring the basics] to begin to address the quality of casework, to improve the range and effectiveness of services that are available to children and families and to begin to address the poor outcomes experienced by children in contact with the service.”

Progress report to the September Improvement Board by the Interim Corporate Director for Families and Social Care

The evidence presented to the Improvement Board supports this assessment and represents the successful completion of the first phase of improvement work.

Challenges in the next phase of work

My first report identified seven critical improvement themes that underpin progress in delivering many of the remaining Improvement Notice requirements and that are crucial for sustaining improvement. These themes also underpin improvements for children in care as well as improvements in safeguarding.

The seven themes are:

- ***A new operating model for the service***
- ***Performance management and quality assurance***
- ***Recruitment and retention***
- ***Improved IT***
- ***Working with partners***
- ***An effective Safeguarding Children Board***
- ***Succession planning for leadership of the service***

The themes remain a challenge for the council and its partners although there has been good progress in relation to all seven themes and the next phase of work is currently being organised through a Phase 2 Improvement Plan for the period September 2011 to February 2012.

Plans to improve performance management, quality assurance, recruitment, retention and IT are all in place and progressing. During the next phase of work it should be possible for the Board to see greater evidence about the quality of front line practice and for this to extend to practice in relation to children in care. The Phase 2 Improvement Plan begins to focus much greater attention on this group of children.

There is a particular challenge for the council and its partners in relation to a new operating model for the service. The council is currently using additional staff to deal with activity levels. It has assessed that the establishment of specialist teams, re-distribution of staff in relation to differential needs and demands across the county as well as improved management will improve capacity to manage activity effectively. However, it remains the case that referrals to children's social care are unusually high, with correspondingly high levels of initial and core assessments and increasing numbers of children in care and children with a child protection plan. The rates are much higher than both the England

average and place Kent at the top of its statistical neighbours in terms of activity levels. There are clearly issues about the thresholds for the service, the responses of partner agencies, and the availability of other interventions and services.

Local health services are actively engaged in looking at ways to respond. However there is a legacy of very low levels of Common Assessment Framework activity and a need to work more closely with the Kent Police. The Board is now receiving increasingly helpful information from local audit work on trends that may be contributing to high referral rates, for example, domestic abuse notifications from the police that are not well linked in with the CAF process. There now needs to be sustained cross agency work in the context of both the KSCB and KCC's improvement plans with the council, as identified in the previous report, reaching out to partners in an inclusive way that aligns its plans for change with those in other agencies.

Since the last report there has been significant progress in strengthening the LSCB with health partners fully engaged and providing leadership for sub-groups. The Board has focused on its multi-agency performance framework and has begun to address collection and analysis of information and more robust business planning.

There has also been progress in succession planning with a new Corporate Director for Families and Social Care appointed and joining the council in November. The next phase of improvement work should be well established by then giving the new Director space for some induction into the Council whilst retaining the current momentum of improvement. The Council now needs to recruit its Director for Children's Specialist Services.

Concluding Comments

There is no doubt that this is an improving picture. The political and professional leadership continues to be very effective in creating the environment for successful improvement work. The focus going forward will be on quality, sustainability and working with partners.

Liz Railton CBE
Independent Chair Kent Improvement Board
4 October 2011

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By: Mr Graham Gibbens, Cabinet Member for Adult Social Care and Public Health
Anne Tidmarsh, Director of Older People and Physical Disability

To: Cabinet – 5th December 2011

Subject: Select Committee: Dementia – a new stage in life

Summary: To receive and comment on the report of the Select Committee on Dementia

1. Introduction

The Adult Social Services (now the Adult Social Care and Public Health) Policy Overview and Scrutiny Committee proposed the establishment of a Select Committee to look at issues around services and support for people living with dementia in Kent. This was agreed by the Policy Overview Co-ordinating Committee (now the Scrutiny Board) at its meeting on 16 October 2009 following publication of a National Dementia Strategy in February of that year. On 28 September 2010 the Coalition Government published its own implementation plan for the Strategy: Quality outcomes for people with dementia: Building on the work of the National Dementia Strategy. The Select committee was established shortly before Christmas 2010 and determined from the outset to keep as a central focus of the work, the views and concerns of people with dementia and their family carers.

2. Select Committee

2.1 Membership

The Chairman of the Select Committee was Mrs Trudy Dean, other members being Mrs Ann Allen, Mr David Brazier, Mr Alan Chell, Mr John Kirby, Mr Steve Manion, Mr Ken Pugh, Mr Avtar Sandu. In addition, Mr Leslie Christie was co-opted onto the Committee.

2.2 Terms of Reference

The Select Committee agreed draft Terms of Reference in December 2010 and determined that the scope would remain flexible until a number of key issues had been identified by people with dementia and carers taking part in the review. Final terms of reference were:

To examine issues around the '9 Steps' of 'Quality Outcomes' for people with dementia and their carers in Kent¹.

¹ Department of Health (2010)

The 9 Steps Draft synthesis of outcomes desired by people with dementia and their carers: By 2014, all people living with dementia in England should be able to say:

- I was diagnosed early
- I understand, so I make good decisions and provide for future decision making
- I get the treatment and support which are best for my dementia, and my life
- Those around me and looking after me are well supported
- I am treated with dignity and respect
- I know what I can do to help myself and who else can help me
- I can enjoy life
- I feel part of a community and I'm inspired to give something back
- I am confident my end of life wishes will be respected. I can expect a good death.

To identify good practice and innovation in Kent and elsewhere, that could contribute to achievement of the '9 steps'.

To identify factors militating against achievement of the '9 steps' and make recommendations for improvements.

2.3 Evidence

The Committee obtained information from a variety of sources to inform the review and began its work with an informal training and briefing session hosted by the Alzheimer's Society, followed by visits to a number of sites including care homes, peer support groups and memory cafes. Oral and written evidence was gathered from stakeholders including people with dementia and family carers. An invitation was extended to carer and client groups to comment and two consultation events were held for people living with dementia, carers and supporters; one in East Kent and one in West Kent, in collaboration with the Patient Advice and Liaison Service (PALS), KMPT East Kent. The views of people living with dementia and family carers remained central throughout the review process. A focus group comprising professionals involved in different aspects of dementia health and social care met twice during the review to inform the Terms of Reference and later to contribute to Members' discussion of recommendations. A list of the witnesses who attended Select Committee hearings is attached at Appendix 1 and a list of contributors who submitted written and supplementary evidence is attached at Appendix 2.

