AGENDA

CABINET

Monday, 1st December, 2014, at 10.00 am	Ask for:	**Louise Whitaker**
Darent Room, Sessions House, County Hall, Maidstone	Telephone:	**Tel: (01622) 694433,**
	e-mail	**louise.whitaker@kent.gov.uk**

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 or by any member of the public or press present. The Chairman will confirm if all or part of the meeting is to be filmed by the Council.

By entering the meeting room you are consenting to being filmed. If you do not wish to have your image captured please let the Clerk know immediately.

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

1. Introduction/Webcasting

2. Apologies & Substitutions

3. Declaration of Interests by Member in Items on the Agenda for this meeting

4. Minutes of the Meeting held on 13 October 2014 (Pages 3 - 10)

   To consider and agree as a correct record the minutes of the last meeting.

5. Care Act 2014 - Required Decisions (Pages 11 - 32)

   To receive a report for consideration and comment regarding the Care Act and the intention of the Cabinet Member to take decisions required in order to comply with new provisions therein.

6. Quarterly Performance Report - Quarter 2 (Pages 33 - 110)

   To receive updates on KPI's and other performance targets as at Quarter 2.

7. Financial Monitoring Report - Quarter 2 (Pages 111 - 268)

To receive updates on the revenue and capital budgets as at Quarter 2

8. Corporate Risk Register - Annual refresh (Pages 269 - 304)

   To receive the annual refresh of the Corporate Risk Register

9. Policy on Gatwick Airport (Pages 305 - 312)

   To receive a report setting out a suggested policy position for adoption regarding Gatwick Airport

Peter Sass
Head of Democratic Services
Friday, 21 November 2014

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, 13 October 2014.

PRESENT: Mr P B Carter, CBE (Chairman), Mr D L Brazier, Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr P J Oakford, Mr J D Simmonds, MBE and Mr B J Sweetland

UNRESTRICTED ITEMS

79. Introduction/Webcasting
The Leader welcomed Barbara Cooper to her first meeting of Cabinet as the newly appointed Corporate Director of Growth, Environment and Transport.

80. Declarations of Interest
None

81. Apologies
Apologies were received from David Cockburn, Corporate Director of Strategic and Corporate Services and Andrew Ireland, Corporate Director of Social Care, Health and Wellbeing who was substituted by Anne Tidmarsh, Director of Older People and Physical Disability.

82. Minutes of the Meeting held on 15 September 2014
With one small typing error noted, the minutes of the meeting held on 15 September 2014 were agreed as a correct record and signed by the Chairman.

83. Education Commissioning Plan
(Item 5 – report of the Cabinet Member for Education and Health Reform, Mr Roger Gough, and Corporate Director for Education and Young People's Services, Patrick Leeson)

Cabinet received a report seeking agreement to the adoption of the final draft Commissioning Plan for Education Provision 2014-19.

The Cabinet Member for Education and Health Reform, Mr Roger Gough introduced the item.

He reported that the plan was an important development in the council's response to significant demographic changes. 39 forms of entry had been added to primary schools in Kent since 2012 and although high levels of accuracy had been achieved in the commissioning plans to date, last year had seen additional pressures above those forecast. As a result of those additional pressures, such as inward migration to the county, localised pressures had emerged. Seven of the twelve districts currently had surplus capacity below the 5% target.
In addition Mr Gough reminded members that during the period between 2002 and 2012 the birth rate in Kent had risen by 25% only falling for the first time last year; it

was not clear whether the 6.6% fall in births would present a trend but the commissioning plan predicted a 15% increase in primary school places required by 2018-19.

He continued to describe the situation and predictions for Secondary school places. He reported that the 2014-2015 school year was likely to be the lowest point in a trough. Some acceleration was expected to be seen as early as 2016-17 and was expected to continue to rise sharply after that. By 2023-24 an increase in required places of more than 20% was expected.

The report also included information regarding the council's SEND and Early Years Strategies, in particular the need to establish extra capacity for 2 year olds, and post 16 education.

Mr Gough concluded that significant needs and pressures would continue to need to be addressed and that good work to date would be maintained to achieve that end; including the lobbying of government for further funding from the £300million currently unallocated from the Basic Need Fund.

Patrick Leeson, Corporate Director for Education and Young People's Services added to the comments of the Cabinet Member. He described the challenges presented by both forecasting and meeting the need for places and congratulated those involved in the delivery of the 2014 programme. He assured members that despite the volatility of the demographics in Kent the document continued to provide good assurance for the plans for the future. Finally he thanked schools in Kent for the speedy responses and ready acceptance that they had shown to requests to expand, despite the considerable challenges such expansions presented to schools.

The Leader agreed with the comments made and reiterated the difficulties that inward migration to the County had caused for planning and delivery of school places in recent years, particularly as many of those families would arrive 'in year' and needed places almost immediately. He also supported the bid to government for additional funding from the Basic Need Fund to cope with such demands. Finally he endorsed the gratitude expressed by the Corporate Director to all those who had helped to successfully deliver the programme for the last school year including the schools themselves.

Education Commissioning Plan Cabinet 13 October 2014	
1.	That the Commissioning Plan for Education Provision 2015 – 19 be agreed
Reasons	
1.	In order that the forecasts and relevant actions are agreed and future need can continue to be met.
Alternative options considered and rejected	None.
Dispensations received	None

84. Health Needs Service Report

(Item 6 - report of the Cabinet Member for Education and Health Reform, Mr Roger Gough, and Corporate Director for Education and Young People's Services, Patrick Leeson)

Cabinet received a report updating members on the implementation of the Review of Pupil Referral Units (PRU's) for pupils with Health Needs and seeking approval of a new draft KCC Policy on Supporting Pupils with Medical Conditions (including Mental Health Needs)

The Cabinet Member for Education and Health Reform, Mr Roger Gough, introduced the item. He reported that the proposed policy was a continuation of successful changes already implemented, following a review of PRU's. The policy seeking approval focussed particularly on support for pupils with medical conditions. The proposed new structure under which services to those children would be delivered was set out, in detail, in the report, but briefly he described it as comprising one Executive Head Teacher of Health Needs Provision under which three strands of service would be delivered. These strands were:

- Medical needs
- Specialist 'Tier 4' Educational Mental Health needs
- Educational Mental Health Needs - delivered from 6 resource bases each providing 120 places.

Patrick Leeson, Corporate Director for Education and Young People's Services added to the comments of the Cabinet Member. He reported that the policy for consideration was the culmination of a review which had taken approximately two years. Phase 1, which had taken place in 2012-13, had reviewed provision for those children with behavioural needs and had been successful in improving educational outcomes for the young people referred, and also in reducing the number of permanent exclusions from 240 in the year before the review to less than 100 in the last year. The report before Cabinet for consideration constituted phase 2 of the review and as such addressed the provision for those children with health needs. Provision for pupils with physical needs would, under the new structure, be separated from provision for pupils with mental health needs. Schools would meet the needs of pupils with physical needs, either at school or through a tutor while the PRU's would specialise in meeting mental health needs.

He recommended the policy to members for adoption.

Following a question from the Leader about the potential requirement for capital funding to realise the new plans, Patrick Leeson confirmed that no substantial capital spends were expected. There was however potential for small capital requirements where schools needed to make adjustments to provide services for pupils with physical needs.

PRU Review - Supporting Pupils with Medical Needs Cabinet 13 October 2014	
1.	That the outcome of the review and the Supporting Pupils with Medical Needs policy be agreed
Reasons	

1.	In order that the needs of pupils with physical and mental health needs can be met efficiently and effectively.
Alternative options considered and rejected	None.
Dispensations received	None

85. Budget Monitoring Report

(Item 7 - Report of the Deputy Leader & Cabinet Member for Finance and Procurement, Mr John Simmonds and Corporate Director for Finance and Procurement, Andy Wood)

Cabinet received a report providing the budget monitoring position for July 2014-15 for both revenue and capital budgets, including an update on key activity data.

The Deputy Leader & Cabinet Member for Finance and Procurement introduced the report for Cabinet. He referred to the concerns expressed at the first quarter report, received at the last meeting when a predicted overspend of £12million had been reported. He was pleased to announce that the overspend was now predicted at a much lower £4.58million before management action and that following that management action it was expected that this would further reduce to £895k. At this point in the financial year, those figures were welcomed but the Deputy leader urged caution and reminded members that much work would be needed to ensure that the management action was implemented and had the desired effect.

Revenue

i. The report set out intentions to rephase some elements of the budget, in particular to the Kent Youth Employment Programme, KDAAT and KSAS and these were set out in detail in the recommendations.
ii. That in the month preceding the report there had been a £6.29million reduction in the forecast overspend.
iii. Pressures of £3.4million were reported for Social Care, largely owing to issues in domiciliary care, direct payments and supported accommodation and partially offset by underspends on commissioned services, the supporting people programme and drug and alcohol services. Further management action was planned and figures were inclusive of the drawdown of £4.3million of NHS funding from social care reserve
iv. SEN Transport had reported an overspend of £2.1million which was partially offset by contributions from payments from other authorities, whose looked after children were attending schools in Kent and reduced demand for both home to school transport and the young person's travel card.
v. Commercial Services had reported a shortfall of £1.3million in the expected dividend largely owing to the cost of reorganisation, premises rental and costs associated with closing County Print.
vi. Other underspends reported were:
    - GET - just under £3million. Reasons included street lighting

savings, income from speed awareness courses, and significant savings on new Waste contracts.

- Public Health - £904,000 owing to staffing vacancies. These funds if unspent would be transferred to the Public Health Reserve.

Capital

i. The working budget was currently £382million; with a forecast outturn of £398million: a variance of £16million which could be largely attributed to a lack of identifiable funding sources or reductions in external funding.

ii. The Basic Need budget was reported as £9.9million of which £3.9million was dependent on private investor funding on which the budget was reliant.

The Cabinet Member for Economic Development, Mr Mark Dance, noted the importance of continued support for, and utilisation of technology in supporting the Council to achieve its budgetary commitments.

It was RESOLVED that

1. the latest monitoring position on both the revenue and capital budgets be noted; and
2. the changes to the capital programme as detailed in the report be agreed.

86. Christmas and New Year 2013-14 - Storms and Floods - Progress report

(Item 8 – Report of the Cabinet Member for Communities, Mr Mike Hill and Corporate Director for Growth, Environment and Transport, Barbara Cooper)

Cabinet received a report providing an update on progress being made to deliver the 17 recommendations in the Christmas / New Year 2013-14 Storms & Floods – Lessons Learnt report that was endorsed by Cabinet on 7th July 2014. It also provided an update on new developments relating to the implementation of sustainable drainage.

The Cabinet Member for Communities, Mr Mike Hill introduced the report. He reminded members of the severity of the storms and flooding which had occurred over the Christmas and New Year of 2013/14 and described the pressure that the conditions had placed on the Council and its partners' emergency planning and resilience functions. He maintained that he was proud of the response but was keen to use the experience to find areas in which improvements could be made and as a result Cabinet had received a report in July 2014 recommending 17 areas for action. The report for consideration would provide an update for members on progress toward those recommendations endorsed in July.

Paul Crick, Director of Environment, Planning and Enforcement was in attendance to speak to the item he reminded members that the first 12 recommendations endorsed by Cabinet in July had related to KCC and partner responses and recommendations 13-17 had related to flood risk management and flood defences. In relation to recommendations 1-12 he reported some of the work that had been undertaken, in particular:

i. A series of debriefs had been held between KCC and partner organisations
ii. A KCC director led group had been established to review staff training needs and availability arrangements and 76 training sessions had already been completed by staff. To complement the training activity a review of emergency response roles within KCC had been undertaken to ensure that there were sufficient reservists at times of emergency.
iii. Kent Resilience Forum had established a multi-agency, Kent-wide group chaired by the Environment Agency to facilitate improved communication between organisations across the County.
iv. The Strategic Recovery Co-ordination Group, of which he was Chair, continued to facilitate the sharing of best practice and assurance of KCC and partner organisation plans for winter readiness and with the same aims, the annual seminar would be held on 14 November 2014.
v. A review of all KCC winter plans and those of partner agencies had been undertaken and revised versions published online.
vi. Community engagement activity had been undertaken to strengthen resilience within 'at risk' localities and 15,000 copies of the leaflet 'What should I do in an emergency?' had been distributed to appropriate areas of the county.
vii. Work continued with the Environment Agency to secure partnership funding to deliver priority flood protection schemes.
viii. Sustainable drainage powers, to ensure that new developments absorbed their own water usage, had not yet been devolved to local government and negotiations continued to guarantee that, should that delegation occur, the cost of long term maintenance would not be unrecognised in the agreement.

Mark Douch of the Environment Agency was in attendance to speak to the item, he reported the following:

i. That the construction programme currently underway in Kent would cost in excess of £30million and would cover 35 schemes in total. As a result of these improvements it was hoped that by the end of 2014 3286 properties would be reclassified out of the 'high' flood risk category to much lower risk categories.
ii. That 2600 people had signed up to 'flood warnings direct'; the communication scheme to alert residents to potential and actual flooding and within the communities effected last Christmas, coverage was approximately 90%, compared to an average of 66% nationally.
iii. A new flood warning service for Medway areas would 'go live' in October 2014, the system would now work on the basis of 12 flood warning zones as opposed to the previous 7 and as a result would be more precise and target residents more effectively. In addition there would be a new service for Hildenborough where 42 flood wardens were now in place.
iv. An additional 15 sites had been surveyed to identify where additional activity could be undertaken in the event of a flood.
v. All 11,000 flood risk assets had been inspected and as a result 29 urgent repairs had been undertaken. All assets would receive 'good' status by the end of October 2014 with the exception of Bewley's Weir in Tonbridge and Sandwich Town Centre Sea Defences which would be completed in December 2014 and January 2015 respectively. Until that time mitigating

actions had been undertaken and the same level of protection would be achieved by these temporary methods until work was complete.

In response to questions from the Leader, officers reported the following:

Capital Programme
Mr Douch reported that a 6 year Capital Programme had been created and submitted to DEFRA for approval, the programme had a current estimated value of £123million. Full details of the programme would be announced shortly following an announcement from the Government Minister. The funding allocation model was bid for and awarded on a needs based formula.

Non-return valves and failed drainage
A 'Kent Flood group' made up of all partners, including the utility companies had been established and an action plan created. This issue featured on the plan and would be part of the work undertaken by the group.

Dredging of rivers
That dredging was only one solution to flood risk, its natural consequence was improved conveyance and it was only appropriate in circumstances where it was not likely to cause flooding elsewhere. A regular maintenance programme of dredging was agreed and would take place between October and January when river levels would be seasonally lower. The Environment Agency was responsible for the dredging of main rivers and the Internal Drainage Boards for IDB watercourses; for all other 'ordinary' water courses the dredging responsibility lay with the land owner. The powers of enforcement relating to dredging on certain watercourses were split between the EA, IDB and KCC and each had powers to serve notice in different circumstances.

Max Tant, Flood Risk Manager, KCC, reported that KCC did exercise those powers and also encouraged the IDB to do so, where it was appropriate. Work was undertaken regularly with landowners to ensure responsible practice.

Following further comments made and questions raised by members, officers confirmed the following:

i. Mr Douch reported that loud hailers had been considered as a means to further improving flood warnings, and had potential to cover some smaller areas. However the deployment time for the vehicle was often slow and accessibility difficult resulting in low coverage compared to the flood warning system which accessed landlines, mobile phones and e-mails.
ii. Stuart Beaumont reported that community wardens, flood wardens and many other volunteers would be utilised to communicate post flooding messages regarding power availability to residents in affected areas.
iii. All houses at risk had been identified and, in advance of severe weather, would be visited by volunteers and staff to offer practical advice regarding preparation.
iv. That at the Kent resilience Form and the Kent wide flood group described by Mr Douch, assurance had been sought and received from utility companies that communication would be improved in the future.

It was RESOLVED that the report be NOTED

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From: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

Andrew Ireland, Corporate Director Social Care Health and Wellbeing

To: **Cabinet – 1 December 2014**

Subject: **CARE ACT IMPLEMENTATION – KEY DECISIONS**

Classification: Unrestricted

Past Pathway of Paper: Adults Transformation Board 22 October 2014, CMT 11 November 2014

Future Pathway of Paper: Adult Social Care and Public Health Cabinet Committee 4 December 2014

Electoral Division: All

Summary: This report follows on from the previous report that was presented to Cabinet on 7 July 2014 and provides information on three of the key policy decisions which will be made by the Cabinet Member for Adult Social Care and Public Health in readiness for April 2015. These are:

1. To adopt the national minimum eligibility criteria as Kent's offer from April 2015.

2. To put the current charging arrangements for residential care and non-residential services on a new statutory footing under the Care Act 2014.

3. To agree to the broad outlines of the Deferred Payments scheme from 1 April 2015 and to the recommendation that the Temporary Financial Assistance scheme ceases from 31 March 2015.

All three decisions will be debated in full at the Adult Social Care and Public Health Cabinet Committee on 4 December 2014. They are being presented to Cabinet in advance of this meeting in order that Cabinet Members are aware of the decisions and to give them an opportunity to express their views on the issues under consideration.

Cabinet is asked to agree that the Cabinet Member for Adult Social Care and Public Health should take the final decisions after taking into account the views expressed in the Cabinet meeting and the Adult Social Care and Public Health Cabinet Committee on 4 December 2014.

1. Introduction

1.1 The Care Act 2014 received Royal Assent in May this year. It will be implemented in two stages starting in April 2015 with the introduction of the new legal framework. The majority of the reforms will come into effect in April 2015 but the key 'Dilnot' reforms (cap on care costs and raising of the capital threshold) and new rights for self-funders in relation to care homes will not be instituted until April 2016 (subject to final decisions by the Government).

1.2 In order to prepare for the implementation of the Care Act certain Key Decisions need to be taken by the Cabinet Member for Adult Social Care and Public Health. These decisions concern the eligibility criteria for care and support, charging for adult care and support and deferred payments. The decisions will be considered in detail by the Adult Social Care and Public Health Cabinet Committee on 4 December 2014.

1.3 Details of the Key Decisions required are provided in the following two appendices to this report:

Appendix 1: Report to the Cabinet Committee on the Eligibility Criteria for Adult Care and Support.

Appendix 2: Report to the Cabinet Committee on Charging and Deferred Payments.

2. Recommendations

2.1 Recommendation:

Cabinet is asked to:

AGREE that the Cabinet Member for Adult Social Care and Public Health takes the final decisions after taking into account the views expressed in the Cabinet meeting on 1 December 2014 and the Adult Social Care and Public Health Cabinet Committee at its meeting on 4 December 2014.

3. Appendices:

Appendix 1: Report to the Cabinet Committee on the Eligibility Criteria for Adult Care and Support.

Appendix 2: Report to the Cabinet Committee on Charging and Deferred Payments.

4. Report authors:

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APPENDIX 1 TO CABINET REPORT

From:	Graham Gibbens, Cabinet Member for Adult Social Care and Public Health Andrew Ireland, Corporate Director Social Care Health and Wellbeing
To:	Adult Social Care and Public Health Cabinet Committee 4 December 2014
Subject:	**CARE ACT IMPLEMENTATION – ELIGIBILITY CRITERIA FOR ADULT CARE AND SUPPORT**
Classification:	Unrestricted

Past Pathway of Paper: Adults Transformation Board 22 October 2014, CMT 11 November 2014, Cabinet 1 December 2014

Future Pathway of Paper: Recommendation Report to the Cabinet Member

Electoral Division: All

Summary: This report follows on from the previous report that was presented to the Adult Social Care and Public Health Cabinet Committee on 26 September 2014 and sets out the detail of the Key Decision on the Eligibility Criteria policy that is required to be made in readiness for April 2015. In summary, it is recommended that KCC adopts the new national minimum eligibility criteria as Kent's offer from April 2015.

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member Adult Social Care on the proposed decision as set out below in this report and in Appendix 1.

1. Introduction

1.1 The Care Act 2014 received Royal Assent in May this year. It will be implemented in two stages starting in April 2015 with the introduction of the new legal framework. The majority of the reforms will come into effect in April 2015 but the key 'Dilnot' reforms (cap on care costs and raising of the capital threshold) and new rights for self-funders in relation to care homes will not be instituted until April 2016 (subject to final decisions by the Government).

2. Eligibility Criteria for Care and Support

2.1 One of the major planks of the Care Act is the introduction from April 2015 of a new national minimum eligibility criteria for adults with care and support needs which all councils must adhere to (section 13 of the Act). The detail of the new criteria is contained in The Care and Support (Eligibility Criteria) Regulations 2014, the final version of which was released in October 2014.

2.2 In summary an individual with care and support needs will meet the minimum eligibility if:
(a) their needs arise from or are related to a physical or mental impairment or illness AND
(b) as a result they are unable to achieve two or more specified outcomes AND
(c) as a consequence there is, or is likely to be, a significant impact on their wellbeing, as defined under section 1 of the Care Act.

An adult's needs are only eligible if they meet all three of the above conditions.

2.3 It is important to note that eligibility is to be assessed without regard to the support provided by a carer. Therefore, a person may be eligible under the Care Act without KCC necessarily having to provide significant services. In practice most people assessed as eligible will probably have their needs met by a combination of care provided by the council and their carer, if they have one. The increased rights for carers under the Act should help carers to perform this role on a sustainable basis. Support from the voluntary sector and the wider community can also be an appropriate way of meeting needs in some cases.

2.4 It is also important to note that safeguarding has separate criteria and therefore if safeguarding issues are identified, care and support can if necessary be provided regardless of whether the individual meets the minimum eligibility for care and support.

2.5 The final version of the Eligibility Regulations differs slightly from the draft version released for consultation on 6 June 2014 (and which was discussed at previous Cabinet Committees). The main change is that in order to meet the eligibility criteria a person must be unable to meet two or more specified outcomes rather than "an outcome" as stated in the draft regulations. In addition, the previous version contained a mixture of outcomes and basic care activities, whereas in the final version everything has been framed as outcomes. Appendix 2 contains a full description of the new criteria and how it compares to the existing 'Moderate' level applicable in Kent.

2.6 Despite the changes, it is still the considered view of officers working on this issue that the new criteria create a threshold that is lower than the current substantial level, and is more in line with the moderate level which applies in Kent. It is therefore recommended that the council adopts the new national minimum eligibility criteria as the Kent eligibility criteria for care and support from April 2015. As the new minimum is thought to offer a similar threshold for accessing care and support as the current "moderate" level applicable in Kent, it is thought to be reasonable to adopt the national minimum as Kent's offer.

2.7 In considering the above proposal, the key questions for KCC and Kent residents are as follows:
(a) Will current service users assessed as 'Moderate' continue to be eligible after April 2015?
(b) Will an individual who would be assessed as 'Moderate' if they were assessed now, still be assessed as eligible if they come forward for the first time after April 2015?

2.8 It is believed that both of the above questions should be answered in the affirmative. The evidential basis for this view is a combination of analysis of the precise wording of the new criteria, a review of DH commissioned research and an exercise comparing actual cases against both the current and new criteria. Further details are provided in the following sections.

2.9 As stated above, Appendix 2 contains details of how the current eligibility criteria compares to the new minimum. Appendix 3 considers a number of anonymised cases currently assessed as 'Moderate' or lower to show how they would be assessed under the new criteria. It demonstrates that a case assessed now as meeting the 'Moderate' criteria is likely to meet the new national minimum.

2.10 In order to compare the criteria against actual cases an exercise will be carried out with operational staff who will assess current 'moderate' cases against the new national minimum. The results of this exercise will be available to the Cabinet on 1 December 2014, the Cabinet Committee on 4 December 2014 and the Cabinet Member before the decision is made.

2.11 The Department of Health commissioned the Personal Social Services Research Unit (PSSRU) at the London School of Economics (LSE) to evaluate the various drafts of the new Eligibility regulations against current practice.[1] Current practice for the majority of councils (130 out of 152) means providing to the 'Substantial' level in theory. However, as the DH's impact assessment acknowledges, [2] an earlier report in 2012 by the PSSRU [3] demonstrated that councils interpret the current criteria very widely and that there is not a clear correlation between the level applied in a particular council and the level of needs supported.

2.12 PSSRU's current research indicates that the new eligibility criteria will lead to an extra 4,000 individuals becoming eligible. However they clearly state that because of their earlier research, they expect the impact to be felt on all councils and not just those with the more, on the face of it, restrictive eligibility.[4]

2.13 In order to explain the thinking on eligibility and gather views from service users, carers and organisations that represent them, some engagement will take place over the next few weeks. The results of this will be made available to the Cabinet Member before any decision is taken.

2.14 With regard to current service users, it is proposed that they continue to be recorded as eligible under the new national minimum criteria without the need for a reassessment unless their needs have clearly changed. This approach is clearly supported by the final version of the statutory guidance (paragraph 23.11).

2.15 Discussions are currently being held with some of the other local authorities that offer support for 'Moderate' needs. The results of this will be made available to the Cabinet Member before the decision is taken.

2.16 In order to have an independent legal opinion on how Kent's current eligibility compares to the new national minimum and also on the requirement for consultation, external legal advice has been sought. This will be made available to the Cabinet Member to consider before a final decision is taken.

[1] DH Impact Assessment: 'The Care Act 2014: Regulations and guidance for implementation of Part 1 of the Act in 2015/16' (IA no. 6107) 16.10.2014
[2] Ibid
[3] PSSRU report **: 'S**urvey of fair access to care services (FACS) assessment criteria among local authorities in England' 2012
[4] Ibid

2.17 The Cabinet Committee is asked to consider and endorse the proposal that the Cabinet Member takes the Key Decision detailed in Appendix 1 below.

3. Alternative Options

3.1 All local authorities from April 2015 must, by law, meet the unmet eligible needs of individuals who meet the national minimum criteria. There are therefore only two lawful alternatives:

(a) For Kent's eligibility criteria to be set at the level of the new national minimum
OR
(b) For Kent's eligibility criteria to be set at a lower level than the national minimum.

3.2 If option (b) was chosen as the preferred alternative, a possible way to achieve this would be to state that an individual had to be unable to achieve only one of the specified outcomes (see Appendix 2 below).

3.3 Option (b) is not recommended as it would seem to set the bar at a lower level than currently operates in Kent. It is also believed to be unnecessary as it will still be possible in exceptional cases to arrange care and support for people who fall below the minimum eligibility criteria if it is deemed to be appropriate to prevent or delay the development or increase in needs. In individual cases Case Managers always have the discretion to accept a person as eligible even when they do not strictly meet the criteria and this is thought to be sufficient to cover those cases, as now, that may be on the borderline of eligibility.

4. Recommendations

4.1 Recommendation: The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Adult Social Care on the proposed decision to adopt the new national minimum eligibility criteria as Kent's offer from April 2015.

5. Background documents:

Care Act 2014
Statutory Regulations 2014 – released October 2014
Statutory Guidance 2014 – released October 2014

6. Report authors:

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Appendix 1 – Draft Record of Decision

DECISION TAKEN BY **Graham Gibbens, Cabinet Member for Adult Social Care and Public Health**	DECISION NO. **TBC**

If decision is likely to disclose exempt information please specify the relevant paragraph(s) of Part 1 of Schedule 12A of the Local Government Act 1972

Subject: : **Eligibility Criteria for Care and Support (Adults)**

Decision:

As Cabinet Member for Adult Social Care and Public Health, I AGREE:

That Kent County Council should adopt the National Minimum Eligibility Criteria for determining which adults with care and support needs meet Kent's eligibility criteria from 1 April 2015.

Any Interest Declared when the Decision was Taken **None**

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

One of the major planks of the Care Act is the introduction from April 2015 of a new national minimum eligibility criteria for adults with care and support needs which all councils must adhere to (section 13 of the Act). The detail of the new criteria is contained in The Care and Support (Eligibility Criteria) Regulations 2014, the final version of which was released in October 2014.

In summary an individual with care and support needs will meet the minimum eligibility if they meet all three of the following conditions:

(a) their needs arise from or are related to a physical or mental impairment or illness AND

(b) as a result they are unable to achieve two or more specified outcomes AND

(c) as a consequence there is, or is likely to be, a significant impact on their wellbeing, as defined under section 1 of the Care Act.

It is considered that the new criteria create a threshold that is lower than the current substantial level, and is more in line with the moderate level which applies in Kent. It is therefore recommended that the council adopts the new national minimum eligibility criteria as the Kent eligibility criteria for care and support from April 2015. As the new minimum is thought to be as generous as the current "moderate" level applicable in Kent, it is not thought necessary to widen eligibility beyond the national minimum in order to maintain the current level of eligibility. It is recommended that existing service users be passported to eligibility under the new national minimum criteria from 1 April 2015, unless there is evidence that their needs have clearly changed.

The only lawful alternative to the above is for Kent's eligibility criteria to be more generous than the national minimum. A possible way to achieve this would be to state that an individual had to be unable to achieve only one of the specified outcomes rather than two or more. This is not recommended as it would seem to set the bar at a lower level than currently operates in Kent. It is also believed to be unnecessary as it will still be possible in exceptional cases to arrange care and support for people who fall below the minimum eligibility criteria if it is deemed to be appropriate to prevent or delay the development or increase in needs. In individual cases Case Managers always have the discretion to accept a person as eligible even when they do not strictly meet the criteria and this is thought to be sufficient to cover those cases, as now, that may be on the borderline of eligibility.

Background Documents:
Recommendation report from Corporate Director to Cabinet Member

Cabinet Committee recommendations and other consultation:

The proposed policy will be considered by KCC Cabinet on 1 December 2014 and by the Adult Social Care and Public Health Cabinet Committee on 4 December 2014.

Any alternatives considered:
See above.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:
None.

Appendix 2 – Comparison of the current 'Moderate' and new eligibility criteria

<u>Definition of the current 'Moderate' level of eligibility</u> In general, councils may provide community care services to individual adults with needs arising from physical, sensory, learning or cognitive disabilities, or from mental health needs. The needs should be assessed according to the risk to independence and well-being and should support the outcomes an individual wants to achieve. The four bands (Critical, Substantial, Moderate and Low) describe the seriousness of the risks to independence and wellbeing if the needs are not addressed. The criteria for **Moderate** is as follows: • there is, or will be, an inability to carry out <u>several</u> personal care or domestic routines; and/or • involvement in <u>several</u> aspects of work, education or learning cannot or will not be sustained; and/or • <u>several</u> social support systems and relationships cannot or will not be sustained; and/or • <u>several</u> family and other social roles and responsibilities cannot or will not be undertaken.
<u>Definition of the new national minimum eligibility from April 2015</u> In summary an individual with care and support needs will meet the minimum eligibility if: (a) their needs arise from or are related to a physical or mental impairment or illness AND (b) as a result they are unable to achieve a two or more specified outcomes AND (c) as a consequence there is, or is likely to be, a significant impact on their wellbeing, as defined under section 1 of the Care Act. The specified outcomes are: (a) managing and maintaining nutrition; (b) maintaining personal hygiene; (c) managing toilet needs; (d) being appropriately clothed; (e) being able to make use of the adult's home safely; (f) maintaining a habitable home environment; (g) developing and maintaining family or other personal relationships; (h) accessing and engaging in work, training, education or volunteering; (i) making use of necessary facilities or services in the local community including public transport, and recreational facilities or services; and (j) carrying out any caring responsibilities the adult has for a child.

Appendix 3 – Case Studies

The following table contains case studies of individuals who meet and don't meet the current Kent 'Moderate' criteria and looks at whether they would be eligible under the new national minimum criteria to be introduced in April 2015. It should be stressed that once an individual is assessed as eligible, there might be various ways to meet needs which do not only include the provision of services by KCC on an ongoing basis. Also, eligibility should be assessed without reference to any care provided by a carer. What the carer can or cannot do only comes into the equation after the eligibility decision, during the care and support planning stage.

Case details	Current moderate eligibility	New national minimum
Mrs A – an 80 yr old lady who lives alone; she has arthritis and is somewhat at risk of falling; she is also socially isolated, gets anxious and is at risk of becoming low in mood. At the moment her daughter visits twice a day and Mrs A tends to spend all day Sunday with her daughter, but there is a danger of the carer role breaking down.	YES She is unable to safely get showered, in and out of bed and perform some domestic routines; she also cannot maintain social support systems and relationships without help. The above does pose a risk to her independence and wellbeing.	YES She is unable to achieve outcomes (b), (e), (f), (I) and possibly (g) (so at least 2); it is clear this is already having a significant impact on her wellbeing – she is at risk of falling and becoming socially isolated and low in mood. Therefore without any help the impact would be very significant.
Miss B is a 56 yr old lady with Down's syndrome who lives with her 90 yr old father in a private house. She needs supervision and prompting with managing personal care and domestic tasks; she is socially isolated and needs social stimulation.	YES She is unable, without prompting, to carry out several personal care and domestic routines and also needs help overcoming her social isolation.	YES She is unable to achieve outcomes (b), (c), (d), (f), (g) and (i) without assistance, and (h) may be relevant (so at least 2). This is already having a significant impact on her wellbeing even with the help she gets from her father. Therefore without any help the impact would be very significant.
Mr C is a 60 yr old man who lives alone in a first floor flat; he suffers from chronic obstructive pulmonary disease, gets breathless on exertion and is prone to chest infections; he is also very down about the recent break-up of his marriage; his needs (mainly help with washing and dressing) fluctuate depending on his condition.	YES Looking at his needs over a longer period we can conclude that he is unable to carry out several personal and domestic routines; he also has difficulty sustaining work and developing personal relationships.	YES He is unable to achieve outcomes (b), (e) and (f) on a regular basis (although at times he can self-manage) and probably also (h) (so at least 2). Without help this is likely to have a significant impact on his wellbeing

Ms D is a 70 yr old lady who suffers from osteoarthritis. She manages most of her personal care herself except for having a shower as she is unsteady at times and prone to falling.	NOT ELIGIBLE She falls below the 'Moderate' eligibility level as she does not have an inability to carry out several personal care or domestic routines. However she may be provided with a one-off adaptation to minimise the risk of falling.	YES For the reason that she is unable to achieve outcomes (b) maintaining personal hygiene and (e) being able to make use of the home safely (so at least 2 outcomes). The pain she experiences and the impact of not being able to shower is having a significant impact on her wellbeing. NB: although eligible, it may be that her needs can be met, as now, without the need for ongoing care and support, by providing equipment and adaptations to the home.

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APPENDIX 2 TO CABINET REPORT

From: Graham Gibbens, Cabinet Member for Adult Social Care and Public Health

Andrew Ireland, Corporate Director Social Care Health and Wellbeing

To: Adult Social Care and Public Health Cabinet Committee
4 December 2014

Subject: **CARE ACT IMPLEMENTATION – CHARGING AND DEFERRED PAYMENTS**

Classification: Unrestricted

Past Pathway of Paper: Adults Transformation Board 22 October 2014, CMT 11 November 2014, Cabinet 1 December 2014

Future Pathway of Paper: Recommendation Report to the Cabinet Member

Electoral Division: All

Summary: This report follows on from the previous report that was presented to the Adult Social Care and Public Health Cabinet Committee on 26 September 2014 and sets out the detail of the Key Decisions required to be made in readiness for April 2015 with regard to charging and Deferred Payments. The decisions are as follows:

1. To put the current charging arrangements for adults in respect of residential care and non-residential services on a new statutory footing under the Care Act 2014.

2. To approve in outline terms the new Deferred Payments Scheme from April 2015 and further to agree that the current Temporary Financial Assistance scheme should cease from 31 March 2015.

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Adult Social Care on the proposed decision to adopt the key policies as set out below in this report.

1. Introduction

1.1 The Care Act 2014 received Royal Assent in May this year. It will be implemented in two stages starting in April 2015 with the introduction of the new legal framework. The majority of the reforms will come into effect in April 2015 but the key 'Dilnot' reforms (cap on care costs and raising of the capital threshold) and new rights for self-funders in relation to care homes will not be instituted until April 2016 (subject to final decisions by the Government).

2. Power to charge for care and support

2.1 The current legal framework governing charging for adult care and support involves a mixture of duties and powers. Councils are under a duty to charge for residential care under section 22(1) of the National Assistance Act 1948 and have a power to charge for non-residential services under section 17 of the Health and Social Services and Social Security Adjudication Act 1983. These powers and duties will cease from April 2015 and are being replaced by a power to charge under section 14 of the Care Act 2014.

2.2 As charging will be a power only from April 2015, KCC has to actively make a decision about which services it will charge for. Having taken such a decision, the way charges are to be worked out (i.e. the rules around means-testing) will be broadly the same as currently. These are to be governed by The Care and Support (Charging and Assessment of Resources) Regulations 2014 and the accompanying Statutory Guidance. It is important to note that the significant increase in the capital threshold for residential care charging does not come into force until April 2016.

2.3 It is recommended that for 2015-16 we preserve the status quo and continue to charge the same groups of people and for the same services as we currently do. However, it will be necessary for a Key Decision to be taken by the Cabinet Member in order for charging to be put on a firm legal basis under the new legal framework. Kent Legal Services have endorsed this view.

2.4 With regard to public consultation, it is believed that this is not required at this stage as no substantive changes are to be made to Kent's charging regime. Any minor changes to the rules on charging are those that have been prescribed by Government and these do not significantly affect service users' contributions.

2.5 The Cabinet Committee is asked to consider and endorse the proposal that the Cabinet Member takes the Key Decision detailed in Appendix 1 below.

3. Deferred Payments and Temporary Financial Assistance

3.1 The Care Act 2014 introduces a new Universal Deferred Payments Scheme which all local authorities must introduce from April 2015. The relevant sections of the Act are sections 34 and 35. Further details are provided in The Care and Support (Deferred Payment) Regulations 2014 and in the statutory guidance, the final versions of which were issued in October 2014. The Act confers a duty on local authorities to develop a mandatory scheme based on national regulations. Kent will institute a scheme from April 2015 in accordance with these criteria. Appendix 3 gives a brief overview of what the mandatory scheme will involve.

3.2 In addition to the mandatory scheme, the Act gives the local authority the power to offer Deferred Payments to a wider group of people on a discretionary basis. It is envisaged that the criteria for the discretionary scheme will encompass, at the very least, the sort of situations currently covered by the Kent Temporary Financial Assistance (TFA) scheme and may even be wider in scope. Appendix 4 gives a brief overview of the discretionary scheme.

3.3 In view of the above, it is not believed to be necessary to continue the local TFA scheme and it is recommended therefore that the TFA scheme end for new clients from 31 March 2015.

3.4 It is important to note that when the new Deferred Payment scheme starts on 1 April 2015, existing Deferred Payment and TFA agreements will not be affected and will continue. There are currently (as at 29.10.14) 119 Deferred Payments agreements and 43 TFA agreements extant.

3.5 Further information about the current TFA scheme is available in the report to the Cabinet Committee on TFA dated 11 July 2014.

3.6 The Cabinet Committee is asked to consider and endorse the proposal that the Cabinet Member takes the Key Decision detailed in Appendix 2 below.

4. Recommendations

4.1 Recommendation: The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member for Adult Social Care on the proposed decisions on Charging Policies for Adult Care and Support and Deferred Payments and Temporary Financial Assistance.

5. Appendices

Appendix 1 – Draft Record of Decision on Charging

Appendix 2 – Draft Record of Decision on Deferred Payments and TFA

Appendix 3 – Overview of the proposed Deferred Payments mandatory scheme

Appendix 4 – Overview of the proposed Deferred Payments discretionary scheme

6. Background documents:

Care Act 2014
Statutory Regulations 2014 – released October 2014
Statutory Guidance 2014 – released October 2014

7. Report author:

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Appendix 1 – Draft Record of Decision on Charging

KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY	DECISION NO.
Graham Gibbens, Cabinet Member for Adult Social Care and Public Health	**TBC**

Charging for Adult Care and Support

Decision:

As Cabinet Member for Adult Social Care and Public Health, I AGREE:

That Kent County Council exercises its power under Section 14 of The Care Act 2014 to charge from 1 April 2015 for the same services that it currently charges for as at 31 March 2014.

Any Interest Declared when the Decision was Taken: None

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

The current legal framework governing charging for adult care and support involves a mixture of duties and powers. Councils are under a duty to charge for residential care under section 22(1) of the National Assistance Act 1948 and have a power to charge for non-residential services under section 17 of the Health and Social Services and Social Security Adjudication Act 1983. These powers and duties will cease from April 2015 and are being replaced by a power to charge under section 14 of the Care Act 2014.

As charging will be a power only from April 2015, KCC has to actively make a decision about which services it will charge for. Having taken such a decision, the way charges are to be worked out (i.e. the rules around means-testing) will be broadly the same as currently. These are to be governed by The Care and Support (Charging and Assessment of Resources) Regulations 2014 and the accompanying Statutory Guidance. It is important to note that the significant increase in the capital threshold for residential care charging does not come into force until April 2016.

It is recommended that for 2015-16 we preserve the status quo and continue to charge the same groups of people and for the same services as we currently do. However, it will be necessary for a Key Decision to be taken by the Cabinet Member in order for charging to be put on a firm legal basis under the new legal framework. Kent Legal Services have endorsed this view.

Background Documents:
Recommendation report from Corporate Director to Cabinet Member

Cabinet Committee recommendations and other consultation: The proposed policy would be considered by KCC Cabinet on 1 December 2014 and by the Adult Social Care and Public Health Cabinet Committee on 4 December 2014.
Any alternatives considered: An alternative might be to continue charging from April 2015 in the same way as currently without taking a Key Decision over the use of the section 14 power. However it is believed this would potentially leave KCC open to an accusation that we are charging without the proper legal backing, not having taken a decision to exercise the power to charge under the Act.
Any interest declared when the decision was taken and any dispensation granted by the Proper Officer: None.

Appendix 2 – Draft Record of Decision on Deferred Payments and TFA

KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY	DECISION NO.
Graham Gibbens, Cabinet Member for Adult Social Care and Public Health	**TBC**

Subject: : Deferred Payments and Temporary Financial Assistance

Decision:

As Cabinet Member for Adult Social Care and Public Health, I AGREE:

That Kent County Council should adopt the proposed Deferred Payments scheme (both the mandatory and discretionary elements) from 1 April 2015 and that the current Temporary Financial Assistance scheme should end for new clients on 31 March 2015.

Any Interest Declared when the Decision was Taken: None

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

The Care Act 2014 introduces a new Universal Deferred Payments Scheme which all local authorities must introduce from April 2015. The relevant sections of the Act are sections 34 and 35. Further details are provided in The Care and Support (Deferred Payment) Regulations 2014 and in the statutory guidance, the final versions of which were issued in October 2014. The Act confers a duty on local authorities to develop a mandatory scheme based on national regulations. Kent will institute a scheme from April 2015 in accordance with these criteria.

In addition to the mandatory scheme, the Act gives the local authority the power to offer Deferred Payments to a wider group of people on a discretionary basis. The criteria for the discretionary scheme will be in place by January and it is envisaged that this will encompass, at the very least, the sort of situations currently covered by the Kent Temporary Financial Assistance (TFA) scheme and **is likely to be** wider in scope.

In view of the above, it is not believed to be necessary to continue the local TFA scheme and it is recommended that the TFA scheme end for new clients from 31 March 2015.

It is important to note that when the new Deferred Payment scheme starts on 1 April 2015, existing Deferred Payment and TFA agreements will not be affected and will continue. There are currently (as at 29.10.14) 119 Deferred Payments agreements and 43 TFA agreements extant.

Background Documents:
Recommendation report from Corporate Director to Cabinet Member

Cabinet Committee recommendations and other consultation:

The proposed policy would be considered by KCC Cabinet on 1 December 2014 and by the Adult Social Care and Public Health Cabinet Committee on 4 December 2014.

Any alternatives considered:
None.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:
None.

Appendix 3 – Overview of the Deferred Payments mandatory scheme

1. From April 2015 KCC will be required to enter into a Deferred Payment agreement if the following criteria are met:

a) The individual with care and support needs meets the minimum eligibility criteria. *

b) The care and support plan specifies that the needs are going to be met by the provision of accommodation in a care home.

c) The individual has a legal or beneficial interest in a property which is their main or only home and that interest falls to be taken into account in the financial assessment. It appears that this could include jointly-owned property provided the legal charge can be registered (i.e. the other joint owners would have to agree).

d) The value of any other capital (i.e. apart from the interest in the property) does not exceed £23,250.

e) Adequate security can be obtained for the deferred amount and any interest and administration costs which can also be deferred. For the purposes of the mandatory scheme “adequate security” means a charge by way of a legal mortgage which is capable of being registered as a first legal charge in favour of the local authority.

f) The costs of care and support deferred are what the local authority considers it necessary to meet the adult’s needs.

2. Interest can be charged on the deferred amount but this can be no more than 0.15% above an amount to be set and updated regularly by Government (this will be the weighted average interest rate on conventional gilts).

3. The costs of administration and legal procedures can be charged and added to the deferred amount.

* It is not yet clear if this will include people who arrange their own care due to the delay in implementation of section 18(3)(b) of the Care Act.

Appendix 4 – Overview of the Deferred Payments discretionary scheme

1. From April 2015 KCC will be permitted, if it so decides, to enter into a Deferred Payment Agreement in a wider set of circumstance than those that apply to the mandatory scheme. However the following criteria must still be met:

a) The individual with care and support needs meets the minimum eligibility criteria. *

b) The care and support plan specifies that the needs are going to be met by the provision of accommodation in a care home or supported living accommodation.

c) Adequate security can be obtained which may include a legal charge on a property but may also include other security that is considered sufficient.

2. In addition to the costs of care and support deferred being what the local authority considers it necessary to meet the adult's needs, an additional top-up may also be deferred if this is considered appropriate.

3. Interest can be charged on the deferred amount but this can be no more than 0.15% above an amount to be set and updated regularly by Government (this will be the weighted average interest rate on conventional gilts).

4. The costs of administration and legal procedures can be charged and added to the deferred amount.

* It is not yet clear if this will include people who arrange their own care due to the delay in implementation of section 18(3)(b) of the Care Act.

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From:	Paul Carter - Leader and Cabinet Member for Business Strategy, Audit & Transformation David Cockburn – Corporate Director Business Strategy and Support
To:	**Cabinet – 1 December 2014**
Subject:	Quarterly Performance Report, Quarter 2, 2014/15
Classification:	Unrestricted

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

Recommendation(s):

Cabinet is asked to NOTE the Quarter 2, 2014/15 Quarterly Performance Report.

1. Introduction

1.1 The Quarterly Performance Report (QPR) is a key mechanism within the Performance Management Framework for the Council.

1.2 The report this year includes 40 Key Performance Indicators (KPIs), up from 35 last year.

1.3 The report also includes a range of other essential management information including:

- Updates on Corporate Risks,
- Activity Indicators, which track service demand and other external factors,
- Staffing information.

1.4 The number of activity indicators has increased to 41, up from 29 last year.

Quarter 2 Performance Report

2.1 The KCC Quarterly Performance Report for Quarter 2, 2014/15 is attached at Appendix 1. An executive summary of results against Targets for Key Performance Indicators (KPIs), and progress against actions for High rated Corporate Risks is provided at the start of Appendix 1.

2.2 Results against Targets for KPIs are assessed using a Red/Amber/Green (RAG) status. Of the 40 Key Performance Indicators included in the report, the RAG statuses are as follows:

- 27 Green - target currently being achieved or exceeded.
- 12 Amber – acceptable results, often ahead of last year or above national average.
- 1 Red - performance below pre-defined Floor Standards.

2.3 In addition, for this quarter four key annual pupil attainment indicators are included and these are rated as 2 Green and 2 Amber, based on progress compared to national average.

2.4 Overall net Direction of Travel in the quarter was positive with twenty-four (24) KPIs showing improvement and ten (10) showing a fall in performance, continuing the positive overall trend since the start of the year. There were nine changes of RAG status, seven of which were positive movements and two which were negative movements.

2.5 There is currently only one indicator where the RAG status is now Red:

- Promoting Independence Reviews.

  Performance is however in line with previously reported expectations – this new programme is not expected to reach the target level until quarter three.

2.6 Indicators which have moved out of the Red status are:

- Percentage of phone calls answered by Contact Point – this is a result of the recruitment of new staff,
- Business mileage – quarter one figures have shown a reduction, however this is a provisional result and late expense claims could alter the position,
- Permanent qualified social workers staff – the position has improved in line with the predicted trajectory, however the position needs to continue to improve each quarter or the indicator will return to a Red status.

2.7 There are three Risks which are currently rated as High Risk and clear actions are in place to reduce the risk level for each of these.

3. Recommendation(s)

Recommendation(s):
Cabinet is asked to NOTE the Quarter 2, 2014/15 Quarterly Performance Report.