2.4 Timescale

Having begun its work with a training/briefing session in January 2011, the Select Committee conducted a programme of visits during February and formal hearings during March and April. Following a break in May, there was then a period of written evidence gathering and consultations. The Select Committee met with the Cabinet Member and Directors on 22 July 2011 to receive and discuss draft recommendations following which a report was

compiled during the summer. A draft report was sent for comment to a number of people living with dementia; carers and the professionals' focus group. The report was finalised after a further meeting of stakeholders in October. It will also be on the agenda of the Adult Social Care and Public Health POSC in November and considered by a meeting of Full Council on 15th December 2011.

3. The Report

3.1 The Select Committee report covers a number of aspects of this important topic and is supportive of work already under way in Kent to develop a dementia care pathway that will provide more seamless support to people living with dementia. This work will be supported by the Social Innovation Lab Kent (SILK) which will take forward recommendations, working with people with dementia and family carers.

3.2 Key themes of the report's 17 recommendations are:

- Improving and streamlining support for people with dementia and their carers within their communities
- Improving the rates of (early) diagnosis in Kent
- Extending the reach of the Admiral Nursing service
- Raising public awareness and understanding of dementia, including minimising the risk of developing vascular and other dementias
- Ensuring that children and young people know about dementia and encouraging intergenerational support
- Acknowledging and supporting the vital role of family carers
- More consistent and appropriate domiciliary and respite care
- Raising awareness about the Lasting Powers of Attorney (and possibly providing a service)
- Ensuring people have the information they need about dementia and dementia services
- Improving the level of dementia awareness and training for enablement workers and ensuring through contractual arrangement that homecare provider organisations can meet the needs of memory impaired clients
- Integrated working on dementia and pooling of budgets between health and social care
- Identifying current resources for dementia and modelling future spending
- Raising GPs' awareness of dementia
- Improving support for people with younger onset dementia
- Ensuring people with dementia and family carers are central to service development

3.3 An Executive Summary of the report is attached at Appendix 3. To obtain a copy of the full report, please contact the report author.

4. Conclusion

4.1 We welcome the report and would like to congratulate the Select Committee on completing this piece of work.

4.2 We would also like to thank all those witnesses, particularly people living with dementia and their carers, who gave evidence to the Select Committee and the officers who supported it.

4.3 Mrs Trudy Dean, Select Committee Chairman, will present the report to Cabinet and the Committee would welcome your comments.

5. Recommendations

5.1 The Select committee be thanked for its work and for producing a relevant and balanced document.

5.2 The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.

5.3 Cabinet's comments on the report and its recommendations be welcomed.

Background Information:

Department of Health (2010) Quality outcomes for people with dementia: Building on the work of the National Dementia Strategy. [Online]. London: DH Available from:

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/@dh/@en/@ps/documents/digitalasset/dh_119828.pdf [Accessed September 2011]

Select Committee Research Officer:

Sue Frampton
Policy Overview Research Officer
Sue.frampton@kent.gov.uk
01622 694993

Appendix One: Witnesses attending formal hearings:

9th March 2011

Panel Discussion: (Carers and former carers)

- Jack Gibbons
- Susan Long
- Geoff Grabham
- Doreen Cornelius
- Denise Lintern
- Judy Ayris, Dementia Outreach Service for Carers, Age UK Canterbury
- Barbara Hagan, Manager, Maidstone & Malling Carers Project

Panel Discussion: (Carers and former carers)

- Gill Bell
- Jeanne B
- Belinda Merritt
- Sally-Ann Clarke
- David Russell
- Jo Williamson

Interview:

- Ian Bainbridge - Deputy Director for Social Care & Local Partnerships, Department of Health South East (Deputy Regional Director of Transforming Adult Social Care Programme Board)

16th March 2011

Interview:

- Naomi Hill, Team Leader – Deafblind (current post)

Panel Discussion:

- Irene Jeffrey, Chief Executive, Crossroads West Kent
- Kate Gollop, Manager, Volcare
- Tanya Stephens, Carer Support worker, West Kent NHS Carers Support Project

Interview:

- Oliver Mills, Managing Director, Kent Adult Social Services (KCC)

23rd March 2011

Interviews:

- Pat Brown, Admiral Nurse Clinical Lead (East Kent) and Fiona Martin, Admiral Nurse Clinical Lead (West Kent)
- Edith Megbele, Community Mental Health Nurse
- Dr John Ribchester, Senior Partner, Whitstable Medical Practice

29th March 2011

Interviews:

- Michael O'Dell, Carer's Watch
- Simon Bannister, Neighbourhood Development Co-ordinator, Ashford Borough Council, and Chairman of Ashford and Shepway Dementia Working Group

Panel Discussion (Equalities theme):

- Simon Bannister, Neighbourhood Development Co-ordinator, Ashford Borough Council, and Chairman of Ashford and Shepway Dementia Working Group
- Shaminder Bedi, MBE - Guru Nanak & Milan Day Centres
- Christine Locke, Diversity House
- Roger Newman MBE, Co-Founder, East Kent Independent Dementia Support (EKIDS)
- Viniti Seabrooke, Project Manager – Early Intervention, Alzheimer's and Dementia Support Services (ADSS)
- Rock Sturt, BME Service Development Officer, Alzheimer's and Dementia Support Services (ADSS)

5th April 2011

Interviews:

- Sandie Crouch, Assessment and Enablement Worker, Anna Ramsay, Senior Practitioner, Maidstone and Malling Assessment & Enablement Team and Richard Munn, Assessment and Enablement Manager
- Penny Hibberd, Admiral Nurse and Director of Dementia Services Development Centre South East based at Canterbury Christ Church University

Appendix 2: Written and supplementary evidence

External:

Name	Designation	Organisation (if applicable)
Ansell, Roy		Dementia for Carers Friendship Group
Ayris, Judy	Dementia Outreach Service	Age UK, Canterbury
Bannister, Simon	Former Carer	
Baynard, Maria	Mental Health worker and Former Carer	
Beckinsale, Rev. Pam	Chaplain	KMPT
Bernard, Maurice	Former Carer	
Bettini, Dr Ciao	GP	
Bishop, Jacqueline	Carer	
Bishop, Mr J	Carer	
Bostock, Chris	Chair, Dementia Spirituality Interest Group	DSDC (Volunteer)
Bourne, Rita	Carer	
Britt, Janet	Former Carer	Uniting Carers at Dementia UK (& EKIDS)
Burden, Kay	Training Facilitator and former carer	
Carr, Sue	Professional Standards Officer	Dover District Council
Chandler, Bob	Person with younger onset dementia	
Clay, Lesley	Joint Planning Manager	Canterbury City Council
Cliffe, Sue	Chief Officer	Age Concern, Herne Bay
Connelly, Rosemary		Alzheimer's Society
Cook Adam	Specialist Information Analyst	NHS SE Coast
Cook, Frances	Community Support Worker	KMPT
Donaldson, Tim	Trust Pharmacist, Associate Director of Medicines Management	Tyne & Wear NHS Foundation Trust
Edwards, Jacqueline	Carer	
Edwards, Joan	Carer	
Godfrey, Fiona	Co-ordinator	Caring Altogether in Romney Marsh
Green, Valerie	Carer	
Guss, Reinhard	Consultant Clinical Psychologist	Mental Health Services for Older People, Clinical Lead for YOD, KMPT
Hagan, Barbara		Maidstone & Malling Carers Project