4. Contact details

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Kent County Council

Quarterly Performance Report

Quarter 2

2014/15

Produced by: KCC Business Intelligence
E-mail: performance@kent.gov.uk
Phone: 01622 221985

Table of Contents

Key to KPI Ratings used

This report includes 40 Key Performance Indicators (KPIs), where progress is assessed against Targets set at the start of the financial year through the Council's Strategic Priority Statements. Progress against Target is assessed by RAG (Red/Amber/Green) ratings. Progress is also assessed in terms of Direction of Travel (DoT) through use of arrows.

GREEN	Target has been achieved or exceeded
AMBER	Performance at acceptable level, below Target but above Floor
RED	Performance is below a pre-defined Floor Standard *
⇧	Performance has improved relative to targets set
⇩	Performance has worsened relative to targets set
⇔	Performance has remained the same relative to targets set
N/A	Not available

* Floor Standards represent the minimum level of acceptable performance.

Key to Activity Indicator Graphs

Alongside the Key Performance Indicators this report includes a number of Activity Indicators, which present demand levels for services or other contextual information.

Graphs for activity indicators are shown either with national benchmarks or in many cases with Upper and Lower Thresholds, which represent the range we expect activity to fall within. Thresholds are based on past trends and other benchmark information.

If activity falls outside of the Thresholds, this is an indication that demand has risen above or below expectations, and this may have consequences for the council in terms of additional or reduced costs.

Activity is closely monitored as part of the overall management information to ensure the council reacts appropriately to changing levels of demand.

Data quality note

All data included in this report for the current financial year is provisional unaudited data and is categorised as management information. All current in-year results may therefore be subject to later revision.

Executive Summary (1)

Customer Services and Contact

KPI Summary	GREEN	AMBER	RED
Customer Services and Contact	2	2	
TOTAL	**2**	**2**	

The percentage of calls answered by Contact Point (KCC's call centre) improved during the quarter and is now rated Amber. Performance was very close to target for the month of September and the forecast is that performance will be on target for the third quarter. Caller satisfaction with Contact Point advisors remains high. Fewer complaints were received this quarter but the Council's response within timescale has fallen slightly.

Call volumes handled by Contact Point remain on a downward trend with increased digital take-up by residents. However, average handling time for calls have been constantly increasing over time as routine simple enquiries and transactions are dealt with online, and with Contact Point now dealing with a higher proportion of more complex calls for services such as Adult Social Care and Specialist Children's Services.

Top three Services for contacts to Contact Point

Figures in thousands of telephone calls	3 months to Sept 2014	12 Months to Sept 2014
Adult Social Care	41	145
Highway Services	28	124
Specialist Children's Services	26	102

Top three Transactions completed online

	Transactions to date	Online/Digital Jul –Sep 14
Renew a library book (count of books renewed)	185,444	96%
Report a Highways Fault	47,936	46%
Book a Birth/Death Registration appointment	19,102	72%

Executive Summary (2)

Growth, Environment and Transport

KPI Summary	GREEN	AMBER	RED
Economic Development	3		
Environment, Planning and Enforcement	1		
Highways and Transportation	4		
Waste Management	2		
Libraries, Registration and Archives	1	1	
TOTAL	**11**	**1**	

Economic Development: Cumulative committed job creation from the Regional Growth Fund and other Economic Development activity remains ahead of target. The level of applications approved for Regional Growth Fund schemes rose significantly in the quarter ahead of target, with all funds expected to be utilised well before the end date of the schemes. There continues to be ongoing evidence of economic recovery across a range of external context indicators.

Environment, Planning and Enforcement: Business mileage for all KCC staff showed a decrease in the quarter to June compared to the previous quarter, but this is a provisional result which will be subject to change as late claims are submitted.

Highways and Transportation: Performance remains on target for all four indicators for the service. Current open work in progress levels have reduced slightly within the quarter and are just within the expected range. Enquiries from the public increased in the quarter for soft landscaping and street-lighting issues with less pothole enquiries than previously, but overall volumes remain at the higher end of expectations. The risk remains that exceptional weather events during winter may cause a significant rise in enquiries above the normal expected level.

Waste Management: Performance for diversion of waste from landfill and recycling levels achieved at Household Waste Recycling Centres both remain ahead of target. Total waste tonnage collected is higher than the expected level and continues to increase.

Libraries, Registration and Archives: Satisfaction for Registrations continues to be above target and for Libraries satisfaction is unchanged from last quarter which is slightly below target. Visitor numbers and book issues from libraries increased in the quarter to within the expected range, with the number of ceremonies conducted by Registration's staff being slightly up on last year.

Executive Summary (3)

Education and Young People's Services

KPI Summary	GREEN	AMBER	RED
Education Quality and Standards	2	2	
Education Planning and Access		1	
Early Help and Preventative Services	3	1	
TOTAL	**5**	**4**	

Education Quality and Standards: Provisional results for Key Stage 2 are in line with national, and show significant improvement compared to last year. At Key Stage 4 provisional results are well above the national average. The percentage of schools which are Good or Outstanding continues to improve ahead of target and the percentage of Early Years settings which are Good or Outstanding remains ahead of target. Quarterly figures are no longer being reported for NEET due to seasonal fluctuation. Apprenticeship starts for 16-18 year olds decreased slightly for last academic year (full year figures for the current academic year are not yet available). The percentage of young people aged 18 to 24 claiming Job Seekers Allowance was at 3.3% at the end of September, down from the peak of 7.5% in 2012.

Education Planning and Access: The percentage of Statements of Special Educational Need (SEN) issued within 26 weeks improved each quarter last year. Figures for the second quarter of this year are down by 3% to 91% which is 1% below target. There continues to be annual increases in the number of Reception year children (trend since 2007/08) and the Year 7 admissions are now set to increase as this previous trend of Primary increases starts to move into Secondary stage education.

Early Help and Preventative Services: Team Around the Family cases (TAFs) which are closed with either outcomes achieved or to single agency support has increased and remains on target. The number of open TAFs remains high and was 2,607 at the end of September. The number of Common Assessment Frameworks completed fluctuated during the last year and in the quarter to September 2014 there were 971 assessments, although this figure may rise as the recording and reporting processes for the new Kent Family Support Framework notifications are still being established. The percentage of Children in Need cases stepped down to preventative services has increased to 20% and is now on target. New registrations at Children's Centres were around 3,000 per quarter over the last 12 months, which is down from the higher levels previously seen. Permanent exclusions for pupils remains on target. The number of first time entrants to the youth justice system has stabilised this quarter back to earlier figures around 700.

Executive Summary (4)

Social Care, Health and Well Being

KPI Summary	GREEN	AMBER	RED
Children's Safeguarding	1	2	
Corporate Parenting	2	1	
Adult Social Care	4	1	1
Public Health	2	1	
TOTAL	**9**	**5**	**1**

Children's Safeguarding: The percentage of case holding posts filled by permanent qualified social workers improved by 5% in the quarter, giving the indicator an Amber rating, although further improvement is required next quarter to sustain an Amber position. The percentage of Case File Audits judged as adequate or better improved by 2% compared to the previous quarter. The number of referrals reduced for the second quarter in a row and is now within the expected range, while the number of Children in Need cases also decreased, remaining within the expected range. The number of children with Child Protection Plans remains at the higher end of expectations. The number of children who became subject to a Child Protection Plan for a second or subsequent time continues to be at optimal best practice levels.

Corporate Parenting: The level of adoptions for the first half of the year was exceptionally high and significantly ahead of target. The percentage of children in KCC Foster Care is still above target, and use of Independent Fostering Agencies decreased again this quarter. Placement stability for children who have been in care for more than two and a half years is unchanged this quarter and is below target. The number of Kent Children in Care reduced for the second quarter running to 1,533, but the number of Children in Care placed in Kent by other Local Authorities increased to 1,291.

Adult Social Care: All indicators showed improvement in the quarter with clients still independent after enablement moving to Green status. There has been notable improvement for the number of clients receiving a Telecare service and for reductions in the number of admissions to permanent residential and nursing care for older people. The number of promoting independence reviews completed increased slightly and as previously reported, results for this new programme are not expected to reach target level until quarter three, as the programme is fully rolled out.

Public Health: Improvement in the percentage of the target population with completed NHS Health Checks means the quarterly target was exceeded for the second time in a row. The high percentage of smokers successfully quitting, having set a quit date in the final quarter of 2013/14 was not sustained and fell back to slightly below target. Timeliness of appointments for clients accessing GUM remains at optimal performance of 100%.

Executive Summary (5)

Corporate Risks

The table below shows the number of Corporate Risks in each risk level (based on the risk score). The Target risk level is the expected risk level following management action.

	Low Risk	Medium Risk	High Risk
Current risk level	0	10	3
Target risk level	3	10	0

A summary of mitigating actions for current High Risk areas is provided below with further details of progress against mitigating actions for all corporate risks provided later in this report.

Management of Adult Social Care demand: Adult Social Care services across the country are facing growing pressures, particularly with factors such as increasing numbers of young adults with long-term complex needs, increases in Deprivation of Liberty Safeguards Assessments and likely implications of the Care Act on demand for services. The Adult Social Care transformation programme aims to respond to these challenges and the design stage of Phase 2 of the Programme is currently in progress.

Management of demand on Specialist Children's Services: A programme to deliver integrated Early Help and Preventative Services for 0-19 year olds and their families is underway. A one-year plan for Early Help and Preventative Services has been produced, setting out priorities for service development and change. Diagnostic work has been conducted with the aid of an efficiency partner, aiming to ensure an improved and measurable impact of Early Help Services on Specialist Children's Services demand. A 'sandbox' approach is being used to provide an opportunity to test out new and innovative service design concepts

Future operating and financial environment for local government: Local authorities nationally are facing increasing pressures as public sector austerity measures will continue well into the next parliament. KCC's response is its 'Facing the Challenge' Transformation Programme, which is continuing apace with progress updates regularly reported to County Council. Work undertaken so far includes completion of Phase 1 service reviews, the launch of a new Leadership and Management Framework to address identified gaps in key skills, and the establishment of four change portfolios to enable a clear and single view of all the change activity taking place across the council. A commissioning workstream is progressing to deliver the recommendations set out in the May 2014 County Council paper 'Facing the Challenge: Towards a Strategic Commissioning Authority'.

Customer Service and Contact - Overview	
Cabinet Member	Bryan Sweetland
Director	Angela Slaven

Performance for the percentage of calls answered by Contact Point (KCC's call centre) improved during the quarter, and was close to target for the month of September. Caller satisfaction with Contact Point advisors remains good. Performance for complaints handled in timescale reduced slightly in the quarter. There was no resident survey in the quarter and the current status for residents feeling informed indicator is based on the previous quarter's result.

Indicator Description	Previous Status	Current Status	DOT
Percentage of phone calls to Contact Point which were answered	RED	AMBER	⇧
Caller satisfaction with Contact Point advisors	GREEN	GREEN	⇔
Percentage of complaints responded to within timescale	AMBER	AMBER	⇩
Percentage of residents who feel informed about council services	AMBER	GREEN	⇧

To address staff shortages in Contact Point, new staff have been recruited and as the weeks pass they are becoming more effective, as they complete various modules of training. Call answering performance is set to reach target levels during the quarter to December.

There is acknowledgement that current transformation activity across the council is continuing to increase telephone contact volumes for some service areas, and although progress has been made there is still a need to better coordinate internal and external public messages to minimise additional contacts being generated. The Unified Communications programme and the relocation of staff under the New Ways of Working programme are also impacting on the volume of calls being handled by Contact Point.

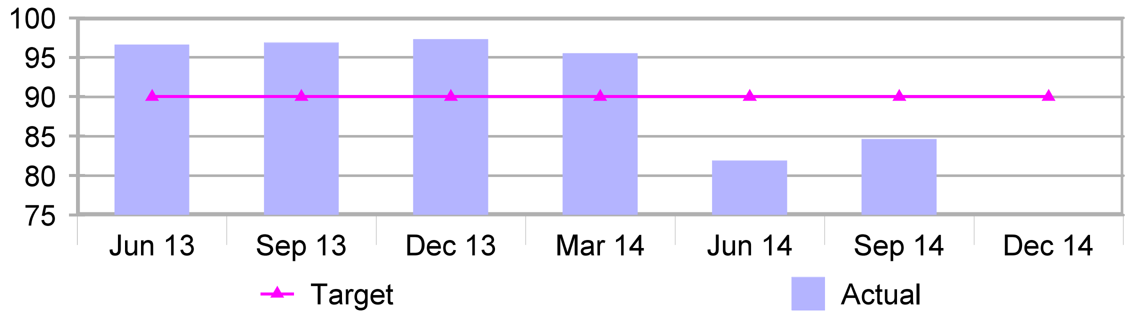
Current technology supporting Contact Point is outdated and a new Cloud telephony system has been procured and is currently in the implementation phase. This will improve caller experience, call quality and the resilience of the service, including increasing the potential for flexible home working for staff.

An End to End Customer Services review has been completed and follow up actions will be taken forward in the context of a new council-wide Customer Service Policy, currently being drafted for County Council approval.

Contact Point and Digital Services together form Lot 3 of a Notice for Competitive Dialogue, placed in the Official Journal of the European Union (OJEU). The suppliers shortlisted, had until the 10 November 2014 to submit their first response to the tender documents.

Customer Service and Contact - KPIs

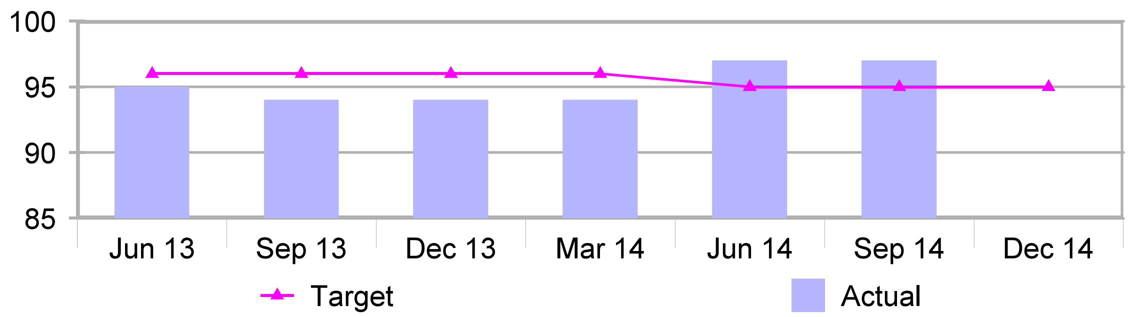
Percentage of phone calls to Contact Point which were answered — AMBER ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	97%	97%	97%	96%	82%	85%	
Target	90%	90%	90%	90%	90%	90%	90%

Our performance in call answering at Contact Point improved in the quarter and reached 88% during the month of September. New staff have been recruited, trained and deployed and this has had an immediate positive impact on performance, although staff attrition is still an issue with uncertainty for staff due to transformation activity in progress. There was continuing high demand for services such as highways, adult and children's social services and increasing contacts resulting from transformation consultation exercises.

Percentage of callers to Contact Point who rated the advisor who dealt with their call as good *** — GREEN ⇔



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	95%	94%	94%	94%	97%	97%	
Target	96%	96%	96%	96%	95%	95%	95%

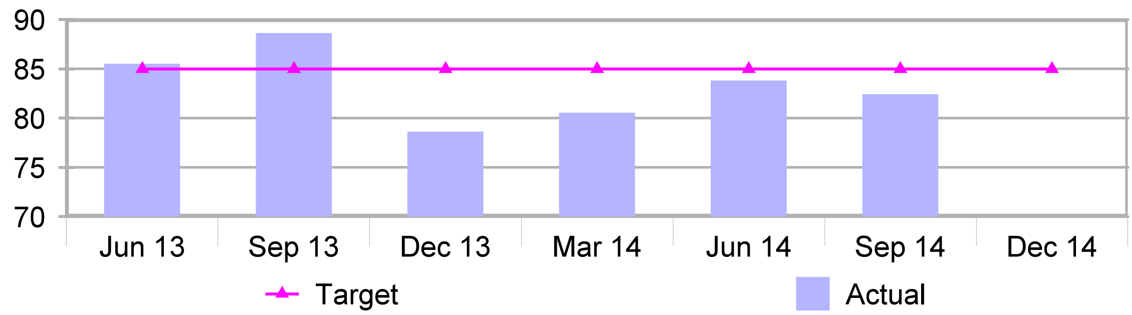
Despite the answer rate being 5% below target for the quarter, customer satisfaction with Contact Point Advisors remains very high. There has been a great deal of feedback relating to the excellence of the Advisors for their customer service skills and knowledge of Council services.

*** Note that the indicator definition has changed this year. Last year callers were asked about the overall service delivered, but for this year the question is specifically about the Contact Point advisor.

Customer Service and Contact - KPIs

Percentage of complaints responded to within timescale

AMBER ⇩

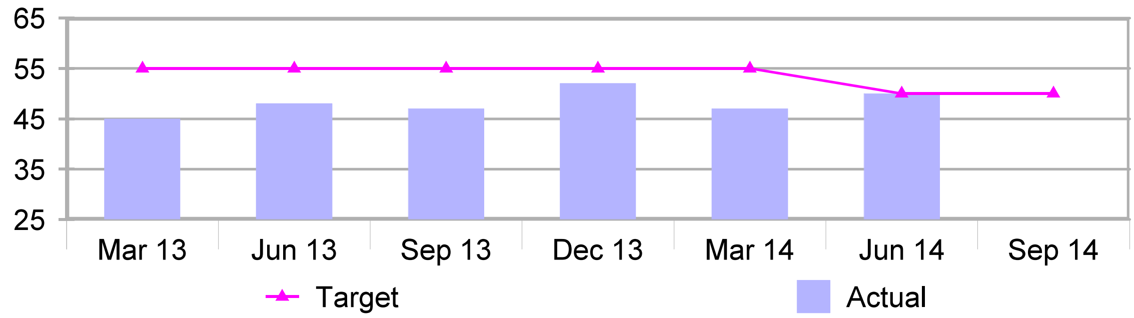


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	86%	89%	79%	81%	84%	82%	
Target	85%	85%	85%	85%	85%	85%	85%

Our performance in providing Complaint responses within agreed timescale has slipped during this quarter. The primary cause was the high level of officer leave during July and August.

Percentage of residents who feel informed about council services

GREEN ⇧



	Mar 13	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14
Actual	45%	48%	47%	52%	47%	50%	
Target	55%	55%	55%	55%	55%	50%	50%

The percentage of residents who feel informed increased in the previous quarter and achieved target level. 16-24 year-olds feel much more informed than any other age group. There was no survey in the most recent quarter.

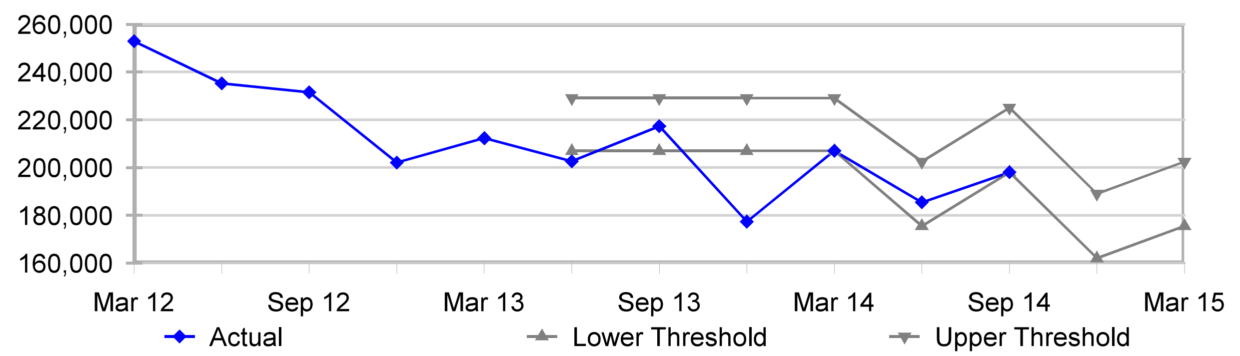
Results are from a telephone tracker survey with a sample size of 600 residents each quarter. Data is weighted by demographic information.

Customer Service and Contact – Contact Activity

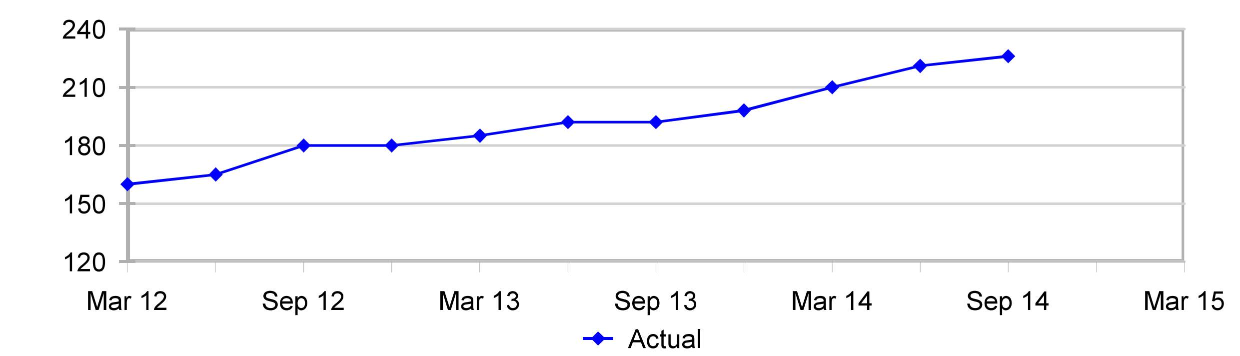
Call volumes handled by Contact Point continue to show reductions over time with increased digital take-up and use of the KCC web-site by residents. However, average handling time for calls have been constantly increasing over time as routine simple enquiries and transactions are dealt with online, and with Contact Point now dealing with a higher proportion of more complex calls. Average call handling time per call increased 18% in the last 12 months, whereas the number of calls handled reduced by 9% (this quarter compared to same quarter last year).

We expect the number of web-site visits to increase as more services go online and we continue to make improvements to information and usability on the website. This quarter the number of visits being made to the website by people using mobile devices increased to 45% of all visits. This has been supported by the decision to build the new web-site using responsive design techniques so that it automatically works for mobile devices

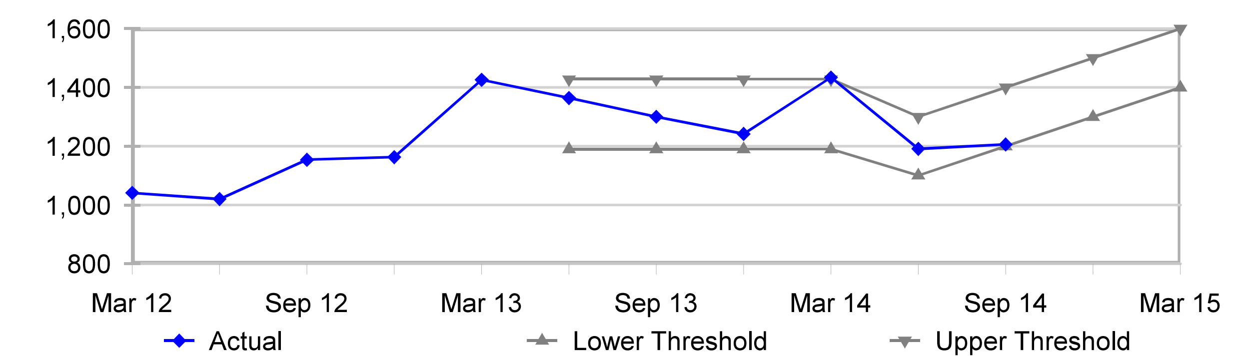
Number of phone calls responded to by Contact Point - by quarter



Average call handling time by Contact Point - by quarter



Number of visits to the KCC web-site each quarter (in thousands)



Customer Service and Contact – Contact Activity

Number of phone calls and e-mails responded to by Contact Point (thousands)

Contact Point dealt with 6% more enquiries than the previous quarter. On an annual basis total contact volumes in the last 12 months were down 7% on the 12 months to September 2013. However, as noted above, average call handling times have increased 18% year on year.

Nearly all services are experiencing reduced telephone volumes year on year, with the major exceptions being Adult Social Care and Specialist Children's Services, where for both services the digital offer is currently limited. Both services are dealing with fewer phone calls directly with more phone calls for these services initially being handled within Contact Point. The increase in Adult Social Care calls volumes in the last three quarters has also been driven by the Home Care tender, with many calls being received specifically on this issue.

Service area	Oct - Dec	Jan - Mar	Apr - Jun	Jul - Sep	Total	Yr to Sept 13
Adult Social Care	25	37	42	41	145	124
Highways	30	39	28	28	124	109
Specialist Children's Services	23	27	27	26	102	57
Schools and Early years	14	14	15	15	58	77
Main Enquiry Line	16	17	12	12	57	77
Registrations	15	15	11	11	52	67
Libraries and archives	13	12	10	11	45	81
Blue Badges	8	9	9	12	39	43
Transport Services	7	7	6	15	35	54
Speed Awareness	8	9	9	7	33	28
Other services	9	9	7	7	33	62
Adult Education	7	7	5	10	29	35
Waste and Recycling	4	4	4	3	15	21
Total Calls (thousands)	**177**	**207**	**185**	**199**	**769**	**835**
e-mails handled	22	29	19	17	87	88
Postal applications	9	11	10	11	41	45
Total Contacts (thousands)	**208**	**247**	**214**	**227**	**897**	**968**

Numbers will not add exactly due to rounding.
Phone calls for the Social Fund (KSAS) are not included in the above figures.
Out of hours calls are allocated 75% to Specialist Children Services, 15% for Highways and 10% Other.
Postal volumes mainly relate to Blue Badges and Concessionary Fares correspondence.

Customer Service and Contact – Digital Take-up

The table below shows the digital/online transaction completions for Key Service Areas so far this financial year.

Transaction type	Online Apr 14 – Jun 14	Online Jul 14 – Sep 14	Transactions to date
Renew a library book *	95%	96%	375,467
Report a Highways Fault	43%	46%	47,936
Book a Speed Awareness Course	74%	72%	19,102
Book a Birth/Death Registration appointment	50%	52%	17,189
Apply for a Young Person’s Travel Pass	77%	65%	16,323
Apply for or renew a Blue Badge	27%	19%	13,290
Apply for a Concessionary Bus Pass	8%	9%	10,041
Report a Public Right of Way Fault	52%	59%	2,333
Apply for a HWRC recycling voucher	85%	86%	1,623

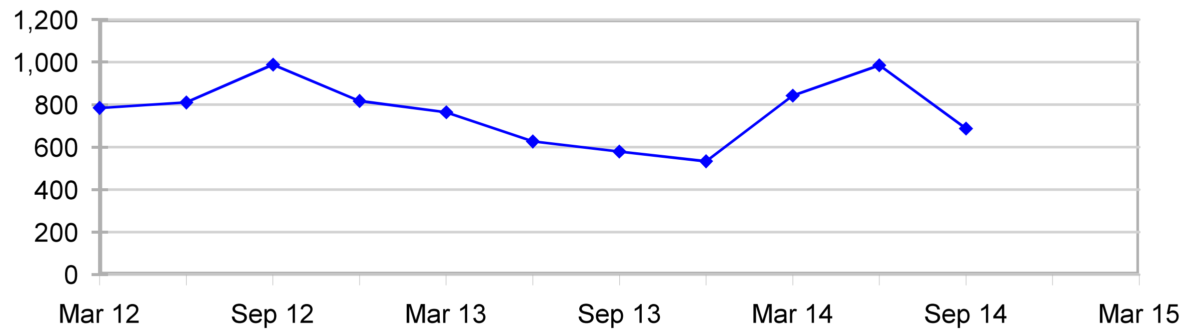
* Library issue renewals transaction data is based on individual loan items and not count of borrowers.

Customer Service and Contact – Complaints monitoring

The number of complaints received in the quarter showed a reduction from the previous peak in the quarter to June 2014.

The previous increase in complaints mainly related to Highways and Transportation as a result of issues following the flooding earlier in the year, which caused extensive damage to the highway network.

Number of complaints received each quarter



On a rolling 12 month basis, for the year to September 2014 the number of complaints showed a 3.6% increase compared to the year to June 2014.

Service	12 mths to June 14	12 mths to Sept 14		Quarter to June 14	Quarter to Sept 14
Highways and Transportation	1,189	1,257		380	299
Adult Social Services	452	505		149	128
Finance and Procurement	201	246		161	59
Libraries, Archives and Registrations	186	200		47	52
Specialist Children's Services	295	262		52	51
Other Services	81	90		32	27
Education Services	30	44		8	23
Country parks	32	42		18	19
Adult Education	108	95		18	17
Waste Management	269	225		113	8
Gateways and Contact Point	47	45		4	5
KSAS	33	28		3	0
Youth Services	16	9		0	0
Total Complaints	**2,939**	**3,048**		**985**	**688**

Customer Service and Contact – Complaints monitoring

Complaints analysis by service area

Highways & Transportation – Complaints reduced by 21% on the previous period. The highest number of complaints was regarding Street Lighting, but there were also significant numbers on the Young Person's Travel Pass, Soft Landscaping, and Resurfacing and Drainage. The service also received 113 compliments which was up on the previous quarter.

Adult Social Services – Complaints reduced from the previous quarter, but remain high compared to the previous year. The highest number of complaints related to disputed decisions. Compliments for the quarter had not been fully processed and analysed in time for reporting.

Finance and Procurement – A significant reduction in complaints compared to the previous quarter with fewer relating to insurance being the key factor in this drop. The main other source of complaints has been pensions. 29 compliments were received for the quarter which was higher than the previous period.

Libraries and Archives – There were slightly more complaints this quarter than last, and they are up on the same quarter last year. Most complaints were regarding customer behaviour rather than about the service itself, others included complaints on Wi-Fi security. The number of compliments was over twice the number of complaints.

Specialist Children's Services – The number of complaints this quarter was very close to the previous quarter, and below levels received last year. The majority were disagreements with decisions or policies made. Many of the complaints were not upheld, and there were 20 compliments.

Economic Development - Overview	
Cabinet Member	Mark Dance
Director	David Smith

Committed job creation which will result from Regional Growth Fund (RGF) and other activity continues to be ahead of expectations, now at 9,057 jobs created or safeguarded since April 2013, with most of the RGF jobs to be delivered by March 2016. In this quarter, an additional 3,119 jobs have been committed to being created/safeguarded, mostly as a result of new loans being approved from the RGF programmes.

Indicator Description	Previous Status	Current Status	DOT
Jobs committed to be created and safeguarded by Regional Growth Fund and other funds	GREEN	GREEN	⇧
Percentage of Expansion East Kent funds committed at Board approval stage	GREEN	GREEN	⇧
Percentage of Tiger and Escalate loan funds committed at Board approval stage	AMBER	GREEN	⇧

Loan approval in the quarter for Expansion East Kent was £7.8 million placing the scheme significantly ahead of the target to approve sufficient loans to fully utilise the fund within the scheme lifetime. Loans approved for Tiger and Escalate in the quarter also rose significantly from £8.9m to £17.8m and the scheme will now utilise all funds well before the end scheme date of March 2015.

The government consultation to establish an Urban Development Corporation (UDC) for Ebbsfleet Garden City ended on 6 October. KCC's response broadly accepted the principal of the UDC but emphasised the need for local accountability and engagement of the local community in the UDC's decision making process. KCC is strongly represented in the governance arrangements through working groups and Boards which are in place prior to the establishment of the UDC. DCLG is progressing the establishment of the UDC through a hybrid Bill with the aim of having the UDC in place by the first quarter of 2015.

Ashford Borough Council has agreed planning permission for 5,750 homes at Chilmington Green. Heads of Terms are being drafted. KCC has secured a secondary school, four primary schools, £1.35m contributions towards community services and is negotiating space in the proposed community centre for social care clients to use.

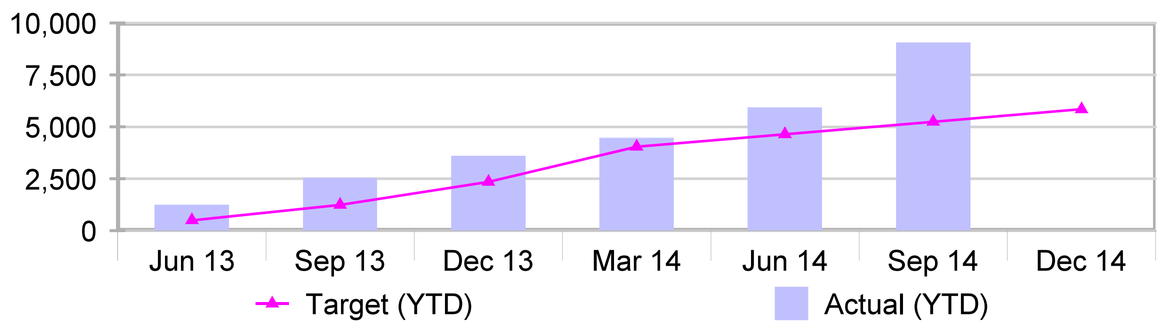
Visit Kent launched its new tourism business support website in July (www.visitkent.co.uk) with information and signposting providing a central tourism business portal aimed at helping growth in the sector.

Through the Visit Kent's Tourism Business Advisory Service businesses can book a free on-site advisory visit. Our Industry Business Advisor helps with guest expectations, quality standards, marketing, digital solutions, operational suggestions and signposting on accessible and sustainable information. All tourism businesses are eligible for a visit whether they want to explore new development ideas or are a more established operator who want to look at ways to develop and remain competitive.

Economic Development - KPIs

Committed jobs to be created or safeguarded through Regional Growth Fund and other schemes (cumulative since April 2013)

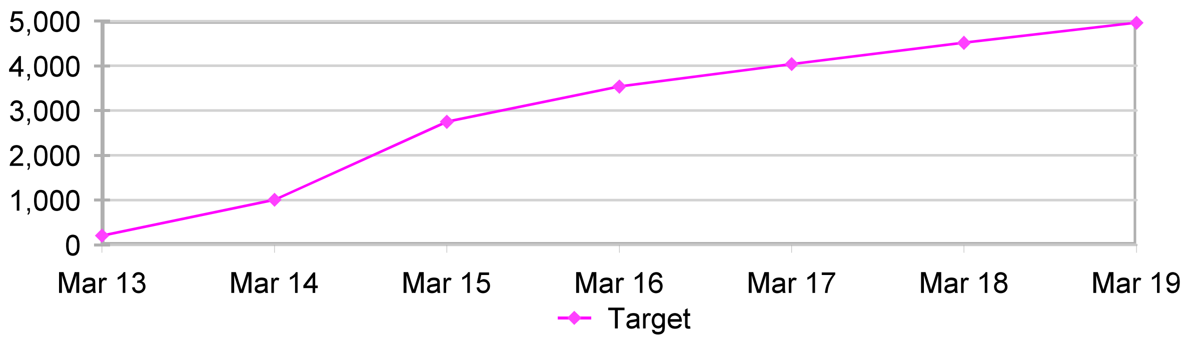
GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	1,243	2,532	3,603	4,477	5,938	9,057	
Target	500	1,250	2,350	4,050	4,650	5,250	5,850

Committed jobs will convert to actual jobs for RGF once funds are released and utilised by the businesses who receive the loan. Job creation from the Regional Growth Fund is identified at contract stage. The RGF committed jobs will be realised between 2013 and 2019 with the majority delivered by March 2016. Regional Growth Fund includes Expansion East Kent, TIGER and Escalate. Other schemes include Marsh Million, Locate in Kent and High Growth Kent.

Profile of expected dates for jobs to be created/safeguarded for RGF funds which have reached full contract stage



	Mar 13	Mar 14	Mar 15	Mar 16	Mar 17	Mar 18	Mar 19
Total	205	1,006	2,750	3,537	4,039	4,515	4,964
Annual	205	801	1,745	787	502	476	449

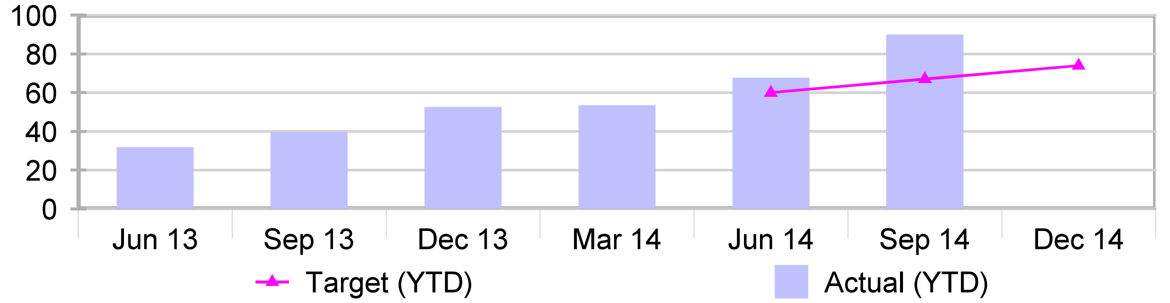
The number of jobs to be created and safeguarded through Regional Growth Funds is now 4,964 up from 2,951 at the end of June, an increase of 2,013 jobs. Total loans to date of £49.3m have been approved to create/safeguard these jobs.

To end of September 2014, there has been confirmation of 1,066 actual jobs created/safeguarded since the start of the schemes. Further jobs will have been created but not yet confirmed.

Economic Development - KPIs

Percentage of Expansion East Kent funds with Board approval to progress to Contract Stage (cumulative since start of the scheme)

GREEN ⇧

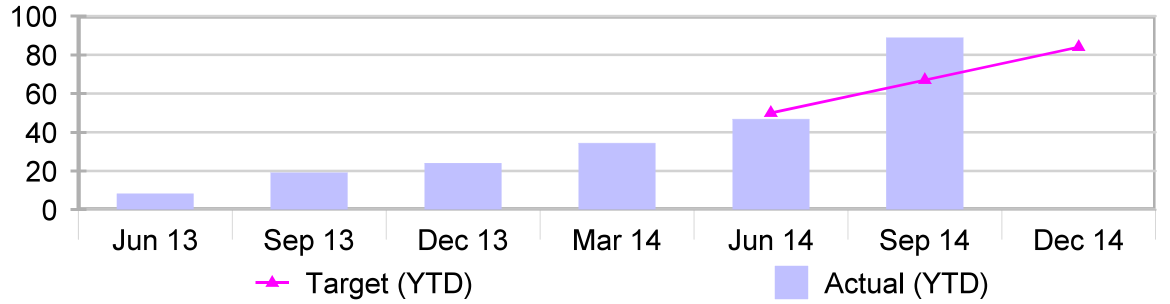


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	32%	40%	53%	54%	68%	90%	
Target					60%	67%	74%

The amount of loans approved for the scheme is showing a steady increase ahead of expectations. At the end of September £31.5m out of the available £35m fund had reached Board approval stage with 2,939 jobs committed to be created/safeguarded. To date £16.4m of the agreed loans had been released. Direct private sector investment leverage of £49.3m has also been generated to date.

Percentage of Tiger/Escalate loan funds with Board approval to progress to Contract Stage (cumulative since start of the scheme)

GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	8%	19%	24%	34%	47%	89%	
Target					50%	67%	84%

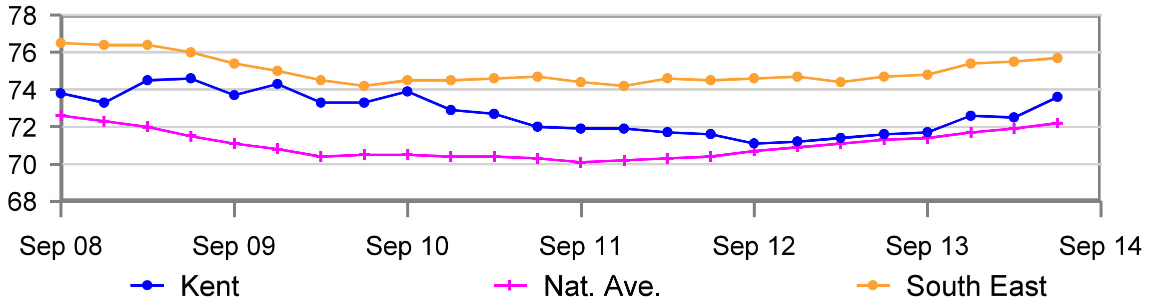
The amount of loans from the scheme is steadily rising. In this quarter, the amount of loans approved was ahead of expectations. At the end of September £17.8m out of the available £20m fund had reached Board approval stage with 2,024 jobs committed to be created/safeguarded. To date £7.9m of the agreed loans have been released. Direct private sector investment leverage of £27.7 has also been generated to date.

Economic Development – Activity Indicators

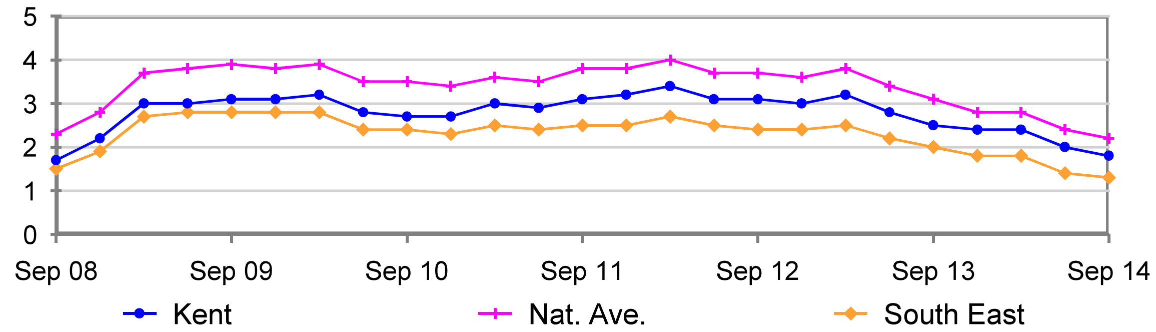
The following indicators provide information on the general state of the Kent economy in comparison to the regional and national averages.

Employment rates continue to show an encouraging increase both nationally and in Kent after a number of years of decline and stagnation during the global recession. Employment rates in Kent remain above the national average but below the South-East regional average. Similarly JSA claimant counts have shown significant reduction over the last 18 months and have now returned to levels not seen since 2008. Business start-up data for 2013 is not yet available

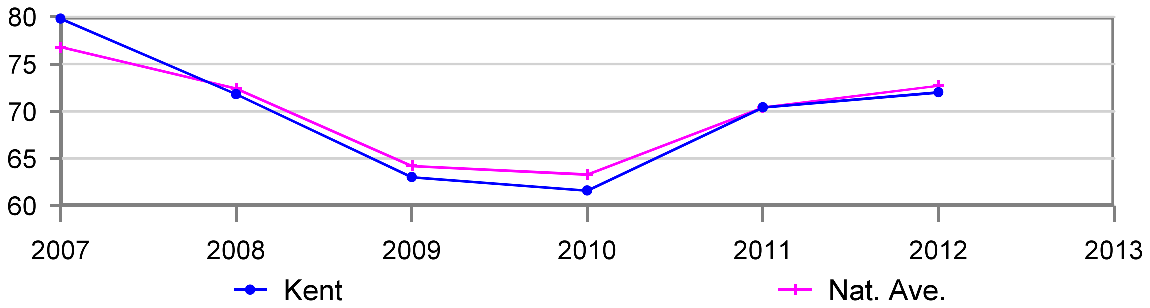
Percentage of population aged 16 to 64 in employment



Percentage of population aged 16 to 64 claiming JSA



Business Start Ups per 10,000 population aged 18 to 64



Environment, Planning and Enforcement - Overview	
Cabinet Member	David Brazier
Director	Paul Crick

The provisional Business Mileage for the first quarter of 2014/15 was a decrease by 10% compared with the same period the previous year, and by 5% on an FTE basis. These figures are likely to change due to late claims not yet received. There is further evidence that more journeys are being replaced by teleconferencing as there was a 50% increase in the use of BT MeetMe service in 2013/14 compared to the previous year. Continued scrutiny of travel is in place across all KCC services to ensure further annual reductions and to ensure a continued increase in tele/videoconference usage, utilising the new Unified Communications solution, which provides access to conference technology to a wider group of staff.

Indicator Description	Previous Status	Current Status	DOT
Business mileage per member of staff (FTE basis)	RED	GREEN	⇧

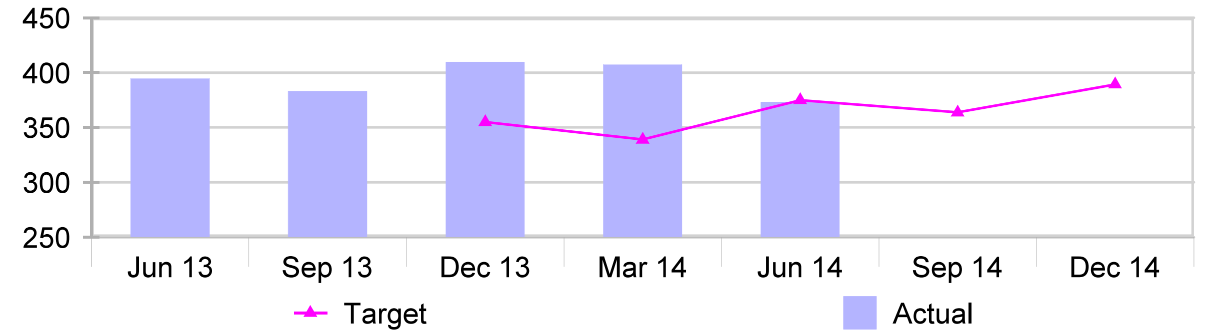
Phase one of the EPE management realignment has been completed with the following heads of service confirmed in post: Ann Carruthers Head of Strategic Planning and Policy, Mike Overbeke, Head of Public Protection, Stephanie Holt, Head of Countryside, Leisure and Sport, Sharon Thompson, Head of Planning Applications, Carolyn McKenzie, Head of Sustainable Business and Communities, and Nick Johannsen, Director of Kent Downs Area of Outstanding Natural Beauty Unit. The Director and these managers will now be working on phase two, looking at further service redesign to ensure that they continue to deliver effective and efficient services.

The two reviews in Phase 2 of the Transformation agenda – Community Safety and Regulatory Services, and Countryside Access (including Country Parks) – are now fully underway. A consultation with Trading Standards staff and managers has been completed and a public consultation on the future shape of the Community Wardens scheme has been launched. The reviews are examining a range of options for future working and expect to have an agreed outline business case by December 2014.

Trading Standards have achieved a number of notable successes during this quarter. Working with our partners in the UK Border Force we have prevented 32,000 counterfeit and unsafe sets of cosmetics and 1,000 dangerous chainsaws entering the UK and European consumer markets. The chainsaws were dismantled by volunteers working for the Demelza House Children's Hospice and that organisation has benefitted by receiving the income from the sale of the recycled parts. Convictions have been secured in court for two cases of illegal and dangerous sale and storage of fireworks and the court cases provided useful opportunities to warn the public about this issue just ahead of this year's fireworks season. Convictions have also been secured against a notorious driveway laying rogue trader and a large scale seller of counterfeit goods. In early October, in what we believe to be the first case of its kind in England, a food wholesaler was convicted of selling pork sausages which contained nearly 50% horse meat.

Environment, Planning and Enforcement - KPIs

Business mileage per member of KCC staff (full time equivalent basis) per quarter	GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Sep 14
Actual	395	383	410	407	373		
Target			355	339	375	364	364

The annual target is for a 5% reduction in business mileage. This was previously applied at the total mileage level, but for 2014/15 the target is now being applied across the County Council at the per FTE level. In the first quarter of 2014/15 there was a decrease at the FTE level of 5% compared to the same time last year, reflecting a 10% reduction at the total mileage level. However this result is provisional and is likely to be revised due to late claims not yet received.

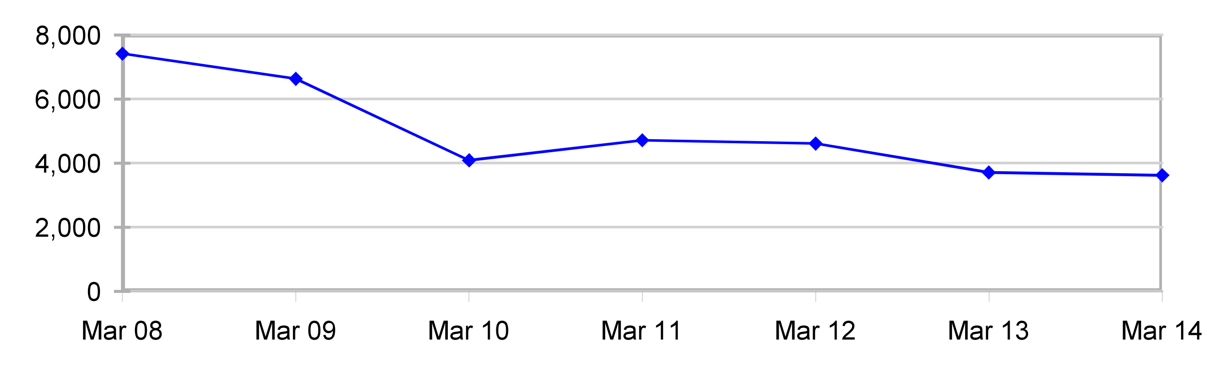
Environment, Planning and Enforcement – Activity Indicators

The following indicators provide information on some of the external context and factors within which the Division operates.

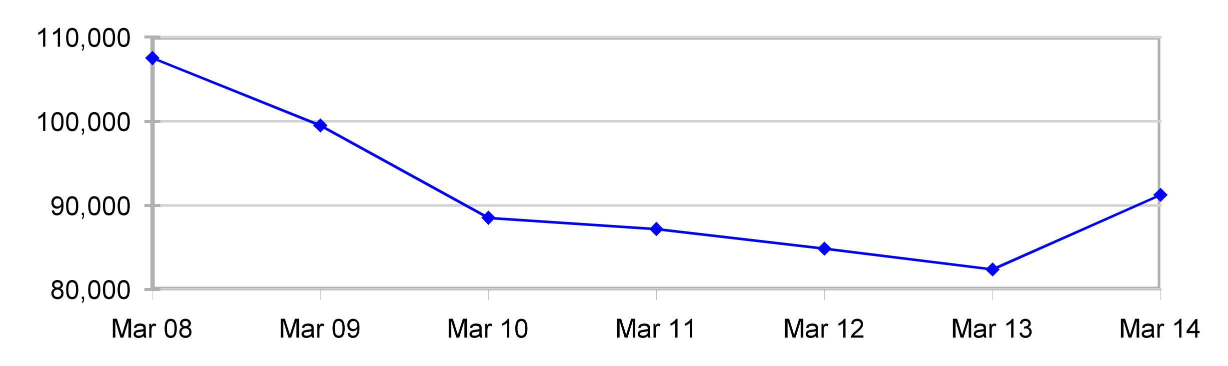
The number of annual Housing completions remains below the pre-recession levels with annual figures around the 4,000 level. The number of completions was 3,616 in 2013/14. However there is evidence that housing starts are increasing which should result in more completions for the current year.

Total incidents of recorded crime have been on a downward trajectory for several years but showed an increase in the last year for the first time since the year to March 2007. A large part of the increase is considered to be due to changes in recording practice following guidance issued by HMIC.

Net Housing Completions by year



Total incidents of recorded crime by year



Highways and Transportation – Overview	
Cabinet Member	David Brazier
Director	John Burr

Performance remains on target for our four key measures. Customer demand for highway services is slightly above our expectations with 25,158 enquiries raised for action by staff in the last quarter. Our current open and unresolved work in progress has fallen again from 8,117 to 7,653 over the last quarter, to put it within our expected levels of seasonal demand for this time of year.

Indicator Description	**Previous Status**	**Current Status**	**DOT**
Percentage of routine potholes repaired in 28 days	GREEN	GREEN	⇩
Percentage of routine highway repairs reported by residents completed within 28 days	GREEN	GREEN	⇧
Percentage of satisfied callers for Kent Highways 100 call back survey	GREEN	GREEN	⇩
Resident satisfaction with completed Highways schemes (survey)	GREEN	GREEN	⇩

The second quarter of 2014/15 has seen enquiry demand move to soft landscaping and street-lighting with the number of pothole enquiries reduced by a half compared to the first quarter of the year. The significant effort to repair roads in the Spring, together with the surface dressing and resurfacing programme has helped reduce the need for customers to call us about pothole faults.

We delivered eighteen of our 2014/15 Strategic Priority Statement (SPS) priorities in this quarter including a review of the Kent Lane Rental Scheme, learning lessons from the last Winter to develop our plan for 2015/16 and successfully implementing the new Young Persons Travel Pass. We continue to work on the SEN Assessment, Support and Transport and the Home to School/College Transport Phase 2 Facing The Challenge service reviews.

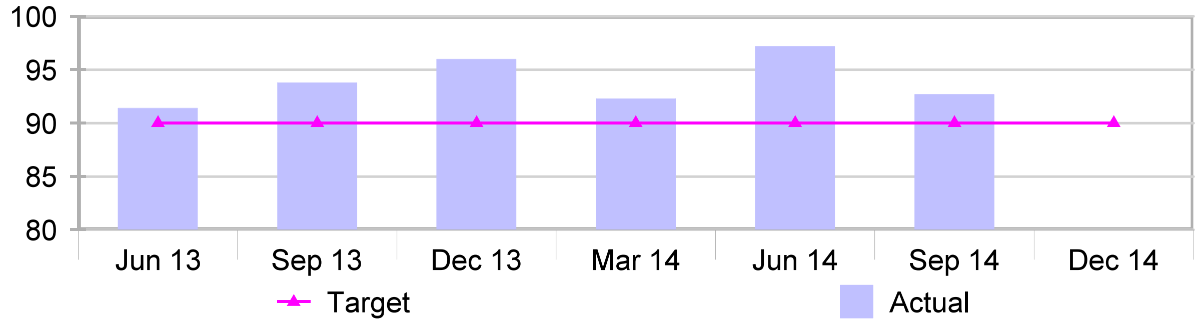
Construction of North Farm, Tunbridge Wells and Poorhole Lane, Westwood Pinch Point schemes is progressing well. A decision on the planning application for Rathmore Road, Gravesend was made in October and development work on A28 Chart Road, Ashford is progressing after the recent successful planning decision. Business case work on Local Growth Fund schemes such as M20, J4 eastern bridge widening and improvements to Maidstone Bridge gyratory is progressing.

Key initiatives for the next quarter include a review of the business to ensure we improve further on the changes made in 2011. We are developing options to meet future budget challenges including innovative proposals to convert the entire stock of streetlights to LED. The 2014 Tracker survey of residents, parish councils and County Members, on their views of the condition of roads, footways, streetlights, and related services is now underway, and the results will be reported in the new year.

Our winter service began in October and will continue through to next April. We have 60 gritters, all now with amusing snow-themed names chosen by county's school children and tonnes of salt ready for action.

Highways and Transportation - KPIs

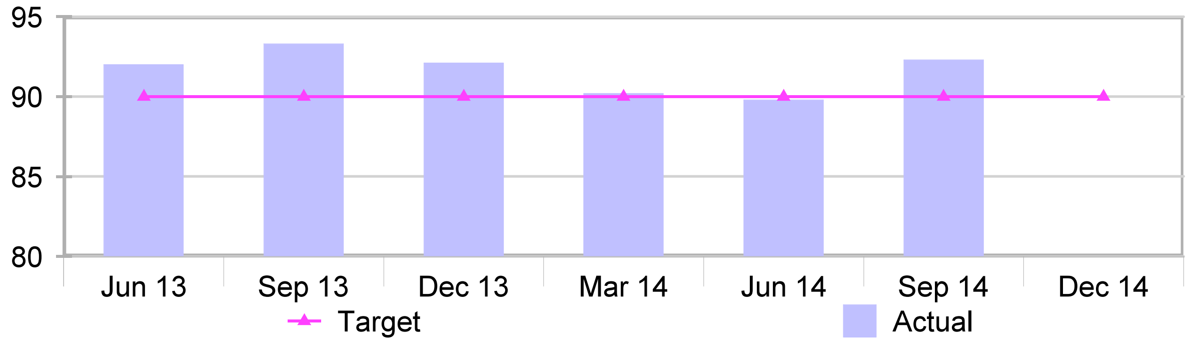
Percentage of routine pothole repairs within 28 days — GREEN ⇩



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	91%	94%	96%	92%	97%	93%	
Target	90%	90%	90%	90%	90%	90%	90%

Performance for pothole repairs remains above target. The Find and Fix programme was completed at the end of May and we are now delivering a programme of works funded by the special government Pothole grant. Highway Operations was awarded £3.88 million from the £6.3 million grant and work is continuing across all districts from minor patching to complete road resurfacing, putting this additional funding to best use. Routine repairs to potholes will continue to be delivered with a focus on quality first time permanent repairs.

Percentage of routine highway repairs reported by residents completed within 28 days — GREEN ⇧

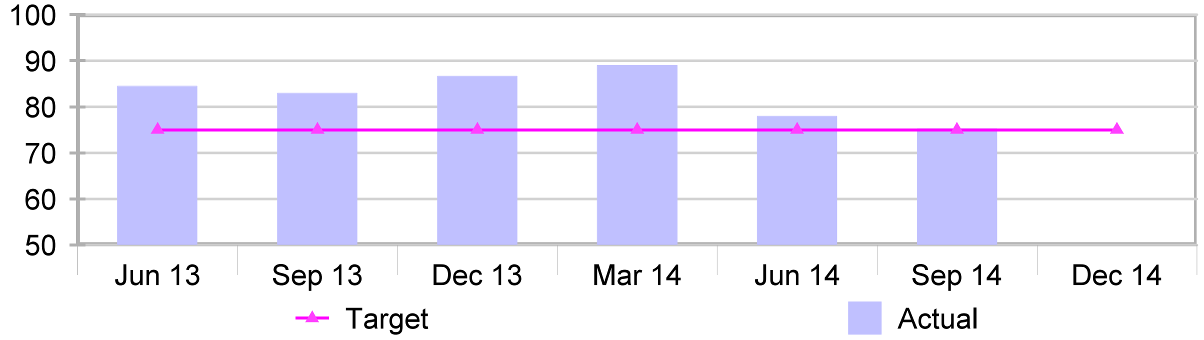


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	92%	93%	92%	90%	90%	92%	
Target	90%	90%	90%	90%	90%	90%	90%

Performance improved slightly in the quarter due to fine dry weather and lower customer demand. The grant funding noted above will assist in addressing deteriorated sections of road and reduce demand, but parts of the infrastructure remain fragile and susceptible to damage with wet or freezing temperatures. The approaching winter season is expected to present additional challenges as in previous years, with an increase in faults reported.

Highways and Transportation - KPIs

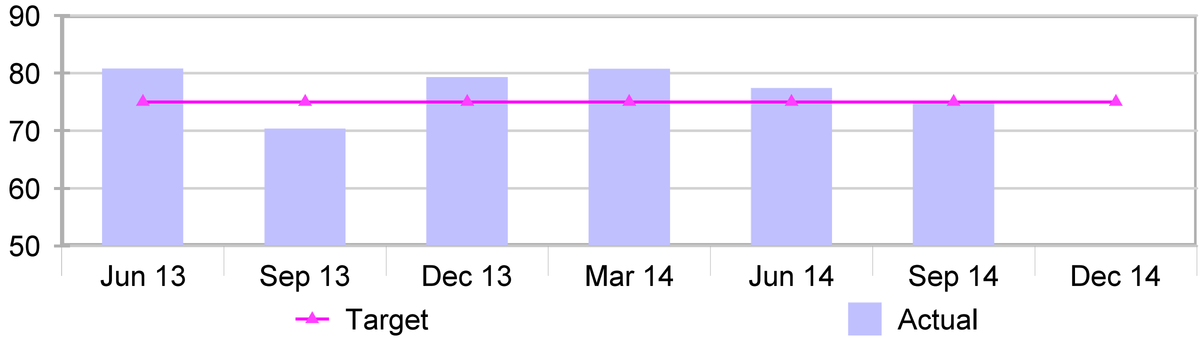
Percentage of satisfied callers for Kent Highways and Transportation, 100 call back survey — GREEN ⇩



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	84%	83%	87%	89%	78%	75%	
Target	75%	75%	75%	75%	75%	75%	75%

Performance has fallen slightly in the quarter and is now at the minimum 75% customer standard. Causes of lower satisfaction has been in relation to soft landscaping such as the frequency of grass cutting, grass being left behind once it is cut and our speed of response in ensuring private property owners fulfil their obligations. We will be reviewing the Spring/Summer soft landscape programme to see how we can improve information to customers and manage their expectations within the current budget.

Resident satisfaction with completed Highways schemes (survey) — GREEN ⇩



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	81%	70%	79%	81%	77%	75%	
Responses	551	61	518	373	53	1,321	

Satisfaction was just at the target level in the quarter. The volume of survey cards returned from residents in this quarter has improved considerably and gives a good insight into their views of the work we have recently completed. Any individual scheme where customer satisfaction is less than 75% undergoes a review by the team manager and relevant contractor to see what lessons can be identified to improve service delivery in the future. Better information to customers and signage on site before works start is a current area for improvement.

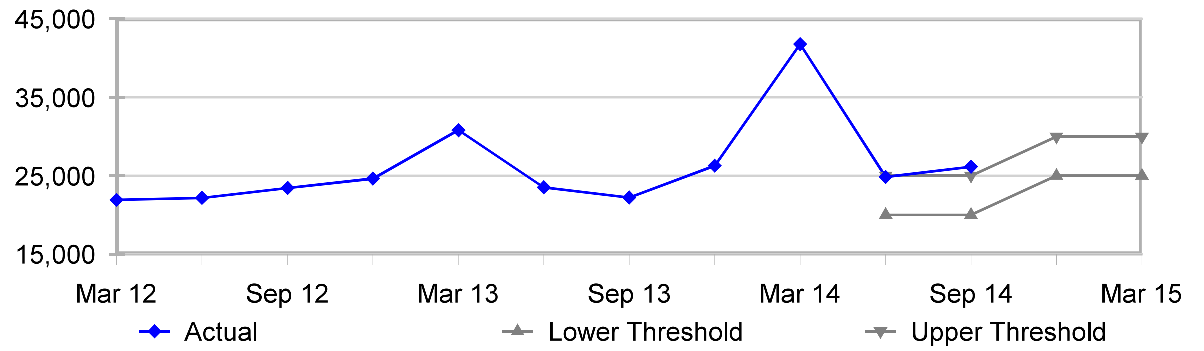
Highways and Transportation – Activity Indicators

Customer demand in the quarter was at the higher end of expectations with 25,158 new enquiries raised for action and this is slightly up on the previous quarter. Current enquiry demand is mainly due to street-lighting, pothole and soft landscaping issues.

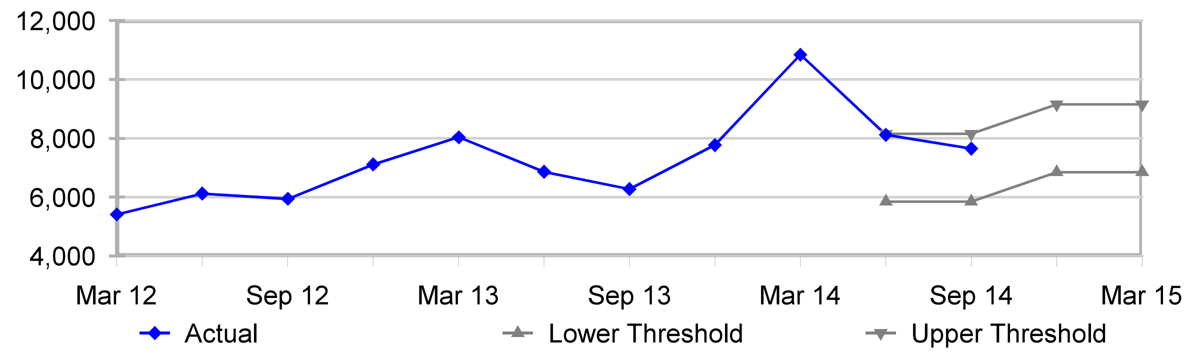
We continue to work hard to reduce the number of outstanding and unresolved customer enquiries and work in progress has fallen from 8,117 to 7,653 over the last quarter, and is now within the expected level. Ensuring we meet our customer standard response times remains a key focus for all staff.

As we move into the winter season the level of enquiries and work in progress are expected to increase and if weather conditions are again severe this year it will be difficult to maintain demand within expected ranges.

Number of enquiries raised for action - by quarter



Open enquiries work in progress (Routine and Programmed works)



Waste Management - Overview	
Cabinet Member	David Brazier
Director	John Burr

Performance remains above target for our two key measures, with demand levels currently increasing. Total waste tonnage collected has been increasing for four consecutive quarters.

Indicator Description	Previous Status	Current Status	DOT
Percentage of municipal waste recycled or converted to energy and not taken to landfill	GREEN	GREEN	⇧
Percentage of waste recycled and composted at Household Waste Recycling Centres	GREEN	GREEN	⇩

The continuing mild and moist conditions have promoted high levels of organic waste tonnages, contributing both to higher than anticipated overall waste and increased levels of composting. The overall percentage of waste being recycled continues to outperform expectations, making a good contribution to the overall strategy to reduce the amount of waste disposed of at landfill. This represents continuing progress against our objective of having 95% of waste used as a resource by 2020.

The new HWRC contract, which commenced on 1 November 2014, should further continue this progress, with its emphasis upon diverting waste from landfill.

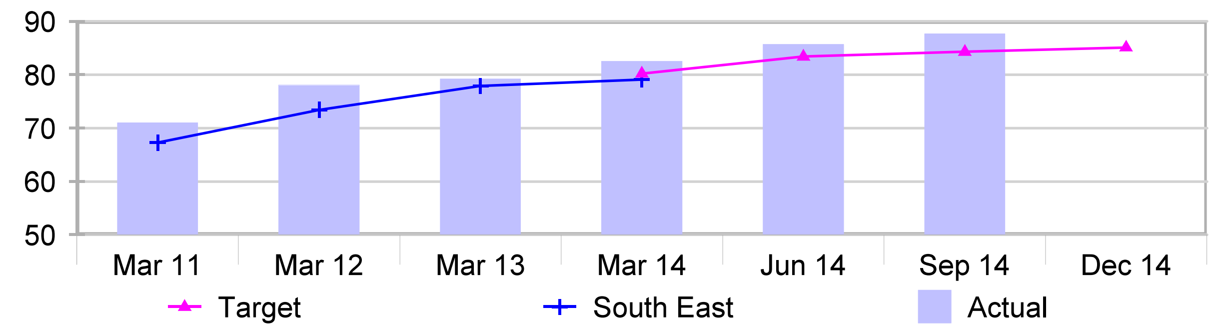
Progress on our other key projects such as the redevelopment of the Sittingbourne Household Waste Recycling Centre is moving forward well. We are also developing satisfaction surveys of customers who use our Household Waste Recycling Centres to help us understand and improve the customer experience and results will be reported later in the year.

The new organisational structure and maximising the benefits of the merger with Highways & Transportation took a step forward in September when the Waste Management team moved to Invicta House to work alongside Highways & Transportation colleagues.

Waste Management - KPIs

Percentage of municipal waste recycled or converted to energy and not taken to landfill - Rolling 12 months

GREEN ⇧

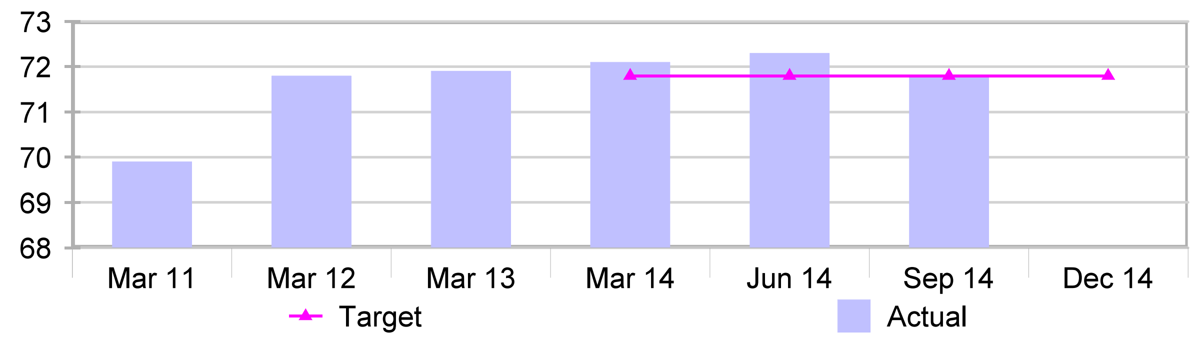


	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	71%	78%	79%	83%	86%	88%	
Target				80%	83%	84%	85%

Gravesham Borough Council's kerbside collection scheme in which KCC is a key partner, and which commenced in June 2014, is performing above expectations, and has made a significant contribution to improving recycling figures. The forthcoming new HWRC contracts will incentivise the contractor to reduce waste to landfill, and we expect performance improvement to continue.

Percentage of waste recycled and composted at Household Waste Recycling Centres (HWRC) – Rolling 12 months

GREEN ⇩



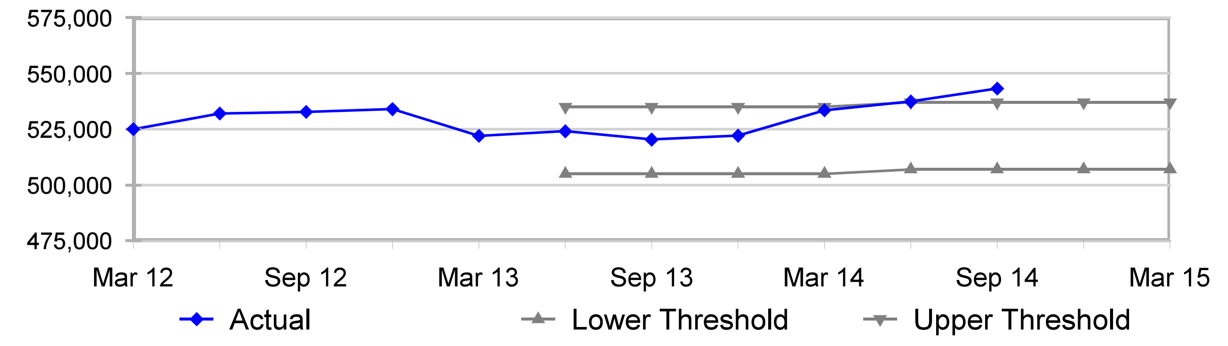
	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	69.9%	71.8%	71.9%	72.1%	72.3%	71.8%	
Target				71.8%	71.8%	71.8%	71.8%

There has been an overall rise in the tonnage of waste received at HWRCs over the last 12 months, and work continues to maximise opportunities for recycling and composting. Despite some increases in recycling in the 6 months to June 2014, over the Summer the recycling rates have returned to previous levels seen for the last two years. As more recycling collection is delivered to the doorstep through improved collection contracts, this will result is less recyclables being deposited at HWRCs.

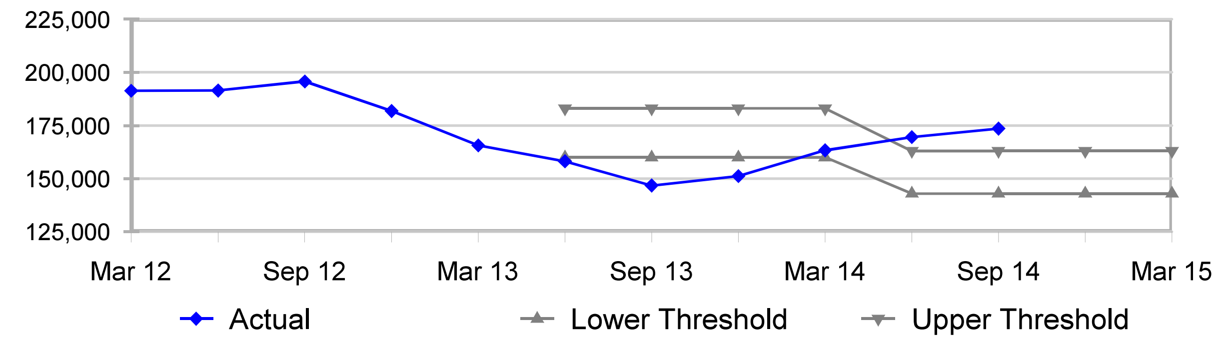
Waste Management – Activity Indicators

The increase in waste tonnage which has continued, due to both climatic and economic factors. Total municipal tonnage increased to 717,000 tonnes in the 12 months to September 2014, up from a low of 667,000 in September 2013, but below the high of 728,000 in September 2012. However, the procurement of new contracts to facilitate more recycling and composting are ensuring that the amount of waste diverted from landfill also continues to increase.

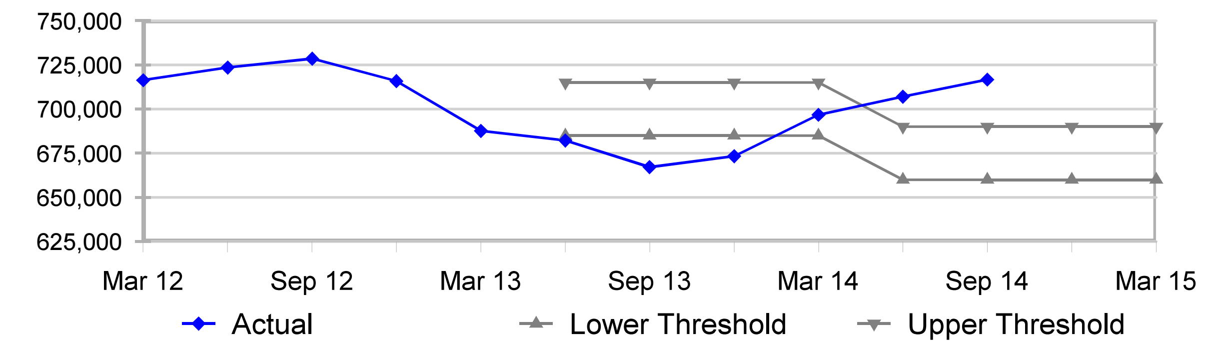
Tonnage collected by districts (rolling 12 month)



Tonnage managed through HWRC (rolling 12 month)



Total municipal waste tonnage collected (rolling 12 month)



Libraries, Registrations and Archives - Overview	
Cabinet Member	Mike Hill
Head of Service	Angela Slaven

We have recently launched new customer satisfaction surveys in all areas of our service. Satisfaction rates to date are:

Customer Satisfaction			
	Jun 14	Sep 14	Target
Libraries and Archives	91.7%	91.7%	93%
Birth and Death Registration	97.0%	97.1%	95%
Ceremonies	100.0%	98.8%	98%

Indicator Description	**Previous Status**	**Current Status**	**DOT**
Satisfaction with Libraries and Archives	AMBER	AMBER	⇔
Satisfaction with Birth and Death registrations	GREEN	GREEN	⇧

The slow but relatively steady transfer from traditional library usage (physical visits and issues) to use of our online services continues. Library issues and visits are recovering following the disappointing figures in the last quarter, which were affected by our inability to supply libraries with new stock due to the premise move of our business support team.

Work has continued to review Library, Registration and Archive services, with particular focus on ensuring that services deliver what our customers want as efficiently as possible. Major pieces of work that support this are: the Market Testing Review as part of Facing the Challenge, a review of ICT business systems that support our work to deliver better digital access for customers and better integration with other KCC systems; and the service review of Registration Services.

In May this year we achieved our best ever result when we were reassessed for the Customer Service Excellence Award on behalf of the Cabinet Office.

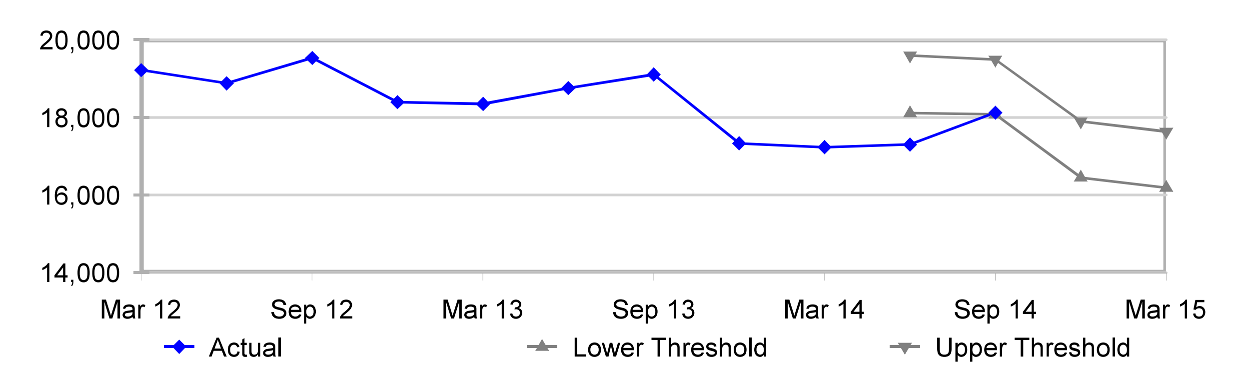
Following the launch of the new KCC web-site in March, Libraries, Registration and Archives now have 33 pages down from 952 and we have seen a noticeable reduction in site traffic for the service. We are confident this reduction in online contacts is positive news, as members of the public are now finding the information they want more quickly.

Libraries, Registrations and Archives – Activity Indicators

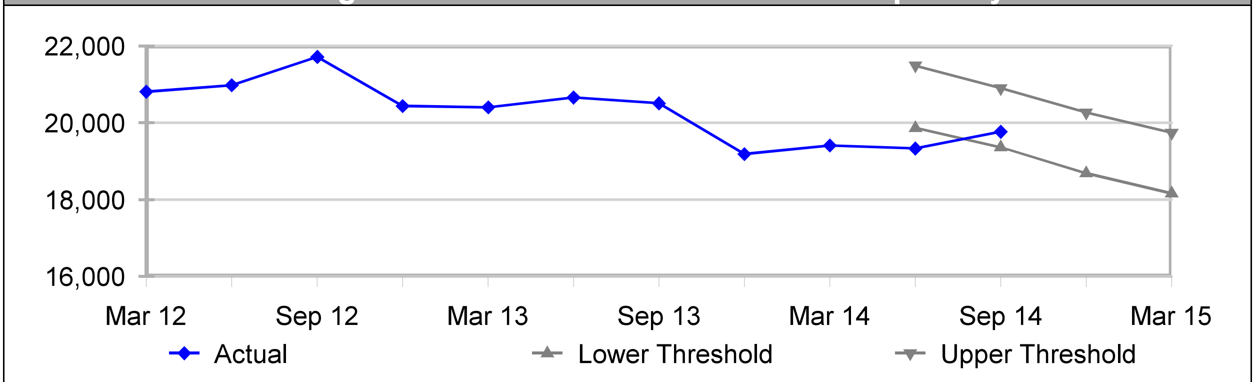
We anticipated a continued decrease in issues and visits (the latter as our digital offer improves) this year. There has been improvement this quarter following the disappointing results in quarter one which were mainly due to our inability to supply our libraries with new stock during that quarter (due to support office moves).

The number of ceremonies conducted peaked at over 1,100 in August and is showing an increase of 4% compared to the same time last year.

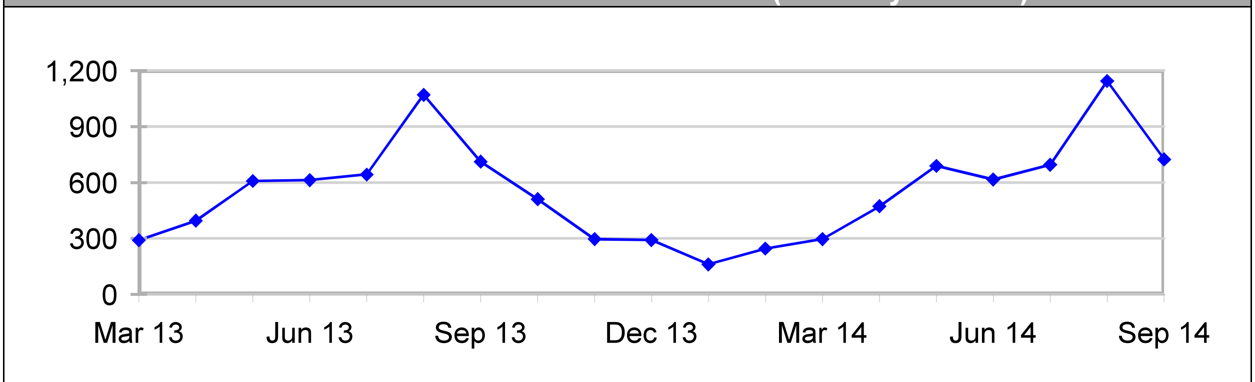
Average number of book issues from Kent libraries per day



Average number of visits to Kent libraries per day



Number of ceremonies conducted (monthly counts)



Education Quality and Standards - Overview	
Cabinet Member	Roger Gough
Director	Sue Rogers

The percentage of schools which are Good or Outstanding continues to improve, ahead of the target trajectory and the percentage of Early Years settings which are Good or Outstanding although unchanged this quarter continues to be ahead of target. The percentage of 16-18 year olds who are NEET has decreased year-on-year. Apprenticeship starts for 16-18 year olds decreased slightly for last academic year and full year figures for the current academic year are not yet available. The percentage of young people aged 18 to 24 claiming Job Seekers Allowance was at 3.3% at the end of September, down from the peak of 7.5% in 2012.

Indicator Description	Previous Status	Current Status	DOT
Percentage of schools with Good or Outstanding Ofsted inspection judgements	GREEN	GREEN	⇧
Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements	GREEN	GREEN	⇔
Percentage of 16-18 years olds not in education, employment or training (NEETs)	AMBER	AMBER	⇧
Apprenticeship starts for 16-18 year olds	AMBER	AMBER	⇩

Annual pupil attainment results for 2014 are included in this report as these have recently become available, but do not form part of the usual quarterly reporting framework of the council – good progress has been made particularly for attainment gaps for children with Free School Meals.

The School Improvement Service continues to focus on Narrowing the Gap for Kent's most vulnerable groups, especially those in receipt of Pupil Premium, as well as encouraging the developing collaborative groups of schools to have more impact on their own schools' development and improvement. Priority continues to be given to improving the number of schools rated outstanding and good, reducing the number of schools in an Ofsted category of concern, and raising attainment at all key stages.

The key priorities for the Early Years and Childcare Service are ensuring the availability of high quality free Early Education places for eligible two years olds, supporting as many providers as possible to be good or outstanding, improving outcomes for all children and narrowing achievement gaps, and supporting the establishment of collaborations of Early Years providers.

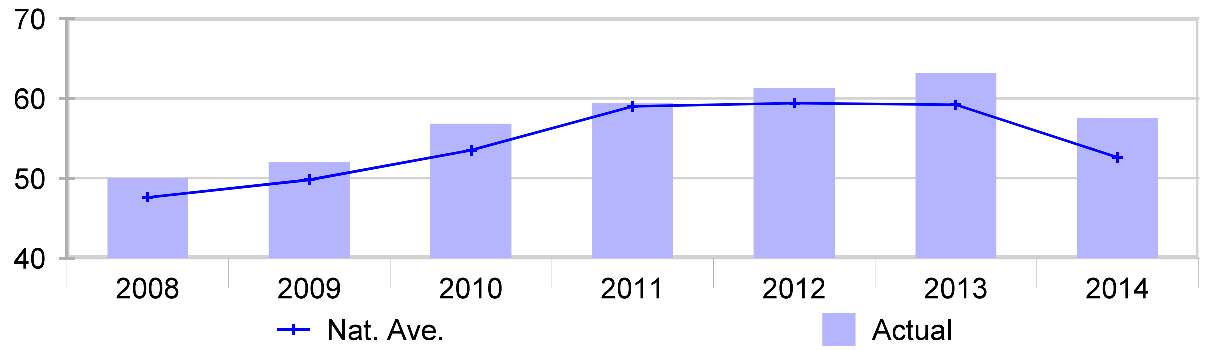
The Skills and Employability Service continues to give priority to increasing participation for all young people to age 18, through apprenticeships, vocational and technical education provision. The first KIASS Re-engage programmes are underway this summer in all districts and these will provide young people with a single point of access to a tailored range of opportunities available from training providers, employers and other KCC partners. Places will be available for those who are NEET or identified by schools/colleges as being 'at risk' of NEET.

Education Quality and Standards – Pupil Attainment

In line with the end of Academic Year, the key pupil attainment indicators are shown on the following 2 pages. These indicators do not form part of the overall quarterly summary of performance ratings, and are considered on an annual basis instead, in line with frequency of reporting.

Percentage of pupils achieving 5+ GCSE A* to C including English and Maths

GREEN ⇩

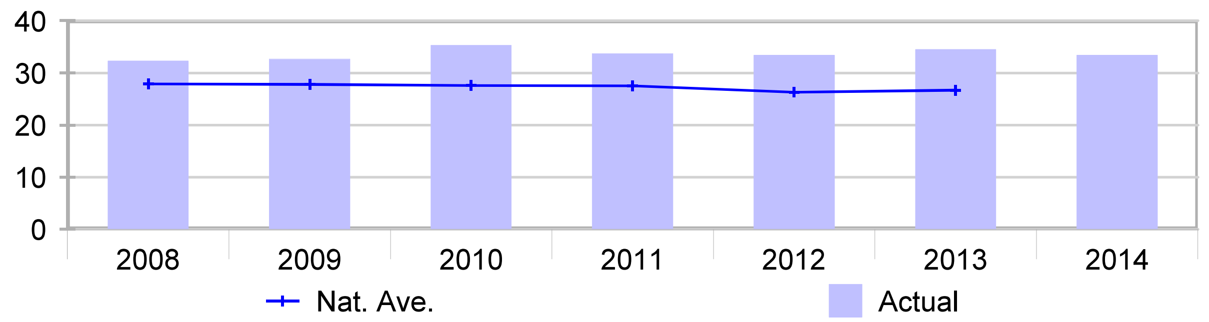


	2008	2009	2010	2011	2012	2013	2014
Actual	50.0%	52.0%	56.8%	59.4%	61.3%	63.1%	57.5%
Nat Ave	47.6%	49.8%	53.5%	59.0%	59.4%	59.2%	52.6%

Note – change in definition for the indicator – data for 2014 not directly comparable with previous years.
Previously results were reported against a pupil's best result in each subject (where they were entered more than once). This year only a pupil's first result is counted in the performance reporting, leading to a drop in figures across the country. Other changes include restrictions on which qualifications are counted.

Percentage achievement gap between children with Free School Meals (FSM) and other children at GCSE

AMBER ⇧



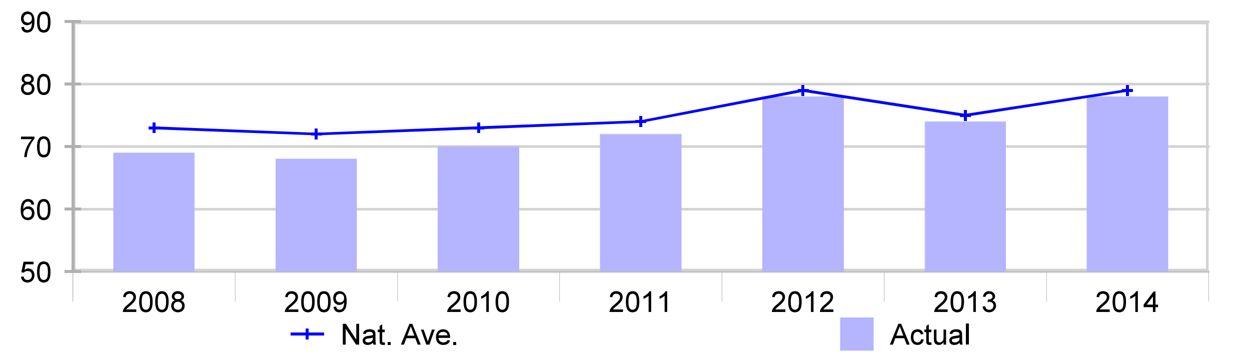
	2008	2009	2010	2011	2012	2013	2014
Actual	32.3%	32.7%	35.3%	33.7%	33.4%	34.5%	33.4%
Nat Ave	27.9%	27.8%	27.6%	27.5%	26.3%	26.7%	

Provisional figures show a modest reduction in FSM attainment gaps at Key Stage 4 down to 33.4%. These figures are subject to change, and the DfE has not yet published the national data.

Education Quality and Standards – Pupil Attainment

Good progress has been made at Key Stage 2, particularly for reducing attainment gaps for children with Free School Meals.

Percentage of pupils achieving level 4 at Key Stage 2 in Reading, Writing and Maths — AMBER ⇧

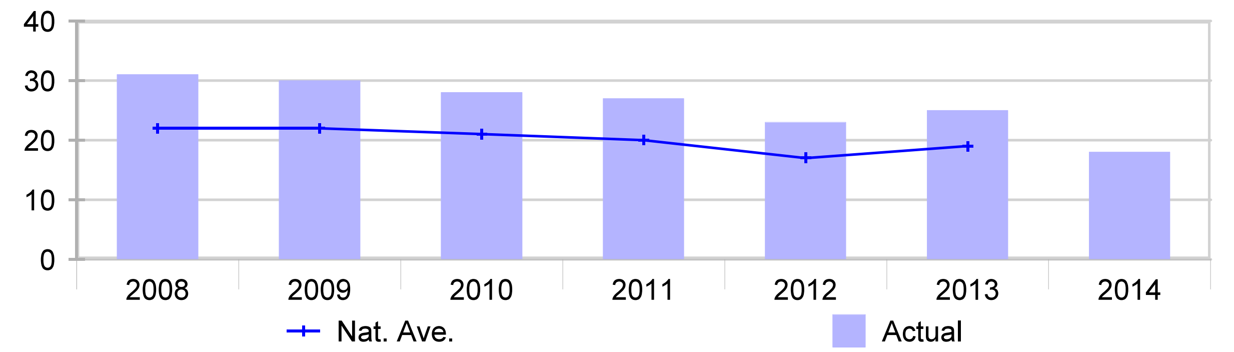


	2008	2009	2010	2011	2012	2013	2014
Actual	69%	68%	70%	72%	78%	74%	78%
Nat Ave	73%	72%	73%	74%	79%	75%	79%

Note – change in definition for the indicator – data from 2013 onwards not directly comparable with previous years.

Provisional figures for KS2 show a 4% rise in Kent to 78%, in line with a provisional national figure of 79%.

Percentage achievement gap between children with Free School Meals (FSM) and other children at Key Stage 2 — GREEN ⇧

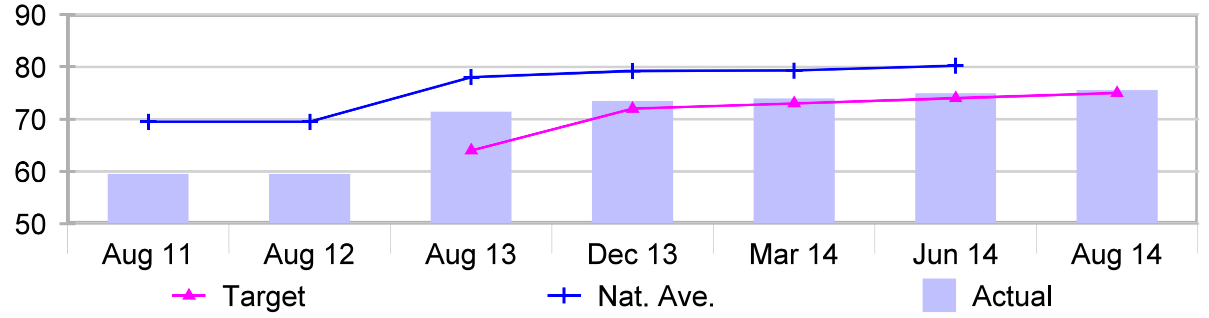


	2008	2009	2010	2011	2012	2013	2014
Actual	31%	30%	28%	27%	23%	25%	18%
Nat Ave	22%	22%	21%	20%	17%	19%	

Provisional figures show a significant improvement in the FSM attainment gap at Key Stage 2, from 25% down to 17.8%.

Education Quality and Standards - KPIs

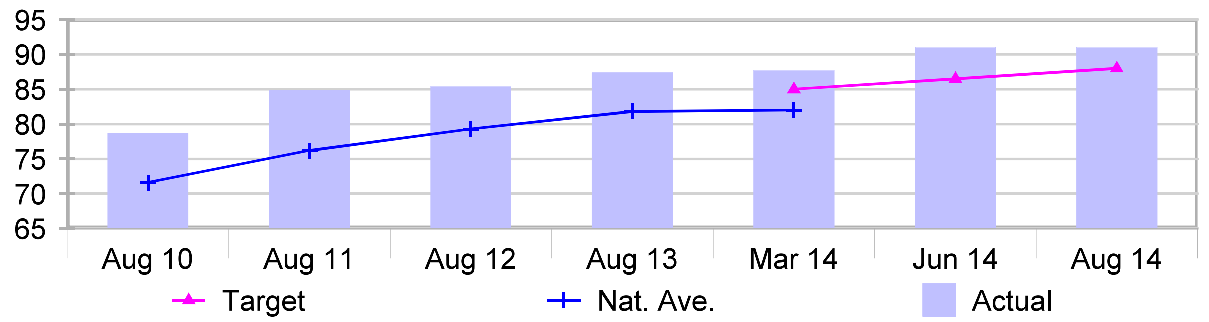
Percentage of all schools with Good or Outstanding Ofsted inspection judgements — GREEN ⇧



	Aug 11	Aug 12	Aug 13	Dec 13	Mar 14	Jun 14	Aug 14
YTD	59.5%	59.5%	71.4%	73.4%	73.9%	74.9%	75.5%
Target			64%	72%	73%	74%	75%

Performance in this area continues to improve at a good rate ahead of target. At the end of September there were 420 schools that were Good or Outstanding. There were 29 schools without a current inspection judgement. The number of schools Requiring Improvement continues to reduce and we now have 109 schools Requiring Improvement. However, there are 27 schools (23 Primary and 4 Secondary) judged Inadequate by Ofsted, which is being addressed by working closely with all schools in category who are working to a Local Authority Statement of Action. These schools are held to account for progress against this plan every six weeks.

Percentage of Early Years settings with Good or Outstanding Ofsted inspection judgements (childcare on non-domestic premises) — GREEN ⇔



	Aug 10	Aug 11	Aug 12	Aug 13	Mar 14	Jun 14	Aug 14
YTD	79%	85%	85%	87%	88%	91%	91%
Target					85%	86.5%	88%

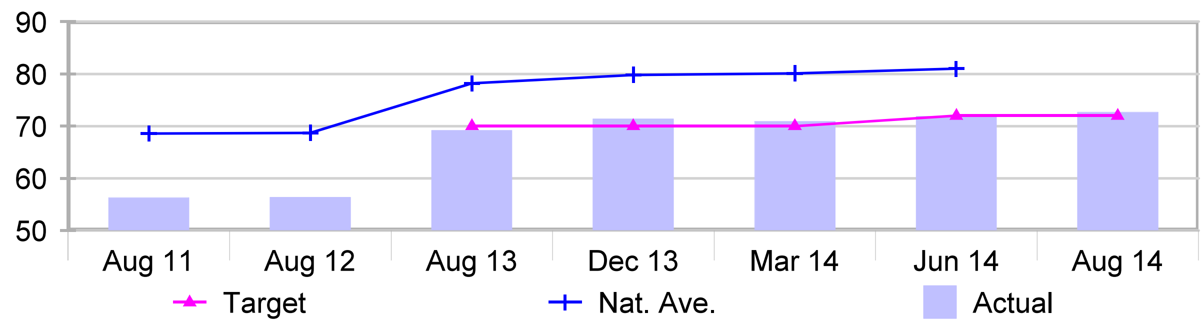
The percentage of Early Years settings which are judged Good or Outstanding has shown steady improvement over the last academic year. Figures for the end of the year at 91% were well ahead of the 88% target. Collaborations of Early Years providers have been established to support their further continuous improvement and the narrowing of achievement gaps.

Education Quality and Standards - KPIs

This page shows a breakdown of the previous indicator for Ofsted inspections for all schools and shows results separately for Primary and Secondary schools.

Percentage of Primary schools with Good or Outstanding Ofsted inspection judgements

GREEN ⇧

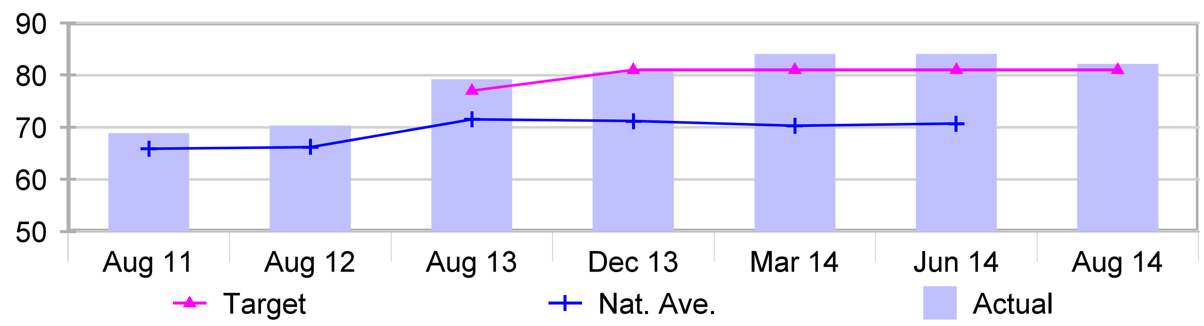


	Aug 11	Aug 12	Aug 13	Dec 13	Mar 14	Jun 14	Aug 14
YTD	56.3%	56.4%	69.2%	71.4%	70.9%	71.9%	72.7%
Target			70%	70%	70%	72%	72%

There has been significant improvement in the inspection judgements for primary schools since 2012 and results continue to improve each quarter. Although the result in Kent is behind the national average, the gap to national average is reducing.