Hankey, Jo			NW Kent Carer Support Service
Harman, Charles		Carer	
Hodges, Linda		Carer	
Horstead, Henry		Carer	
Jarvis, Mrs J		Carer	
Jones, Gillian		Former Carer	
Kanagasooriam, David	Dr	GP	
Luck, Maggie			Sunlight Trust
Marion		Former Carer	
Maxted, John		Former Carer	
McArdle, Dawne		Carer	
McBean Priscilla		Training Facilitator and former carer	
Miles, Marie		Consultant	Skills for Care
Newman, Roger		Joint Founder of EKIDS and Former Carer	EKIDS
O'Dell, Michael			Carer's Watch
Oliver, Keith		Person with younger onset dementia	
Oxley, Elayne		Carer Support Worker	NHS Project 'Better NHS Support for Carers', Maidstone & Malling Carers Project
Parlby, Geri		Chairman	REPOD (Rotarians easing the problems of dementia)
Parsonage, Sally		Carer	
Pilgrim, Elizabeth		Dementia Information Service Co-ordinator	Guideposts Trust
Potier, Ellie		Peer Support Group Facilitator	Alzheimer's Society
Read, Tessa		Chairman	EKIDS
Reynolds, Pat and John		Person with dementia and wife/carer	
Roberts, Samantha	Dr.	Clinical Psychologist	Home Treatment Service/Older People's Psychological Services CMHTOP
Rosam, Camilla			Carers First
Salfiti-Hoult, Linda		Carer	
Scanlan, Sue		Director	Invicta Advocacy Services
Sergeant, Kate		Support Services Manager	Alzheimer's Society Kent and Medway
Silk, Christie		Assistant Policy Officer	Citizens Advice Bureaux

Singh-Murchelle, Argun		British Banking Association
Stewart, Dr Robert	Medical Director	Kent and Medway PCT Cluster
Stirling, Tina	Manager, West Kent	Alzheimer's Society
Turner, Pauline	Carer	
Wharrad, Jacqui	Dementia Pioneer	Dementia UK
Williams, Sonya	Administration Facilitator	Gravesham Access Group
Internal (KCC):		
Buckingham, Sharon	Head of Adult Learning Resource Team	
Cacafranca, Demetria	Projects Officer - SILK	
Critchley, Uta	Emergency Planning Officer	
Fincher, Tricia	Service Development Librarian	
Fordham, Sue	Open Access Manager	
Grant, Janice	Senior Policy Manager	
Hunt, Clare	Administration Officer – Planning and Public Involvement Team	
Kearl, Daren	Community Development Librarian	
Ireland, Susanna	Partnership Development Manager, Community and Social Interest	
Jackson, Lydia	Lydia Jackson Senior Planning Assistant Business Strategy - Adult Social Care Policy	
Munn, Richard	Assessment and Enablement Manager	
Palmer, Beryl	Kent Sensory Services Manager	
Peachey, Meradin	Director of Public Health	
Smith, Sally	Policy Officer	
Vines, Laura	Assistant Policy Officer	

Walton, Georgina Project Manager -
Personal Health
Budgets Project

White, Christine Admin Officer - Adult
Services Learning
Resource Team

Williams, Sue Research Manager
Wyncoll, Keith Equalities Manager

Focus Group Members²

Ayris, Judy (1)		Dementia Outreach Service for Carers, Age UK, Canterbury
Hanson, Emma (1)	Joint Commissioning Manager (Dementia)	Kent County Council
Henderson, Catherine (1&2)	Dr Research Officer	London School of Economics and PSSRU University of Kent
Kanagasooriam, David (1)	Dr GP	Whitstable Medical Practice
Locke, Christine (1&2)		Diversity House
Savitch, Nada (1&2)	Director	Innovations in Dementia CIC
Seabrooke, Viniti (2)	Dr Project Manager	Early Intervention Project, ADSS
Vella-Burrows, Trish (1)	Director	Sidney de Haan Research Centre, Canterbury Christ Church University
Wharrad, Jacqui (1&2)	Dementia Pioneer	Dementia UK

² Focus Group members attended either one or two meetings. Meeting 1 – Input into TOR, Meeting 2 – Input into recommendations.

DEMENTIA - A NEW STAGE IN LIFE



SELECT COMMITTEE REPORT EXECUTIVE SUMMARY September 2011

Kent County Council
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Maidstone
ME14 1XQ
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Select Committee Officer: Sue Frampton



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Chairman's Foreword



In a recent national survey, people said they feared the onset of dementia more than anything else including cancer. Yet the Select Committee found that few people understood dementia and its causes and even fewer people were aware that we can all take steps to help prevent it and delay its progress.

This lack of understanding in the general population, and more surprisingly amongst professionals, is making life for both sufferers and carers more difficult, stressful, costly and emotionally and physically draining than it needs to be. Many people said to us "No one listened to me. I was left alone to cope."

We have also heard stories where knowledgeable and skilled workers, volunteers and communities have been able to have a transformational effect, helping people to live well with dementia.

During our work, dementia has become a high profile subject nationally and many other bodies have begun working on improving their dementia services. We hope this report is a workmanlike addition to their knowledge and will help focus attention on the practical improvement which will make a difference.

We have heard many moving stories of carers who have looked after a relative with dementia at quite extraordinary personal cost; they have in many cases given up their right to a private life, career and home, and done so willingly and with love. They deserve our thanks and support

The Select Committee would like to thank all those organisations and individuals who helped us by giving evidence. In particular we would like to thank those who shared their very personal memories.

Trudy Dean

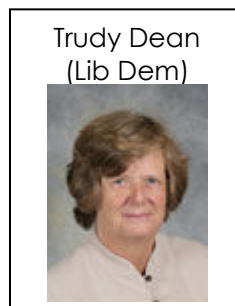
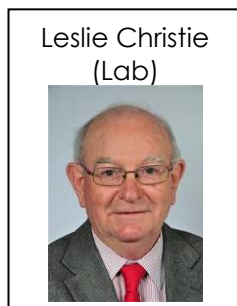
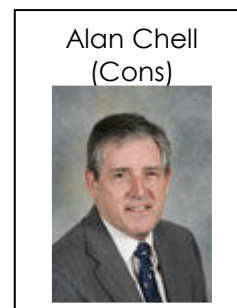
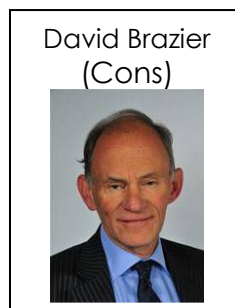
Trudy Dean
Chairman, Dementia Select Committee

I EXECUTIVE SUMMARY

1.1 Committee membership

The Select Committee comprised nine Members of the County Council; seven Conservative, one Labour (co-opted Member) and one Liberal Democrat.

Kent County Council Members (County Councillors):



1.2 Establishment of the Select Committee

- 1.2.1 The Select Committee was established by the Adult Social Services Policy Overview and Scrutiny Committee¹ at the end of 2010 as a result of a proposal submitted originally in 2007 by Members Mrs Trudy Dean and Mr George Koowaree.
- 1.2.2 In the intervening period a National Dementia Strategy was established and Members wished to scrutinise local progress on its implementation, particularly in light of the impact of demographic changes in Kent, concerns expressed by constituents and increased media interest.

1.3 Definitions of Dementia

- 1.3.1 *“The term 'dementia' is used to describe the symptoms that occur when the brain is affected by specific diseases and conditions. Symptoms of dementia include loss of memory, confusion and problems with speech and understanding”².*
- 1.3.2 The National Dementia Strategy: Living Well with Dementia defines it thus:
- “Dementia is used to describe a syndrome which may be caused by a number of illnesses in which there is progressive decline in multiple areas of function, including decline in memory, reasoning, communication skills and the ability to carry out daily activities. Alongside this decline, individuals may develop behavioural and psychological symptoms such as depression, psychosis, aggression and wandering, which cause problems in themselves, which complicate care, and which can occur at any stage of the illness”.*
- 1.3.3 Defined by a former carer: *“Dementia is a change to a new stage in life. It is not the end of life.”*
- 1.3.4 The most common causes of dementia are given on page 15.
- 1.3.5 Though the presentation and course of different types of dementia varies, the common characteristics noted above become more pronounced over time and the condition is degenerative.
- 1.3.6 Current care approaches focus on extending the period during which people can live well with dementia, supported within their communities or in residential care settings.

¹ now succeeded by the Adult Social Care and Public Health Policy Overview and Scrutiny Committee.

² Alzheimer's Society Online at:

http://alzheimers.org.uk/site/scripts/documents_info.php?documentID=161

1.4 Terms of Reference

1.4.1 To examine issues around the '9 Steps' of 'Quality Outcomes' for people with dementia and their carers in Kent³.

The 9 Steps Draft synthesis of outcomes desired by people with dementia and their carers: By 2014, all people living with dementia in England should be able to say:

- I was diagnosed early
- I understand, so I make good decisions and provide for future decision making
- I get the treatment and support which are best for my dementia, and my life
- Those around me and looking after me are well supported
- I am treated with dignity and respect
- I know what I can do to help myself and who else can help me
- I can enjoy life
- I feel part of a community and I'm inspired to give something back
- I am confident my end of life wishes will be respected. I can expect a good death.

1.4.2 To identify good practice and innovation in Kent and elsewhere, that could contribute to achievement of the '9 steps'.

1.4.3 To identify factors militating against achievement of the '9 steps' and make recommendations for improvements.

1.5 Scope of the review

1.5.1 The original draft scope included aspects noted on the next page and those considered to be of most concern to people living with dementia and carers who participated in the review were given greater focus, and hence feature more prominently in this report.

³ Department of Health (2010)

- Stigma
- Awareness-raising among professionals
- Inclusiveness of training, care and support
- Early diagnosis
- Post-diagnosis support
- Carers
- Technology
- Information, advice and signposting
- Decision-making
- Personalisation
- Person-centred care

1.6 Exclusions

- 1.6.1 It was decided at the outset to exclude End of Life Care from the scope, other than from the perspective of decision-making since this aspect of care is not exclusive to dementia and could benefit from investigation by a separate, full and focused select committee review.

1.7 Evidence gathering

- 1.7.1 A list of the witnesses who submitted written evidence is given at Appendix 2 along with the names of professionals who attended one or in some cases two Focus Group meetings to assist the Select Committee prior to decisions about Terms of Reference and Recommendations. A list of witnesses attending hearings is at Appendix 3; details of training and visits carried out as part of the review are given at Appendix 4 and feedback summaries from consultation events on 11th and 15th April are given at Appendix 5.

1.8 Key findings

- 1.8.1 Early diagnosis of dementia is important for a number of reasons. Importantly, it enables the person who is affected to make sense of cognitive or other difficulties they have been experiencing; it enables them to obtain treatment if appropriate for their type of dementia and it is often the means by which they are able to link in to vital sources of local information and support. Being diagnosed early on also buys time for people to discuss and make clear their wishes about the future and to make arrangements for living their life well.

“It makes such a difference if people make their wishes known when they are able to do so and not when they are in a crisis situation.”

1.8.2 Dementia is a condition which is more common in older people and relatively few people under 65 are affected. However, people with learning disabilities (and in particular Down's Syndrome) are living longer and in their 50s and 60s are more likely to develop a dementia than other people of the same age. Due to the relative rarity of younger onset dementia, suitable services and support have been slow to develop in Kent, with the exception of some voluntary sector provision, and as a result the needs of this group are not currently being met.

“If twelve months ago someone had asked me what thoughts came to mind when dementia or Alzheimer’s were mentioned I would have described an elderly person who was either being cared for in their own home by a devoted family member or in a residential or nursing home. Since then I have experienced first-hand how mis-informed this view is.”

1.8.3 The assessment and diagnosis of people with dementia at Memory Clinics (as directed by NICE guidelines) may not always be the most supportive option e.g. for frail elderly people. There are also gaps in support post diagnosis due to poor communication and a lack of formal shared care arrangements between GPs and specialists. People with dementia who go into hospital may have their medication discontinued because it is not on GP lists. Assessment and diagnosis closer to home could contribute to reduced stigma; improve the rates of diagnosis overall and improve outcomes for more people with dementia and their carers.