Percentage of Secondary schools with Good or Outstanding Ofsted inspection judgements

GREEN ⇩

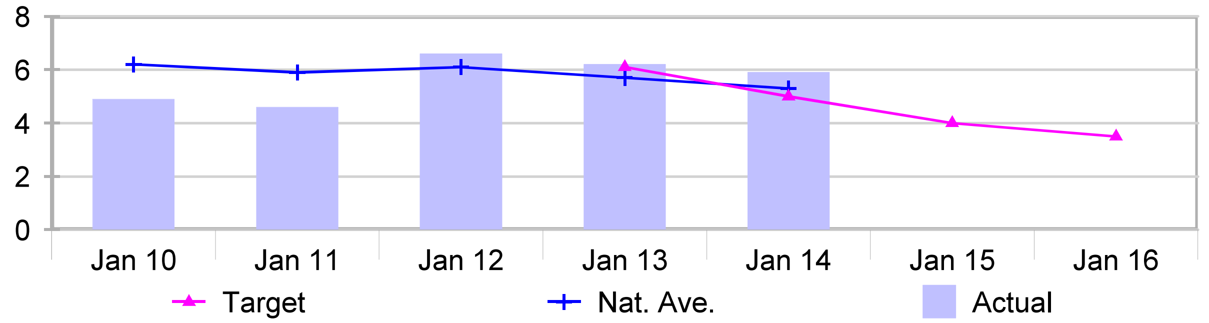


	Aug 11	Aug 12	Aug 13	Dec 13	Mar 14	Jun 14	Aug 14
YTD	68.8%	70.3%	79.2%	80.6%	84.0%	84.0%	82.1%
Target			77%	81%	81%	81%	81%

Secondary schools in Kent continue to significantly out-perform the national average for Ofsted inspections. Results are improving each year ahead of target.

Education Quality and Standards – KPIs

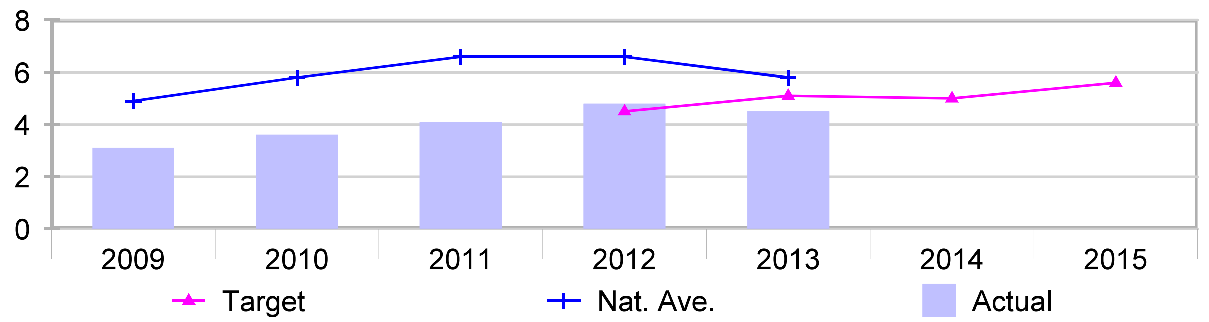
Percentage of 16-18 years olds not in education, employment or training (NEETs) — AMBER ⇧



	Jan 10	Jan 11	Jan 12	Jan 13	Jan 14	Jan 15	Jan 16
Actual	4.9%	4.6%	6.6%	6.2%	5.9%		
Target				6.1%	5.0%	4.0%	3.5%

The percentage of 16-18 year olds who are NEET has decreased year-on-year over the last three years. NEET figures are low (3.1%) for the Year 12 age group, are slightly higher for the Year 13 age group (5.8%) and are considerably higher for the Year 14 age group (9.0%). The systems and processes for tracking young people have been managed within KCC since April 2014 and have been through significant review and streamlining. Quarterly figures are no longer being reported for NEET due to seasonal fluctuation.

Percentage of 16-18 years old who start an apprenticeship — AMBER ⇩



	2009	2010	2011	2012	2013	2014	2015
Actual	3.1%	3.6%	4.1%	4.8%	4.5%		
Target				4.5%	5.1%	5.0%	5.6%

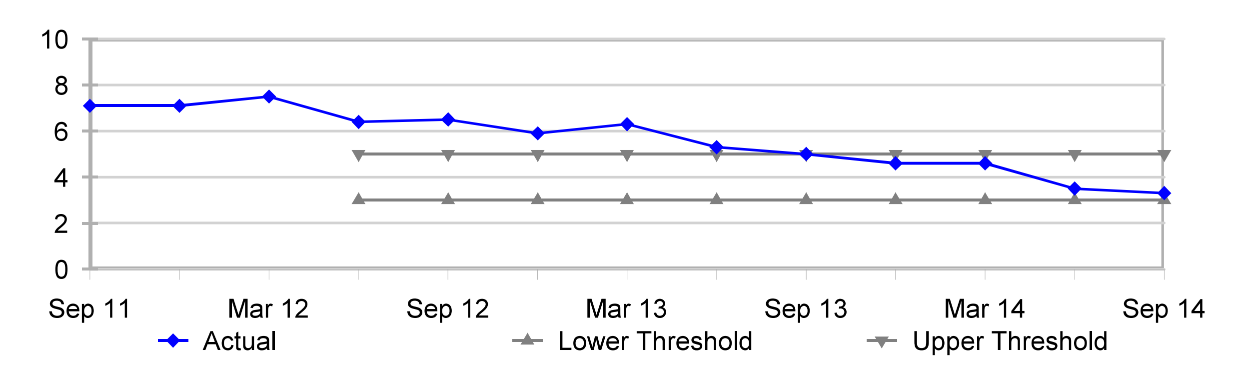
There was a decrease in the number of starts in academic year 2012/13, both locally and nationally. The decrease seen in Kent was considerably less than the national average decrease. In 2012/13 there were 2,600 starts compared to 2,780 in 2011/12. Funding has been provided by the National Apprenticeship Scheme to address this fall. Partial year data for 2013/14 suggests the number of apprenticeships starts in Kent may be at similar levels to the previous year.

Education Quality and Standards – Activity Indicators

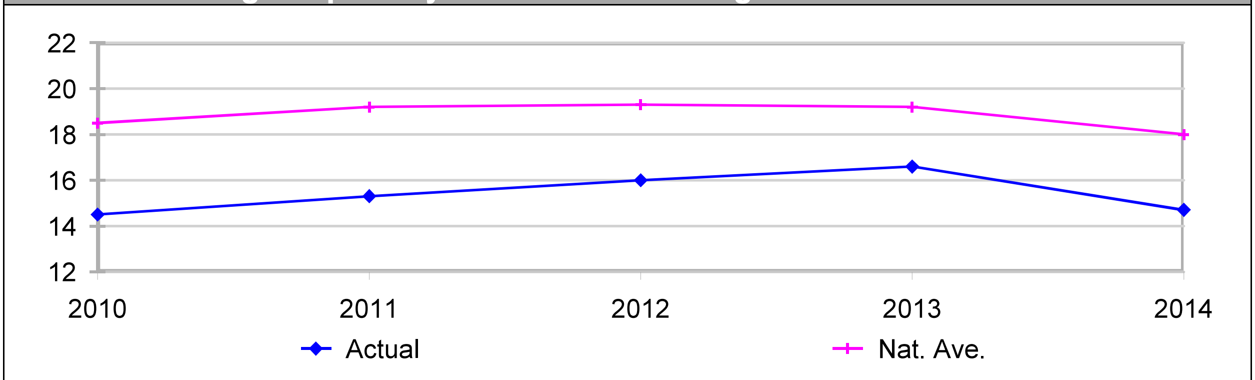
The percentage of young people aged 18 to 24 claiming Job Seekers Allowance has shown a good reduction, now at 3.3% compared to the peak of 7.5% seen in March 2012.

Primary schools in Kent now have 14.7% of pupils eligible for Free School Meals, down from 16.6% last year and below the national average of 18.0%. At secondary school level 12.1% of pupils in Kent are eligible for Free School Meals, down from 13.5% last year and below the national average of 15.7%.

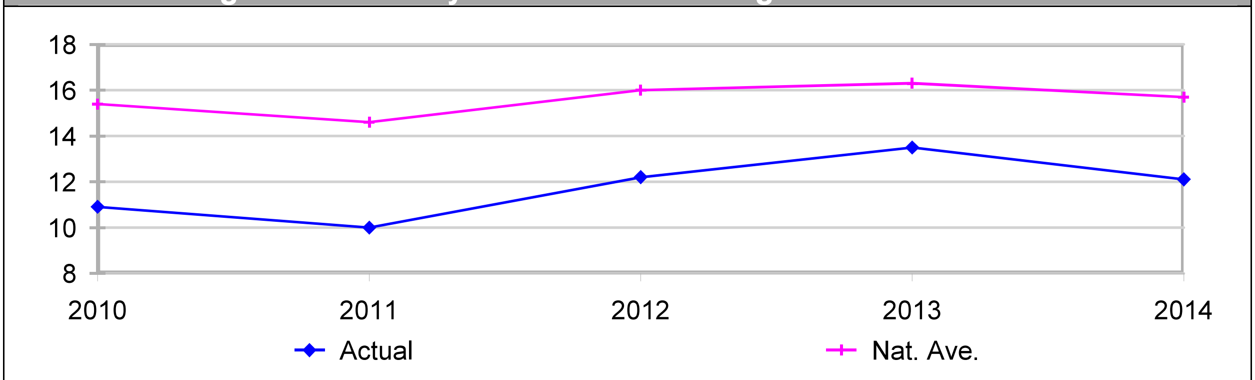
Percentage of young people aged 18 to 24 claiming JSA



Percentage of primary school children eligible for Free School Meals



Percentage of secondary school children eligible for Free School Meals



Education Planning and Access - Overview	
Cabinet Member	Roger Gough
Director	Kevin Shovelton

The percentage of Statements of Special Educational Need (SEN) issued within 26 weeks improved each quarter last year. Figures for the second quarter of this year are down by 3% to 91% which is 1% below target. The number of children with a Statement of SEN in Kent (excluding other local authority children) at the end of September was 6,885. There are currently 141 children from other local authorities placed in Kent special schools, down from 152 in June.

Indicator Description	Previous Status	Current Status	DOT
Percentage of SEN statements issued within 26 weeks (excluding exceptions to the rule)	GREEN	AMBER	⇩

The number of Reception Year pupils within Kent schools has increased by 8.1% in the last three years to 17,362 children in January 2014. For Year 7, pupil numbers were decreasing up to 2012/13 but have now started to increase, and we expect they will continue to do so as the previous years of primary stage increases now start to move into secondary schools, and total secondary school numbers will start to increase from 2016.

The Area Education Officers and the Fair Access team have worked together over the past quarter to ensure that every Kent child has been offered a school place for September 2014. The challenging context this year is that unprecedented levels of inward migration into Kent since September 2013 have been higher than forecast and have reduced the surplus of school places to below the recognised operating surplus of 5% in seven of the twelve Kent Districts for Reception Year admissions. Additional school places have been created for September 2014 to ensure that there are sufficient places. Revised forecasts and District Plans for new school places have been devised and set out in a revised Education Commissioning Plan.

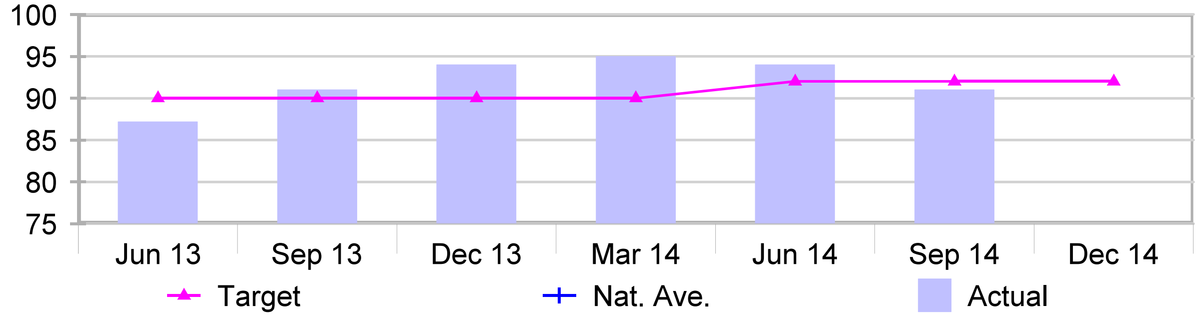
SEN Services and the Educational Psychology Service (KEPS) are engaged with the implementation of the most significant legislative SEND (Special Education Needs and Disability) changes for 30 years which came into effect in September 2014. New Education, Health and Care Plans, have been introduced which replace previous Statements of SEN, and the provision of a ‘Local Offer’ will commence in September. The SEN Assessment and Placement Service has been restructured during the past quarter to enable us to deliver the new changes and to provide 4 area teams which align with other Education and Young People’s services locally.

KEPS, the SEN Service and the Fair Access teams have all been involved in Transformation Reviews as part of ‘Facing the Challenge’. KEPS are involved in both Phase 1 (as part of the EduKent suite of Services), while SEN and Fair Access are involved in Phase 2 Reviews which are focussed on SEN, SEN Transport and School Admissions.

Education Planning and Access - KPIs

Percentage of SEN statements issued within 26 weeks (excluding exceptions to the rule)

AMBER ⇩



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	87%	91%	94%	95%	94%	91%	
Target	90%	90%	90%	90%	92%	92%	92%

Performance improved significantly during the last financial year and the results exceeded the end-of-year target. The figure for September is 91%, which is in line with the same time last year. The start of this academic year has seen the introduction of Education, Health and Care Plans, which will replace Statements of SEN, and the provision of a ‘Local Offer’ has started in September.

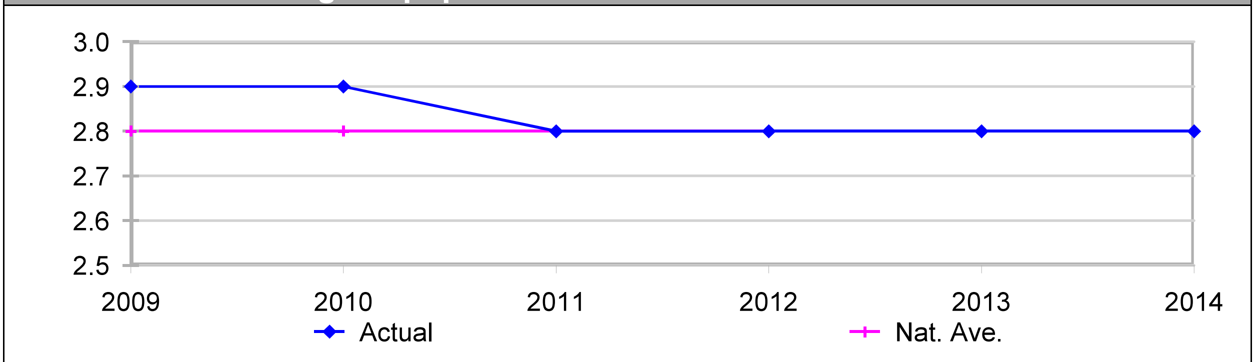
Education Planning and Access – Activity Indicators

Kent schools have the same proportion of pupils with statements of SEN as the national average, which has been a consistent 2.8% for several years. There are currently 141 children from other local authorities placed in Kent special schools, down from 160 last March.

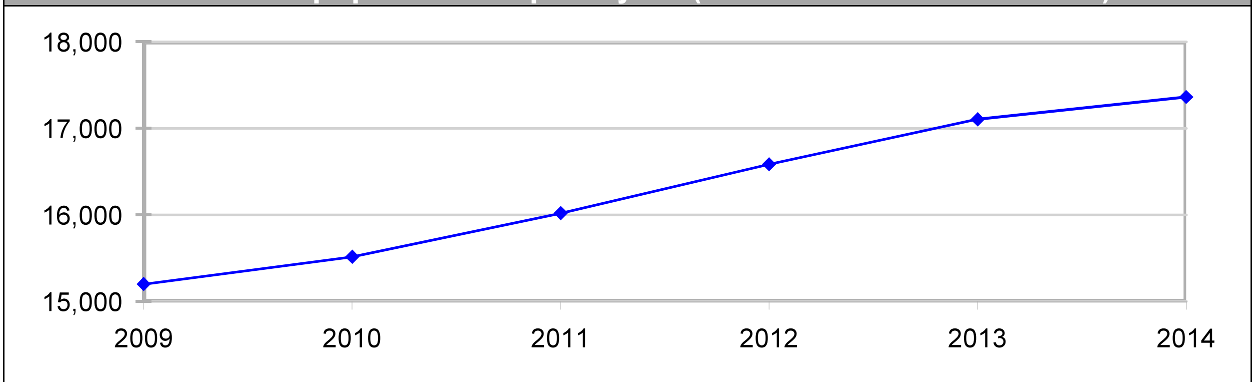
The number of Reception Year pupils has been on a steady increase since 2007, with 17,362 pupils in January 2014, 8.1% higher than 3 years ago. The number of Year 7 pupils has been decreased for a number of years with 15,719 pupils in January 2014, 2.9% lower than 3 years ago. The number of Year 7 pupils increased slightly between 2013 and 2014 and larger increases are expected each year in future years as the previous trend of increases in primary now starts to move into the secondary stage.

In the last three years total primary school pupil numbers have increased 6.3% and total secondary school pupil numbers have decreased by 1.7%. Total secondary school numbers are forecast to begin increasing in 2016.

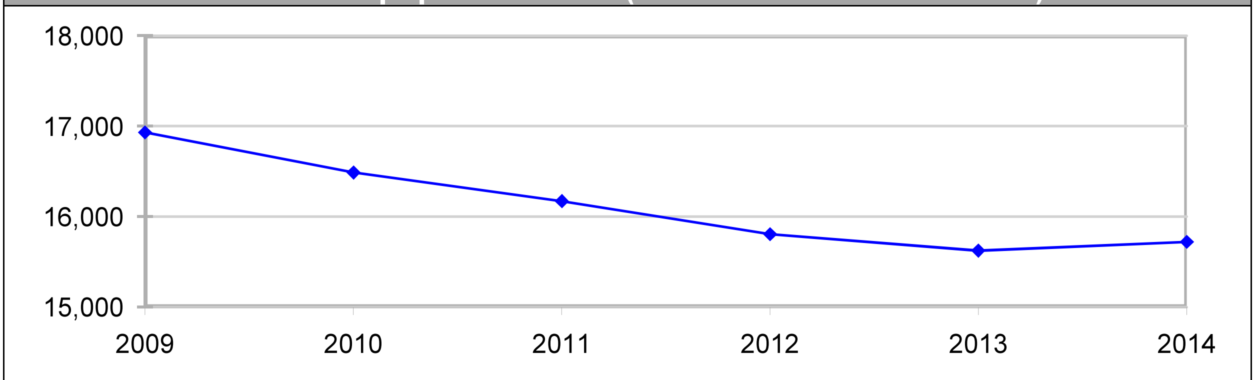
Percentage of pupils in Kent schools with SEN Statements



Number of pupils in Reception year (Kent state funded schools)



Number of pupils in Year 7 (Kent state funded schools)



Early Help and Preventative Services - Overview	
Cabinet Member	Peter Oakford/Mike Hill
Director	Florence Kroll

There has been continued improvement in percentage of Team Around the Family cases (TAFs) which are closed with either outcomes achieved or to single agency support. The number of open TAFs remains high with the number of Common Assessment Frameworks (CAFs) fluctuating around the 1,000 level each quarter. The percentage of Children in Need cases stepped down to Preventative Services has increased to 20%, now in line with the target. New registrations at Children's Centres are around 3,000 per quarter over the last 12 months, down from the higher levels previously seen, due to the closure of some centres, and new hub arrangements settling in.

Permanent exclusions continue to decrease ahead of target, with the number (rolling 12 months) now at 88. The number of first time entrants to the youth justice system has dropped this quarter back to its relatively stable level of the previous year.

Indicator Description	Previous Status	Current Status	DOT
Percentage of TAFs closed with outcomes achieved or to single agency support	GREEN	GREEN	⇧
Percentage of children in need cases stepped down to preventative services	AMBER	GREEN	⇧
Percentage of pupils permanently excluded from school	GREEN	GREEN	⇔
Number of first time entrants to youth justice system	AMBER	AMBER	⇧

The Early Help & Preventative Services Division was established in April 2014 to provide services to vulnerable children, young people and families. An Early Help and Preventative Services Prospectus has been published setting out the vision and rationale for change, in order to achieve better outcomes, and a One Year Early Help Plan (2014/15) has been developed to provide focus and measure positive outcomes for children, young people and families, setting out the key priorities, targets and actions for the new Division.

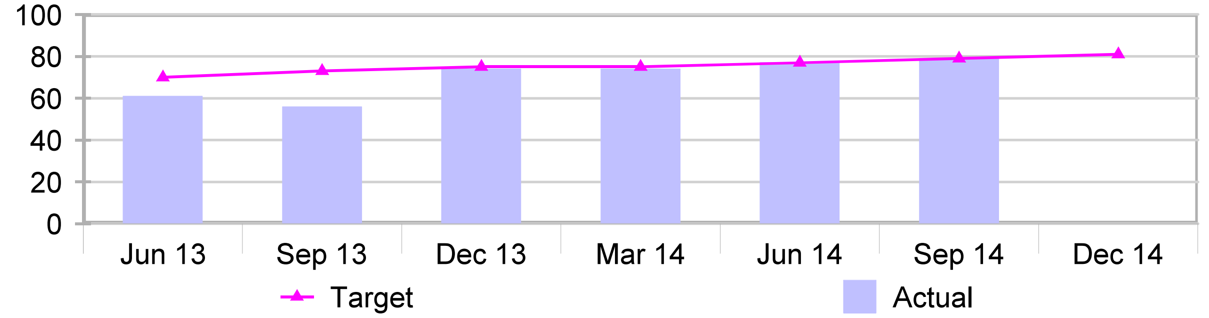
In July a decision was taken to work with Newton Europe on a Service Redesign of the Division. Staff will be actively engaged in this design phase with the aim of achieving system redesign that will reduce demand for Specialist Children's Services.

Work is progressing on reviewing three interrelated processes to help improve identification of families and young people in need of support, and to improve the support provided:

- The step-up/step-down protocol between Early Help and Specialist Children's Services
- Missing Children procedures
- The Early Help Notification and Assessment processes.

Early Help and Preventative Services - KPIs

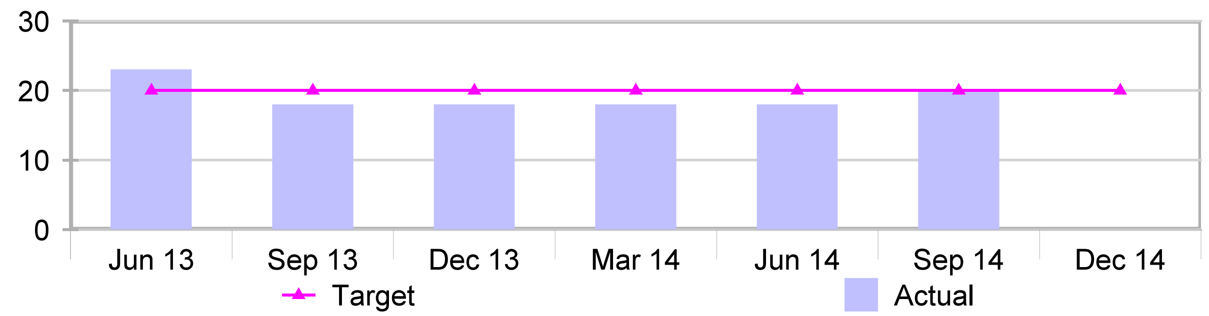
Percentage of TAFs closed with outcomes achieved or to single agency support — GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	61%	56%	74%	74%	77%	79%	
Target	70%	73%	75%	75%	77%	79%	81%

Closer monitoring the TAF process during the last year has led to better tracking of cases, reducing drift and ensuring outcomes and reasons for closing cases are now properly recorded.

Percentage of children in need cases stepped down to Early Help & Preventative Services — GREEN ⇧



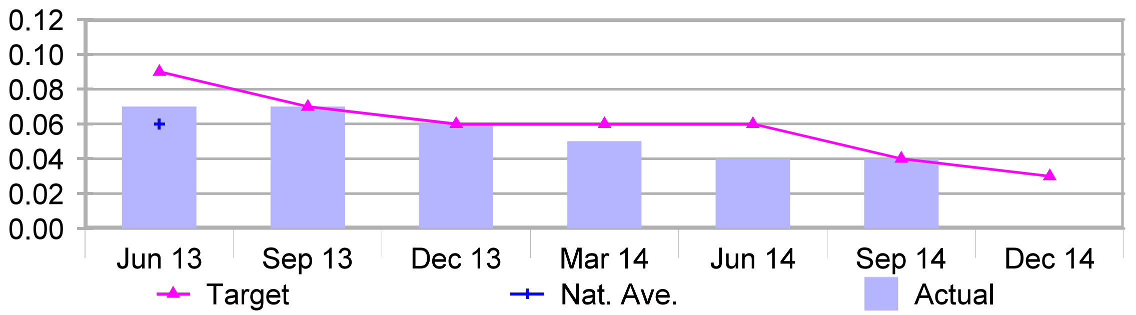
	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	23%	18%	18%	18%	18%	20%	
Target	20%	20%	20%	20%	20%	20%	20%

The percentage of cases closed in Specialist Children's Services that are stepped down to Early Help and Preventative Services has increased this quarter. Following the restructure and a new increased focus on early help, this figure is targeted to rise over the next year.

Early Help and Preventative Services - KPIs

Percentage of pupils permanently excluded from school (rolling 12 month total)

GREEN ⇔

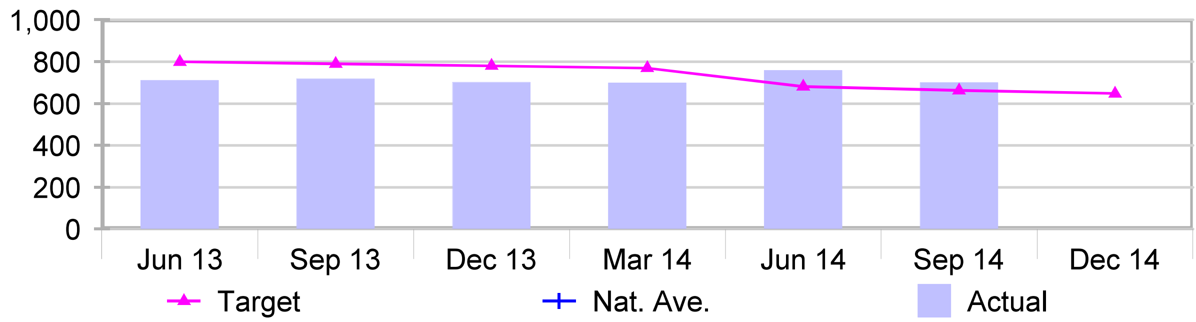


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	0.07%	0.07%	0.06%	0.05%	0.04%	0.04%	
Target	0.09%	0.07%	0.06%	0.06%	0.06%	0.04%	0.03%

There were 88 permanent exclusions in the last 12 months which is a significant improvement on the academic year 2011/12 when there were 210 permanent exclusions. In the quarter Thanet was the highest overall excluding district. Primary exclusions range from 13 in Thanet to none in Ashford, Dartford, Dover, Gravesham, Maidstone and Sevenoaks. Secondary exclusions range from 13 in Maidstone to none in Ashford and Tunbridge Wells.

Number of first time entrants to youth justice system (rolling 12 month total)

AMBER ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	711	719	702	698	758	700	
Target	800	790	780	770	681	663	648

The number of first time entrants decreased in the last quarter down to typical levels after a sharp jump in the previous quarter. Kent Police have maintained their commitment to the diversion of children and young people from the youth justice system and this commitment has been supported by the triage process in each of the four youth offending teams. The triage process screens those cases diverted from the youth justice system by the Police, to ensure that appropriate assessment and a preventative intervention is put in place where risks of offending are highlighted. The last quarter is subject to change due to the delay in notifications from the Police.

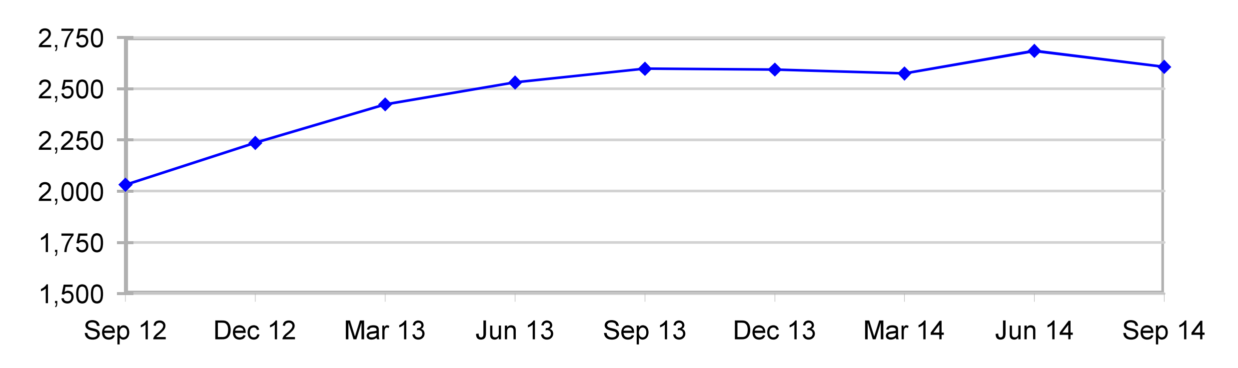
Early Help and Preventative Services – Activity Indicators

The number of cases with a current open Team Around the Family remains high and was 2,607 at the end of September.

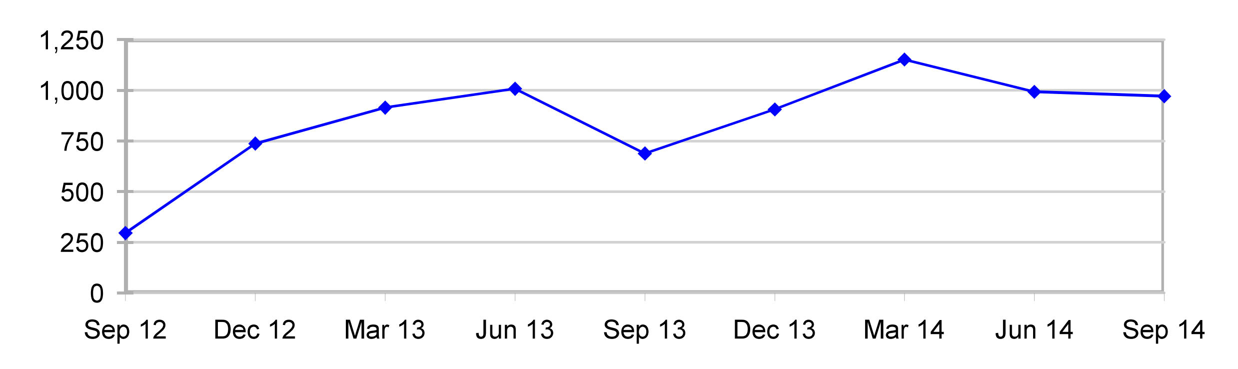
The number of Common Assessment Frameworks completed fluctuated during the last year and in the quarter to September 2014 there were 971 assessments, though this figure may rise as the recording and reporting processes for the new Kent Family Support Framework notifications are still being established.

The number of new registrations at Children's Centres has been lower in the last year compared to previous number, with figures impacted by closures and moves to hub models. There were 2,921 registrations in the quarter to September 2014, down from 4,888 in the quarter to September 2012.

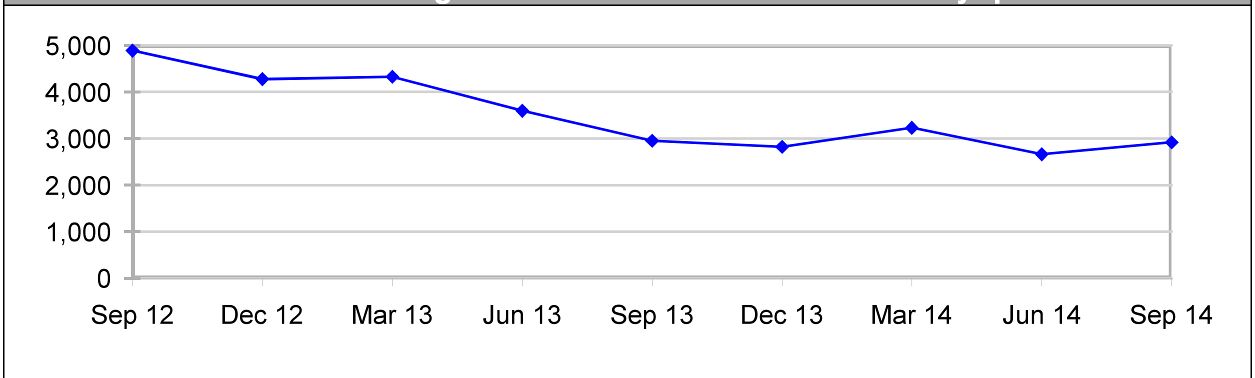
Number of cases with a current open Team Around the Family (TAF)



Number of Common Assessment Frameworks completed by quarter



Number of new registrations at Children's Centres by quarter



Children's Safeguarding - Overview	
Cabinet Member	Peter Oakford
Director	Philip Segurola

The percentage of case holding social worker posts held by permanent qualified social workers has increased in the quarter to September 2014 by 5%, with 18.3% of the vacancies being filled by Agency staff. The percentage of children becoming subject to a child protection plan for the second or subsequent time continues to be within the banding set for optimum performance. The percentage of on-line Case File Audits judged as adequate or better has shown a slight improvement this quarter.

The number of referrals in the quarter at 4,671 is 429 lower than the previous quarter and is now in the expected range. The number of Children in Need cases also decreased, by 308 and remains within the expected range. There were 1,269 children with Child Protection Plans at the end of September 2014, which was a slight increase on the previous quarter and numbers are at the higher end of the expected range.

Indicator Description	Previous Status	Current Status	DOT
Case holding posts filled by permanent qualified social workers	RED	AMBER	⇧
Children subject to a child protection plan for the second or subsequent time within 24 months	GREEN	GREEN	⇧
Percentage of on-line Case File Audits judged as adequate or better	AMBER	AMBER	⇧

During June and July 2014 an external review was undertaken to determine the progress made by KCC since the Improvement Notice was lifted in December 2013 and the report has been provided to the DfE. The findings confirmed that Kent continues on its journey of improvement and that good progress had been made with Adoption, the recruitment of newly qualified Social Workers and in strengthening the quality assurance of social work practice. Further areas for improvement include the early help and preventative services, retention of qualified Social Workers and the resolution of issues arising from the implementation of Liberi.

Structural changes are due to take place in Specialist Children's Services from December 2014 which will integrate the Care Leaver and Unaccompanied Asylum Seeking Children services into the wider Children in Care service. A re-structure of the CP Chairs Service is also planned, increasing the number of CP Chairs to provide more effective oversight of practice between Child Protection Conferences.

Specialist Children's Services is continuing to work with Early Help and Preventative Services with the assistance of external partner Newton Europe to deliver transformation in service delivery to improve outcomes for children and young people and the efficiency of service delivery.

During September 2014 West Sussex carried out a Peer Review against the single Inspection Framework Annex A. This identified that Kent's children's services were aware of their strengths and challenges in relation to this aspect of the Inspection Framework.

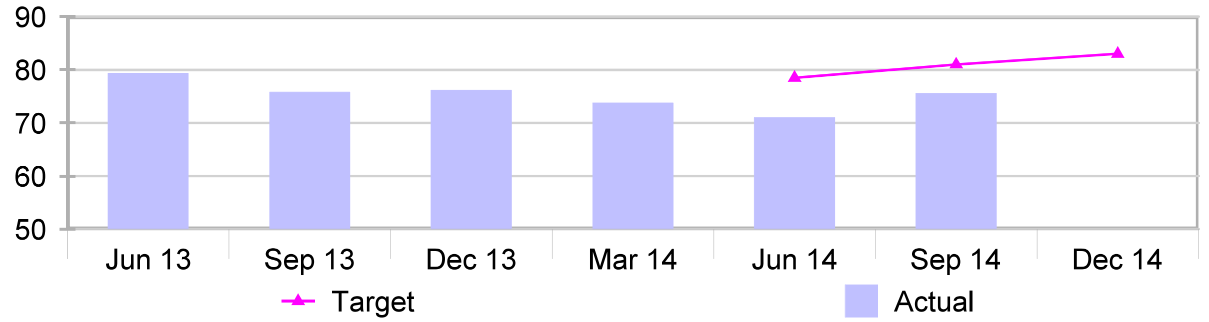
Children's Safeguarding - Overview

Action Plan Update for the Recruitment and Retention of Qualified Social Workers

Action	**Dates**	**Expected Outcome**
Recruiting Newly Qualified Social Workers (NQSWs), through advertising on recruitment micro-site, competency based application and assessment process and cross area panel interviews.	Round 1 - April/May/June 2014 Round 2 - October/ November 2014	Good quality graduates appointed across the teams. Success to date includes 50 NQSW appointed.
Launch of new branding for 6 month recruitment campaign to recruit Team Managers, Qualified Social Workers, and Senior Practitioners.	November 2014 to April 2015	Good quality candidates appointed to fill underlying vacancies.
Targeted Executive Search campaign for Team Managers	October 2014 to February 2015	Action arising from Member summit to recruit 9 Team Managers.
Review of market premium payments for frontline staff	From January 2015	Action arising from Member summit to address specific retention issues around travel and length of service.

Children's Safeguarding - KPIs

Percentage of case holding posts filled by permanent qualified social workers *** — AMBER ⇧

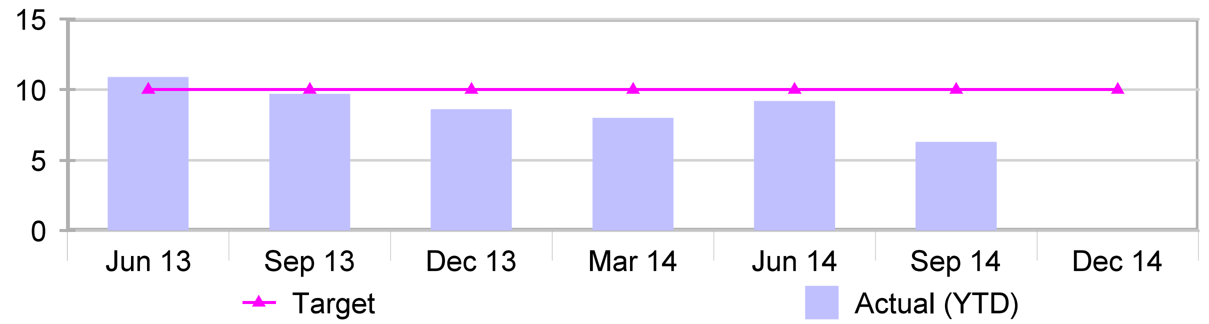


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	80%	76%	76%	74%	71%	76%	
Target	-	-	-	-	78.5%	81%	83%

The increase in case-holding staff is a result of the appointment of newly qualified staff in August and September from the first round of recruitment. Continuing recruitment activity for experienced staff will be targeted from November using the revised branding materials.

*** The definition and source for this indicator changed from April 2014, so latest figures are not directly comparable with previous year's figures.

Percentage of children becoming subject to a child protection plan for the second or subsequent time within 24 months — GREEN ⇧

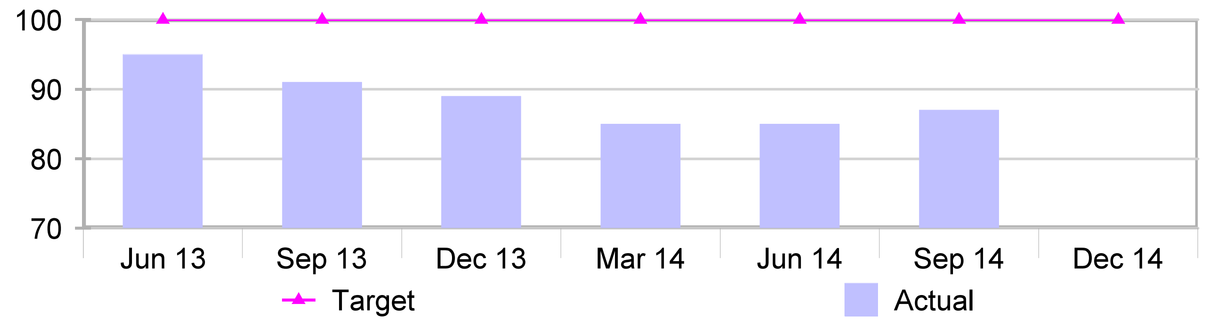


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	10.9%	9.7%	8.6%	8.0%	9.2%	6.3%	
Target	10%	10%	10%	10%	10%	10%	10%

Performance for this measure remains within the optimum range set. Between April and September 2014, 808 children became subject to a Child Protection Plan and 51 of these had been subject to a Child Protection Plan within the previous 24 months.

Children's Safeguarding - KPIs

Percentage of on-line Case File Audits judged adequate or better	AMBER ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	95%	91%	89%	85%	85%	87%	
Target	100%	100%	100%	100%	100%	100%	100%

The drop in performance last year was a result of work undertaken to improve the consistency of grading, bringing together the findings from separate auditing processes.

More recently there has been a focus on Children in Need (CIN) cases between May and August 2014 and this is a particular area where ongoing improvements are needed, especially with respect to planning and supervision.

Further work is now taking place on the Quality Assurance online audit system to strengthen the link between auditing of the case file and evidencing ongoing practice improvement. It is expected that a revised audit system will be implemented from January 2015.

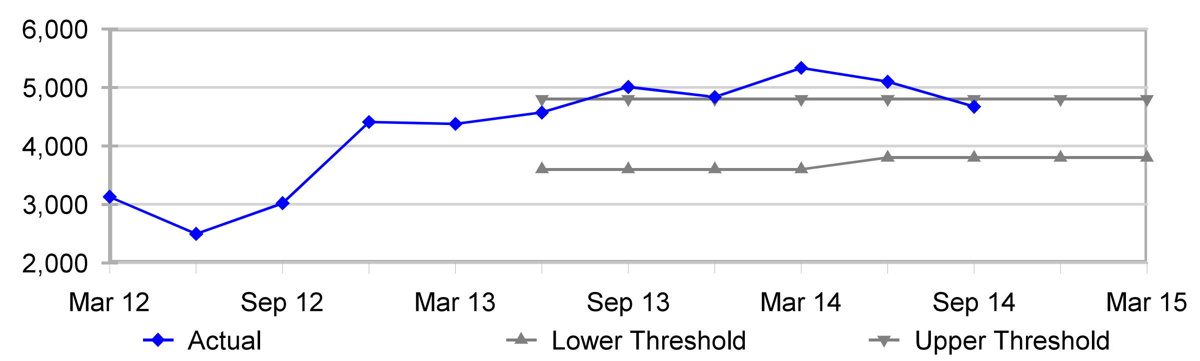
Children's Safeguarding – Activity Indicators

The number of referrals decreased in the last quarter, from 5,098 to 4,671. The reported numbers of referrals increased last December following a change of practice with the implementation of Liberi, with Domestic Abuse Notifications now recorded as Referrals.

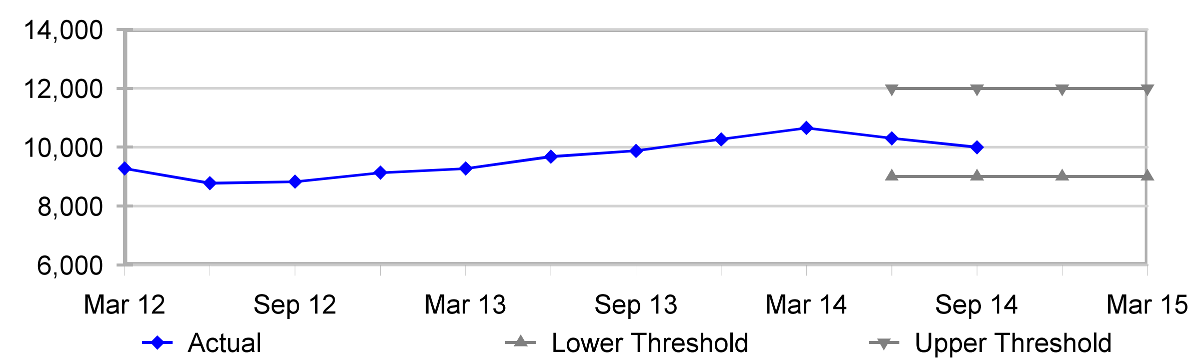
The Number of Children in Need has continued to decrease in Quarter 2 to 9,997. This figure includes Care Leavers who are over the age of 18 who have been included in the figure to match the definitions used by the DfE in their publication of national data. They are included here so that comparative rates can be used as the guide. Kent's current rate has remained within the guide range.

The number of children with Child Protection Plans increased to 1,269 this quarter. The guide range has been increased for 2014/15 which is reflective of national increases in the numbers of children subject to a Child Protection Plan.

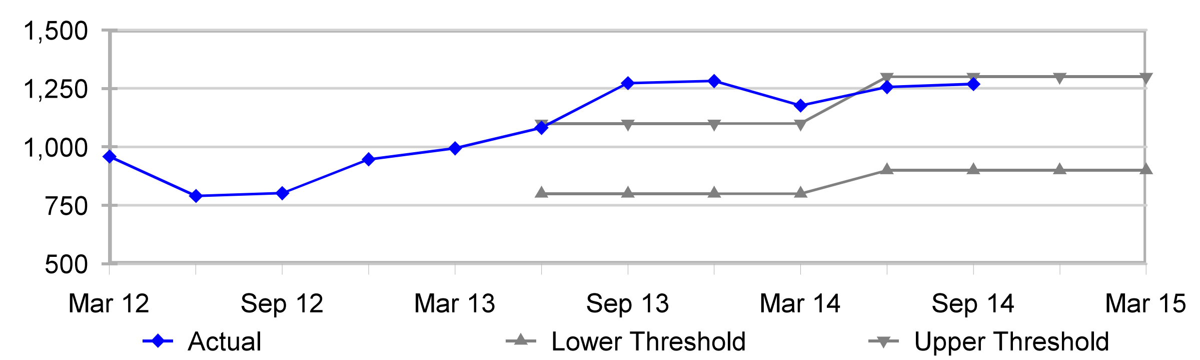
Quarterly number of Referrals



Number of Children in Need (quarter-end count)



Number of children with Child Protection Plans (quarter-end count)



Corporate Parenting - Overview	
Cabinet Member	Peter Oakford
Director	Philip Segurola

The percentage of children leaving care who were adopted in the first six months was 21.3% (98 children) which is significantly ahead of target. The percentage of children in care who have been in the same placement for the last two years was 64% at the end of September, unchanged from the previous quarter. At 64%, the percentage of our looked after children in KCC Foster Care remains above the target set.

The number of indigenous Children in Care has continued to reduce. As at the end of September 2014 there were 1,533, which is a decrease of 91 children from the March 2014 position of 1,624. The number of these children placed with Independent Fostering Agencies has continued to reduce and this quarter is down to 263. The number of Children in Care placed in Kent by other Local Authorities has continued to increase and as at the end of September 2014 was 1,291, which is the highest number since April 2012.

Indicator Description	Previous Status	Current Status	DOT
Percentage of children leaving care who are adopted	GREEN	GREEN	⇩
Children in Care in same placement for the last 2 last years	AMBER	AMBER	⇔
Percentage of Kent children in care in KCC foster care	GREEN	GREEN	⇩

Listening to the views of children and young people in care is at the centre of the Council's agenda. A report on this matter, supported by a Children in Care DVD 'Never Stop Listening' and the outcomes of the 'Your Voice Matters' survey were presented to County Council in July 2014. See following page for more details.