“Mum had a fall and fractured her hip. She went into the William Harvey Hospital. The staff ignored me when I tried to speak to them about her dementia medication. Her GP hadn’t recorded it so the hospital thought that she wasn’t on any medication. We found it hard to get information when she was in hospital.”

1.8.4 The stigma associated with dementia is steadily reducing as people become more aware of the condition. It is important to keep up the momentum that has built up in awareness-raising. Reducing stigma will ensure that people with dementia are treated with dignity and respect in their communities. It will also mean they are less afraid to seek support and help. Some Black and Minority Ethnic (BME) communities need a different approach to ensure that stigma is addressed and families are not left isolated and unsupported. Ensuring that young people have a good understanding of dementia could reduce the level of stigma people will experience in the future; help to build compassion in communities and contribute to a more caring and empathetic workforce in the future.

“Image is everything. Minority Groups need to be confident that when they raise issues they will be heard.”

- 1.8.5 Public health messages have an important role to play in persuading people to adopt healthier lifestyles that could reduce the chances of their developing a dementia in the future. The national programme of Health Checks, as it is established in Kent, could reinforce messages about healthy lifestyles and help to identify people at risk of a dementia in future. It could also help to identify people at the early stages of dementia and link them to appropriate treatment and support earlier than is currently achieved in Kent.

“We are at the tipping point of public awareness”.

- 1.8.6 Voluntary Sector organisations provide invaluable specialised support for people with dementia and their carers and this will become increasingly important as fewer in-house (council provided services) are available. There is currently an uneven distribution of services across the county and commissioners of health and social care services for dementia will have an important role in ensuring everyone in Kent who has a dementia can access support locally.

“We are looking at the possibilities of new groups as some have become so popular that they are outgrowing their venues. At our newest group for those with Younger Onset Dementia last evening we had nine couples including three new couples . . .”

- 1.8.7 Home care support is not currently set up in a way that acknowledges the particular problems and challenges faced by people with dementia, whether or not they have a diagnosis. The level of dementia awareness and training of the care workforce needs to be raised overall and in order to achieve this, the Select Committee proposes that KCC assessment and enablement workers should have a higher level of dementia training. Furthermore, dementia training should be a requirement in contractual arrangements with providers. The Select Committee believes that provision of specialist as opposed to generic services is not, in itself, a solution but an increase in the availability of highly specialised voluntary sector dementia support in Kent will ensure that more people purchasing services can choose the level of support that they need. It could also enable different models of homecare provision (e.g. combining personal budgets at local level) to be tested.

“We often find carers deciding it is easier to struggle on coping alone rather than put up with different and often poorly trained workers coming into the home.”

1.8.8 Residential care services, whether specialised to dementia or generic can improve the lives of people with dementia, firstly, if the living environment incorporates physical design features in line with current best practice and secondly if well-trained staff can ensure there are meaningful activities and positive interactions for people, helping to retain skills and pursue interests, faiths and important relationships.

1.8.9 Carers for people with dementia play an important role which needs to be better recognised and acknowledged. If people with dementia are expected to live well and safely at home, carers too must be well supported. Carers for people with dementia need respite appropriate to their needs; and ready access to the information they need to help them in their caring role. The important relationship between the carer and cared for person must be protected and supported. Carers must also be able to enjoy their own lives. Carer support organisations would welcome a ‘9 Steps for Carers’ which acknowledges the crucial role that carers play in supporting people living with dementia. Carers across the county are now able to access comprehensive ‘Confidently Caring’ training to support them in their role.

“What happens when a carer gets ill – carers neglect themselves and miss even flu jabs as they have no-one to help.”

1.8.10 The dementia care pathway in the future should be one which acknowledges the high level of social care needs that the condition demands. The particular health needs of people with dementia must be met in whichever setting they are living. The available funding should be identified and directed towards preventative (early intervention) services so that people with dementia and their carers can access a range of support to improve health and wellbeing. This should include positive and educational activities; social support, including memory cafes and peer support; advocacy services; crisis and emergency support and planned respite.

“It is only because we can see his house, coupled with the technology we now use, that he is able to remain in the home he has lived in for 55 years.”

“The Dementia Advocacy team were a godsend. To have an independent person to represent D’s needs and rights was a huge relief, and made me feel less of a lone (and emotionally involved) voice.”

1.8.11 Professionals in health and social care fields must be made more aware of dementia, its effects on people with the condition and their carers and the support that is available. Professionals must ensure they integrate their planning and their records as well as their day to day working so that people with dementia and carers are better supported. The Health and Wellbeing Board can play an important role, ensuring that this integrated working takes place at all levels. A range of professionals from different sectors including Kent Police can also contribute to better safeguarding for people with dementia and their carers.

“None of the services are not doing their job but what they are not doing is doing it together.”

1.8.12 People with dementia, their carers and former carers can play a vital role in directing the development of services and support including through Local HealthWatch and potentially through membership of any dementia advisory group set up in relation to the Health and Wellbeing Board.

‘Co-production is an idea whose time has come. The idea, put simply, is that people’s needs are better met when they are involved in an equal and reciprocal relationship with professionals and others, working together to get things done.’

1.8.13 There is an increasing body of research and knowledge about dementia. Dementia service commissioners and providers have the opportunity to work with academic colleagues to develop new services and test models of service provision developed with and by people with dementia and their carers. This will ensure that future services and support are better tailored to meet their needs.

1.9 RECOMMENDATIONS⁴

DEMENTIA IN KENT

R1

That a business case is developed in Kent for shared care prescribing arrangements for dementia medication and that GPs are encouraged to be more proactive in reviewing all people diagnosed with dementia, regardless of whether dementia medication is indicated. (p50)

R2

That in disposing of KCC buildings, the options for Community Asset Transfer are proactively explored to maximise the opportunity for voluntary sector dementia respite and day services. (p54)

R3

That KCC seeks to work with Dementia UK and relevant health organisations including GP practices in Kent to explore ways of widening access to the Admiral Nursing Service in Kent so that more people with dementia and their carers have access to a named, specialist contact. (p57)

SUPPORTING EARLY DIAGNOSIS BY RAISING AWARENESS AND REDUCING STIGMA

R4

That, to improve the rates of early diagnosis of dementia in Kent, KCC:

- works with colleagues in Public Health, the Voluntary Sector, community and faith groups to raise awareness (and dispel stigma) about dementia in the general population and among particular cultural groups, encouraging the use of positive and inclusive language and images in communications about dementia.
- works with the Alzheimer's Society to develop a '10 signs of dementia' poster (which distinguishes between signs of concern and normal signs of ageing).
- considers whether media/publicity could help to raise awareness about dementia, such as:

⁴ Page numbers refer to main report

Memory problems that interfere with daily life?