As stated in the Children's Safeguarding section of this report, during June and July 2014 an external review was undertaken to determine the progress made by KCC since the Improvement Notice was lifted. This included a review by Jonathan Pearce (previous Chair of the Adoption Sub-Group) which focussed on the Adoption Service's improvement journey. The progress report asserted that 'there continues to be a strong drive, aspiration and ambition among the leaders, managers and staff to keep the service on a course of continuous improvement, and to achieve successful outcomes for the children, parents and families that are affected by the service's work.'

The partnership, and relationship between both the Member-led Corporate Parenting Panel, and multi-agency officer led Kent Corporate Parenting Group continues to improve and develop, ensuring a shared agenda of priorities.

The Council's positive focus and active approach to its Corporate Parenting responsibilities was recently exemplified by the number of elected Council Members signing up to Kent's Care Leavers Charter and the Kent Pledge for Children in Care.

Corporate Parenting – Views of children and young people

Children and young people's views

Listening to the views of children and young people in care is at the centre of the Council's agenda.

A report on this matter, supported by a Children in Care DVD and the outcomes of the 'Your Voice Matters' survey was presented to County Council in July 2014. The paper was written by one of KCC's Apprentice Participation Workers with the Virtual School Kent (herself a care leaver). The evidence presented demonstrated that there have been a number of positive impacts from the recent service Improvement Programme, whilst also indicating some areas for development.

A response for young people to the Your Voice Matters survey has been written for young people which summarises for them the key findings of the survey and informs them what actions have or will be taken to address the issues raised, including an undertaking to work with young people to find other ways of hearing their views in place of surveys.

Since July the film 'Never Stop Listening' has been shared with relevant officers within KCC and with partner agencies to ensure that these views are heard and that appropriate actions are being taken to improve young people's experiences.

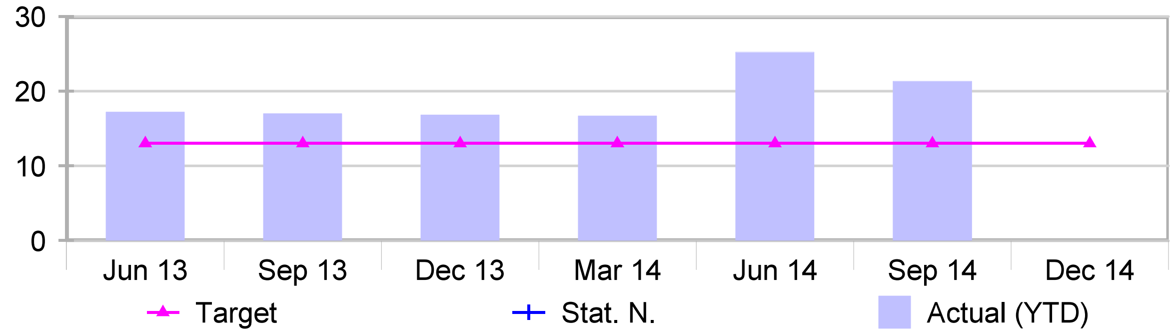
During September the Leading Improvements for Looked After Children (LILAC) Assessment took place in Kent. This assessment has been developed by 'A National Voice', a charity run by young people with experience of care, as a way of involving young people with experience of the care system to carry out an assessment of how well services delivered by the local authority are enabling children in care and care leavers to participate, both at an individual level, and in the development of policies and services that support them. The assessment focuses on shared values, style of leadership, structures, staff, recruitment and selection, care planning and review, complaints and advocacy. A successful assessment will be rewarded with an appropriate LILAC Mark, which will indicate the level of compliance. In Kent 176 young people have completed this survey and the Local Authority will receive a full report of the assessors' findings in December 2014.

The views of children and young people are also gathered during the completion of a Personal Education Plan, which is a statutory requirement. Children and young people are invited to participate in this process by attending their meeting and also by completing a young person's section of the PEP on line (known as ePEP). Their views are discussed during the meeting and appropriate actions are taken in response.

The Independent Reviewing Officer (IRO) Manager's Annual Report also captures feedback from children in care about the services and support they receive from IROs and their Social Workers. The report for the period 2013/14 was presented to the Corporate Parenting Panel in October 2014.

Corporate Parenting - KPIs

Percentage of children leaving care who are adopted — GREEN ⇩

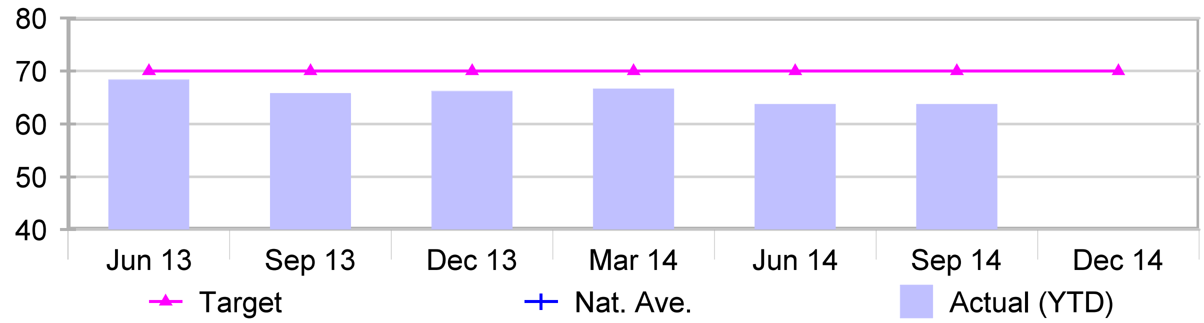


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	17%	17%	17%	17%	25%	21%	
Target	13%	13%	13%	13%	13%	13%	13%

High performance on adoption continues to be maintained with 98 children being adopted in the first six months of 2014/15. This compares to 79 for the same period in 2013/14, and 42 in 2012/13.

Work continues to focus on the recruitment of sufficient adopters, and with partners to improve the timeliness of adoptions by reducing delays in the process.

Children in Care in same placement for the last 2 last years (for those in care for 2 and half years or more) — AMBER ⇔



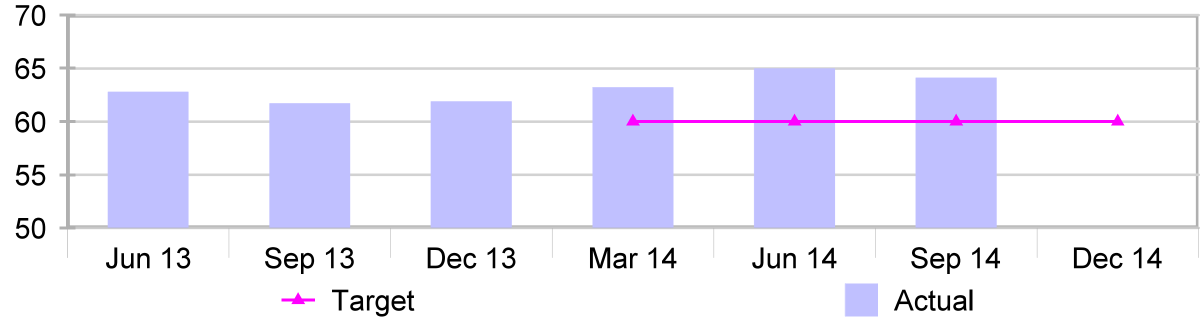
	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	68%	66%	66%	67%	64%	64%	
Target	70%	70%	70%	70%	70%	70%	70%

This indicator is a measure of placement stability for those that have been in care for at least two and a half years, and have been in the same placement for at least two years. Placement stability has shown a drop in the first two quarters of 2014/15 and a report has been commissioned by the Corporate Parenting Group to analyse the reasons for placement moves. The highest range of stability is in the 9-12 age group, and stability decreases slightly for those aged 13 and above.

Corporate Parenting - KPIs

Percentage Kent children in care in KCC foster care placements (excluding UASC)

GREEN ⇩



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	63%	62%	62%	63%	65%	64%	
Target	-	-	-	60%	60%	60%	60%

One of the strategic priorities for Specialist Children's Services is to find permanence and stability for children in care via in-house foster care.

Performance for the second quarter of 2014/15 has shown a slight decrease but remains above the Target. Work continues to focus on the recruitment of KCC Foster Carers who are willing to provide long term placements for children.

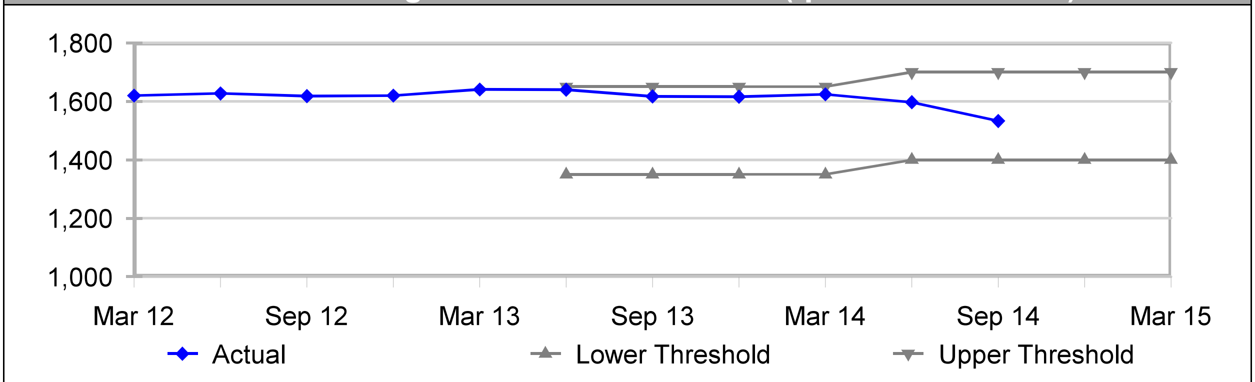
Corporate Parenting – Activity Indicators

The number of indigenous Children in Care has decreased in the last quarter to 1,533. This is the lowest number since February 2012.

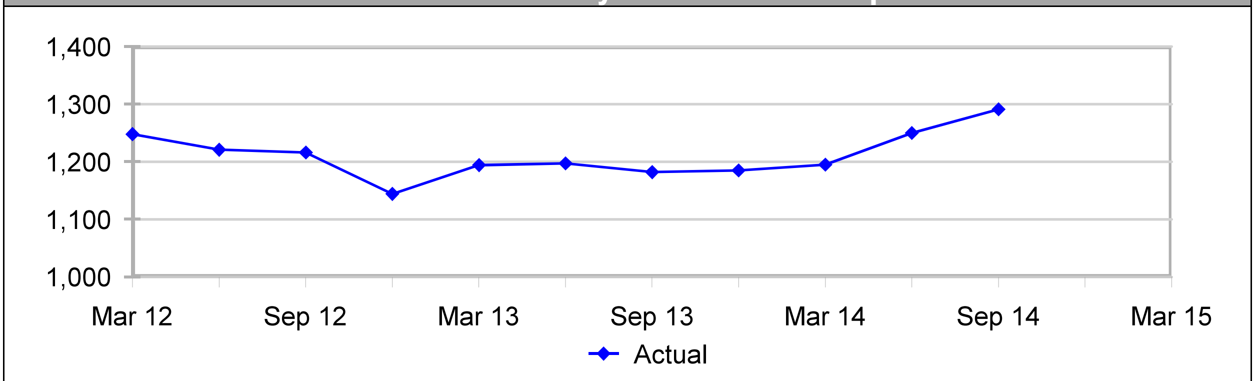
The number of Children in Care placed in Kent by other Local Authorities has increased to 1,291, which is the highest number since April 2012.

The number of children placed with Independent Fostering Agencies continues to decrease. There were 263 children placed with Independent Fostering Agencies as at the end of September 2014.

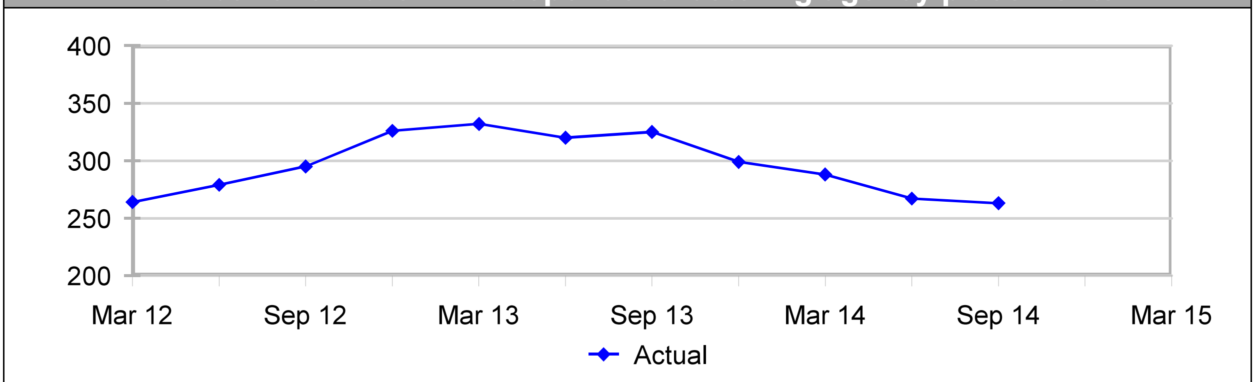
Number of indigenous Children in Care (quarter-end count)



Number of other local authority children in care placed into Kent



Number of children in independent fostering agency placements



Adult Social Care - Overview	
Cabinet Member	Graham Gibbens
Corporate Director	Andrew Ireland

Performance improved in the quarter for all of the indicators and for one indicator the improvement resulted in moving from amber to green status. The number of clients with a Telecare service continues to increase ahead of target and in the quarter there was a noticeable reduction in new admissions for older people to residential and nursing care. The new indicator for Promoting Independence Reviews completed is currently below target although is improving month on month and performance will be much improved from October when other areas of the Transformation Programme are completed.

Indicator Description	Previous Status	Current Status	DOT
Percentage of contacts resolved at first point of contact	AMBER	AMBER	⇧
Number of new clients referred to an enablement service	GREEN	GREEN	⇧
Number of clients receiving a Telecare service	GREEN	GREEN	⇧
Number of Promoting Independence Reviews completed	RED	RED	⇧
Number of admissions to permanent residential or nursing care for older people	GREEN	GREEN	⇧
Clients still independent after enablement	AMBER	GREEN	⇧

We have been working on Phase 1 of the Adult Transformation Programme since 2012, when the initial assessment work was started. Design work has led to implementation which is now well underway, supported by our external partner Newton Europe.

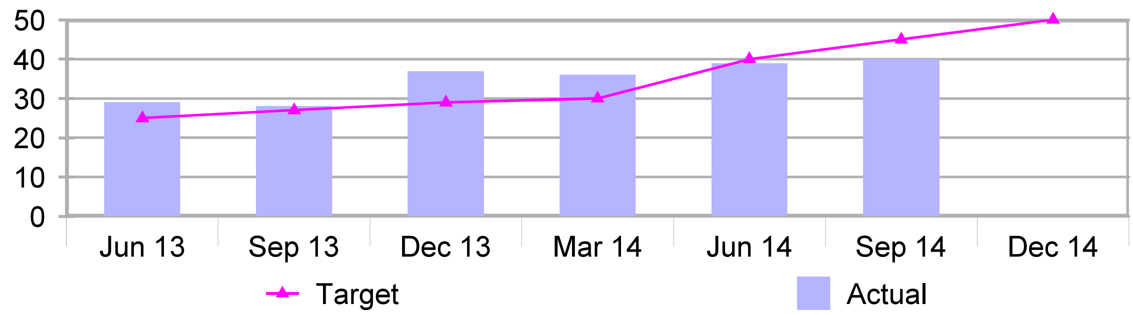
Phase 1 of the Adults Transformation Programme is successfully focussing on making better use of existing systems and embedding the culture of promoting service user independence, whilst establishing the foundations for future transformation. This has been mainly focused on the Older People Physical Disability division. Ongoing activity such as Health and Social Care Integration has continued and new legislation has meant the need for a new Care Act programme to comply with the new legislation. The Phase 1 work of the KCC and Newton Europe partnership on the 'sandbox optimisation project' was highly commended for 'Innovation in Social Care' at the 2014 Municipal Journal awards.

In order to decide what will be included in Phase 2 of the Transformation Programme, Newton Europe were commissioned to carry out a 6 week assessment starting in June, focusing on Health and Social Care integration and clients with a Learning Disability. The assessment will inform a design and planning stage, including working with Clinical Commissioning Groups to identify ways to deliver service user benefits and savings through joint working.

Adult Social Care - KPIs

Percentage of contacts resolved at point of contact

AMBER ⇧

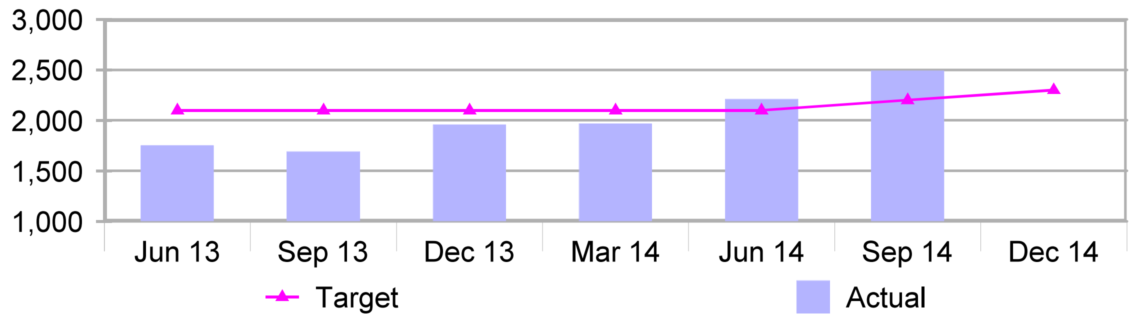


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	29%	28%	37%	36%	39%	40%	
Target	25%	27%	29%	30%	40%	45%	50%

A key priority for Adult Social Care is to respond to more people's needs at the point of contact, through better information, advice and guidance, or provision of equipment where appropriate. Although performance in March was on target, and has since improved, as stretching targets for improvement have been set for this year, current performance is now behind target.

Number of new clients referred to an enablement service

GREEN ⇧

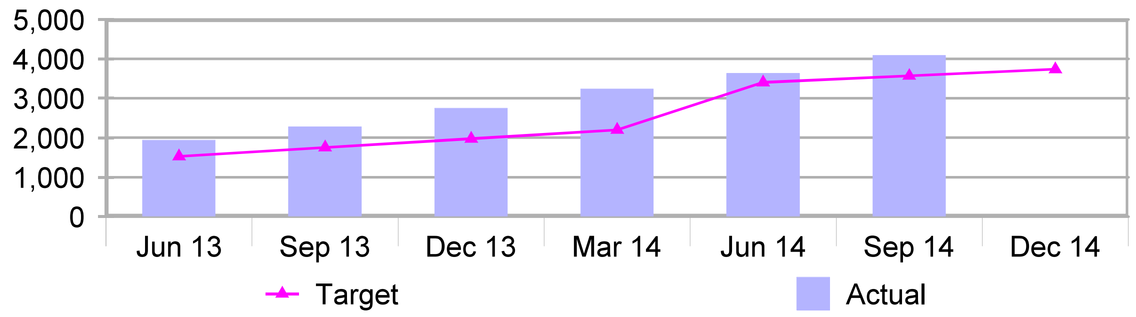


	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
YTD	1,750	1,691	1,957	1,968	2,209	2,492	
Target	2,100	2,100	2,100	2,100	2,100	2,200	2,300

During the last quarter we achieved our highest level to date for the number of clients referred to enablement. More clients are now expected to receive an enablement service, with a stronger focus on short term interventions, to reduce the need to provide long term care packages.

Adult Social Care - KPIs

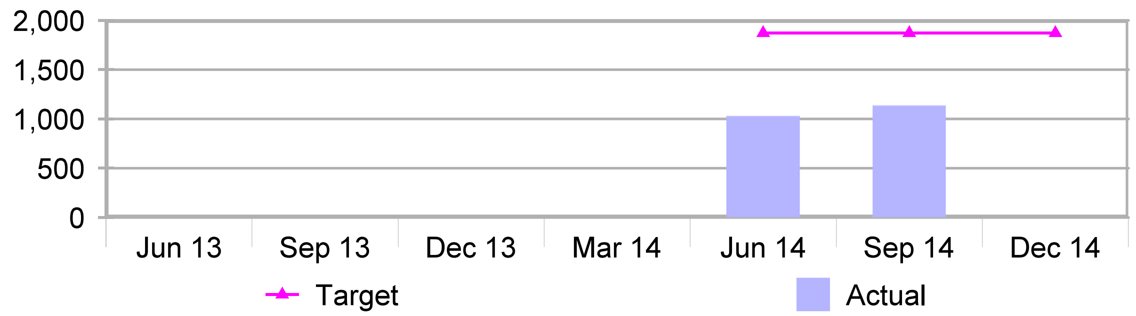
Number of clients receiving a Telecare service — GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	1,937	2,276	2,754	3,238	3,637	4,088	
Target	1,525	1,750	1,975	2,200	3,405	3,573	3,740

The number of people in receipt of a Telecare service continues to exceed target. Telecare is being promoted as a key mechanism for supporting people to live independently at home, including within Personal Budgets. The availability of new monitoring devices (for dementia for instance) is expected to increase the usage and benefits of telecare. Awareness training continues to be delivered to staff to ensure we optimise the opportunities for supporting people with more complex and enabling teletechnology solutions.

Number of Promoting Independence Reviews completed — RED ⇧



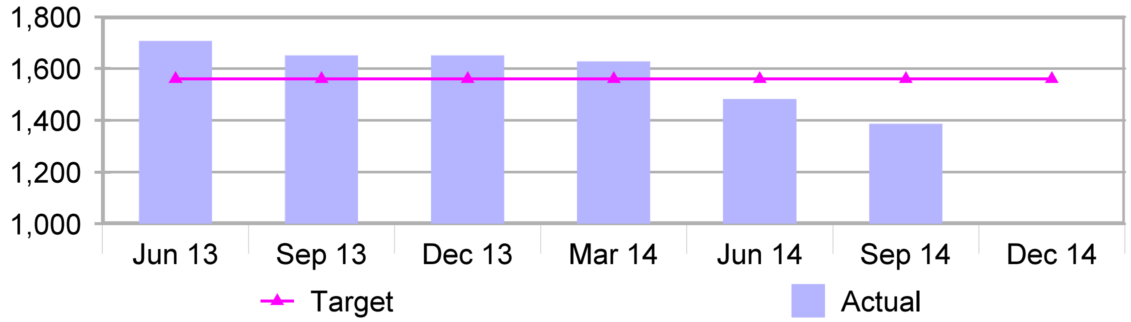
	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual					1,028	1,136	
Target					1,872	1,872	1,872

Performance for this new Programme is expected to come up to target level next quarter.

The current phase of the Transformation programme involves the staffing consultation, mobilisation of home care and staff reduction and these issues are influencing performance in the short term. Discussions continue to take place on a regular basis to ensure that any operational issues are identified and resolved.

Adult Social Care - KPIs

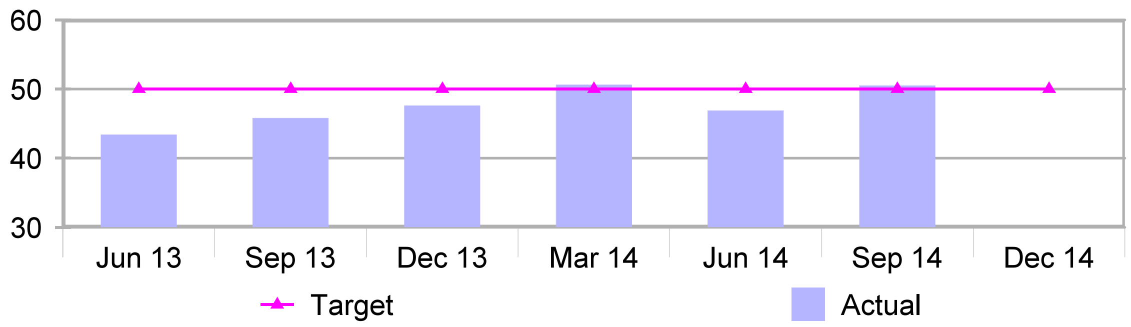
Number of admissions to permanent residential and nursing care for older people (rolling 12 month totals) — GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun14	Sep 14	Dec 14
Actual	1,707	1,651	1,651	1,628	1,482	1,386	
Target	1,560	1,560	1,560	1,560	1,560	1,560	1,560

The number of new admissions to residential or nursing care for people aged 65+ reduced ahead of target during the last quarter.

Clients still independent after receiving an enablement service — GREEN ⇧



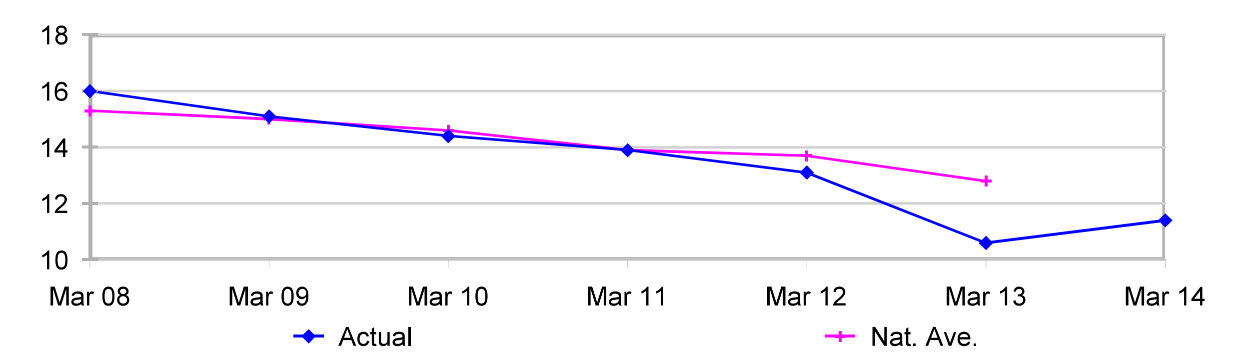
	Jun 13	Sep 13	Dec 13	Mar 14	Jun14	Sep 14	Dec 14
Actual	43%	46%	48%	51%	47%	51%	
Target	50%	50%	50%	50%	50%	50%	50%

Performance in the latest quarter improved to above the target level. This indicator supports the evaluation of the effectiveness of the Enablement service in supporting independence, by preventing or reducing the need for more expensive services in the future.

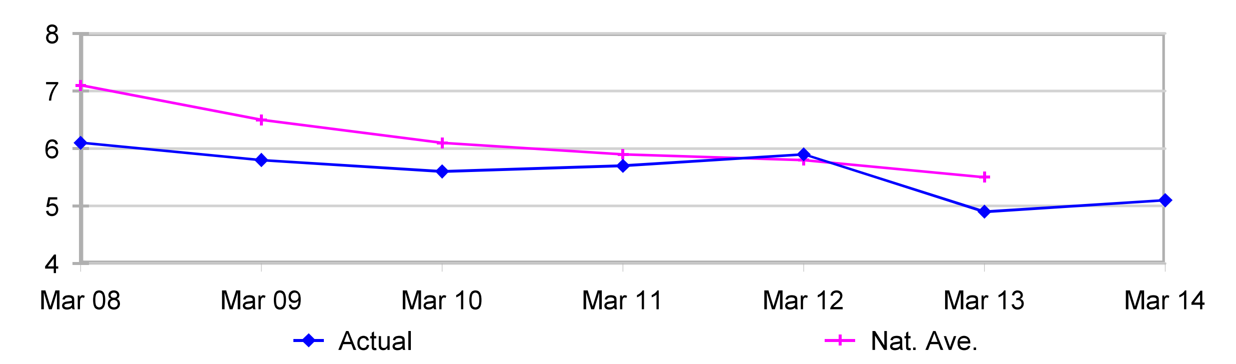
Adult Social Care – Activity Indicators

The general trend over the last 6 years both nationally and locally has been for reduced levels of local authority funded residential and nursing care placements. Continuing to reduce the number of these placements is a priority and will be achieved by supporting more people to live independently through use of enablement services and independence reviews. At March 2014 the number of residential and nursing care placements funded by KCC was higher per head of population than at March 2013. However, data to June 2014 shows a reduction to the level seen previously in March 2013, and the early indications for financial year 2014/15 is that we will see further reductions in placements by March 2015.

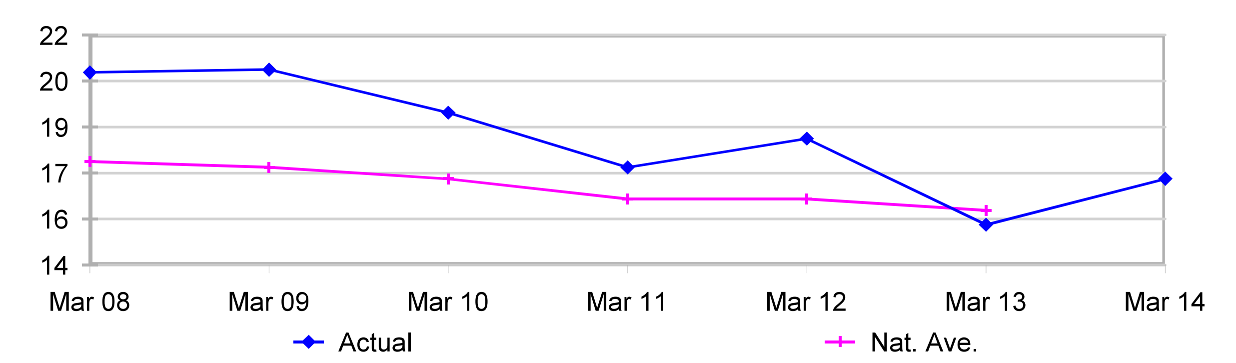
Residential care placements per 1,000 older people



Nursing care placements per 1,000 older people



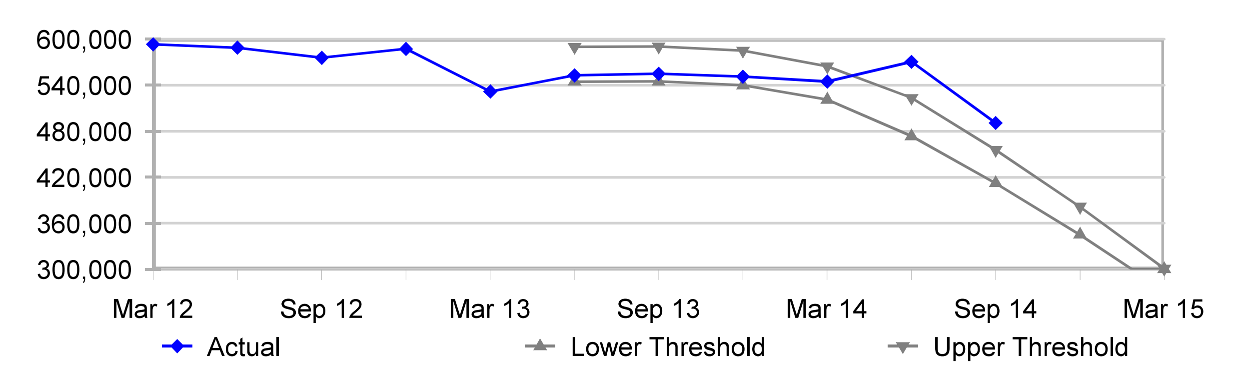
Residential and nursing care per 10,000 adults (age 18 to 64)



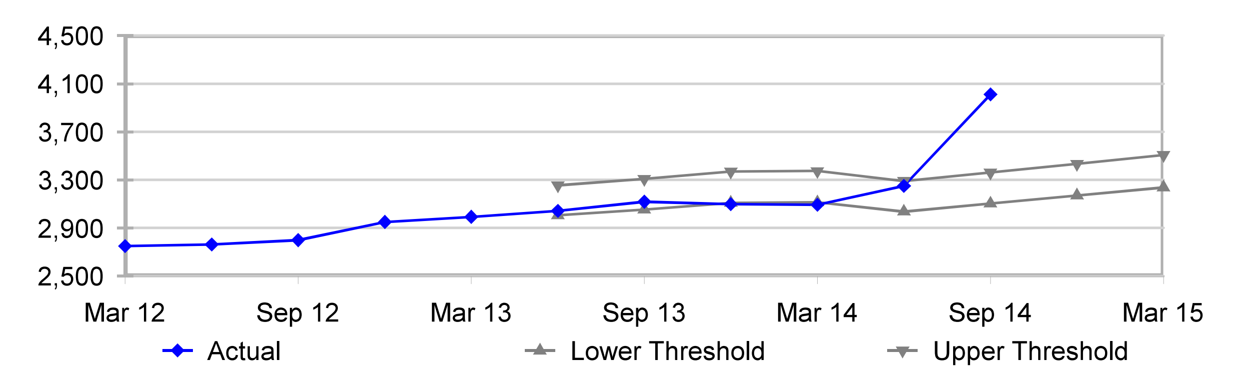
Adult Social Care – Activity Indicators

The number of hours of domiciliary care provided has reduced over time. Provision of enablement services, promoting independence reviews and telecare services are helping to reduce the demand levels for domiciliary care. During last financial year the hours of domiciliary care provided was relatively stable around the 540,000 level every quarter. However, in the last quarter, as expected, as the domiciliary services contract re-lets have progressed, we have seen a reduction in domiciliary hours and an increase in people choosing to take a direct payment.

Hours of domiciliary care provided for older people (by quarter)



Number of clients who receive an on-going Direct Payment



Public Health - Overview	
Cabinet Member	Graham Gibbens
Director	Andrew Scott-Clark (Interim)

The improvement reported for Quarter 1 for the NHS Health Checks programme has been sustained, and again in Quarter 2 the target has been achieved. Performance in community sexual health services also continues to be good and has again exceeded the target.

Performance on smoking cessation services declined in the second quarter of this year and missed the target by one percentage point, which has moved the current status to Amber.

Indicator Description	Previous Status	Current Status	DOT
Percentage completion of NHS health checks for target population aged 40 to 74	GREEN	GREEN	⇧
Number of smokers successfully quitting, having set a quit date	GREEN	AMBER	⇩
Proportion of clients accessing GUM offered an appointment to be seen within 48 hours	GREEN	GREEN	⇔

Public Health has continued to focus on increasing uptake of NHS Health Checks across the county. The number of invites issued in the quarter to September was double the number for the same period last year. Just over 25% of the annual eligible population received a check in the first half of the year which means that the programme is on track to meet the 50% target by the end of the financial year.

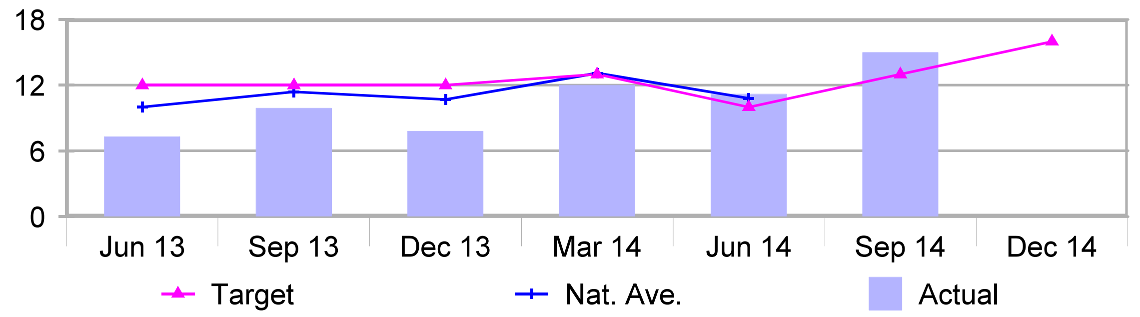
Reducing smoking rates across the county also remains a critical priority due to the impact on the health of the population and the economy in Kent. Performance of the Stop Smoking Service, measured by 4-week quit rates, deteriorated in the latest figures and narrowly missed the target of 52% of those setting a quit date.

Public Health has undertaken a review of the current Stop Smoking Services and is beginning a substantial redesign of the service provision to ensure that the service is commissioned to be fit for purpose and more responsive to changing needs.

Kent Drug and Alcohol Action team (KDAAT) formally transferred to Public Health on 1st October. KDAAT currently commissions integrated drug and alcohol treatment services for adults and young people. Performance of these services is crucial to ensuring improvements in public health and reductions in crime but also to future allocations of the Public Health grant. The latest published data indicates that performance on drug treatment has fallen in recent months compared to previous years but remains at or above the national average on the key measures of successful treatment completion. An indicator for the service will be added to future reports.

Public Health - KPIs

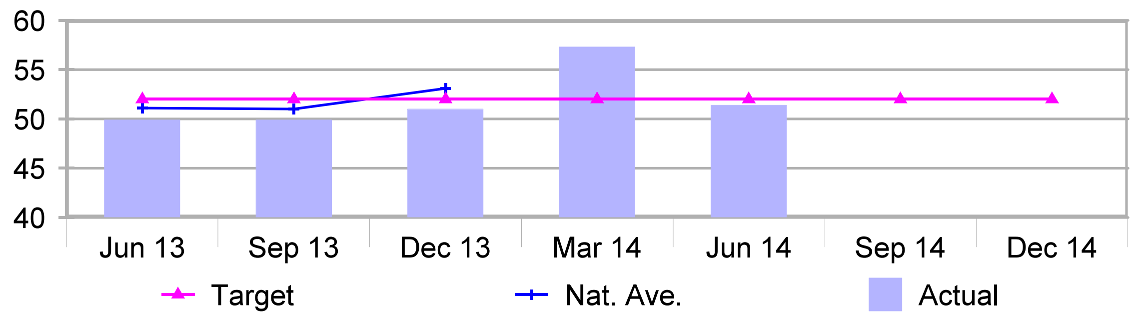
Percentage of annual target population with completed NHS Health checks each quarter — GREEN ⇧



	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	7.3%	9.9%	7.8%	12.0%	11.2%	14.8%	
Target	12%	12%	12%	13%	10%	13%	16%

The target of 50% of the eligible population receiving a health check has been split across the year to take into account the impact of delivery following 2013/14 and planned activity surrounding invites. During the quarter to September 2014, 43,967 invites were sent, which is over double the number sent for the same time last year (18,996 invites). The actual checks delivered were 13,364 and this is the highest number given in a quarter since the responsibility transferred to KCC. Year to date, 26% of the eligible population in 2014/15 received a health check.

Number of smokers successfully quitting, having set a quit date — AMBER ⇩



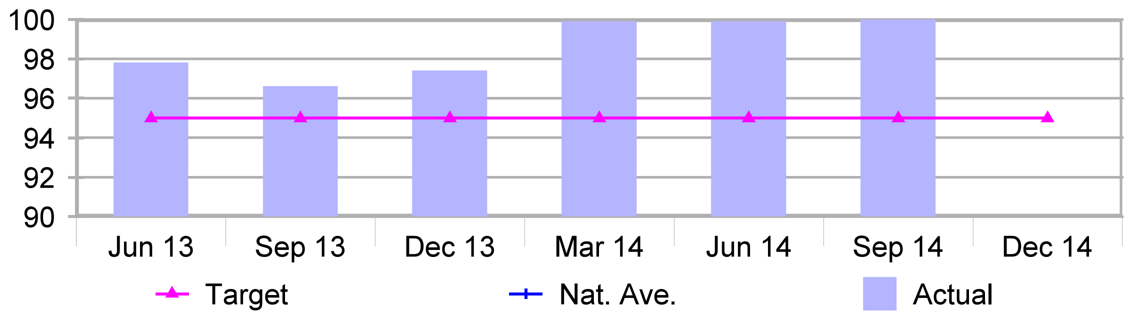
	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	50%	50%	51%	57%	51%		
Target	52%	52%	52%	52%	52%	52%	52%

In the quarter to June 2014, 2,010 Kent residents set a quit date, of which 1,034 had a successful 4-week quit. The quit rate was 51%, which was a decrease on the previous quarter, but a slight increase on the rate for June 2013. Those quitting included 21 pregnant women, 53 home carers (i.e. looking after children, family or home.) and 291 people in routine and manual occupations. These are not exclusive categories.

Public Health – KPIs

Proportion of clients accessing GUM offered an appointment to be seen within 48 hours

GREEN ⇔



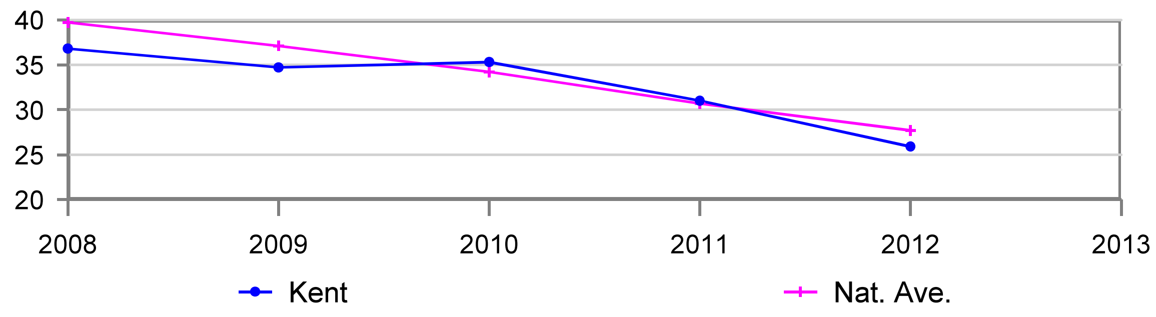
	Jun 13	Sep 13	Dec 13	Mar 14	Jun 14	Sep 14	Dec 14
Actual	97.8%	96.6%	97.4%	99.9%	100%	100%	
Target	95%	95%	95%	95%	95%	95%	95%

All people contacting the service are offered an appointment within 48 hours, and the proportions of people accepting the offer varied by location from 94% in Ashford to 99% in Swale and Canterbury & Coastal. Actual attendance to appointments remained high with the lowest proportion attending in Thanet at 96%. In all only 1% of clients across Kent did not attend their appointment. (West Kent figures were not available at time of reporting).

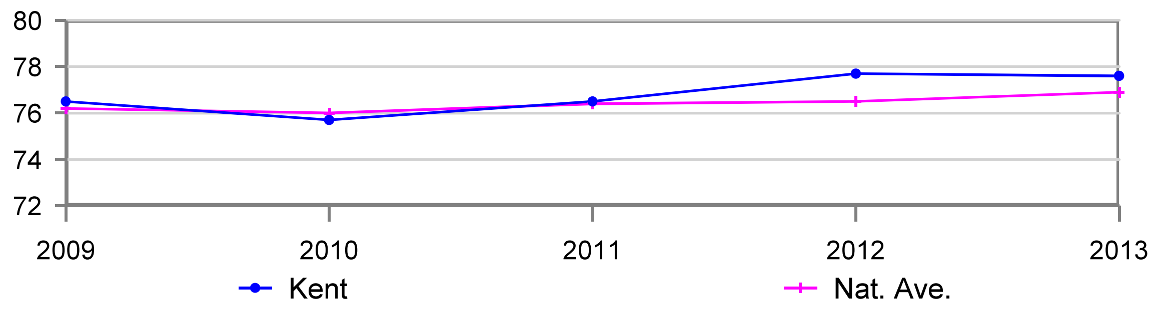
Public Health – Activity Indicators

Under-18 year old conceptions rate have been decreasing over time and the proportion of children within the healthy weight range (both Year R and Year 6) was higher in Kent than national proportions in 2012 and 2013.

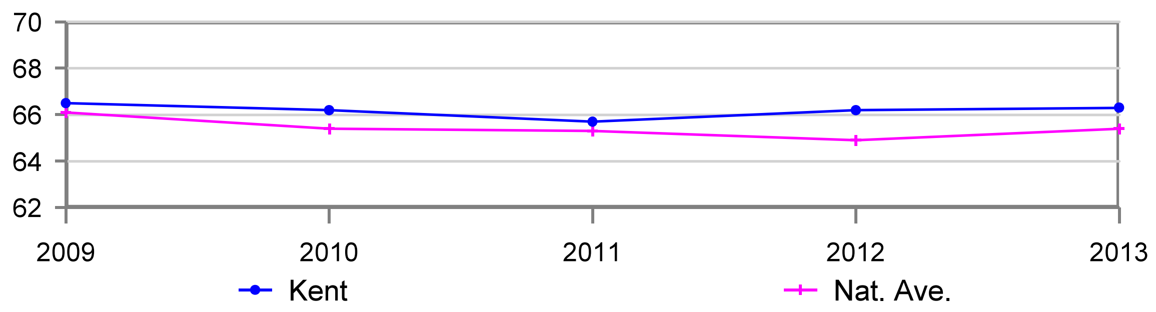
Conceptions per 1,000 females aged 15 to 17



Percentage of children with healthy weight - reception year



Percentage of children with healthy weight – year 6



Corporate Risk Register - Overview

The formal annual refresh of the Corporate Risk Register has been taking place during the autumn and changes are reflected in the table below. Since the last report two risks have decreased in severity: (CRR 9 – Better Care Fund) due to approval of the revised BCF plan, and (CRR 13 – Delivery of Savings 2014/15) as a result of management action being put in place to manage the potential budget overspend.

Risk No.	Risk Title	Current Level	Change in Current Level	Target Level
CRR 1	Data and Information Management	9		9
CRR 2	Safeguarding	15		10
CRR 3	Access to resources to aid economic growth and enabling infrastructure	12		8
CRR 4	Civil Contingencies and Resilience	12		8
CRR 7	Governance & Control Arrangements in a Commissioning Environment	This Risk is now incorporated into CRR 14 and has been closed		
CRR 9	Better Care Fund (Health & Social Care integration)	12	Decrease	9
CRR 10(a)	Management of Adult Social Care Demand	20		12
CRR 10(b)	Management of Demand – Specialist Children's Services	20		12
CRR 12	Welfare Reform changes	12		9
CRR 13	Delivery of 2014/15 savings	9	Decrease	2
CRR 14	Development of strategic commissioning authority governance arrangements	12	Revised Risk	8
CRR 17	Future operating & financial environment for local government	20		10
CRR 18	Public Services Network – compliance with Code of Connection security standards	9	Increase	4
CRR 19	Implications of the Care Act 2014	15		6

Low Risk	Medium Risk	High Risk
Rating = 1 to 6	Rating = 8 to 15	Rating = 16 to 25

Corporate Risk Register – Mitigating Actions (1)

Updates have been provided for 23 actions listed to mitigate elements of Corporate Risks that were due for completion or review up to the end of September 2014, together with updates for 3 actions due for completion or review by December 2014.

Due Date for Completion	**Actions Completed**	**Actions Closed**	**Actions Outstanding**	**Regular Review**
September 2014	7	6	3	7
December 2014	1	0	0	2

CRR1 - Data and Information Management
Outstanding: A large proportion of staff have now undertaken the mandatory Information Governance training. The Information Resilience and Transparency team is continuing to work with the training team to determine which staff are yet to complete the training, to enable targeting of further efforts.

CRR2 - Safeguarding
Completed: The 'Annex A' peer review has now been completed by West Sussex. The learning from this will be addressed through the Specialist Children's Services Divisional Management Team and the Ofsted Task and Finish Group.
Completed: The Quality Assurance on-line audit (focusing on Children in Need (CIN) cases) took place between May and August 2014. The findings from the audit were presented to the Specialist Children's Services Divisional Management Team in September as part of the Online Audit Annual report.
Closed: Feed any outstanding work actions from the Ofsted Action Plans/Children's Social Care Transformation Programme into business as usual activity - this is addressed through the 0-25 programme.
Closed: A structured mechanism for feeding back lessons learnt from assessment, regulation and inspection needs to be implemented - the new improvement action plan has been published and progress is monitored through the Specialist Children's Services Divisional Management Team.
Regular Review: The recruitment and retention of high calibre staff remains a priority. New proposals for an enhanced recruitment and retention package have recently been endorsed by Children's Social Care and Health Cabinet Committee.

Corporate Risk Register – Mitigating Actions (2)

Summary of progress against mitigating actions (continued).