Inability to plan and solve problems?

New problems with speaking or writing?

Difficulty completing familiar tasks?

See your doctor and discuss ways to get advice, information and support

- presses for the inclusion of an appropriate dementia screening tool in the NHS Health Checks programme in Kent (and adherence to relevant NICE guidance). (p79)

R5

That, to ensure young people have a good understanding of dementia, KCC:

- ensures libraries in Kent have books which explain dementia to children of different ages and encourages schools to do so
- seeks to fund a youth project to create a DVD, raising awareness about dementia and encouraging inter-generational support, which could be shown in Kent schools. (p82)

SUPPORTING CARERS AND CARING RELATIONSHIPS

R6

That KCC acknowledges and highlights the perspective of carers (and former carers) for people with dementia in a '9 steps for dementia carers' for inclusion in the next Kent Carers' Annual Report. (p85)

R7

That KCC encourages the commissioning of a variety of early intervention measures in order to reduce avoidable, inappropriate and expensive hospital admissions for people with dementia, to improve the quality of life and outcomes for a greater number of people with dementia and carers and that commissioning should include:

- Implementation of a pilot Shared Lives scheme for people with dementia, in co-operation with PSSRU Kent University, which develops the current Adult Placement Scheme and explores whether the management of personal budgets by voluntary sector service providers could help to provide more person-centred respite, for example, for people in rural areas, using the Shared Lives Model.
- Independent advocacy services for people with dementia in East and West Kent.

R8

That KCC seeks to promote greater awareness of Lasting Powers of Attorney (LPA) and considers whether a service could be offered by KCC Legal Services in this regard and that KCC supports the work of the British Banking Association to improve training for staff on LPA in order to minimise stress experienced by carers for people with dementia in organising finances. (p97)

R9

That KCC works with Kent Police and relevant health organisations in order to ensure that there is proactive support for and appropriate responses to carers who may be experiencing domestic violence as a result of dementia-related aggression in a loved one. (p101)

R10

That KCC extends the successful Telecare pilot work by evaluating how different types of assistive technology can support people with dementia to live safely and securely at home and in particular to assist with 'safer walking'. (p104)

INFORMATION AND SIGNPOSTING

R11

That KCC ensures that people living with dementia and their carers have access to good quality, well maintained information on local services and support in Kent and in their local area and that:

- printable, district level information is made available through links on DementiaWeb.
- KCC works with relevant health organisations and partners in the voluntary sector to ensure that this standard information 'set' is known to/made available through local authority offices, Gateways, Citizens Advice Bureaux, dementia and carer support organisations and in particular GP surgeries.
- as well as signposting to local groups offering dementia support, DementiaWeb should provide information about Adult Education opportunities and details of the Health Referral Scheme (50% discount on courses), and Library services for people with dementia.
- there is a consistent approach to the provision of information and signposting by KCC in response to enquiries regarding people with dementia who are self-funded, ensuring that all enquirers are made aware of DementiaWeb and the local information guides. (p111)

R12

That KCC and Health Commissioners should ensure that every Kent district or borough has at least one memory cafe as well as peer support for people with dementia. That KCC should promote the grass roots development of a network of memory cafes and peer support by engaging local groups such as Rotary, U3A, Older Person's forums, Carer Support Groups and Neighbourhood Watch; encouraging them to apply for funding through Members' Community Grants. (p115)

DEMENTIA CARE PATHWAY – FUTURE STRATEGY FOR KENT

R13

That in establishing and developing the 'core offer' of services and support for people with dementia and their carers, KCC and NHS Dementia Service Commissioners build on existing links with the academic sector (particularly the Dementia Services Development Centre at Canterbury Christ Church University and PSSRU at the University of Kent) to maximise research opportunities and ensure that the development of the dementia care pathway in Kent is informed by evidence and best practice. (p120)

R14

That, given the high proportion of undiagnosed dementia in Kent, '2nd level' training in dementia should be compulsory for all KCC assessment and enablement workers; basic dementia awareness training should be strongly encouraged for other KCC staff engaged in dementia support work and a requirement for an appropriate level of dementia training should be reflected in contractual arrangements with providers. (p121)

R15

That KCC (through the Health and Wellbeing Board, where appropriate):

- encourages GP practices to invite voluntary sector dementia support organisations to protected learning sessions to raise awareness among clinical and non-clinical staff about dementia and the local support available for people with memory problems.
- focuses on maximising KCC's role in the training and development of the social care workforce to ensure that safety and quality of care for people living with dementia are given the highest priority.
- encourages the commissioning of joint education and training for health and social care professionals including General Practitioners, on dementia, to support integrated working in the future.

- encourages greater awareness among hospital staff in Kent about when to engage with liaison nurses to minimise admissions, reduce lengths of stay, ensure dignified care and speed up discharges to appropriate locations for people with dementia in order to minimise distress and contribute to cost savings.
- encourages relevant health organisations, including GP practices and partners in the voluntary sector to identify opportunities for pooled health and social care funding of community based care co-ordinators (see recommendation 2) and that personalised multi-agency care plans can be readily accessed by professionals providing care and support to people with dementia at home and during transitions of care.
- Identifies as a matter of urgency the approximate current spend on dementia by all agencies and models the change in spend between providers as diagnosis rates improve, the social care model is implemented and there is a change in use of acute services. This will provide a benchmark for the development of services and a context for assessing the value both in cost and quality of provision of pooled budgets and preventative services. (p128/9)

R16

That KCC considers whether a separate Kent & Medway strategy for Younger Onset Dementia is required to ensure that the needs of this group are met and that any future dementia strategy or plan:

- takes account of the particular circumstances experienced by a younger age-group and the development of appropriate services and support based on evidence and best practice
- includes an assessment of the likely impact of increased numbers of people with learning disabilities having dementia in the future
- is proactive in mapping where support and services will be needed. (p130)

R17

That people living with dementia and their carers are enabled to play a central role in encouraging integrated services and deciding how best to support people with dementia and their carers in Kent including through HealthWatch and its links to the Health and Wellbeing Board and the GP commissioning bodies. (p132)

“... by taking part in things like this to raise awareness, it gives me a purpose in life. It makes me feel like I am doing something worthwhile and helping others in my situation while I still can. Thank you for listening.”