CRR4 - Civil Contingencies and Resilience
Completed: A claim for emergency financial assistance from Government to aid funding of recovery in Kent following Christmas/New Year storms and floods has been successful with funds received in September.
Closed: Delivery of KCC-led multi-agency Recovery Strategy & Plan – 'Recovery' has now been officially stood down. A final recovery meeting took place in September where outstanding issues and plans for 2015 were considered.
Regular Review: A cross directorate steering group has been set up to oversee the activity against the implementation of the 17 recommendations in the featured in the 'lessons learnt' report to Cabinet. Work is progressing against these recommendations and outstanding actions are being driven forward by the Severe Weather Resilience Group.
Regular Review: The Customer Relationship Management (CRM) project is still paused. A new Customer Service Policy is being developed and will be supported by a programme of ongoing customer service improvement which may strengthen the business case and corporate benefits.
Regular Review: The procurement for a replacement Automated Call Distribution solution is now complete with associated systems scheduled for replacement. Roll-out for the Contact Point is indicated for January 2015 providing greater flexibility in how customer contact can be easily redistributed within a business continuity context.
Outstanding: Regular exercises and rehearsal of plans – the Cross-Directorate Resilience Group will be conducting an initial walk through exercise in December. A Peer review is being undertaken with Kent Fire & Rescue and the resulting action plan will include dates for the KCC Business Continuity Exercise Programme.

CRR7 - Governance & Control Arrangements in a Commissioning Environment
Outstanding: A new Model Report, Forthcoming Executive Decision (FED) template and approach to officer reporting has been agreed by the Corporate Management Team. Decision-making guidance is being developed for publication on our intranet site.
Regular Review: Face-to-face training on decision making processes continues. A senior officer 'masterclass' has been developed and is scheduled to be delivered in November. Further work is being undertaken to split the e-learning package into meaningful pieces.

Corporate Risk Register – Mitigating Actions (3)

Summary of progress against mitigating actions (continued).

CRR9 - Better Care Fund (Health & Social Care integration)
Completed: The Health & Wellbeing Board have given agreement for a joint Area Team, CCG and KCC group to facilitate the clarification of governance arrangements for pooled budgets. The first meeting was held on 14th October.
Completed: A revised and integrated Better Care Fund plan has been submitted to the Health & Wellbeing Board and Better Care Fund Programme Director.
Closed: All summits/workshops between KCC and Kent CCGs have taken place and detailed Better Care Fund delivery plans are being developed with CCG areas and delivered through local governance structures.
Closed: Risks to adult social care arising from changes to plans have been fed into the Health & Wellbeing Board submission to the Local Government Association.

CRR10a - Management of Adult Social Care Demand
Regular Review**:** The public information for existing and potential service users is to be updated to reflect the changes in the Care Act. Encouraging independence will be reflected in the information produced.

CRR10b - Management of Demand – Specialist Children's Services
Completed: The number of looked after children in care is continually monitored. The 0-25 programme is focused on improving effectiveness of delivery and improved outcomes for children and young people. The Specialist Children's Services divisional management team has adopted the 'signs of safety' model of practice to help practitioners with risk assessment and safety planning in child protection cases.
Closed: Ensuring that children in care receive the appropriate levels of support and services is being addressed by the development of in-house fostering capacity and assertive monitoring of all children in care performance milestones.

CRR12 - Welfare Reform Changes
Regular Review: Close monitoring of demand and performance of Kent Support and Assistance Service (KSAS) to inform planning of future programme - Outcomes from the evaluation of KSAS were presented to Cabinet Members in July. A report detailing future options for local welfare assistance was presented to the Social Care, Health & Wellbeing Directorate Management Team at the beginning of October. A further paper is being developed to provide greater detail around one of the options and will be presented to Cabinet Committee in December.

Corporate Risk Register – Mitigating Actions (4)

Summary of progress against mitigating actions (continued).

CRR17 - Future Operating Environment for Local Government
Completed: Three-year estimated cash limits have been devised and allocated to directorates.

CRR18 - Public Sector Network – Compliance with Code of Connection
Regular Review: The Council successfully passed the annual health check and has been issued with a compliance notice valid until September 2015.

CRR19 – Implications of the Care Act 2014
Completed: A detailed programme plan has been submitted to the Adults Transformation Board. Regular Review: Providing effective and timely changes to IT and finance systems – Costs relating to the upgrade project for deferred payments have been presented to Social Care Health and Wellbeing directorate. Awaiting business approval. Some systems developments are reliant on 3rd party provider release schedules.

Organisational Development	
Cabinet Member	Gary Cooke
Director	Amanda Beer

The full-time equivalent (FTE) of staff employed continued to decline in Quarter 2 and now stands at just under 8,000 FTE. Within the Non-Schools workforce, the proportion of staff aged 25 or under continues to rise slowly.

Sickness levels have risen slightly since March 2014, reaching 7.1 days lost per FTE for the year ending September 2014. This is still well below the March 2010 level of 8.6 days per FTE.

Rolling turnover figures have shown a gradual increase over the last year, with a September 2014 figure of 14.2%.

Organisational Change and Delivering Services Differently

Work continues to redesign and deliver services differently, ensuring the needs of service users are paramount. Design elements include planning for the workforce KCC requires now and in the future that has the right skills to deliver services in the right way for our service users.

Designing Services around our Service Users

An approach to organisational design has been developed that provides a rigorous, consistent and comprehensive approach to managing change. The principles of this have been communicated to Corporate Directors, Directors and the Transformation Advisory Group. Information for managers about the new approach and how to apply it to change projects will be available via a dedicated KNet page and a Management Guide. Additional professional support for mangers will also be available from HR Advisors.

There continues to be a significant level of change activity in divisions and business units and Human Resources is supporting over 80 projects of varying size and complexity. Major on-going activity includes 'Facing the Challenge' – market engagement and service reviews, the Adult Transformation Programme, the 0-25 Transformation Programme, New Ways of Working Programme, Total Facilities Management Programme, Care Act implementation and various transfers of services both in and out of KCC. There is ongoing activity to prepare and support managers to deliver the transformation agenda and the self-sufficiency agenda.

Workforce Planning – right people with the right skills in the right jobs at the right time at the right cost

Targeted interventions in targeted services have continued using the tools developed to support managers identify the critical roles, people and skills that will be required to deliver future services and to support the 'Facing the Challenge' transformation plan. Managers, particularly at Head of Service level and above, are now identifying critical roles and undertaking succession planning, and will be in a better position to understand, as a minimum, the roles critical to business delivery. Managers will be in a better position to assess the capabilities of their staff and can have better quality conversations on how to enhance capabilities and address any gaps.

Workforce planning, including succession planning and talent management, is being integrated with organisation design and other change projects.

As part of the workforce planning activity, further work has also been undertaken with services to identify gaps and challenge where apprentices could enhance services, such as with Higher Level Apprenticeships in technically skilled areas. This has included highlighting the support available to new apprentices from the Kevin Lynes Apprenticeship Scheme.

Changing the Way We Do Things

A number of Divisions and Services are working with Human Resources to change the way they do things to support ‘Facing the Challenge’. This work is closely aligned to the work that Newton Europe is doing to enable more efficient service delivery. The individual projects are at different stages; we have delivered several interventions and are looking to work with further areas of the organisation going forward. Services have identified areas where we need to change the way we do things including greater collaboration, integration of services and how they are accessed by service users, and our attitude and approach to risk. Interventions are being delivered to enable these changes to happen. The underpinning principle for this work is involving the people who are affected, providing opportunities to co-create the changes to give ownership and enable meaningful, sustainable change.

Developing our People

<u>Future Manager</u>

Directorate Management Teams were asked to nominate high potential, high performing delegates for this new development programme designed to increase capability and capacity for future managers to support ‘Facing the Challenge’. 114 nominations were received representing each Directorate and 3 pilot cohorts of the 12 month programme are planned to start between November 14 and April 15. Pilots will be evaluated to inform further programmes.

<u>Kent 360</u>

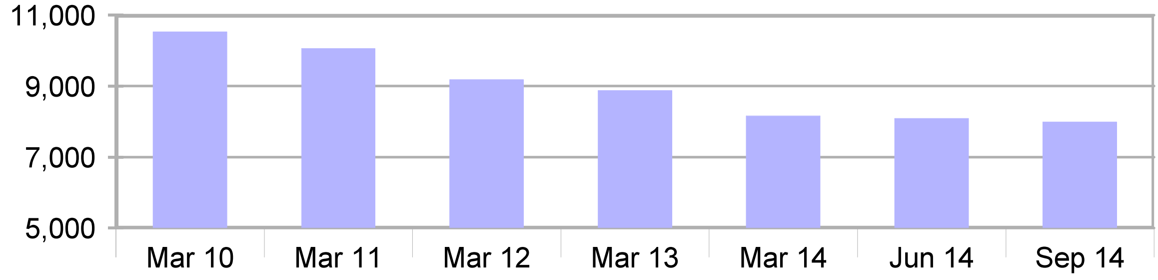
Over 900 Kent Managers participated in the Kent 360 which is designed to give a Directorate and organisational profile of our current Leadership and Management capability. The results have been shared with Directors and used corporately to inform the commissioning of new Leadership and Management development opportunities

<u>ICT Skills Audit</u>

The ICT Skills Audit was rolled out during July and closed 3 weeks later with 4,585 (over 50%) respondents completing the survey. The ICT supporting development planner has been produced to accompany the survey, promoting relevant development opportunities. Reports at Director and group level have been developed, to be circulated during October 2014.

Organisational Development - Indicators

Number of full time equivalent (FTE) staff employed

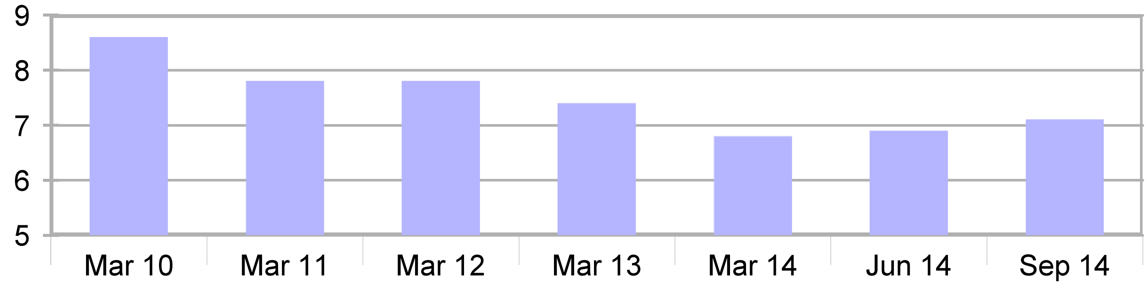


	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14
Actual	10,531	10,061	9,187	8,875	8,162	8,089	7,995

The FTE level has decreased again this quarter, following the general downward trend noted over recent years.

Data is reported as a count at each quarter end. Casual Relief, Sessional and Supply (CRSS) staff are not included. Schools staff are not included.

Average number of days of sickness per FTE (rolling 12 month figures)



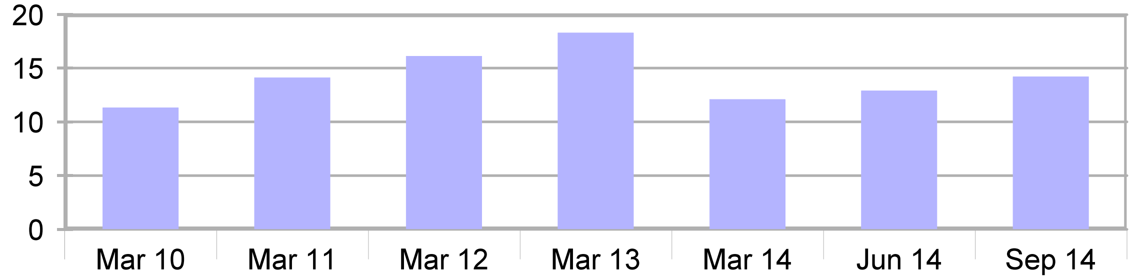
	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14
Actual	8.6	7.8	7.8	7.4	6.8	6.9	7.1

The 12 month rolling sickness level rose slightly between June 2014 and September 2014, but is still lower than in earlier years.

Data is reported as average days sick per FTE for the past 12 months. Sickness relating to CRSS staff is included in the count of days lost.

Organisational Development - Indicators

Turnover - percentage of staff leaving as a percentage of headcount

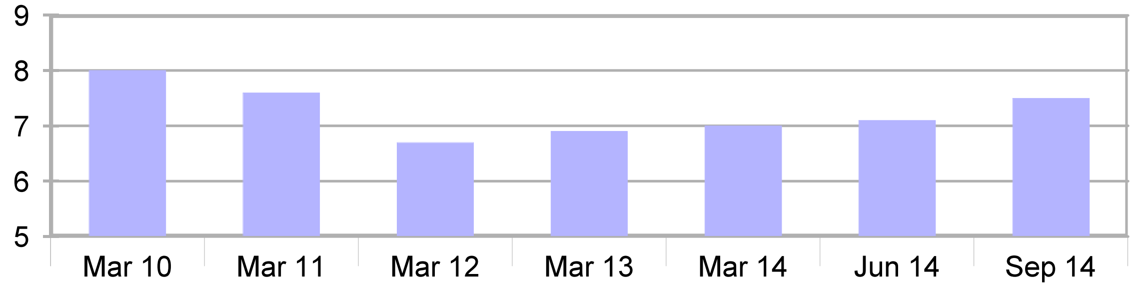


	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14
Actual	11.3%	14.1%	16.1%	18.3%	12.1%	12.9%	14.2%

Turnover increased between June and September 2014, but is still below the March 2013 peak of 18.3%.

Data is reported as a rolling 12 month rate. Casual Relief, Sessional and Supply (CRSS) staff are not included. Schools staff are not included.

Percentage of staff (headcount basis) aged 25 or under



	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14
Actual	8.0	7.6	6.7	6.9	7.0	7.1	7.5

The proportion of staff aged 25 or under has increased again this quarter, a continuation of the upward trend that has been apparent over the last two years.

Organisational Development - Indicators

Disciplinaries, Grievances and Employment Tribunals (currently active)

Trend Data – snapshot	Sept 13	Dec 13	Mar 14	Jun 14	Sept 14
Disciplinaries	35	35	24	31	26
Grievances	5	5	3	10	9
Harassment	4	2	1	3	5
Performance & Capability					
- Performance	15	15	24	18	13
- Ill Health	76	66	69	72	42
Employment Tribunals	6	5	6	9	6
TOTAL CASES	**141**	**128**	**127**	**143**	**108**

Data Notes: Data is reported as the number of open cases being dealt with at quarter end.

Health and Safety Incidents

Trend Data	Previous Years			Current Financial Year			
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Incidents reported	1,350	1,620	1,591	323	233		
Days lost	1,027	943	676	72	103		

Data Notes: Schools staff are included. Data is reported as quarter totals for current year and full year counts for previous year.

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR)

Trend Data	Previous Years			Current Financial Year			
	Mar 12	Mar 13	Mar 14	Jun 14	Sep 14	Dec 14	Mar 15
Major injury incidents	6	5	3	1	1		
Over 7 day injuries	N/A	25	24	4	9		

Data Notes: Data is reported as quarter totals for current year and full year counts for previous year. The requirement to report to the Health and Safety Executive injury incidents resulting in over 3 days lost time/unable to perform normal duties, has changed to over 7 days.

From:	John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement Andy Wood, Corporate Director of Finance & Procurement Corporate Directors
To:	CABINET - 1 December 2014
Subject:	

(1) REVENUE AND CAPITAL BUDGET MONITORING FOR 2014-15 - QUARTER 2
(2) KEY ACTIVITY MONITORING FOR 2014-15 - QUARTER 2
(3) FINANCIAL HEALTH INDICATORS 2014-15 - QUARTER 2
(4) PRUDENTIAL INDICATORS 2014-15 - QUARTER 2
(5) SUMMARY OF PROPOSED OUTSTANDING MANAGEMENT ACTION 2014-15 - QUARTER 2
(6) IMPACT ON REVENUE RESERVES
(7) DIRECTORATE STAFFING LEVELS 2014-15 - QUARTER 2

Classification: **Unrestricted**

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1. SUMMARY

1.1 This report provides the budget monitoring position for September 2014-15 for both revenue and capital budgets, including an update on key activity data.

1.2 The format of this report is:

- An executive summary which provides a high level financial summary and highlights only the most significant issues
- Appendix 1 provides an update on our Financial Health indicators
- Appendix 2 provides an update on our Prudential indicators
- Appendix 3 provides a summary of the proposed management action
- Appendix 4 provides a summary of the proposed capital programme cash limit changes
- There are seven annexes to this executive summary report, as detailed below:
  - **Annex 1** **Education & Young People's Services**
  - **Annex 2** **Social Care, Health & Wellbeing** - Specialist Children's Services
  - **Annex 3** **Social Care, Health & Wellbeing** - Adults
  - **Annex 4** **Social Care, Health & Wellbeing** - Public Health

- **Annex 5 Growth, Environment & Transport**
- **Annex 6 Strategic & Corporate Services**
- **Annex 7 Financing Items**

1.3 Other items likely to be of particular interest to Members are the impact of the current financial and activity monitoring position on our revenue reserves, as detailed in section 6, and the directorate staffing levels as at the end of September 2014 compared to 1 April 2014 and 30 June 2014, which are provided in section 7.

2. RECOMMENDATIONS

Cabinet is asked to:

i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.

ii) **Agree** the changes to the capital programme as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 4.

3. SUMMARISED REVENUE MONITORING POSITION

3.1 The net projected variance against the combined directorate revenue budgets is an overspend of £0.795m, before management action, but management action is expected to reduce this to an underspend of £2.451m. However, there is some minor re-phasing of budgets which we will need to roll forward to 2015-16 to fulfil our legal obligations, detailed in section 3.6, therefore this changes the position to an underspend of £2.241m as shown in the headline table below. There is also some significant underspending within the forecast, detailed in section 3.7, which we would ideally like to roll forward in order to continue with these initiatives in 2015-16. However, this will only be possible if the Authority as whole is sufficiently underspending by year end. If we allow for this, then this changes the position to an **underlying overspend of £1.266m**. Directorates have been tasked with coming up with management action to balance this position as, with the budget savings already required over the medium term, we must avoid going into 2015-16 in an overspending position. Details of the outstanding proposed management actions are provided in Appendix 3 but further work is required to identify actions to eliminate this forecast £1.266m underlying pressure if we want to be able to provide these roll forwards. We also need to take into consideration that delivery of the £3.246m of management action already built into this forecast is by no means certain. The annexes to this report provide the detail of the overall forecast position which is summarised in Table 1 below.

3.2 This report does not attempt to explain movements month on month, but explains why we have a forecast variance. However, we will report the headline movement, which for this month is an encouraging £1.556m reduction in the forecast position (excluding schools), as shown in table 1. This is mainly due to:

E&YP - further underspending on: Children's Centres linked to the service restructure, mainstream and 16+ home to school/college transport based on numbers travelling for the new academic year; legal fees and further re-phasing against the Kent Youth Employment programme. A new pressure has been included for the early help and prevention system solution.

SCH&W (SCS) - a general reduction in the fostering, leaving care, preventative services and legal budgets due to a further reduction in Looked after Children numbers has been offset by an increase in residential care and recruitment and retention payments for children's social workers. There is also a further reduction in the forecast shortfall in grant funding for the Asylum Service.

SCH&W (Adults) - although the overall position after management action has barely changed, there are some significant offsetting movements, with the pressure on the direct payments budget continuing to increase, which is largely due to a further transfer of clients from domiciliary care as a result of the domiciliary care contract re-let, as clients are choosing to remain with their existing service providers. There is also increased underspending on nursing and residential care and adult social care staffing.

GE&T - a further increase in waste tonnage than profiled in the budget; reduction in the savings on Concessionary Fares following the reconciliation of data provided by the bus companies on journey numbers for quarter 1; a reduction in the underspending within highways and transportation largely due to traffic management costs at junctions on high speed roads to undertake additional grass cutting & weed control, undertaking a backlog of tree inspections and a reduction in the forecast underspend on streetlight energy partly due to additional street lights at new developments. These increased pressures have been partially offset by staff vacancy savings within the strategic management and directorate support budget and further underspending on Community Services, largely due to further registration income and lower than expected costs of long inquests.

S&CS - a general improvement in the position of a number of units including Community Engagement, Communications & Consultation, Business Strategy, HR and Strategic Management & Directorate Support mainly due to staff vacancies, impact of management action to offset pressures and increased income.

FI - a saving on Minimum Revenue Provision, as a result of fewer assets becoming operational last year due to the re-phasing on the capital programme, will be transferred to reserves to cover the potential liability in future years, in line with usual practice.

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

	Cash Limit	Variance Before Mgmt Action	Management Action - already in place	Net Variance after Mgmt Action	Last Report	Movement
Directorate Totals	+952,116	+795	-3,246	-2,451	-895	-1,556
Adjustments: - Legally committed roll fwd *(see section 3.6 for detail)*		+210	-	+210	+131	+79
Underlying position (including legally committed roll fwd requirements only)	**+952,116**	**+1,005**	**-3,246**	**-2,241**	-764	-1,477
- Roll forward/ re-phasing required to continue/ complete existing initiatives *(see section 3.7 for detail)*		+3,507	-	+3,507	+2,997	+510
Underlying position (including ALL roll fwd requirements)	**+952,116**	**+4,512**	**-3,246**	**+1,266**	+2,233	-967

3.4 **Table 1** Directorate position - net revenue position **before and after** management action together with comparison to the last report

Annex	Directorate	Budget £'000	Net Variance (before mgmt action) £'000	Management Action already in place £'000	Net Variance (after mgmt action) £'000	Last Report £'000	Movement £'000
1	Education & Young People's Services	84,065.5	-2,327	-	-2,327	-293	-2,034
2	Social Care, Health & Wellbeing - Specialist Children's Services	127,455.6	+4,295	-1,200	+3,095	+2,803	+292
	Social Care, Health & Wellbeing - Asylum	280.0	+1,666	-	+1,666	+1,778	-112
	Social Care, Health & Wellbeing - Special Operations	-	+699	-	+699	+724	-25
	Sub Total SCH&W - Specialist Children's Services	*127,735.6*	*+6,660*	*-1,200*	*+5,460*	*+5,305*	*+155*
3	Social Care, Health & Wellbeing - Adults	345,867.9	-284	-2,046	-2,330	-2,347	+17
4	Social Care, Health & Wellbeing - Public Health	0.0	-	-	-	-	-
5	Growth, Environment & Transport	179,999.6	-2,280	-	-2,280	-3,113	+833
6	Strategic & Corporate Services	82,699.6	-486	-	-486	-	-486
7	Financing Items	131,748.0	-488	-	-488	-447	-41
	TOTAL (excl Schools)	**952,116.2**	**+795**	**-3,246**	**-2,451**	**-895**	**-1,556**
1	*Schools (E&YP Directorate)*	-	+2,777	-	+2,777	+2,621	+156
	TOTAL	**952,116.2**	**+3,572**	**-3,246**	**+326**	**+1,726**	**-1,400**

3.5 The **Revenue** Budget Monitoring headlines are as follows:

a) Although there is a small deterioration of £0.292m in the position for Specialist Children's Services (exc. Asylum and Special Operations, see below) compared to the position reported last time, this is due to £0.357m of additional costs for recruitment and retention payments. Without this, the position would have improved slightly, reflecting that the underlying trend is continuing to improve, with Looked After Children numbers reducing again since the last report. However, significant financial pressures are still being reported for 2014-15 with a net overspend of £4.295m, which is partially offset by £1.200m of proposed management action, with the remaining pressure of £3.095m attributable to unachievable savings.

b) The position included in this report for Asylum is a pressure of £1.666m, and this reflects the impact of the May offer from the Home Office now that we no longer receive a Gateway Grant. It should however be noted that referrals are increasing and are at their highest level since 2010 and the number of children we are supporting is at its highest level since August 2011.

c) The costs associated with Special Operations within Specialist Children's Services have been shown separately to the normal costs of running the service. These operations currently account for a pressure of £0.699m and these costs will be met from reserves if there is insufficient underspending within KCC overall at year end to offset them.

d) The underspend of -£0.284m before management action within Social Care, Health & Wellbeing - Adults is made up of a pressure on the Social Care budgets of £2.794m, with the pressure areas being domiciliary care, direct payments and supported accommodation, offset by a combined underspend on the Commissioned Services budgets of Kent Support & Assistance Service (Social Fund), Supporting People and Drug & Alcohol Services of £3.078m. Further management action of £2.046m is expected to be delivered to offset the pressure on the social care budgets (see Appendix 3 & Annex 3 for further information). This position also assumes a drawdown from the NHS Support for Social Care reserve of £4.375m to fund investment in services to deliver the transformation savings. We are therefore currently forecasting to spend £7.169m (£2.794m + £4.375m) more than our base budget on adult social care, but this is expected to reduce to £5.123m after delivery of management action, and this must be addressed if we are to deliver an achievable balanced budget for 2015-16.

e) Within Adult social care, current activity trends are not supporting the level of transformation savings required, as these are likely to be heavily weighted towards the second half of the year. However, after discussions with our partners on Adults Transformation, we are confident that these savings will be delivered and hence this reduction is reflected as management action in table 1 above. As and when delivery of the savings filters through to the activity data, then the management action figure will reduce and the savings will be reflected within the relevant A-Z budget lines. However, if there is any slippage in the timing of the delivery of these savings, then this will cause a problem late in the year, probably at a point when it is too late to implement alternative offsetting management action within Adult Services. To alleviate this risk, extensive work is ongoing to understand the impact of the transformational changes and contract re-let on the domiciliary care expenditure incurred to date, which is the main area of our concern. It is anticipated that the outcome of this work will be available for the next report. Alongside this work, all other areas of older people and physical disability expenditure are being considered for efficiencies and re-phasing should they be required to mitigate the risk of an increase to the forecast in future months.

f) As a result of the domiciliary care contract re-let, the shift of clients from domiciliary care to direct payments resulting from some clients choosing to remain with their existing service providers, has continued. These direct payments are being paid at the new lower domiciliary care re-let rate.

g) Government funding for the Kent Support & Assistance Service (Social Fund) was not expected to continue beyond this financial year. However, recent high court action prompted by Islington Council has won a possible reprieve for this government funding. The government has now signed a consent order agreeing to reconsider its decision to cut the local welfare provision fund in the light of an ongoing review of local welfare provision, proper consultation with stakeholders and due consideration of equalities implications. It has undertaken to announce its new decision in time for the provisional local government finance settlement, expected in December. If the decision remains unchanged and funding ceases, an option would be to roll forward the underspending on this service, currently forecast at -£2.682m, to provide this service for another year whilst alternative longer term solutions are considered. However, this is dependent on the Authority as a whole achieving an underspending position of at least this magnitude to be able to fund the roll forward, and will also be subject to consideration of all competing roll forward priorities against the level of roll forward funding available, if any.

h) Within Education & Young People's Services, the SEN Home to School Transport budget continues to experience pressure, with a forecast overspend of +£2.254m. This is partially offset by recoupment income received from other local authorities whose pupils attend our special schools (-£0.477m); underspending on Home to College transport and the Kent 16+ Travel Card mainly due to reduced usage during the summer term and reduction in demand for transport for SEN students (-£0.387m); and also a continuation from last year of the reduced demand for mainstream home to school transport as the secondary aged population is at its lowest for some years (-£1.164m). An underspend on Children's Centres of -£2.920m is linked to the service restructure. In addition the Directorate is showing a net pressure in relation to an unachievable savings target within the Early Help & Prevention Services division, for the integration of the Adolescent service as well as an additional unbudgeted pressure for the revenue implications of the new early help and prevention system. There are a number of unrelated savings in other areas of the directorate that partially offset these pressures, including underspending/re-phasing of the Kent Youth Employment programme, with the directorate as a whole forecasting a net underspend after management action and excluding schools of -£2.327m.

i) The Early Years Education for 2 year olds budget is forecasting a significant underspend of £6m. This is a result of lower parental demand for two year old places than affordable levels. As this budget is entirely funded from DSG, any surplus at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset overspending elsewhere within the directorate budget, therefore this underspend will be transferred to the schools unallocated DSG reserve at year end.

j) The Growth, Environment and Transport Directorate is forecasting to underspend by £2.280m. The most significant services contributing to this position are Concessionary Fares (-£0.783m), Subsidised Bus Routes (-£0.656m); Highways budgets (-£0.324m) predominately from savings on streetlight energy and speed awareness courses; Community Services budgets (-£0.828m) mainly due to increased income within the Registration Service and staff vacancy savings which are offsetting a centrally held savings target within the Strategic Management & Directorate Support budget (+£0.122m); Regulatory Services budgets (-£0.211m) mainly due to lower than expected costs of long inquests, offset by a net pressure on the waste budgets (+£0.378m - see below for further details).

k) Forecast waste tonnage has increased again since the last report and remains a cause for concern, with a forecast overspend of £2.388m currently reported. This is largely offset by savings predominately from contract changes, giving an overall net pressure on the waste budget of £0.378m. The tonnage for April to September was 30,200 tonnes above the affordable level for this period and the current forecast pressure on waste tonnage of £2.388m assumes 39,500 tonnes above the budgeted level of 675,000 tonnes for the full year. This forecast appears low when comparing to the year to date tonnage, but it is believed that part of the increase over the last 9 months is attributable to the unusual weather conditions (storm damage, and mild and moist conditions advancing the growing season), together with the impact of a general economic improvement. The current forecast assumes that the increased tonnage as a result of the unusual weather conditions will not continue throughout the remainder of the year, but in view of a wet August, mild September & October together with a high water table then there is a significant risk that the current trend will continue and consequently the overspend as a result of higher waste tonnage would increase. **This pressure will be addressed in the 2015-18 MTFP.**

l) Following the start of the new school academic year, take-up for the Young Person's Travel Card is higher than anticipated, which is likely to be due to the revised policy to allow the purchase of half year passes. Until we have a few months data on journey numbers and we have an indication of the number of applicants purchasing the first half year pass that will renew and purchase the second half year pass, we will not know whether the assumed budget savings as a result of the new scheme are deliverable. There is a risk that those who have continued with the scheme will be the heavier users, leading to a higher average cost per pass. An update will be provided in the next report to Cabinet at the end of January, but robust data on usage trends and numbers of applicants for the second half year pass is unlikely to be available until the quarter 3 report.

m) The forecast for Public Health is an underspend of £0.780m, due to staffing vacancies within the service. In line with government guidelines, this underspend will be transferred to the Public Health reserve, for use in future years.

n) We continue to forecast a shortfall of £1.391m in the dividend from Commercial Services following the first half year results, and taking into account new costs of rent payments to KCC and higher than expected costs of closing County Print. This is currently being offset elsewhere within the Financing Items budget by underspending on Carbon Reduction, External Audit Fee and higher than expected Business Rate compensation grant for the impact of measures introduced by the Government in the 2012 and 2013 Autumn Statements. However, the impact of these measures is likely to materialise as a deficit against the Business Rates collection fund, of which we will receive a share from the District Councils in 2015-16, potentially reducing the funding we have available next year.

o) We have recently received £0.983m of funding through the Bellwin scheme in respect of the emergency costs incurred during the autumn and winter 2013-14 floods and storms, which has been transferred to the Emergency Conditions reserve.

p) Appendix 3 provides some details of the outstanding management action reflected in the forecast £1.226m overspending position shown in the headline table on page 4. This proposed management action is by no means certain and a considerable amount needs to happen to ensure this is delivered in full.

3.6 **Details of Committed Roll Forward/Re-phasing requirements**

The headline table on page 3 shows that within the current forecast revenue position there is a requirement to roll forward £0.210m to 2015-16, relating to initiatives where we have a legal obligation to provide the funding. This relates to:

▪ Kent Youth Employment programme - to fund existing placements that continue into 2015-16 (see annex 1)	+210 k
	+210 k

3.7 **Details of Roll Forward/Re-phasing required to complete existing initiatives, if the outturn position allows:**

In addition to the roll forward requirements that we are legally obliged to provide for, which are detailed above, there is some significant underspending within the forecast which we would ideally like to roll forward in order to continue with these initiatives in 2015-16. However, this will only be possible if the Authority as a whole is in an underspending position at year end of at least -£3.717m (£3.507m as detailed below + £0.210m per section 3.6 above). We are currently reporting an underspend after management action of -£2.451m, so we have a shortfall of £1.266m, as highlighted in the headline table on page 3, which will need to be addressed before roll forward for these initiatives can be considered. These initiatives are:

▪ Kent Youth Employment programme (see annex 1)	+751 k
▪ re-phasing of Vulnerable Learners Assisted Apprenticeship placements in to 2015-16 (see annex 1)	+60 k
▪ Kent Support & Assistance (Social Fund) (see annex 3)	+2,682 k
▪ re-phasing of Health Reform (see annex 6)	+14 k
	+3,507 k

3.8 **Revenue budget virements/changes to budgets**

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

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process, including the inclusion of new 100% grants (i.e. grants which fully fund the additional costs) awarded since the budget was set.
- Cash limits for the A-Z service analysis have been adjusted since the previous report to Cabinet to reflect a number of technical adjustments, including the further centralisation of budgets and to reflect where responsibility for providing services has moved between directorates.

4. SUMMARISED CAPITAL MONITORING POSITION

4.1 The working budget for the 2014-15 Capital Programme is £380.861m. The forecast outturn against this budget is £376.138m giving a variance of -£4.723m. The annexes to this report provide the detail, which is summarised in table 2 below.

4.2 **Table 2** Directorate capital position

Directorate	**3 Year Cash Limit £'000**	**2014-15 Working Budget £'000**	**2014-15 Variance £'000**	**Real Variance £'000**	**Re-phasing Variance £'000**	Annex
Education & Young People's Services	**227,510**	**143,687**	**-10,780**	13,145	-23,925	1
Social Care, Health & Wellbeing - Specialist Children's Services	**-**	**2,028**	**-**	-	-	2
Social Care, Health & Wellbeing - Adults	**82,918**	**76,976**	**327**	1,295	-968	3
Social Care, Health & Wellbeing - Public Health	**-**	**-**	**-**	-	-	4
Growth, Environment & Transport	**259,191**	**128,406**	**6,499**	100	6,399	5
Strategic & Corporate Services	**28,806**	**29,764**	**-769**	-	-769	6
Financing Items	**-**	**-**	**-**			7
TOTAL	**598,425**	**380,861**	**-4,723**	14,540	-19,263	

4.3 The **Capital** Budget Monitoring headlines are as follows:

a) The majority of schemes are within budget and on time.

b) +£14.540m of the -£4.723m variance is due to real variances. These are categorised between:
i) those which have no identified funding source,
ii) those funded from underspends elsewhere in the capital programme, and
iii) those receiving additional external funding.

i) **Real variances which have no identified funding source are as follows:**

<u>Basic Need Programme 2013-15</u> (EYP) +£12.351m, of which £3.901m is expected to be funded from developer contributions and £0.381m can be funded from underspends elsewhere in the programme. The remaining £8.069m reflects an ongoing pressure on the programme which will be reviewed during the budget setting process. This now includes a £2.360m pressure relating to construction inflation which was previously reported as a separate line.

<u>Special Schools Review Phase 2</u> (EYP) +£0.700m, of which £0.120m can be funded from underspends elsewhere in the programme, and the remaining £0.580m will be reviewed during the budget setting process. Across the three year programme the total forecast pressure is £7.060m, which includes a £1.000m pressure relating to construction inflation which was previously reported as a separate line.

ii) **Real variances funded from elsewhere in the capital programme are as follows:**

St John's/Kingsmead Primary School, Canterbury (EYP) +£0.857m due to additional window and roof works. This is to be funded from the Annual Planned Enhancement Programme, however this could result in a pressure on this programme later in the year, depending on the level of emergency enhancements required over the winter period.

Astor of Hever (St Augustine's Academy) Maidstone (EYP) +£0.500m due to an asbestos claim. This is to be funded from a corresponding underspend on BSF Unit Costs.

BSF Unit Costs (EYP) -£0.620m to fund the pressure on Astor of Hever and £0.120m of the pressure on Special Schools Review Phase 2.

HWRC West Kent (GET) -£0.600m. The existing site's lease has been extended therefore no new capital project is needed. The underspend is being held to offset emerging pressures elsewhere in the GET capital programme.

Rural Broadband Demonstration Project (GET) -£0.516m. The rural allocation was based on providing grants to local communities. Market review shows that response is likely to be insufficient to generate good value for money. The funding has been rolled into the Superfast Extension Programme which is due to start in 2016-17.

iii) **Real variances receiving additional external funding are as follows:**

Information Technology Projects (SC,H&WB - Adults) +£1.015m. This relates to predicted expenditure on Telecare equipment to be legitimately capitalised at year end. This will be funded from available grant and developer contributions.

Integrated Transport Schemes (GET) +£0.573m. This reflects additional grant awarded by the DfT to deliver local sustainable transport schemes (+£0.756m), a contribution from the Member Highway Fund towards an Integrated Transport Scheme (+£0.020m), additional external funding of +£0.067m, less £0.270m to be vired to PROW for projects now being undertaken via the PROW programme.

The remaining +£0.280m of real variances are made up of a number of real over and underspends on a number of projects across the capital programme. The annexes to this report provide the detail.

c) -£19.263m of the -£4.723m variance relates to rephasing on a number of projects. The main projects comprising the rephasing are as follows:

Special School Review Phase 2 (EYP) -£23.393m. Rephasing is due to delays at the planning stage on a number of complicated projects. Redesign and reconfigurations have also been necessary due to budget pressures.

Community Learning & Skills Service - Sittingbourne Reprovision (EYP) -£0.482m due to a lack of suitable alternative venues and sites coming forward.

Regional Growth Fund - Expansion East Kent (GET) +£13.293m. This fund is heavily committed and the rephasing relates to expected distributions of grants and loans during the year.

TIGER (GET) +£5.478m. The fund is heavily committed and the rephasing relates to expected distributions of grants and loans during the year.

Sittingbourne Northern Relief Road -£1.934m, East Kent Access Phase 2 -£1.374m and Rushenden Link Road -£0.559m (all GET)-rephasing due to the retendering of the LCA Part 1 works.

Lorry Park (GET) -£1.070m - further options are being explored hence anticipated start date has been delayed.

Thanet Parkway (GET) -£0.500m - rephasing due to delays in the procurement process.

Swale Transfer Station (GET) -£1.280m bridge works only are to be carried out this year.

Westwood Relief Strategy - Poorhole Lane Improvement (GET) -£0.435m - detailed design and procurement have taken longer to complete than anticipated.

Escalate (GET) -£0.311m - the forecast has been adjusted according to current actual and pipeline cases in the year.

Kent Thameside Strategic Transport Programme (GET) -£0.649m. Rephasing on Rathmore Road as work was suspended while awaiting planning consent.

Customer Journey Programme (S&CS) -£0.709m. The Customer Relationship Management System has been rephased until there is greater clarity around the shape and requirements of the Council following Facing The Challenge.

Lowfield Street (SCH&W Adults) -£0.968m rephasing due to delay in the development of the site, undergoing negotiations with the developer on how to proceed.

Broadband (GET) -£1.337m rephasing to reflect programme of scheduled works.

LIVE Margate (GET) -£3.376m rephasing due to KCC endeavouring to acquire some key strategic sites, and it is taking longer than anticipated to finalise these acquisitions.

A28 Chart Road, Ashford (GET) +£0.660m. The scheme has now received planning consent. Spend has been brought forward to cover initial development works and engagement with utilities.

The remaining -£0.317m rephasing comprises a minor rephasing on a number of projects across the capital programme. The annexes to this report provide the detail.

4.4 **Capital budget virements/changes to cash limits**

- Any cash limit changes due to virements are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.
- **Cabinet is asked to approve** further changes to the capital programme cash limits resulting from this round of monitoring, which are identified in the actions column in table 2 of the annex reports. For ease of reference these are all summarised in Appendix 4.

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 days and the recent trend in inflation indices (RPI & CPI) are detailed in **Appendix 1**

5.2 The latest monitoring of Prudential Indicators is detailed in **Appendix 2**

6. REVENUE RESERVES

6.1 The table below reflects the projected impact of the current forecast spend and activity for 2014-15 on our revenue reserves:

Account	Balance at 31/3/14 £m	Projected Balance at 31/3/15 £m	Movement £m
Earmarked Reserves	160.8	131.9	-28.9
General Fund balance	31.7	31.7	-
Schools Reserves *	45.7	46.0	0.3

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

6.2 The reduction of £28.9m in earmarked reserves includes:

	£m
▪ Release of previously earmarked reserves (as approved in the 2014-17 MTFP)	-3.0
▪ Budgeted contribution (incl. continuation of collaborative work with DCs to increase council tax yield)	+4.9
▪ Budgeted drawdown of earmarked reserve to support 2014-15 budget	-4.0
▪ Budgeted drawdown from Kingshill Smoothing reserve	-1.0
▪ Use of rolling budget reserve (2013-14 underspend)	-9.9
▪ Budgeted use of reserves to support essential expenditure following reduction in Adoption Reform	-1.3
▪ Budgeted reinstatement of Emergency Conditions reserve	+1.0
▪ Budgeted phased repayment of sums borrowed from long term reserves in 2011-12	+1.3
▪ Budgeted transfer to rolling budget reserve to reflect anticipated revised phasing of Freedom Pass	+1.5
▪ Planned drawdown of Dedicated Schools Grant reserve	-3.1
▪ Planned drawdown of Corporate Restructure reserve, including costs of Facing the Challenge	-5.8
▪ Transfer to Economic Downturn reserve of uncommitted 2013-14 rolled forward underspend	+4.8
▪ Drawdown of 2013-14 underspend from Public Health reserve	-2.9
▪ Forecast transfer to Public Health reserve of 2014-15 underspend	+0.8
▪ Forecast transfer to/from Dedicated Schools Grant reserve (unbudgeted)	+0.3
▪ Forecast use of NHS Support for Social Care reserve	-4.4
▪ Forecast transfer to Insurance reserve	+0.4
▪ Forecast use of Flood Repairs reserve (severe weather funding)	-2.8
▪ Planned movement in IT Asset Maintenance reserve	-3.2
▪ Planned movement in Kent Drug & Alcohol Service reserve	-2.5
▪ Planned movement in Dilapidations reserve	-2.1
▪ Transfer of Bellwin funds to the Emergency Conditions reserve (see annex 7)	+1.0
▪ Transfer of MRP saving to MRP smoothing reserve within Prudential Equalisation reserve (see annex	+1.5
▪ Impact on rolling budget reserve of current forecast underspend	+2.5
▪ Other forecast movements in earmarked reserves	-2.9
	-28.9

6.3 The increase of £0.3m in the schools reserves is due to:

	£m
▪ An assumed 38 schools converting to academy status this financial year and taking their accumulated reserves with them, together with 1 school closure	-2.8
▪ Transfer to the schools unallocated DSG reserve of £6.657m underspending on Early Years Education as a result of lower than affordable parental demand, offset by £3.585m pressures on high needs education (see annex 1)	+3.1
	+0.3

7. STAFFING LEVELS

7.1 The following table provides a snapshot of the staffing levels by directorate as at 30 September 2014 compared to the numbers as at 1 April 2014 and 30 June 2014 for the new directorate structure, based on active assignments. However, due to the large number of 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 2014 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 represent the movement in staffing numbers from 1 April 2014 to 30 September 2014, however there was also a movement between 31 March 2014 and 1 April 2014 of +57.3 FTEs, of which +99.75 were within schools and -42.45 in non school settings. Between 1 April and 30 September 2014 there has been a reduction of 549.14 FTEs, of which 424.66 FTE were in schools and 124.48 FTEs were in non schools settings. The reduction in schools based staff is mainly as a result of schools converting to academies.

							Difference	
		31 Mar 14	1 Apr 14	30 Jun 14	30 Sep 14	31 Dec 14	31 Mar 15	Number	%
KCC	Assignment count	39,194	39,278	38,690	38,160			-1,118	-2.85%
	Headcount (inc. CRSS)	33,095	33,195	32,604	32,267			-928	-2.80%
	Headcount (excl. CRSS)	29,456	29,522	28,942	28,597			-925	-3.13%
	FTE	**21,769.82**	**21,827.12**	**21,416.29**	**21,277.98**			**-549.14**	**-2.52%**
KCC - Non Schools	Assignment count	11,995	11,904	11,920	11,789			-115	-0.97%
	Headcount (inc. CRSS)	11,061	10,994	10,969	10,881			-113	-1.03%
	Headcount (excl. CRSS)	9,574	9,512	9,498	9,363			-149	-1.57%
	FTE	**8,161.92**	**8,119.47**	**8,089.05**	**7,994.99**			**-124.48**	**-1.53%**
E&YP	Assignment count		2,971	2,974	2,924			-47	-1.58%
	Headcount (inc. CRSS)		2,738	2,707	2,678			-60	-2.19%
	Headcount (excl. CRSS)		1,927	1,921	1,884			-43	-2.23%
	FTE		**1,582.27**	**1,567.23**	**1,534.82**			**-47.45**	**-3.00%**
SCH&W	Assignment count		4,738	4,744	4,644			-94	-1.98%
	Headcount (inc. CRSS)		4,335	4,340	4,259			-76	-1.75%
	Headcount (excl. CRSS)		4,109	4,132	4,039			-70	-1.70%
	FTE		**3,509.59**	**3,527.59**	**3,459.22**			**-50.37**	**-1.44%**
GET	Assignment count		2,366	2,394	2,381			15	0.63%
	Headcount (inc. CRSS)		2,175	2,189	2,179			4	0.18%
	Headcount (excl. CRSS)		1,698	1,686	1,652			-46	-2.71%
	FTE		**1,369.11**	**1,356.50**	**1,339.74**			**-29.37**	**-2.15%**
S&CS	Assignment count		1,829	1,808	1,840			11	0.60%
	Headcount (inc. CRSS)		1,817	1,799	1,831			14	0.77%
	Headcount (excl. CRSS)		1,794	1,777	1,803			9	0.50%
	FTE		**1,658.50**	**1,637.73**	**1,661.21**			**2.71**	**0.16%**
Schools	Assignment count	27,199	27,374	26,770	26,371			-1,003	-3.66%
	Headcount (inc. CRSS)	22,135	22,301	21,727	21,462			-839	-3.76%
	Headcount (excl. CRSS)	19,928	20,056	19,488	19,270			-786	-3.92%
	FTE	**13,607.90**	**13,707.65**	**13,327.24**	**13,282.99**			**-424.66**	**-3.10%**

CRSS = Staff on Casual Relief, Sessional or Supply contracts

See note over page

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

8. CONCLUSIONS

8.1 The overall forecast overspend position, after taking into account the requirements to roll forward, has reduced by £3.196m from +£7.708m to +£4.512m since the July monitoring position provided to Cabinet in October. However, management action of £3.246m is proposed, which is expected to reduce this position to +£1.266m, an improvement of £0.967m since the last report. Whilst this improved position is welcome, the delivery of the proposed management action is by no means certain and there remains three main risk areas, waste tonnage; Young Person's Travel Pass and delivery of the adult social care transformation savings, where it is possible that the overspend may increase. Therefore, despite a further encouraging movement in the right direction this month, we must not be complacent. In summary, the current forecast remains a cause for concern for the following reasons:

1) the potential for adverse movements in the Waste, YPTP and adult social care positions,
2) the risks around full delivery of the £3.246m of management action, and even if achieved:
3) a £1.266m forecast pressure still needs to be resolved, if we are to be in a position to roll forward funds to provide the Kent Support & Assistance Service (KSAS), the Kent Youth Employment Programme (KYEP) and the Vulnerable Learners Assisted Apprenticeships (VLAA) scheme in 2015-16.

If we do not resolve this residual £1.266m underlying pressure before the year end, then roll forward to provide the KSAS, KYEP and VLAA in 2015-16 will not be possible. Considering the further substantial budget savings required to balance the 2015-16 budget, it is essential that we do not enter 2015-16 with an underlying pressure.

8.2 In addition, there are a number of ongoing emerging issues that will need to be addressed in the 2015-18 MTFP and these are highlighted in the annexes to this report and/or in the headlines above.

9. RECOMMENDATIONS

Cabinet is asked to:

i) **Note** the report, including the latest monitoring position on both the revenue and capital budgets.

ii) **Agree** the changes to the capital programme cash limits as detailed in the actions column in table 2 of the annex reports and summarised in Appendix 4.

10. BACKGROUND DOCUMENTS

None

11. CONTACT DETAILS

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APPENDIX 1

FINANCIAL HEALTH INDICATORS

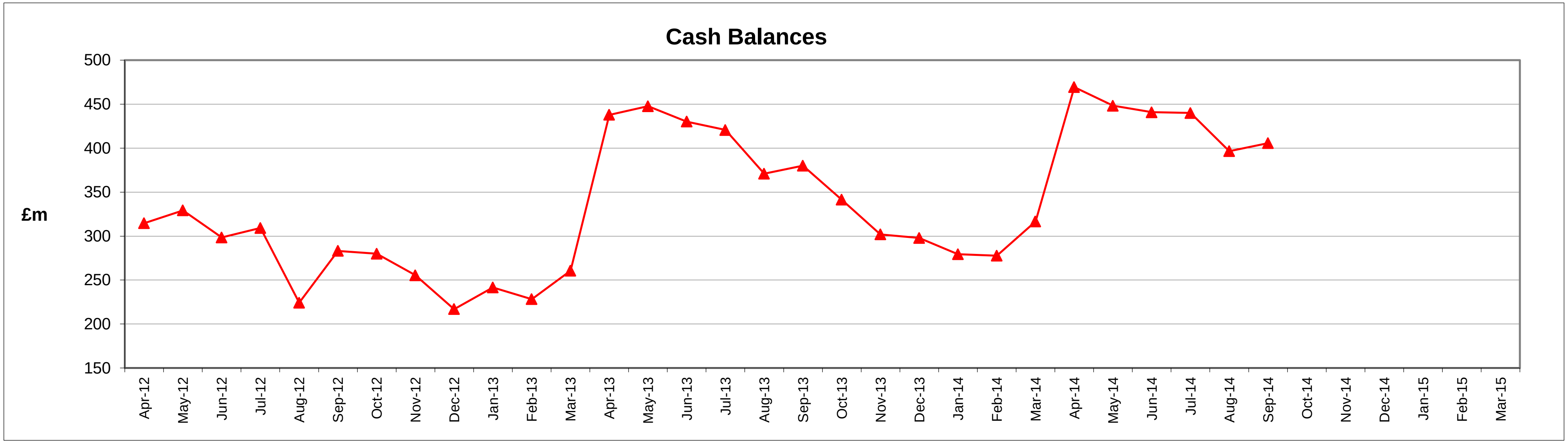
1. CASH BALANCES

The following graph represents the total cash balances under internal management by KCC at the end of each month in £m. This includes principal amounts currently at risk in Icelandic bank deposits (£12.417m), balances of schools in the corporate scheme (£56.15m), 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.

The dip in cash balances in August 2012 reflects the repayment of £55m of maturing PWLB loan, with a further £20m repaid in November 2012.

Central Government Departments (particularly DCLG) are following a similar pattern to last year of front loading revenue grants for 2014-15, where receipts have been heavily weighted towards the beginning of the year (76%) leading to an early peak in managed cash levels. These cash levels are forecast to decline over the course of the year as grant income reduces.

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
2012-13	314.6	329.2	298.4	309.1	224.2	283.1	280.0	255.5	216.9	241.5	228.3	260.7
2013-14	437.8	447.6	430.1	420.7	371.0	380.1	341.3	301.9	297.9	279.3	277.7	316.7
2014-15	469.3	448.2	440.7	439.9	396.6	405.7						



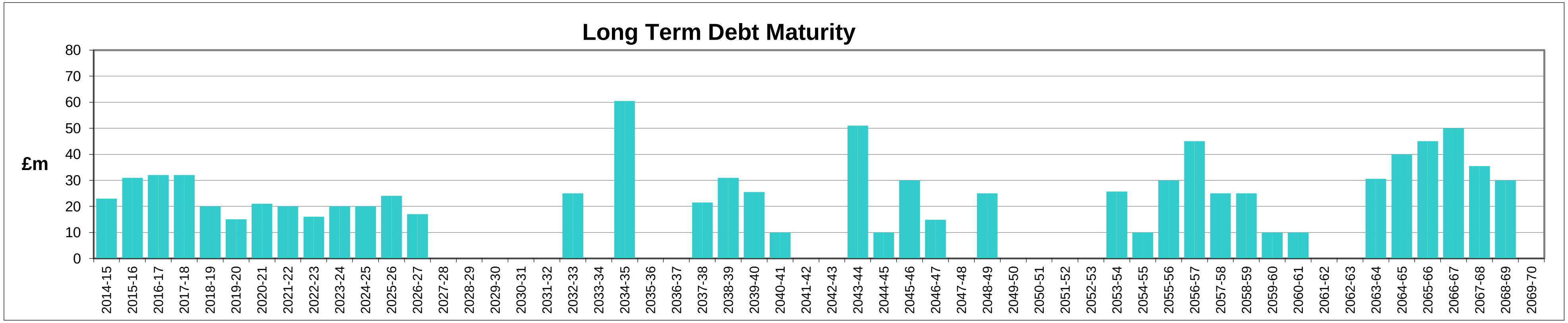
2. LONG TERM MATURITY

The following graph represents the total external debt managed by KCC, and the year in which this is due to mature. This includes £41.405m pre-Local Government Review debt managed on behalf of Medway Council. Also included is pre-1990 debt managed on behalf of the Further Education Funding council (£1.76m) and Magistrates Courts (£0.556m). These bodies make regular payments of principal and interest to KCC to service this debt.

The graph shows total principal repayments due in each financial year. Small maturities indicate repayment of principal for annuity or equal instalment of principal 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 2014-15 is £26.193m, relating to £24.187m of maturity loans, (£2.187m was repaid in August and £22m is to be repaid in February), and £2.006m of equal instalment of principal loans (£0.006m was repaid in August, £1m was repaid in September and £1m is to be repaid in March). Following the repayment of debt in August and September, the remaining outstanding debt still to be repaid this financial year is £23m.

	£m	Year	£m	Year	£m	Year	£m	Year	£m	Year	£m
2014-15	23.000	*2024-25*	20.001	*2034-35*	60.470	*2044-45*	10.000	*2054-55*	10.000	*2064-65*	40.000
2015-16	31.001	*2025-26*	24.001	*2035-36*	0.000	*2045-46*	30.000	*2055-56*	30.000	*2065-66*	45.000
2016-17	32.001	*2026-27*	17.001	*2036-37*	0.000	*2046-47*	14.800	*2056-57*	45.000	*2066-67*	50.000
2017-18	32.001	*2027-28*	0.001	*2037-38*	21.500	*2047-48*	0.000	*2057-58*	25.000	*2067-68*	35.500
2018-19	20.001	*2028-29*	0.001	*2038-39*	31.000	*2048-49*	25.000	*2058-59*	25.000	*2068-69*	30.000
2019-20	15.001	*2029-30*	0.001	*2039-40*	25.500	*2049-50*	0.000	*2059-60*	10.000	*2069-70*	0.000
2020-21	21.001	*2030-31*	0.001	*2040-41*	10.000	*2050-51*	0.000	*2060-61*	10.000		
2021-22	20.001	*2031-32*	0.000	*2041-42*	0.000	*2051-52*	0.000	*2061-62*	0.000		
2022-23	16.001	*2032-33*	25.000	*2042-43*	0.000	*2052-53*	0.000	*2062-63*	0.000		
2023-24	20.001	*2033-34*	0.000	*2043-44*	51.000	*2053-54*	25.700	*2063-64*	30.600	**TOTAL**	**1,007.080**

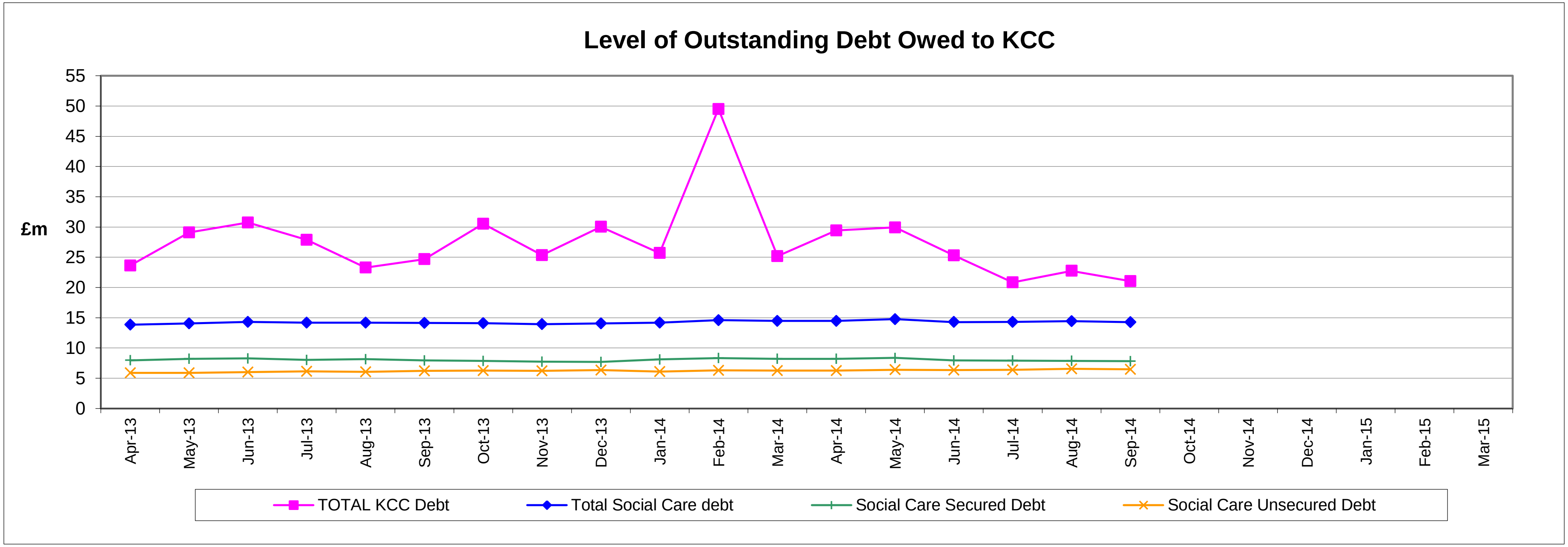


3. OUTSTANDING DEBT OWED TO KCC

The following graph represents the level of outstanding debt due to the authority, which has exceeded its payment term of 30 days. The main element of this relates to Adult Social Services and this is also identified separately, together with a split of how much of the Social Care debt is secured (i.e. by a legal charge on the clients' property) and how much is unsecured.

	Social Care Secured Debt £m	Social Care Unsecured Debt £m	Total Social Care Debt £m	SCH&W Sundry Debt £m	**TOTAL SCH&W Debt £m**	All other Directorates Debt £m	**TOTAL KCC Debt £m**
Apr 13	7.969	5.895	13.864	4.995	**18.859**	4.771	**23.630**
May 13	8.197	5.879	14.076	5.713	**19.789**	9.331	**29.120**
Jun 13	8.277	6.017	14.294	7.662	**21.956**	8.787	**30.743**
Jul 13	8.015	6.153	14.168	6.978	**21.146**	6.746	**27.892**
Aug 13	8.141	6.063	14.204	5.116	**19.320**	3.960	**23.280**
Sep 13	7.931	6.205	14.136	5.814	**19.950**	4.746	**24.696**
Oct 13	7.867	6.246	14.113	7.533	**21.646**	8.870	**30.516**
Nov 13	7.728	6.219	13.947	7.524	**21.471**	3.865	**25.336**
Dec 13	7.694	6.350	14.044	10.436	**24.480**	5.553	**30.033**
Jan 14	8.103	6.091	14.194	6.685	**20.879**	4.820	**25.699**
Feb 14	8.321	6.289	14.610	31.278	**45.888**	3.633	**49.521**
Mar 14	8.213	6.272	14.485	7.753	**22.238**	2.927	**25.165**
Apr 14	8.220	6.270	14.490	8.884	**23.374**	6.060	**29.434**
May 14	8.353	6.402	14.755	8.899	**23.654**	6.276	**29.930**
Jun 14	7.944	6.346	14.290	7.289	**21.579**	3.733	**25.312**
Jul 14	7.927	6.389	14.316	2.187	**16.503**	4.337	**20.840**
Aug 14	7.882	6.549	14.431	3.707	**18.138**	4.616	**22.754**
Sep 14	7.805	6.465	14.270	2.849	**17.119**	3.919	**21.038**
Oct 14			0.000		**0.000**		**0.000**
Nov 14			0.000		**0.000**		**0.000**
Dec 14			0.000		**0.000**		**0.000**
Jan 15			0.000		**0.000**		**0.000**
Feb 15			0.000		**0.000**		**0.000**
Mar 15			0.000		**0.000**		**0.000**

APPENDIX 1



Level of Outstanding Debt Owed to KCC
£m
55
50
45
40
35
30
25
20
15
10
5
0
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
TOTAL KCC Debt
Total Social Care debt
Social Care Secured Debt
Social Care Unsecured Debt

4. PERCENTAGE OF PAYMENTS MADE WITHIN THE PAYMENT TERMS

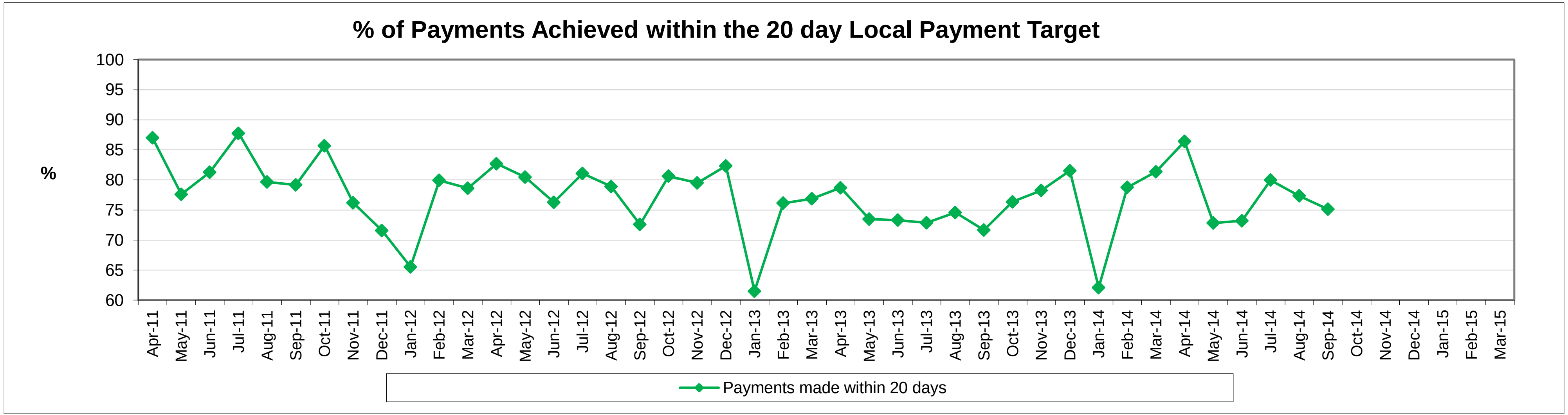
The following graph represents the percentage of payments made within the payments terms – the national target for this is 30 days, however from January 2009, we have set a local target of 20 days in order to help assist the cash flow of local businesses during the recent tough economic conditions. We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

	2011-12 %	2012-13 %	2013-14 %	2014-15 %
Apr	87.0	82.7	78.7	86.4
May	77.6	80.5	73.5	72.9 *
Jun	81.3	76.3	73.3	73.2 *
Jul	87.7	81.1	72.9	80.0
Aug	79.7	78.9	74.6	77.3
Sep	79.2	72.6	71.7	75.1
Oct	85.7	80.6	76.4	
Nov	76.2	79.5	78.2	
Dec	71.6	82.3	81.5	
Jan	65.5	61.5	62.1	
Feb	79.9	76.1	78.8	
Mar	78.6	76.9	81.4	

The percentages achieved for January each year are consistently lower than other months due to the Christmas/New Year break. This position was exacerbated in 2012-13 due to snow. The 2014-15 year to date figure for invoices paid within 20 days is 77.7%. This compares to overall performance in previous years as follows:

	20 days %
2011-12	79.2
2012-13	77.3
2013-14	75.3
2014-15 to date	77.7

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

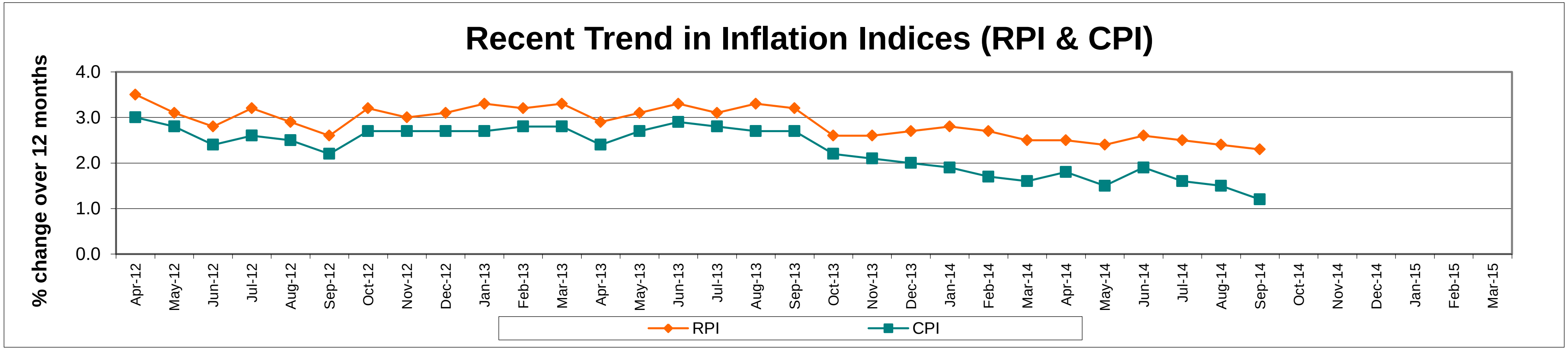


5. RECENT TREND IN INFLATION INDICIES (RPI & CPI)

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

Percentage Change over 12 months

	2012-13		2013-14		2014-15	
	RPI %	CPI %	RPI %	CPI %	RPI %	CPI %
Apr	3.5	3.0	2.9	2.4	2.5	1.8
May	3.1	2.8	3.1	2.7	2.4	1.5
Jun	2.8	2.4	3.3	2.9	2.6	1.9
Jul	3.2	2.6	3.1	2.8	2.5	1.6
Aug	2.9	2.5	3.3	2.7	2.4	1.5
Sep	2.6	2.2	3.2	2.7	2.3	1.2
Oct	3.2	2.7	2.6	2.2		
Nov	3.0	2.7	2.6	2.1		
Dec	3.1	2.7	2.7	2.0		
Jan	3.3	2.7	2.8	1.9		
Feb	3.2	2.8	2.7	1.7		
Mar	3.3	2.8	2.5	1.6		



APPENDIX 2

2014-15 QUARTER 2 MONITORING OF PRUDENTIAL INDICATORS

1. Estimate of Capital Expenditure (excluding PFI)

Actuals 2013-14	£219.458m
Original estimate 2014-15	£270.967m
Revised estimate 2014-15	£320.878m

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

	2013-14 Actual	2014-15 Original Estimate	2014-15 Forecast as at 30-9-14	2015-16 Forecast as at 30-9-14	2016-17 Forecast as at 30-9-14
	£m	£m	£m	£m	£m
Capital Financing requirement	1,435.263	1,437.960	1,398.508	1,379.677	1,321.485
Annual increase/reduction in underlying need to borrow	-29.697	-27.001	-36.755	-18.831	-58.192

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

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

Actuals 2013-14	13.62%
Original estimate 2014-15	14.04%
Revised estimate 2014-15	13.54%

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 2014-15.

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

	Prudential Indicator	Position as at 30.09.14
	£m	£m
Borrowing	993	966
Other Long Term Liabilities	261	254
	1,254	1,220

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 30.09.14
	£m	£m
Borrowing	1,038	1,007
Other Long Term Liabilities	261	254
	1,299	1,261

5. Authorised Limit for External Debt

The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2014-15 are:

	Authorised limit for debt relating to KCC assets and activities	Position as at 30.09.14	Authorised limit for total debt managed by KCC	Position as at 30.09.14
	£m	£m	£m	£m
Borrowing	1,033	966	1,078	1,010
Other long term liabilities	261	254	261	254
	1,294	1,220	1,339	1,264

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

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

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

The Council has determined the following upper limits for 2014-15

Fixed interest rate exposure	100%
Variable rate exposure	40%

These limits have been complied with in 2014-15

8. Upper limits for maturity structure of borrowings

	Upper limit	Lower limit	As at 30.09.14
	%	%	%
Upper 12 months	10	0	2.28
12 months and within 24 months	10	0	6.25
24 months and within 5 years	15	0	6.65
5 years and within 10 years	15	0	9.63
10 years and within 20 years	20	5	12.6
20 years and within 30 years	20	5	14.8
30 years and within 40 years	25	10	10.48
40 years and within 50 years	25	10	21.41
50 years and within 60 years	30	10	15.94

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

Indicator	£175.0m
Actual	£67.1m

APPENDIX 3

2014-15 SEPTEMBER SUMMARY OF THE PROPOSED MANAGEMENT ACTION

	Outstanding management action £'000
SCH&W	
Specialist Children's Services (SCS)	
Net reduction in cost of fostering (including IFAs to in-house)	-100
Adoption	-550
Leaving Care	-75
Staffing - Agency and Non Social Work	-475
Sub Total - SCS	-1,200
Adults Social Care	
OPPD - Recruit to staff vacancies in order to accelerate the transformation programme which in turn will deliver savings against the current forecast	-1,338
LDMH - Review of all current activities and jointly funded arrangements	-708
Sub Total - Adults Social Care	-2,046
Sub Total SCH&W (Children's and Adults)	-3,246
KCC TOTAL	**-3,246**

2014-15 SEPTEMBER SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

Directorate	Project	2014-15	2015-16	2016-17	Funding	Description
		£'000	£'000	£'000		
Cash limit change due to revised external/grant funding availability/previous decisions:						
EYP	Wilmington Enterprise College	200			Grant	Adjustment to budget required to reflect funding available for this scheme.
Cash limit change to cover overspends elsewhere in the capital programme:						
GET	Integrated Transport Schemes	-270			Grant	4 schemes now to be delivered through Public Rights of Way (PROW) - request movement of grant to cover spend now in PROW.
GET	Public Rights of Way	270			Grant	Funded from Integrated Transport Schemes
GET	Member Highway Fund	-40			Grant	To contribute to projects in Highway Major Maintenance and Integrated Transport.
GET	Highway Major Maintenance	20			Grant	To be funded from Member Highway Fund.
GET	Integrated Transport Schemes	20			Grant	To be funded from Member Highway Fund.
Other cash limit changes:						
EYP	Integrated Youth Service - Youth Hub Reprovision	100			Revenue	Original project costings were understated.

EDUCATION AND YOUNG PEOPLE'S SERVICES DIRECTORATE
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (excl Schools) (£k)	+84,066	-2,327	-	-2,327
Schools (£k)	-	+2,777	-	+2,777
Directorate Total (£k)	**+84,066**	**+450**	**-**	**+450**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Education & Young People's Services							
Delegated Budget:							
Schools & Pupil Referral Units Delegated Budgets	696,611.9	-696,611.9	0.0	+2,777	+2,777	Drawdown from school reserves for 38 expected academy converters	
TOTAL DELEGATED	696,611.9	-696,611.9	0.0	+2,777			
Non Delegated Budget:							
E&YP Strategic Management & directorate support budgets	7,153.1	-9,158.0	-2,004.9	+1,492	+1,922	Savings target relating to Early Help & Preventative Services Division was held here pending agreement on how this would be delivered; offsetting savings are now reflected in the Early Intervention & Prevention and Children's Centres A-Z lines below.	The offsetting savings are expected to be ongoing and therefore budget realignment between A-Z lines required in 15-16 MTFP
					-347	Underspend on legal fees	This saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
					-143	*DSG variance - EYP directorate wide supplies & services*	
					+60	Other minor variances	

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Children's Services - Children in Need							
- Children's Centres	14,427.9	-1,576.5	12,851.4	-2,920	-2,434	Savings from vacancies linked to the service restructure	Part of this saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
					-456	Underspend on non staffing budgets across the 17 children's centre hubs	
					-30	Other minor variances	
- Preventative Services	5,442.9	-1,331.0	4,111.9	+376	+333	Commissioned services contracts which were due to cease part way through the year to achieve savings targets but have been extended for a further six months	
					+43	Other minor variances	
	19,870.8	-2,907.5	16,963.3	-2,544			
Children's Services - Education & Personal							
- 14 - 19 year olds	3,937.1	-1,032.3	2,904.8	-922	-961	Kent Youth Employment programme placements: £210k of this underspend will need to roll forward to fund our legal obligation to continue with the current placements. If required, the remaining £751k of the underspend could be used to help towards achieving an overall balanced outturn position for the authority as a whole, but this would mean that no further placements can be made.	
					-60	Assisted Apprenticeships - a roll forward will be requested for this to cover placements in 2015-16 for the most vulnerable of young people	
					+195	Kent Science Resource centre - due mainly to increased property costs as the centre moves buildings	
					-96	Other minor variances	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Attendance & Behaviour	3,398.2	-2,620.9	777.3	-15	-235	Increased penalty notice income from pupils being absent from school *(includes a DSG variance of -£126k)*	This saving reflects the DfE changes to regulations, removing discretion from Headteachers to allow 10 days absence and will be reflected in the 2015-18 MTFP, pending any further changes in the regulations
					+261	Kent Integrated Adolescent Support Service (KIASS) Education Welfare staffing pressure *(includes a DSG variance of +£193k)*	
					-130	*DSG variance - underspend on Individual Tuition*	
					+89	Other minor variances	
- Early Intervention & Prevention	2,471.8	0.0	2,471.8	-263	-500	Planned underspend to contribute towards the savings target held in Strategic Management & Directorate support above	
					+280	ICT costs of single view technology to provide a platform to capture integrated children and families information from existing EYP systems and the new Early Help Module	
					-43	Other minor variances	
- Early Years & Childcare	6,725.2	-4,673.2	2,052.0	+331	+65	Staff vacancies and associated non staff underspend for the Early Years restructured services offset by a one off staffing overspend for the pre restructured service *(includes a DSG variance of +£56k)*	
					+247	Under recovery of Early Years training income	
					+19	Other minor variances	

Budget Book Heading	Cash Limit Gross	Income	Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Early Years Education	61,760.4	-61,760.4	0.0	-6,657	*-6,000*	*Schools Unallocated DSG variance - parental demand for two year old places less than affordable levels*	
					-657	*Schools Unallocated DSG variance - forecast parental demand for 3 & 4 year old places lower than affordable*	
- Education Psychology Service	2,920.3	-600.0	2,320.3	-192	-180	Traded income from schools for non statutory psychology services	This saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
					-12	Other minor variances	
- Individual Learner Support	8,202.9	-7,335.1	867.8	-314	-177	Former Head of Service and support staffing underspend due to vacancies held pending the restructure and general non staffing underspend *(includes a DSG variance of -£119k)*	
					-88	Portage service non staffing underspend *(includes a DSG variance of -£61k)*	
					-49	Other minor variances	
- Statemented Pupils	4,309.8	-4,309.8	0.0	+221	*+256*	*DSG variance - Increase in Severe Complex Accessibility Funding (SCAF) agreements for nursery pupils due to increased responsibility for 1 to 1 support*	
					-35	Other minor variances	
- Youth Service	7,988.4	-2,455.8	5,532.6	+160	+160	Other minor variances	
- Youth Offending Service	5,463.3	-2,441.9	3,021.4	-288	-255	Underspend on KIASS district budgets due mainly to staff vacancies	
					-33	Other minor variances	
	107,177.4	-87,229.4	19,948.0	-7,939			
Children's Services - Other Children's							
- Safeguarding	507.5	-150.0	357.5	-15			

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Community Services							
- Community Learning & Skills (CLS)	13,190.6	-14,319.3	-1,128.7	+36	+150 -114	Property related costs Other minor variances each less than £100k in value	
- Supporting Employment	1,056.2	-335.0	721.2	-40			
- Troubled Families Programme	4,705.0	-4,347.1	357.9	0			
	18,951.8	-19,001.4	-49.6	-4			
Housing Related Support for Vulnerable People (Supporting People)							
- Young People	3,968.9	0.0	3,968.9	-291	-291	Contract variations & efficiencies	
School & High Needs Education Budgets							
- Exclusion Services	2,082.4	-2,082.4	0.0	0			
- High Needs Further Education Colleges - Post 16 year olds	1,951.0	-1,951.0	0.0	0			
- High Needs Independent Sector Providers - Post 16 year olds	3,155.0	-3,155.0	0.0	+1,437	*+1,437*	*Schools Unallocated DSG variance - increase in costs of independent sector places for post 16 students*	*This pressure is expected to be ongoing and will be reflected in the 2015-18 MTFP*
- High Needs Independent Special School placements	17,686.0	-17,686.0	0.0	+1,609	*+1,609*	*Schools Unallocated DSG variance - increase in costs of independent special school places*	*This pressure is expected to be ongoing and will be reflected in the 2015-18 MTFP*
- PFI Schools Scheme	23,810.0	-23,810.0	0.0	0			
	48,684.4	-48,684.4	0.0	+3,046			
Schools Services:							
- High Needs Pupils - Recoupment	905.9	-905.9	0.0	+539	*+595* *-56*	*Schools Unallocated DSG variance - increase in costs of Kent children with high needs receiving education in other local authority schools* *Schools Unallocated DSG variance - Other minor variances*	

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Other Schools Services	6,794.5	-6,900.7	-106.2	+546	+322	Work in excess of capital maintenance funding including asbestos +265k (due to changes in the methods of dealing with asbestos), planned maintenance +£250k (due to the phasing of work within the 3 year programme) and legionella and condition surveys -£193k	
					+212	*DSG variance - Pressure on mobile classrooms budget to fulfil basic need*	
					+12	Other minor variances	
- Redundancy Costs	1,188.7	-1,188.7	0.0	0			
- School Improvement	10,566.7	-7,429.4	3,137.3	+310	+694	Shortfall against budgeted surplus for training & development	
					+149	Shortfall against budgeted surplus for governor training services	
					-158	Increased surplus for other traded services (Clerking and Improving Together Network)	
					-220	*DSG variance - Underspend on DSG school improvement collaboration programme which will continue into the summer term*	
					-155	Other minor variances each less than £100k in value	
- Schools Staff Services	2,644.0	-2,541.0	103.0	-68			
- Teachers & Education Staff Pension Costs	8,328.0	-2,684.0	5,644.0	-481	-481	Reduced annual capitalisation costs of pensions	
	30,427.8	-21,649.7	8,778.1	+846			

ANNEX 1

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Transport Services							
- Home to College Transport & Kent 16+ Travel Card	3,913.7	-1,988.0	1,925.7	-387	-192	Reduction in demand for home to college transport for SEN students	This saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
					-148	Reduced costs for the 16+ card due to reduced journey usage during the summer term	
					+431	Forecast increased costs of journeys for the autumn and spring terms due to an increase in pass take up	
					-492	Forecast increased income for the autumn and spring terms due to an increase in pass take up	
					+14	Other minor variances	
- Mainstream HTST	10,542.3	-20.0	10,522.3	-1,164	-1,164	Fewer than budgeted numbers of pupils travelling and cost per head reducing as more transport is arranged using public transport rather than hired vehicles	This saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
- SEN HTST	18,972.5	-425.0	18,547.5	+1,777	+2,055	Higher than budgeted numbers of pupils travelling with overall costs influenced by other factors such as distance and type of travel	This pressure is expected to be ongoing and will be reflected in the 2015-18 MTFP
					+101	Costs of the new Independent Travel Trainers service to enable some pupils currently in receipt of SEN transport to travel to school using public transport	These pressures are ongoing and a realignment of SEN HTST budget between transport costs, personal transport & independent travel trainers service will need to be reflected in the 2015-18 MTFP
					+98	Increased pressure on Personal Transport budgets awarded to pupils where the cost of this scheme is lower than providing transport	
					-477	Recoupment income for transport provided for other local authority pupils with special needs attending Kent schools	This saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
	33,428.5	-2,433.0	30,995.5	+226			

ANNEX 1

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
<u>Assessment Services</u>							
- Assessment & Support of Children with Special Education Needs	9,834.0	-7,475.2	2,358.8	-182	-124	Staff vacancies *(includes a DSG variance of -£83k)*	
					-58	Other minor variances	
- Children's Social Care Staffing	6,026.5	-3,276.6	2,749.9	-340	-287	KIASS social work assistant staff vacancies *(includes a DSG variance of -£165k)*	
					-53	Other minor variances	
	15,860.5	-10,751.8	5,108.7	-522			
<u>Support to Frontline Services</u> - Human Resources	0.0	0.0	0.0	0			
TOTAL NON DELEGATED	286,030.7	-201,965.2	84,065.5	-5,705			
- *Transfer to(+)/from(-) DSG reserves*				*+3,378*		***Net transfer to the Schools Unallocated DSG reserve to offset:***	
					+6,657	*DSG underspend of -£6,657k on Early Years Education*	
					-3,585	*DSG variances of +£3,585k on High Needs Education & Recoupment*	
						Net transfer to the Central DSG reserve to offset:	
					+330	*DSG variances of -£330k explained above*	
					-24	*A number of other smaller DSG variances totalling +£24k*	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
TOTAL NON DELEGATED after transfer to / from DSG reserve	286,030.7	-201,965.2	84,065.5	-2,327		Roll forward of £210k is required to fund the continuation of current placements under the Kent Youth Employment Programme, and if possible roll forward of the remaining £811k underspend against this programme and the Assisted Apprentices programme is required for the schemes to continue into 2015-16. However an underspending position for the Authority as a whole will need to be achieved before this can be considered alongside all other competing roll forward priorities. The adjusted position for EYP after allowing for this roll forward is an underspend of -£1,306k.	
Total E&YPS	**982,642.6**	**-898,577.1**	**84,065.5**	**+450**			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

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

	2011-12	2012-13	2013-14	2014-15
	as at 31-3-12	as at 31-3-13	as at 31-3-14	projection
Total number of schools	497	463	449	408
Total value of school reserves	£59,088k	£48,124k	£45,730k	£46,025k
Number of deficit schools	7	8	18	9
Total value of deficits	£833k	£364k	£2,017k	£3,640k

Comments:

- The information on deficit schools for 2014-15 has been obtained from the schools 3 year plans completed in spring/early summer 2014 and show 9 schools predicting a deficit at the end of year 1. The Local Authority receives updates from schools through budget monitoring returns from all schools after 6 months, and 9 months as well as an outturn report at year end but these only include information relating to the current year. Schools' Financial Services have been working with these 9 schools to reduce the risk of a deficit in 2014-15 and with the aim of returning the schools to a balanced budget position as soon as possible. This involves agreeing a management action plan with each school.
- KCC has a “no deficit” policy for schools, which means that schools cannot plan for a deficit budget at the start of the year. Unplanned deficits will need to be addressed in the following year’s budget plan, and schools that incur unplanned deficits in successive years will be subject to intervention by the Local Authority.
- The total number of schools is based on the assumption that 38 schools (including 2 secondary schools and 36 primary schools) will convert to academies before the 31st March 2015. In addition, 4 schools are amalgamating to form 2 new schools and 1 school is closing.
- The value of schools reserves is forecast to increase by £295k this financial year. This movement includes a net increase in the schools unallocated DSG reserve of £3,072k due to an underspend on the Early Years Education budget of £6,657k, offset by a pressure on high needs education of £3,585k. In addition, a drawdown of £2,777k is forecast against schools reserves, which assumes that 38 schools convert to academy status by 31 March. The value of school reserves are very difficult to predict at this stage in the year and further updates will be provided in future monitoring reports once we have collated the six month monitoring returns from LA maintained schools.

2.2 Number of children receiving assisted SEN and Mainstream transport to schools

	2012-13				2013-14				2014-15			
	SEN		Mainstream		SEN		Mainstream		SEN		Mainstream	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr	3,993	4,055	17,342	16,757	3,934	4,145	14,667	14,119	3,808	4,051	12,493	11,400
May	3,993	4,064	17,342	16,788	3,934	4,172	14,667	14,119	3,808	4,056	12,493	11,436
Jun	3,993	4,099	17,342	16,741	3,934	4,206	14,667	14,106	3,808	4,073	12,493	11,468
Jul	3,993	4,106	17,342	16,695	3,934	4,167	14,667	14,093	3,808	4,041	12,493	11,307
Aug	0	0	0	0	0	0	0	0	0	0	0	0
Sep	3,993	3,975	17,342	13,698	3,934	3,761	14,667	10,300	3,808	3,725	12,493	8,969
Oct	3,993	4,009	17,342	13,844	3,934	3,981	14,667	11,258	3,808	3,785	12,493	9,123
Nov	3,993	4,068	17,342	13,925	3,934	4,010	14,667	11,267	3,808	0	12,493	0
Dec	3,993	4,107	17,342	13,960	3,934	4,021	14,667	11,296	3,808	0	12,493	0
Jan	3,993	4,139	17,342	13,985	3,934	4,037	14,667	11,314	3,808	0	12,493	0
Feb	3,993	4,146	17,342	14,029	3,934	4,086	14,667	11,368	3,808	0	12,493	0
Mar	3,993	4,157	17,342	14,051	3,934	4,041	14,667	11,375	3,808	0	12,493	0

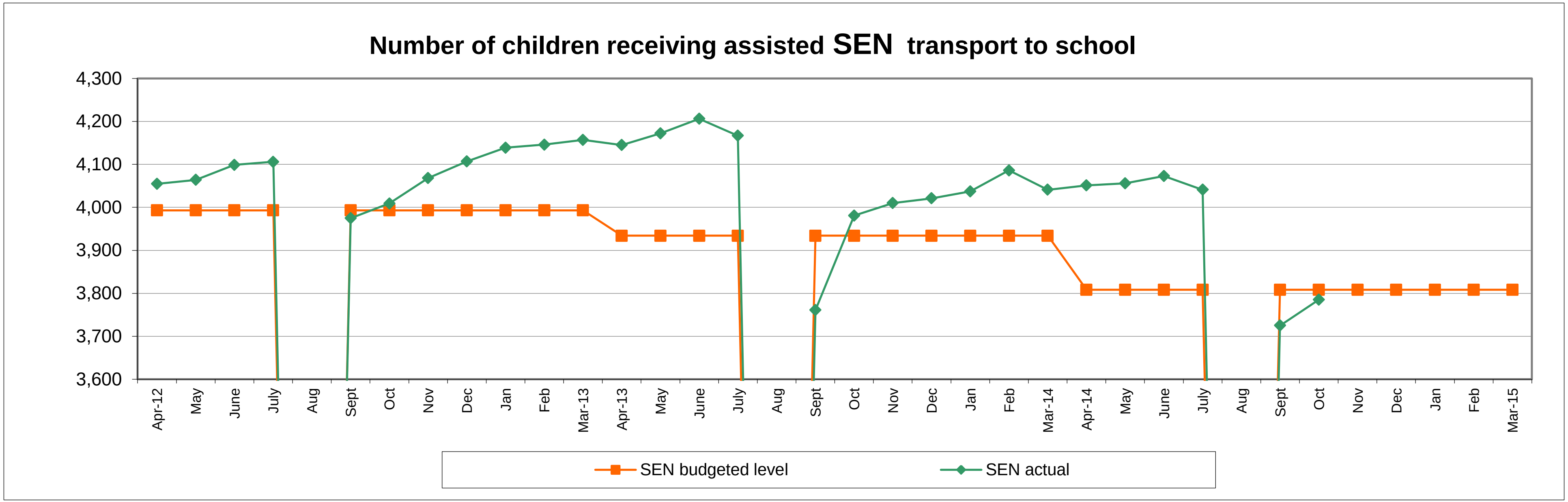
Comments:

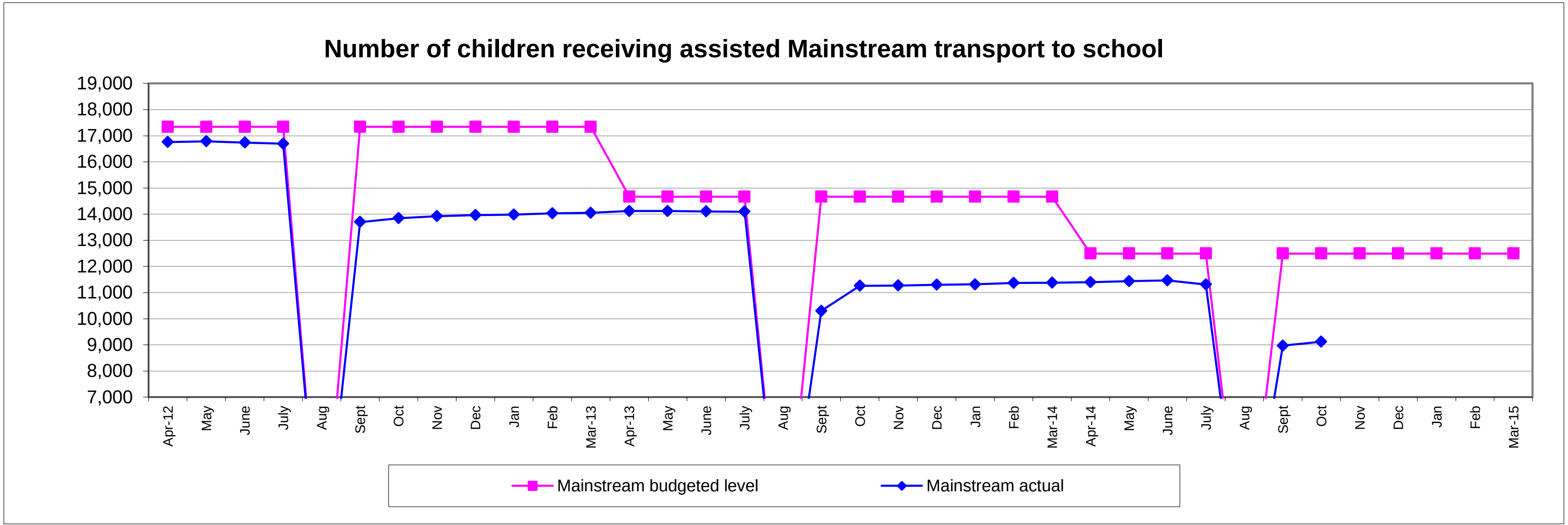
SEN HTST

- The number of children travelling was higher than the budgeted level for the summer term and although numbers have reduced at the start of the autumn term they are likely to increase as the term develops. There are a number of other factors which contribute to the overall cost of the provision of transport such as distance travelled and type of travel.
- Recent changes in the commissioning of SEN transport, where some special schools & PRUs are given an allocation to provide their own transport, mean that these journeys are not included within the numbers travelling from September 2014.
- A pressure of +£2,055k is therefore reported in table 1 relating to this activity, which is offset by £477k recoupment income from other Local Authorities for transport of their pupils to Kent schools.

Mainstream HTST

- The number of children receiving transport is lower than the budgeted level, therefore an underspend of -£1,164k is reported in table 1. During the 2014/15 academic year the secondary aged population is at its lowest and will begin to increase as the rise in the birth rate moves through the primary sector into the secondary sector in future years.

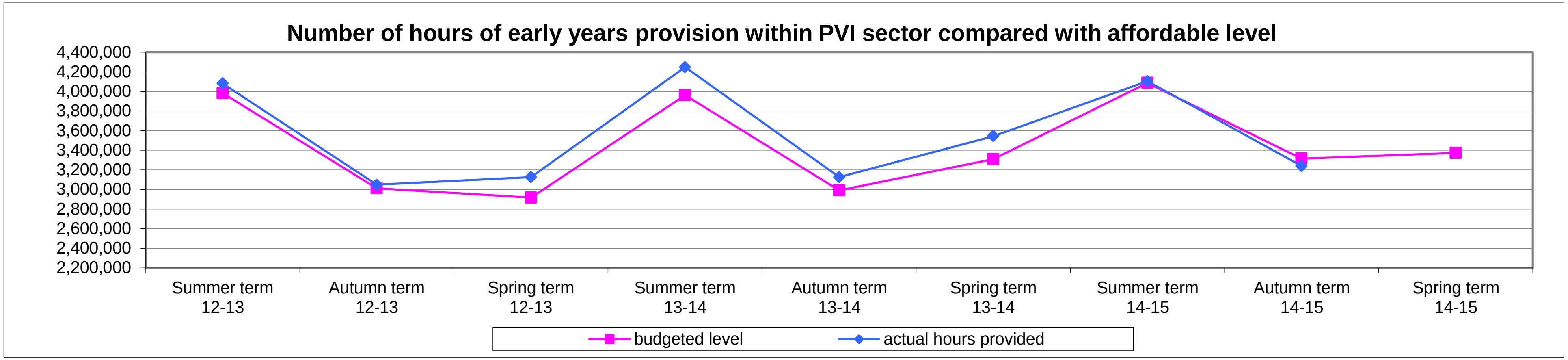

Number of children receiving assisted SEN transport to school
4,300
4,200
4,100
4,000
3,900
3,800
3,700
3,600
Apr-12 May June July Aug Sept Oct Nov Dec Jan Feb Mar-13 Apr-13 May June July Aug Sept Oct Nov Dec Jan Feb Mar-14 Apr-14 May June July Aug Sept Oct Nov Dec Jan Feb Mar-15
SEN budgeted level
SEN actual


Number of children receiving assisted Mainstream transport to school
19,000
18,000
17,000
16,000
15,000
14,000
13,000
12,000
11,000
10,000
9,000
8,000
7,000
Apr-12 May June July Aug Sept Oct Nov Dec Jan Feb Mar-13 Apr-13 May June July Aug Sept Oct Nov Dec Jan Feb Mar-14 Apr-14 May June July Aug Sept Oct Nov Dec Jan Feb Mar-15
Mainstream budgeted level
Mainstream actual

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:

	2012-13		2013-14		2014-15	
	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided	Budgeted number of hours	Actual hours provided *
Summer term	3,982,605	4,082,870	3,961,155	4,247,461	4,087,898	4,104,172
Autumn term	3,012,602	3,048,035	2,990,107	3,126,084	3,315,075	3,238,974
Spring term	2,917,560	3,125,343	3,310,417	3,543,567	3,373,424	
TOTAL	**9,912,767**	**10,256,248**	**10,261,679**	**10,917,112**	**10,776,397**	**7,343,146**

* The figures for actual hours provided are constantly reviewed and updated, so will always be subject to change



Comments:

- The budgeted number of hours per term is based on an assumed level of take-up and the assumed number of weeks the providers are open. The variation between the terms is due to two reasons: firstly, the movement of 4 year olds at the start of the Autumn term into reception year in mainstream schools; and secondly, the terms do not have the same number of weeks. The forecast number of hours of early years provision for 3 & 4 year olds is 10,619,219 which is over 157,000 hours less than budgeted.
- Since the last report, the Dedicated School Grant has been adjusted to reflect January 2014 pupil numbers and the affordable number of hours has been uplifted accordingly. Actual hours are less than budgeted, hence an underspend of -£657k is forecast in table 1. As this budget is entirely funded from DSG, any surplus or deficit at the year end must be carried forward to the next financial year in accordance with the regulations and cannot be used to offset over or underspending elsewhere within the directorate budget, therefore any pressure or saving will be transferred to the schools unallocated 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.

3. CAPITAL

3.1 The Education and Young People's Services Directorate has a working budget (excluding schools) for 2014-15 of £143,687k. The forecast outturn against the 2014-15 budget is £132,907k giving a variance of -£10,780k.

3.2 Table 1 below details the Education and Young People's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Annual Planned Enhancement Programme	24,000	12,073	-607	-857	Real underspend - grant	Underspend to be used to fund additional costs at St Johns/Kingsmead.	Green		
				250	Real overspend - grant	Overspend relates to additional works at Minster Primary.			
Devolved Formula Capital Grants for Pupil Referral Units (PRUs)	329	1,759	0				Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Individual Projects									
Basic Need Schemes - to provide additional pupil places:									
Basic Need Programme 2013-15	70,037	51,077	12,351	12,351	£3,901k Real - dev cons £381k Real - prudential £8,069k Real - funding to be determined	£3,901k to be funded from expected developer contributions relating to Knights Park. The remaining £8,450k overspend reflects an ongoing pressure against the basic need programme, of which £375k can be funded from the underspend on Goat Lees, £6k to be funded from the underspend on Unit Review and the remaining £8,069k which will be reviewed in detail during the budget setting process. The overspend includes £2,360k pressure from construction inflation, which was previously reported as a separate line.	Amber		
Basic Need Allocations 2015-16 and 2016-17	27,449						Amber	Significant pressures are being forecast against the future years Basic Need programme.	