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From: Jenny Whittle, Cabinet Member for Specialist Children's Services
Andrew Ireland, Corporate Director, Families and Social Care

To: Cabinet – 5 December 2011

Subject: **THE PROCUREMENT OF ACCOMMODATION SERVICE FOR LOOKED AFTER CHILDREN AND CARE LEAVERS**

Classification: Unrestricted

(Appendix 1 is EXEMPT – not for publication – Paragraph 3 of Part 1 to schedule 12A of the Local Government Act, 1972 refers.)

Summary: The purpose of this paper is to obtain Cabinet agreement to award two block contracts and a Multiple Supplier Framework Agreement for Accommodation Services for Looked After Children and Care Leavers

Recommendations: Cabinet is asked to:

- (i) note the tender process which has been undertaken in respect of this matter and in the light of the information set out in the Appendix in Part II of the agenda, consider and approve the recommended list of contractors; and
- (ii) subject to him being satisfied as to the detailed terms and conditions, the Corporate Director for Families and Social Care, in consultation with the Cabinet Member for Specialist Children's Services be delegated authority to enter into on behalf of the County Council all necessary contracts in order to deliver these services.

Introduction

1. (1) In April 2010, the Home Office agreed a new grant settlement for Local Authorities for the funding of services to support Unaccompanied Asylum Seeking Children (UASC), who qualify as Looked After Children and Care Leavers. It was agreed that KCC would receive grant funding of £150 per week for each UASC Care Leaver aged over 18. Based on the expenditure per UASC Care Leaver at that time, a reduction of 35% was required to bring expenditure in line with the new grant. The provision of accommodation was and is, by far the largest single component of the unit cost. A strategy was therefore agreed by Cabinet Members, which focused on reducing accommodation expenditure. A key strand of that strategy was to enter into a competitive procurement process for Accommodation Services for all UASC living in the community.

(2) The vast majority of the 496 UASC Care leavers 18+ (total as at 7.10.11) are accommodated independently in the community. Accommodation is arranged by Housing Officers within KCC Services for Unaccompanied Asylum Seeking Children (SUASC), working with a number of Housing Providers approved following a tendering process in May 2006. In addition to achieving the required savings, a thorough review of the statement of requirements on service providers and terms & conditions of the housing contract was necessary and overdue.

(3) The objective of the competitive procurement process was to identify a small number of service providers who could deliver a high quality, efficient service at an agreed volume and within the agreed price limitations.

Procurement Process

2. (1) The Accommodation Services to be commissioned through this procurement process are:

- (a) The provision of units of accommodation in the required locations¹.
- (b) Transportation and Move-in Services for all service users accommodated.
- (c) Accommodation Maintenance Services (planned, emergency and reactive).

(2) In line with Spending the Council's Money, a fair and transparent non EU competitive procurement process was carried out. A detailed and robust Service Specification and Terms & Conditions of Contract were drafted in consultation with KCC Legal Services and the FSC Commissioning Unit. It was agreed that the tender would be advertised as Accommodation Services for LAC and Care Leavers including UK Citizen and UASC. Whilst the majority of Service Users will be UASC, there will be the potential for any spare capacity within the Accommodation to be used by KCC for UK Citizen LAC and Care Leavers.

(3) Organisations were invited to tender under two categories, block contract or a multiple supplier framework agreement. KCC were looking to award firstly, two block contracts for 150 bedspaces each and secondly, a multiple supplier framework agreement to a further five providers who would be called upon to provide accommodation services in specific districts of the county, as required. All 52 organisations who expressed an interest through the South East Business Portal were issued with invitations to tender. Tender responses were received from fifteen organisations, four of which were tendering for the block contracts and twelve for the multiple supplier framework agreement.

(4) The first step in the evaluation process consisted of a series of Pass/Fail questions relating to the essential requirements of the specification. Three organisations failed to meet the essential criteria and twelve organisations progressed to the Stage One Evaluation.

¹ Decisions on locations of UASC accommodation are dependant on Access to Education and Health Care facilities, Geographical spread of UASC across the county, Family or Foster care links in the area.

(5) The Stage One Evaluation process focussed on the capability of the organisation to deliver the requirements of the specification in five key areas:

- a) Housing standards
- b) Legal Requirements
- c) Policies and Procedures
- d) Equality Diversity
- e) Financial requirements including price

(6) Capability under the sections listed above was assessed through the scoring of tender responses to all criteria and the evaluation of a full set of detailed policies and procedures submitted by each organisation. The evaluators of this stage were the KCC SUASC County Manager, the Business Development Manager – Asylum and the Finance Manager – Asylum. All scoring was adjudicated by the Commissioning Unit’s Contracts Manager. Five organisations achieved the required 75% score at Stage One to progress to Stage Two. This comprised of two organisations tendering for block contracts and three organisations for the call off category.

(7) The Stage Two Evaluation process consisted of a site visit to one property, proposed by each organisation as meeting the Accommodation Standards and Fit Out requirements specified. A property inspection was undertaken by the SUASC Accommodation Officer, the KCC Business Development Manager – Asylum and the Local District Authority’s Housing Officer. Each property was scored against set criteria under the following categories – Safe, Habitable and Fit for Purpose. The site visit included a full assessment on compliance with all Housing and Fire Safety Legislation.

(8) All five organisations evaluated in Stage Two achieved the required score to successfully pass this stage of the evaluation.

Financial Implications

3. (1) The services commissioned through this procurement process are funded by the Home Office UKBA grant to KCC for supporting UASC.

(2) The organisations proposed to receive Block Contracts are offering a weekly unit price of £100 or under for the duration of the contract. This represents a reduction of approximately £50 on the Unit price prior to the outset of the strategy and will ensure that expenditure is in line with the Home Office funding.

(3) The annual value of the contract is £1.8 million with a three year life value of £5.4 million.

Policy Framework

4. (1) KCC has a statutory duty to support UASC, including the provision of accommodation under Section 20 of the Children Act 1989 and under Section 23 of the Children (Leaving Care) Act 2000, which imposes duties on Local Authorities in respect of children who have been looked after by them. The local authority is

responsible for ensuring that the young care leaver is provided with accommodation which assists him or her to continue their education or training, or enter employment.

(2) The Hillingdon Judgement in 2003 rules that all UASC, who have been in care for at least 13 weeks prior to their 18th birthday, are entitled to a leaving care service until at least the age of 21 from Local Authority children's services, rather than being dispersed to other parts of the country under national adult asylum seeker arrangements.

Equality Impact Assessments

5. (1) An initial Equality Impact Assessment screening has been completed on the Reducing Accommodation Expenditure for UASC strategy which indicated a Low to Medium impact. Actions were identified to address potential adverse impact and there is no requirement for a Full Customer Impact Assessment

Personnel and Training Implications

6. (1) All staff within the Services for Unaccompanied Asylum Seeking Children will require briefing and/or training sessions on the new Accommodation Service Specification to ensure that it is implemented and monitored efficiently. There are no TUPE implications.

Recommendations:

7. (1) Cabinet is asked to:

(i) note the tender process which has been undertaken in respect of this matter and in the light of the information set out in the Appendix in Part II of the agenda, consider and approve the recommended list of contractors; and

(ii) subject to him being satisfied as to the detailed terms and conditions, the Corporate Director for Families and Social Care, in consultation with the Cabinet Member for Specialist Children's Services be delegated authority to enter into on behalf of the County Council all necessary contracts in order to deliver these services.

Background Documents

Accommodation Services for Looked After Children and Care Leavers - Invitation to Tender document

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To: Cabinet – 5th December 2011

Subject: The Duke of York's Royal Military School

Classification: Unrestricted

Summary: This report seeks approval to submit the Feasibility study (outline business case) for The Duke of York's Royal Military School to PFS and the DfE to progress to the next stage and commence the procurement from the PFS Contractors Framework to select a Contractor to deliver the Academy works.

Introduction

1. (1) The Duke of York's Royal Military School, Dover, transferred to Academy status on 1st September 2010. Before this it was an independent school which was run and funded by the MOD.

(2) The sponsor of the Academy is the Secretary of State for Defence. The School is co-educational and the sponsor's overall vision is for a high quality, exclusively full-boarding Academy which will have military ethos, character and traditions and will be primarily focussed on providing continuity of education for the children of those serving in the Armed Forces.

(3) KCC is not a sponsor of the Academy and does not place students at the school, so KCC is only acting as a procuring agent for Partnerships for Schools (PFS). All costs will be covered by DFE; details of this are listed in appendix 1.- EXEMPT- NOT FOR PUBLICATION - Paragraph 3 of Schedule 12A of the Local Government Act 1972, as amended, refers

(4) The site is over 150 acres with more than 40 buildings, including 10 boarding houses, plus a significant amount of staff housing. There are 16 listed

buildings, a new 6th form boarding house for 60 students and a refurbished boarding house (following a fire).

(4) Following the change of Government, the development of this academy was put on hold while the funding available was reconsidered. Following site visits by the DFE and the adoption of a new approach to calculating the funding, there was a reduction in the funding available. Details of the funding allocated are included in appendix 1

Process and Programme

2. (1) The BSF and Academies team, with Gleeds as technical advisors and Cube as Architects, have been working with the Academy to develop initial options for redeveloping the site. This has taken into consideration the state of the existing buildings to determine what facilities could be re-furbished and which need to be replaced.

(2) These initial options have been costed to demonstrate which would be affordable, this takes into account a number of initial surveys. The new build rate used to cost the options is based on a rate advised by the DFE as part of the cost saving exercise carried out by the DFE when determining the funding allocated. The rate for refurbishment is based on the conditions survey. It is unlikely that this rate will be able to achieve the same standard as was achieved under the Building Schools for the Future programme.

(3) Work has been carried out to look at how the redevelopment could be phased to reduce the need for temporary accommodation during the build period.

(4) The options have been discussed with the relevant planning authorities, Kent Highways and Sport England. This has allowed us to determine the deliverability of the schemes, as well as affordability.

(5) A control option has been chosen to develop in more detail. This option will be put forward in the Feasibility Study (a streamlined version of Outline Business Case previously produced at this stage in a projects development) to demonstrate how the funding could be used to deliver an affordable scheme to meets the Academy's requirements.

(6) The Feasibility Study will be issued to Partnerships for Schools (PfS) for their review and approval on behalf of the DFE to move forward with the project. Once this approval is received the procurement to select a Contractor to deliver the Academy works will commence.

(7) In parallel with the completion of the Feasibility Study , there will be a 'Bidders Open day' to gauge the market interest in the scheme. The procurement documentation (preliminary invitation to tender (PITT) and Invitation

to Tender (ITT)) will also be produced so this is ready to issue once the Feasibility Study is approved.

(8) The first stage of the procurement is to invite all of the 11 panel members of the PfS Contractors Framework (Southern Region) to take part in the local competition by submission of a response to the PITT. This is then evaluated and 2 panel members are shortlisted from this response to proceed to the next stage.

(9) The 2 panel members will then have 8 weeks to engage in 6 – 8 design workshops with the Academy to develop a scheme for their bid submission.

(10) These bids will be evaluated by the KCC BSF and Academies team, with our technical advisors and the Academy, to shortlist the bidder that will become the Selected Panel Member. There will be an opportunity for a Member to be involved in the evaluation process should they choose to do so.

(11) The Selected Panel Member will then submit the planning application and subsequently continue to develop the scheme in detail so that they can produce contractor's proposals for the Design and Build Contract.

(12) Before KCC can enter into a contract with the Selected Panel Member, a Final Business Case will be submitted to PfS to confirm that they will be funding the scheme. At this point Cabinet will be asked to authorise the submission of this business case and to authorise the signing of the contract with the Selected Panel Member.

(13) It is estimated that it will take at least four months for the Selected Panel Member to develop the scheme to the level required to enter into the contract. This however could take significantly longer if the planning process becomes complicated.

(14) The current target is to sign contracts in autumn 2012 so that the construction works can be completed in summer 2014.

Related Issues

3. Further details about the scheme including financial information can be found in appendix 1.

Next Steps

4. The Feasibility study will be issued to PfS and amended as required by them. Once approved, the project will move into the procurement stage.

Recommendations:

6. (1) Members of the Cabinet are asked to AUTHORISE the submission of the Feasibility study for The Duke of York's Royal Military School to PfS and DFE.

(2) Members of the Cabinet are asked to AUTHORISE the commencement of the procurement from the PfS Contractors Framework to select a Contractor to deliver the Academy works and then to progress through the next stage of the process to develop detailed designs, progress the planning application and finalise contracts.

(3) to NOTE that the BSF, PFI and Academies Board will be updated on progress and final approval to enter into contracts will be sought from Cabinet

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Additional Documents: Appendix 1

Other Useful Information: N/A

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Agenda Item 18

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