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Goat Lees Primary School, Ashford	13	711	-375	-375	Real - prudential	Underspend to be used to fund pressure on the Basic Need programme.	Green		
Repton Park Primary School, Ashford		139					Green		
Modernisation Programme - Improving and upgrading school buildings including removal of temporary classrooms:									
Modernisation Programme - Future Years	4,000	1,969	-250	-250	Real - grant	Underspend to be used to fund additional costs on the Annual Planned Enhancement Programme.	Green		
St Johns / Kingsmead Primary School, Canterbury	1,112	1,349	857	857	Real - grant	Overspend due to additional window and roof works, to be funded from the Annual Planned Enhancement Programme.	Amber		
Special Schools Review - major projects supporting the special schools review:									
Special Schools Review phase 1	0	670					Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Special Schools Review phase 2	56,220	33,706	-22,693	700	Real - £120k supported borrowing, remaining £580k funding to be determined	Latest forecast costs predict an overspend on this programme, which will be reviewed in detail during the budget setting process. £120k to be funded from underspend on BSF Unit Costs.	Amber	Across the three year programme, there is a total £7,060k forecast overspend, £6,940k of which is unfunded and will be reviewed during the budget setting process. The overspend includes £1,000k relating to construction inflation which was previously reported as a separate line.	
				-23,393	Rephasing	Rephasing is due to delays at the planning stage on a number of complicated projects. Redesign and reconfiguration has also been necessary due to budget pressures.			
The Wyvern School, Ashford (Buxford Site)		6					Green		
Primary Improvement Programme		0	36	36	Real - prudential	Overspend to be funded from Unit Review.	Green		
Specialist Schools	185	325					Green		
Academy Projects:									
Astor of Hever (St Augustine's Academy), Maidstone	1,286	1,691	500	500	Real - grant £336k & supported borrowing £164k	Asbestos claim to be funded from underspend on BSF Unit Costs.	Amber		
Dover Christ Church	9,619	7,425					Green		
The Duke of York's Royal Military School	4,922	4,778					Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Isle of Sheppey Academy	200						Green		
The John Wallis C of E Academy	2,146	2,869					Green		
Knowle Academy Sevenoaks	2,767	3,860					Green		
Wilmington Enterprise College	376	230	200	200	Real - grant	Budget requires adjustment to reflect grant available for this project.	Green		Increase cash limit by £200k grant (Academies)
Skinners Academy			265	265	Real - grant	Additional works in exchange for a piece of land from the school.	Amber		
Academy Unit Costs		511					Green		
BSF Wave 3 Build Costs		834					Green		
BSF Unit Costs		623	-620	-620	Real - grant -£336k & supported borrowing - £284k	£500k underspend to be used to fund asbestos claim at Astor of Hever. £120k underspend to be used to fund costs within SSR.	Green		
Other Projects:									
Canterbury Family Centre		37					Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Community Learning and Skills Service - Sittingbourne Reprovision	482	482	-482	-482	Rephasing	Lack of suitable alternative venues and sites coming forward has led to delays in the reprovision despite best endeavours.	Green		
Community Learning and Skills Service - Sevenoaks Reprovision	1,000	50	-50	-50	Rephasing		Green		
Free School Meals Capital Money	2,777	2,777					Green		
Integrated Youth Service - Youth Hub Reprovision	948	981	100	100	Real - Revenue	Original project costings were understated.	Green		Increase cash limit by £100k revenue
Nursery Provision for Two Year Olds	2,368	2,375					Green		
One-off Schools Revenue to Capital		421					Green		
Platt CEPS		85					Green		
Schools Self Funded projects - Quarryfield /Aldington Eco Centre		11					Green		
Sevenoaks Grammar Schools	13,769	5,540					Green		
Tenterden Infant School		25					Green		

ANNEX 1

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Trinity Free School, Sevenoaks		3,794					Amber	Full project cost expected to be £11.3m, to be funded from grant.	
Unit Review	1,505	322	-42	-42	Real - prudential	£36k funding to be transferred to Primary Improvement Programme and £6k to Basic Need.	Green		
Vocational Education Centre Programme		148					Green		
Youth - Modernisation of Assets		34					Green		
Website & Portal Development			30	30	Real - revenue	To be funded through an SLA with schools.	Green		
Total	**227,510**	**143,687**	**-10,780**	**-10,780**					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
SPECIALIST CHILDREN'S SERVICES
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total excl Asylum (£k)	+127,456	+4,295	-1,200	+3,095
Asylum (£k)	+280	+1,666	-	+1,666
Special Ops (£k)	-	+699	-	+699
Total (£k)	**+127,736**	**+6,660**	**-1,200**	**+5,460**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Specialist Children's Services							
Strategic Management & Directorate Support budgets	4,893.5	-175.0	4,718.5	-83	-339	Underspend on commissioning staffing budget	
					+152	Staffing pressure	
					+104	Other minor variances, each below £100k	
Children's Services - **Children in Care (Looked After)**							
- Fostering	33,373.5	-213.9	33,159.6	+890	-462	In House: Forecast -1,273 weeks below affordable level	The overall pressure within Fostering will need to be addressed in the 2015-18 MTFP
					+168	In House: Forecast unit cost £3.05 above affordable level	
					-227	In House: reduction in spend on 'other' costs such as personal expenses, specialist fees and client public transport following planned action to reduce costs	
					+1,000	In House: unachievable savings	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net		Explanation	Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+789	Independent Sector (IFA): Forecast 849 weeks above affordable level	
					-135	Independent Sector (IFA): Forecast unit cost -£15.34 below affordable level	
					-82	Independent Sector (IFA): Other minor variances	
					+124	Financial allowances for permanency arrangements: unachievable saving	
					-289	Reduction in Related Fostering payments and other financial allowances for permanency arrangements	
					+100	Provision for proposed increase in Financial Allowances for Child Arrangement Orders	
					-96	Other minor variances	
- Legal Charges	7,599.9	0.0	7,599.9	-432	+300	Unachievable saving	
					-732	Reduction in legal fees and court charges	This saving will need to be reflected in the 2015-18 MTFP
- Residential Children's Services	15,886.8	-2,862.7	13,024.1	-219	-332	Independent Sector residential care: Forecast -105 weeks below affordable level of 2,509 weeks, partially due to young people becoming care leavers (see care leavers below)	The overall saving within Residential Children's Services will be reflected in the 2015-18 MTFP
					-269	Independent Sector residential care: Forecast unit cost -£107.18 below affordable level of £3,266.04	
					+400	Independent Sector residential care: unachievable saving	
					+135	Independent residential care: reduction in income as a result of activity being 105 weeks below affordable level	
					-300	Reduction in secure accommodation placements	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					+128	Additional activity within residential short breaks unit	
					+116	Staffing pressure	
					-96	Additional contributions from health in lieu of Preston Skreens health respite unit, which has now closed. These contributions are to enable KCC to provide the respite care ourselves.	
					-1	Other minor variances	
- Virtual School Kent	4,348.7	-2,953.3	1,395.4	0			
	61,208.9	-6,029.9	55,179.0	+239			
Children's Services **- Children in Need**							
- Preventative Services	10,650.5	-1,327.6	9,322.9	-144	+240	Increase in direct payments	
					+26	Direct payments: unachievable saving	
					-235	Additional contributions from health for direct payments	
					+199	Pressure on Independent Sector day care budget for disabled children due to an increase in care packages and price increases from a number of providers	
					-138	Efficiencies on the recommissioning of a specialist service	
					-87	Additional income from health previously received by external provider	
					-113	Saving on section 17 payments due to reduced activity	
					-36	Other minor variances	
	10,650.5	-1,327.6	9,322.9	-144			

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Children's Services - **Other Social Services**							
- Adoption	10,788.5	-1,319.1	9,469.4	+1,037	-330	Reduction in adoption payments due to fewer children. This is mainly due to a high proportion of adoption payments relating to older children, who are no longer eligible for payments once they become 18+.	The overall pressure within Adoption will need to be addressed in the 2015-18 MTFP
					+228	Increase in costs of commissioned management service	
					+679	Increase in the number of guardianship payments, partly due to a reduction in financial allowances for permanency arrangements reported within Fostering above, together with a general increase in the number of guardianship payments	
					+500	Provision for proposed increase in Financial Allowances for Adopters and Special Guardianship Orders	
					-40	Other minor variances	
- Asylum Seekers	11,883.3	-11,603.3	280.0	+1,666	-1,754	Underspend relating to under 18 Unaccompanied Asylum Seeking Children (UASC) due to costs less than grant receivable	
					+474	Pressure relating to under 18 UASC due to ineligibility	
					+605	Pressure relating to over 18's due to ineligibility, of which £481k relates to All Rights Exhausted (ARE) clients	In relation to the pressures on the over 18's UASC, we are reviewing levels of support to those aged over 21 who are continuing to be supported on the basis of their remaining in further or higher education.
					+2,341	Pressure relating to over 18's due to costs exceeding grant receivable (see activity section 2.6 below), of which £397k relates to ARE clients.	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Leaving Care (formerly 16+)	5,303.4	0.0	5,303.4	+228	+510	Additional young people requiring this service in order to provide stability and continuity whilst they continue their education.	The overall pressure within leaving care will need to be addressed in the 2015-18 MTFP
					-265	Rebadging of existing eligible expenditure to 'Staying put' grant income from DfE	
					-17	Other minor variances	
- Safeguarding	4,768.8	-249.8	4,519.0	-138	-101	Underspend on Kent Safeguarding Children Board (KSCB) base budget	
					-37	Other minor variances	
	32,744.0	-13,172.2	19,571.8	+2,793			
Assessment Services							
- Children's social care staffing	40,573.7	-1,630.3	38,943.4	+3,156	+1,299	Pressure on staffing budgets due to appointment of agency staff	This overall pressure will need to be addressed in the 2015-18 MTFP
					+1,500	Unachievable saving	
					+357	Recruitment & retention payments for children's social workers	The full year effect of this pressure will need to be addressed in the 2015-18 MTFP
Total SCH&W (SCS)	**150,070.6**	**-22,335.0**	**127,735.6**	**+5,961**			
Assumed Mgmt Action				-1,200		The forecast position above is compiled in such a way that it only includes savings that have actually been achieved, and does not assume any to still be achieved. The £1,200k of management action, which affects a number of different service lines, represents the amount of savings the division is committed to achieving before the current financial year end. Once this management action is realised, the saving will transfer above the line against the relevant A to Z service line.	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Total SCH&W (SCS) Forecast <u>after</u> mgmt action	**150,070.6**	**-22,335.0**	**127,735.6**	**+4,761**			
<u>Memorandum</u> ***These costs are in addition to the position reported above***						The costs of this special operation will be met from reserves if there is insufficient underspending within KCC overall at year end to offset them.	
Special Operations				**+699**	+138	In house fostering: 395 weeks @ £349.87 per week	
					+128	Staffing	
					+40	IFA fostering: 39 weeks @ £1,024.19 per week	
					+230	Residential: 66 weeks @ £3,490.91 per week	
					+32	Interpreter costs	
					+131	Legal costs	

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

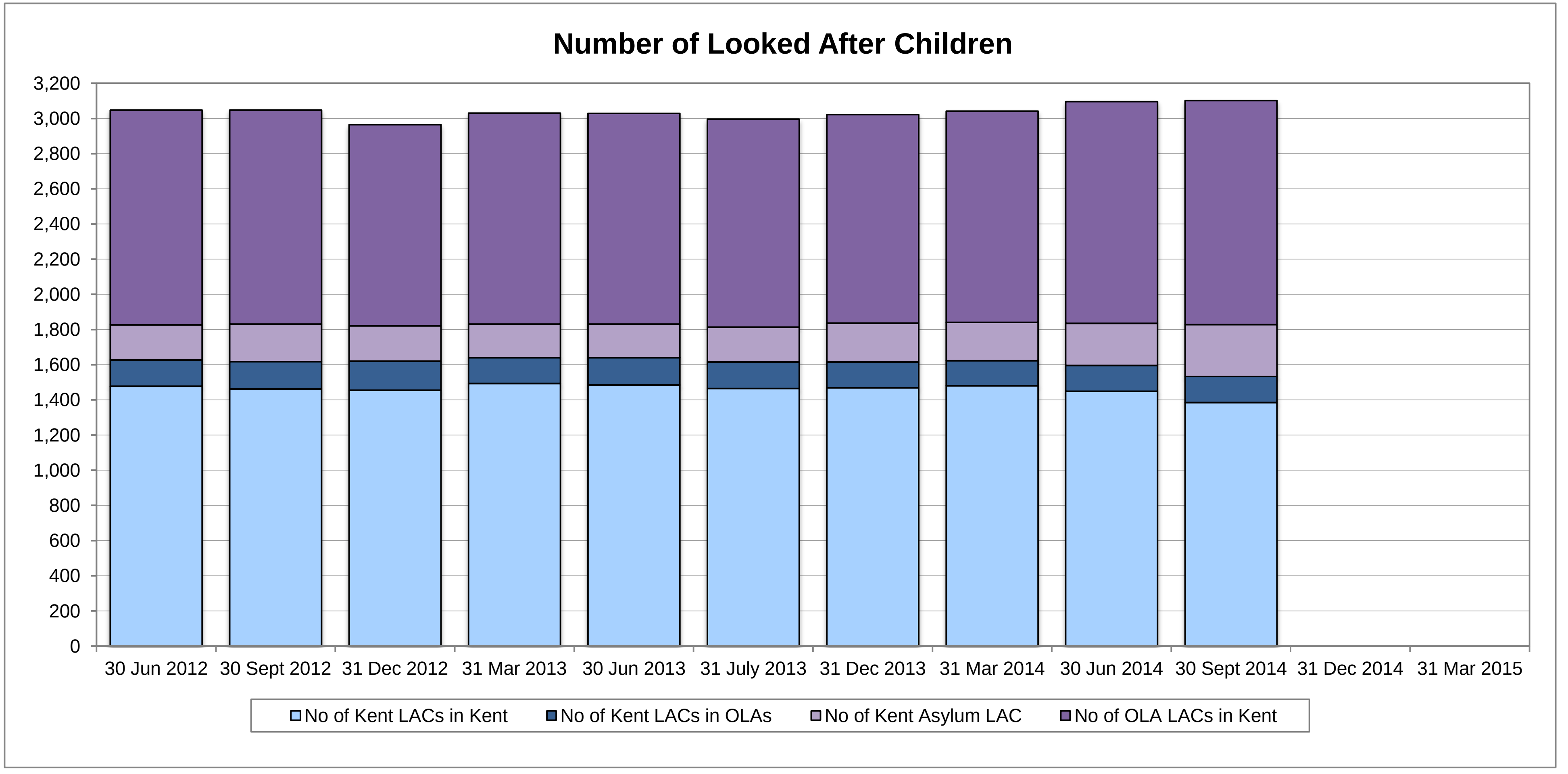
2.1 Number of Looked After Children (LAC) :

		No. of Kent LAC placed in Kent	No. of Kent LAC placed in OLAs	**TOTAL NO. OF KENT LAC (excluding Asylum)**	*No of Kent Asylum LAC*	**TOTAL NUMBER OF LAC IN KENT**	*No. of OLA LAC placed in Kent*	***TOTAL NUMBER OF LAC IN KENT***
2012-13	30-Jun	1,478	149	**1,627**	*200*	**1,827**	*1,221*	***3,048***
	30-Sep	1,463	155	**1,618**	*214*	**1,832**	*1,216*	***3,048***
	31-Dec	1,455	165	**1,620**	*202*	**1,822**	*1,144*	***2,966***
	31-Mar	1,494	147	**1,641**	*190*	**1,831**	*1,200*	***3,031***
2013-14	30-Jun	1,485	155	**1,640**	*192*	**1,832**	*1,197*	***3,029***
	30-Sep	1,465	152	**1,617**	*198*	**1,815**	*1,182*	***2,997***
	31-Dec	1,470	146	**1,616**	*221*	**1,837**	*1,185*	***3,022***
	31-Mar	1,481	143	**1,624**	*218*	**1,842**	*1,200*	***3,042***
2014-15	30-Jun	1,450	147	**1,597**	*238*	**1,835**	*1,261*	***3,096***
	30-Sep	1,385	148	**1,533**	*296*	**1,829**	*1,273*	***3,102***
	31-Dec							
	31-Mar							

Comments:

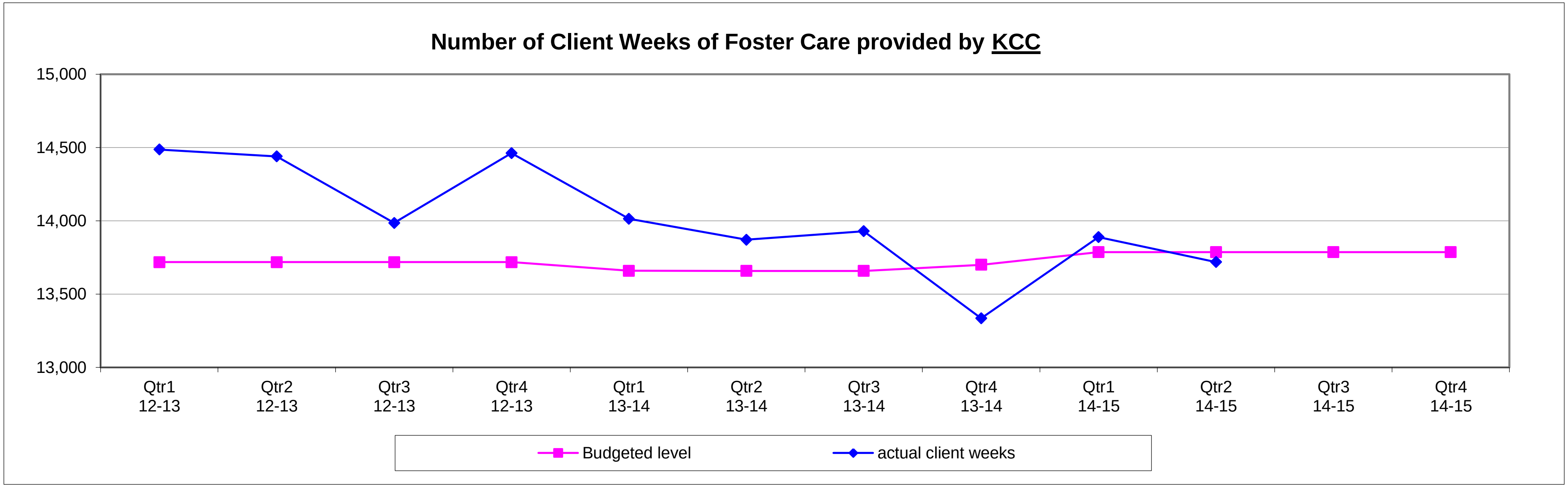
- Children Looked After by KCC may on occasion be placed out of the County, which is undertaken using practice protocols that ensure that all long-distance placements are justified and in the interests of the child. All Looked After Children are subject to regular statutory reviews (at least twice a year), which ensures that a regular review of the child’s care plan is undertaken.
- The figures represent a snapshot of the number of children designated as looked after at the end of each quarter, it is not the total number of looked after children during the period. Therefore, although the number of Kent looked after children (excluding Asylum) has reduced by 64 since quarter 1, there could have been more (or less) during the period.
- Although there is a reduction in the number of LAC, there is still an overall pressure on the SCS budget. After taking into account management action and unachievable savings, this pressure primarily relates to non LAC headings such as staffing, leaving care and adoption.

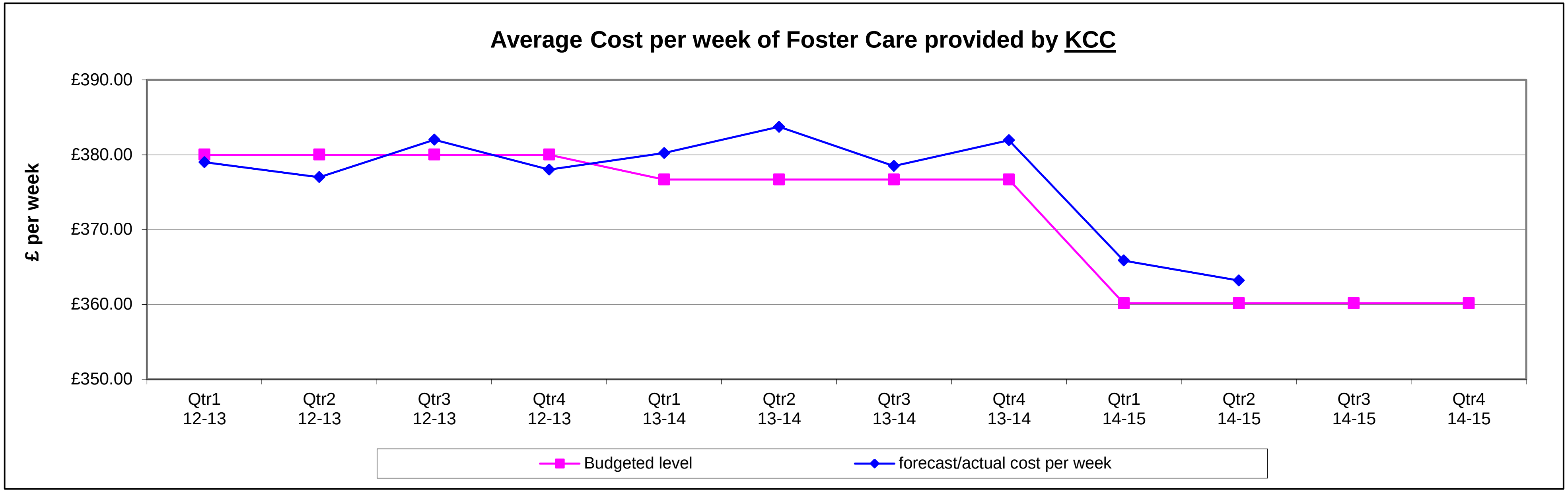
- The OLA LAC information has a confidence rating of 31% and is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming. This confidence rating is based upon the percentage of children in this current cohort where the OLA has satisfactorily responded to recent MIU requests.
- This information on number of Looked After Children is provided by the Management Information Unit within SCH&W directorate.
- **These numbers include Looked After Children as a result of special operations**



2.2 Number of Client Weeks & Average Cost per Client Week of Foster Care provided by KCC (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	13,718	14,487	£380	£379	13,659	14,014	£376.67	£380.22	13,787	13,889	£360.14	£365.85
Jul to Sept	13,718	14,440	£380	£377	13,658	13,871	£376.67	£383.72	13,787	13,719	£360.14	£363.19
Oct to Dec	13,718	13,986	£380	£382	13,658	13,929	£376.67	£378.50	13,787		£360.14	
Jan to Mar	13,718	14,462	£380	£378	13,700	13,334	£376.67	£381.94	13,786		£360.14	
	54,872	**57,375**	**£380**	**£378**	**54,675**	**55,148**	**£376.67**	**£381.94**	**55,147**	**27,608**	**£360.14**	**£363.19**



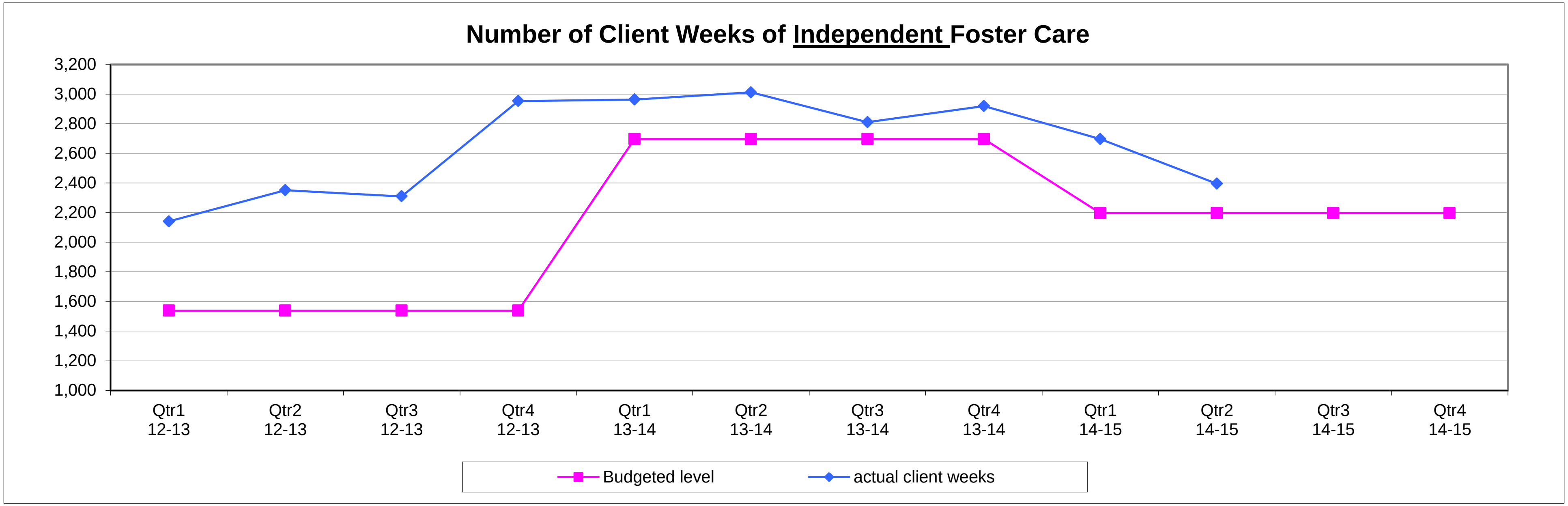


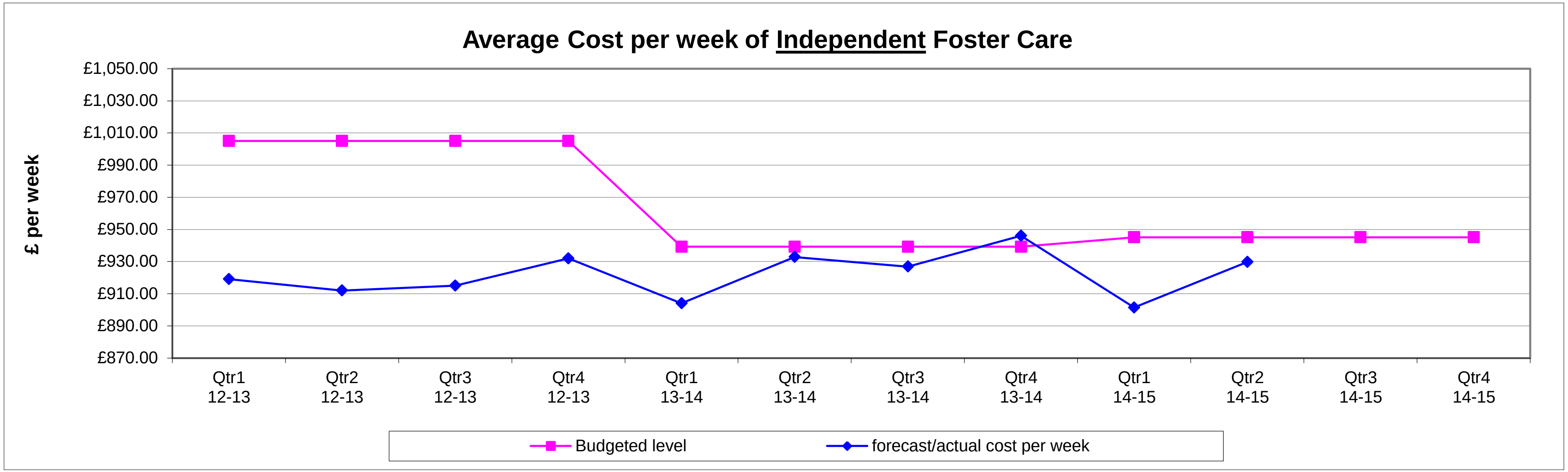
Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 53,874 (excluding asylum), which is 1,273 weeks below the affordable level. At the forecast unit cost of £363.19 per week, this increase in activity gives an underspend of -£462k, as shown in table 1. The year to date activity would suggest a higher level of activity for the year than currently forecast, this is because the service is expecting a number of placements to either end or transfer to the Leaving Care service before the end of the financial year.
- The forecast unit cost of £363.19 is +£3.05 above the budgeted level and when multiplied by the budgeted number of weeks, gives a pressure of +£168k, as shown in table 1.
- Overall therefore, the combined gross underspend on this service is -£294k (-£462k + £168k).
- **Special Operations forecast activity of 395 weeks at £349.87 per week is excluded from this activity indicator**

2.3 Number of Client Weeks & Average Cost per Client Week of Independent Foster Care (excluding Asylum):

	2012-13				2013-14				2014-15			
	No of weeks		Average cost per client week		No of weeks		Average cost per client week		No of weeks		Average cost per client week	
	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast /actual	Budget level	actual	Budget level	forecast
Apr to Jun	1,538	2,141	£1,005	£919	2,697	2,964	£939.19	£904.01	2,197	2,697	£945.07	£901.37
Jul to Sept	1,538	2,352	£1,005	£912	2,697	3,012	£939.19	£932.83	2,197	2,396	£945.07	£929.73
Oct to Dec	1,538	2,310	£1,005	£915	2,696	2,810	£939.19	£926.83	2,197		£945.07	
Jan to Mar	1,538	2,953	£1,005	£932	2,696	2,919	£939.19	£946.08	2,197		£945.07	
	6,152	**9,756**	**£1,005**	**£932**	**10,786**	**11,705**	**£939.19**	**£946.08**	**8,788**	**5,093**	**£945.07**	**£929.73**





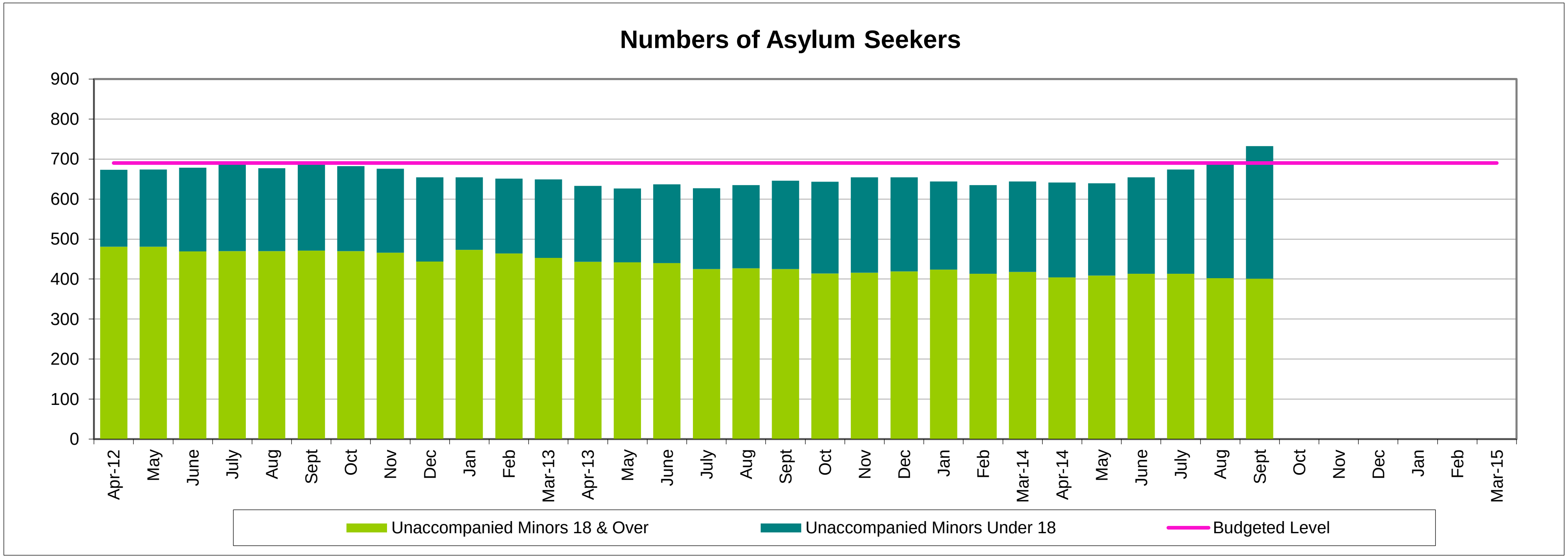
Comments:

- The actual number of client weeks is based on the numbers of known clients at a particular point in time. This may be subject to change due to the late receipt of paperwork.
- The budgeted level has been calculated by dividing the budget by the affordable weekly cost.
- The 2014-15 budgeted level has changed from what was reported to Cabinet on 7 July in the 2013-14 outturn report, reflecting the realignment of budgets reported to Cabinet on 15 September.
- The forecast number of weeks is 9,637 (excluding asylum), which is 849 weeks above the affordable level. At the forecast unit cost of £929.73 per week, this increase in activity gives a pressure of £789k as shown in table 1. The year to date activity would suggest a higher level of activity for the year than currently forecast, this is because the service is expecting a number of placements to either end or transfer to the Leaving Care service before the end of the financial year.
- The forecast unit cost of £929.73 is £15.34 below the budgeted level and when multiplied by the budgeted number of weeks, gives a saving of £135k as shown in table 1.
- Overall therefore, the combined gross pressure on this service is £654k (£789k - £135k).
- The forecast average unit cost of £929.73 includes some mother and baby placements, which are subject to court orders. These placements often cost in excess of £1,500 per week.
- **Special Operations forecast activity of 39 weeks at £1,024.19 per week is excluded from this activity indicator.**

ANNEX 2

2.4 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	Under 18	18 & Over	**Total**	Under 18	18 & Over	**Total**	Under 18	18 & Over	**Total**
Apr	192	481	**673**	190	443	**633**	237	404	**641**
May	193	481	**674**	184	442	**626**	230	409	**639**
Jun	209	469	**678**	197	440	**637**	241	413	**654**
Jul	217	470	**687**	202	425	**627**	261	413	**674**
Aug	207	470	**677**	208	427	**635**	287	402	**689**
Sep	215	471	**686**	221	425	**646**	331	401	**732**
Oct	212	470	**682**	229	414	**643**			
Nov	210	466	**676**	238	416	**654**			
Dec	210	444	**654**	235	419	**654**			
Jan	181	473	**654**	220	424	**644**			
Feb	187	464	**651**	222	413	**635**			
Mar	196	453	**649**	226	418	**644**			



Comments:

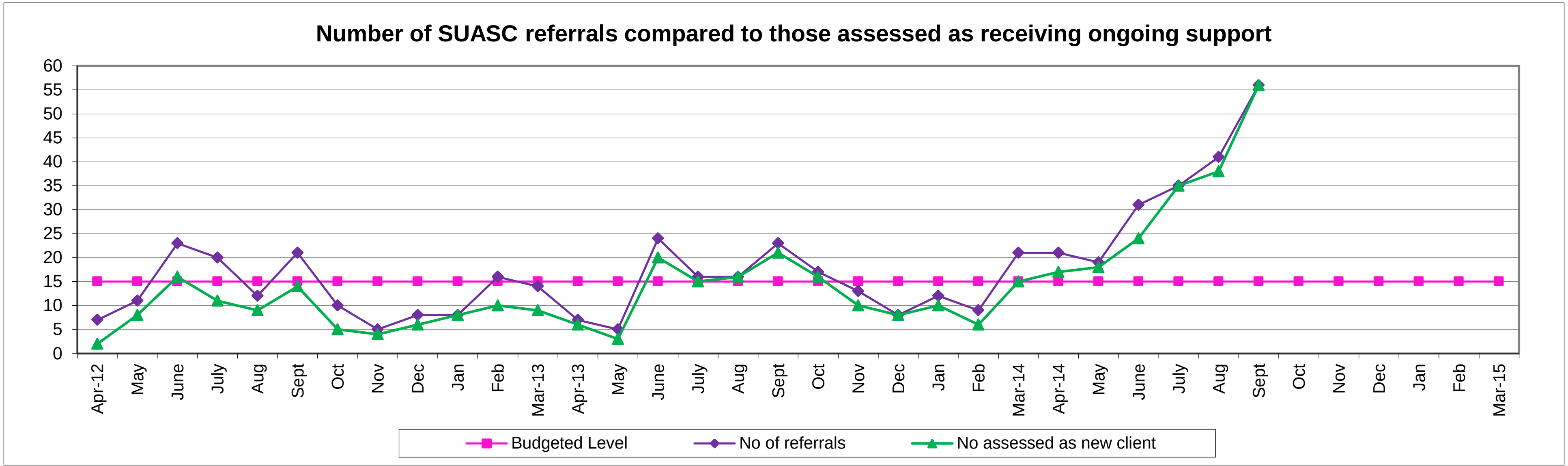
- The overall number of children is increasing, with numbers at the highest level they have been since August 2011. The current number of clients supported is now above the budgeted level of 690.
- The budgeted number of referrals for 2014-15 is 15 per month, with 9 (60%) being assessed as under 18.
- Despite improved partnership working with the UKBA, the numbers of 18 & overs who are All Rights of appeal Exhausted (ARE) have not been removed as quickly as originally planned.
- In general, the age profile suggests the proportion of 18 & overs is decreasing slightly and, in addition, the age profile of the under 18 children is increasing.
- 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.
- Referrals are increasing, (see section 2.5 below), and as a result the number of UASC is increasing. Currently this increase is within the under 18 category for whom we are fully funded, however as these children grow up, this is likely to lead to an increase in asylum seekers aged 18 and over for whom, under the current grant rules, we are underfunded. This could potentially lead to a funding problem in the future, unless the grant rules change.
- The number of Asylum LAC shown in table 2.1 above is different to the number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17 year old Care Leavers.

ANNEX 2

2.5 Number of Unaccompanied Asylum Seeking Children (UASC):

	2012-13			2013-14			2014-15		
	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%	No of referrals	No. assessed as new client	%
Apr	7	2	29%	7	6	86%	21	17	81%
May	11	8	73%	5	3	60%	19	18	95%
Jun	23	16	70%	24	20	83%	31	24	77%
Jul	20	11	55%	16	15	94%	35	35	100%
Aug	12	9	75%	16	16	100%	41	38	93%
Sep	21	14	67%	23	21	91%	56	56	100%
Oct	10	5	50%	17	16	94%			
Nov	5	4	80%	13	10	77%			
Dec	8	6	75%	8	8	100%			
Jan	8	8	100%	12	10	83%			
Feb	16	10	63%	9	6	67%			
Mar	14	9	64%	21	15	71%			
	155	**102**	**66%**	**171**	**146**	**85%**	**203**	**188**	**93%**

Please note that recent UASC Referrals are assumed to be new clients until an assessment has been completed, which can take up to 6 weeks. Therefore the number of UASC assessed as new clients shown in the table above may change once the assessment has taken place.



Comments:

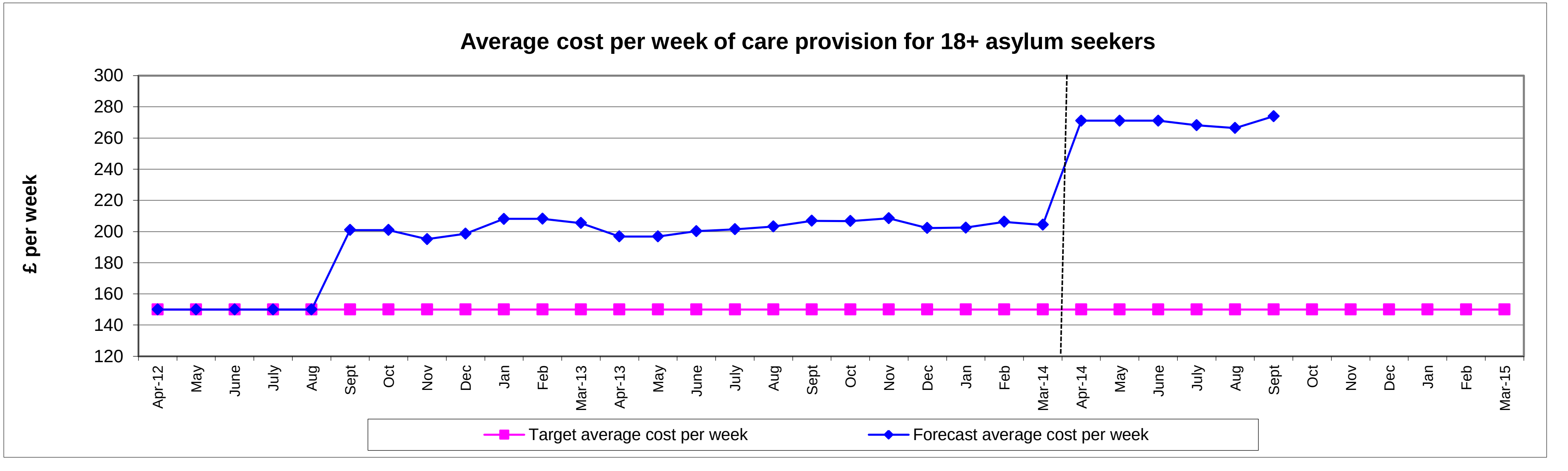
- The average number of referrals per month is 34, which is above the budgeted number of 15 referrals per month.
- The number of referrals has a knock on effect on the number assessed as new clients. The budgeted level is based on the assumption 60% of the referrals will be assessed as a new client. The average proportion assessed as new clients in 2014-15 is currently 93%.
- The budget assumed 9 new clients per month (60% of 15 referrals) but the average number of new clients per month is 31 i.e. a 244% increase.
- Where a young person has been referred but not assessed as a new client this would be due to them being re-united with their family, assessed as 18+ and returned to UKBA or because they have gone missing before an assessment has been completed.
- The information on numbers of Unaccompanied Asylum Seeking Children is provided by the Management Information unit within SCH&W directorate.
- Please note that due to the time taken to validate referrals on the database the number of new clients and number of referrals for any given month may change, therefore the activity data is refreshed in each report to provide the most up to date information.

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

ANNEX 2

	2012-13		2013-14		2014-15	
	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p	Target average weekly cost £	Forecast average weekly cost £p
Apr	150	150.00	150	196.78	150	271.10
May	150	150.00	150	196.78	150	271.10
Jun	150	150.00	150	200.18	150	271.10
Jul	150	150.00	150	201.40	150	268.15
Aug	150	150.00	150	203.29	150	266.33
Sep	150	200.97	150	206.92	150	273.87
Oct	150	200.97	150	206.74	150	
Nov	150	195.11	150	208.51	150	
Dec	150	198.61	150	202.25	150	
Jan	150	208.09	150	202.49	150	
Feb	150	208.16	150	206.24	150	
Mar	150	205.41	150	204.27	150	

The current forecast average weekly cost for 2014-15 is £273.87, £123.87 above the £150 claimable under the grant rules. This adds £2,341k to the forecast outturn position. The weekly cost has increased significantly since 2013-14. Previously the average weekly cost was based on direct client costs only, as the gateway grant was used for staff and infrastructure costs. We no longer receive a Gateway Grant, so all staff and infrastructure costs have been allocated to age groups. Therefore the increased weekly cost for 2014-15 includes ALL costs associated with 18+.
A dotted line has therefore been added to the graph to show that the unit costs pre and post April 2014 are not directly comparable.



Comments:

- The local authority has agreed that the funding levels for the Unaccompanied Asylum Seeking Children's Service 18+ grant agreed with the Government rely on us achieving an average cost per week of £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 changed their grant rules and now only fund the costs of an individual for up to three months after the All Rights of appeal Exhausted (ARE) process if the LA carries out a Human Rights Assessment before continuing support. The LA has continued to meet the cost of the care leavers in order that it can meet its' statutory obligations to those young people under the Leaving Care Act until the point of removal.
- As part of our partnership working with UKBA, most 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 Essential Living Allowance discontinued. As yet this has not resulted in an increase in the number of AREs being removed. The number of AREs supported has continued to remain steady, but high and a number of issues remain:
  - 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.
  - We are currently experiencing higher than anticipated level of voids, properties not being fully occupied. Following the incident in Folkestone in January 2011, teams are exercising a greater caution when making new placements into existing properties. This is currently being addressed by the Accommodation Team.
- As part of our strive to achieve a net unit cost of £150 or below, we will be insisting on take-up of state benefits for those entitled.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Children's Services has a working budget for 2014-15 of £2,028k. The forecast outturn against the 2014-15 budget is £2,028k giving a variance of +£0k.

3.2 Table 1 below details the Children's Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Individual Projects									
Transforming Short Breaks	0	431	0	0			Green		
ConTROCC	0	759	0	0			Green		
Early Help Module (EHM)	0	838	0	0			Green		
Total	0	2,028	0	0					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 3

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
ADULTS SERVICES
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+345,868**	**-284**	**-2,046**	**-2,330**

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

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Social Care, Health & Wellbeing - Adult Social Care							
Strategic Management & Directorate Support budgets	6,950.5	-373.5	6,577.0	+88	+192	Legal Charges for two exceptional cases and a greater frequency of Adult Safeguarding and Court of Protection cases	
					+122	Costs of support staff for Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets will need to be realigned in the 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					-115	Operational Support vacancy management and ongoing reviews of staffing structure	
					-90	Reduced demand for a number of support services (Occupational Health, No Recourse to Public Funds and Health & Safety)	
					-21	Other minor variances	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Support to Frontline Services:							
- Adults Social Care Commissioning & Performance Monitoring	4,050.1	-526.3	3,523.8	+110	+101	Overspend on the Strategic Commissioning staffing budget from current structure	
					+155	Additional costs of Dementia project and Market Development	
					-122	Vacancies in the Performance & Information Management Team being held plus associated other staffing related costs	
					+2,484	Newton Europe have been appointed to undertake Adults Social Care Transformation Phase 2 Design works in line with Cabinet Member decision 14/00120	
					-2,484	Drawdown from reserves to fund Transformation partner payments for Phase 2 design work above	
					-24	Other minor variances	
Adults & Older People:							
- Direct Payments							
- Learning Disability	16,927.6	-30.0	16,897.6	-203	+552	Forecast +2,021 weeks above affordable level of 61,245 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-216	Forecast average unit cost -£3.53 below affordable level of £276.39	
					+442	One-off direct payments	
					-932	Recovery of unspent funds from clients	
					-49	Other minor variances	
- Mental Health	1,208.3	0.0	1,208.3	-238	-422	Forecast -5,001 weeks below affordable level of 15,479 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+96	Forecast average unit cost +£6.22 above affordable level of £78.06	
					+119	One-off direct payments	
					-31	Other minor variances	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Older People	6,767.3	0.0	6,767.3	+4,563	+4,980	Forecast +28,366 weeks above affordable level of 37,421 weeks. The majority of this variance is due to clients who previously received Domiciliary care transferring to Direct Payments during the Domiciliary contract re-let as they wished to remain with their existing service provider, as described in Section 2.1 below.	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-189	Forecast average unit cost -£5.05 below affordable level of £180.62	
					+376	One-off direct payments	
					-666	Recovery of unspent funds from clients	
					+62	Other minor variances	
- Physical Disability	10,238.4	0.0	10,238.4	+1,711	+1,536	Forecast +7,963 weeks above affordable level of 53,511 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+104	Forecast average unit cost +£1.95 above affordable level of £190.96	
					+679	One-off direct payments	
					-682	Recovery of unspent funds from clients	
					+74	Other minor variances	
Total Direct Payments	35,141.6	-30.0	35,111.6	+5,833			
- Domiciliary Care							
- Learning Disability	1,087.0	0.0	1,087.0	-227	-212	Forecast -15,803 hours below affordable level of 72,190 hours	These savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-15	Forecast average unit cost -£0.21 below affordable level of £13.61	
- Older People	30,483.2	-2,252.3	28,230.9	+1,212	+891	Forecast +62,196 hours above affordable level of 1,582,330 hours	These demographic pressures are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+538	Forecast average unit cost +£0.34 above affordable level of £13.99	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-116	Lower usage of Kent Enablement at Home Service (KEAH) than anticipated for Older People clients, but this is more than offset by higher usage than anticipated for Physical Disability clients	
					-142	Reduced commissioning of block contract domiciliary services (these were predominately retainers for night-sitting services) for Older People clients due to reduced demand	
					+41	Other minor variances	
- Physical Disability	4,158.1	0.0	4,158.1	+998	+961	Forecast +73,322 hours above affordable level of 263,527 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-127	Forecast average unit cost -£0.48 below affordable level of £13.58	
					+244	Higher usage of KEAH than anticipated for Physical Disability clients, which is partly offset by lower usage than anticipated for Older People clients (see above)	
					-80	Other minor variances	
Total Domiciliary Care	35,728.3	-2,252.3	33,476.0	+1,983			
- Non Residential Charging							
- Learning Disability	0.0	-2,900.2	-2,900.2	-210	-210	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other learning disability community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	Realignment of budget with other community based service headings will need to be addressed in the 2015-18 MTFP along with demographic pressures & savings

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	0.0	-8,999.4	-8,999.4	-300	-300	The forecast over-recovery of client contributions towards non-residential care services is linked to the current pressure being forecast on other older people community based services (such as Domiciliary, Day Care, Direct Payments & Supported Accommodation) highlighted in this report.	Realignment of budget with other community based service headings will need to be addressed in the 2015-18 MTFP along with demographic pressures & savings
- Physical Disability / Mental Health	0.0	-1,314.9	-1,314.9	-92			
Total Non Residential Charging Income	0.0	-13,214.5	-13,214.5	-602			
- Nursing & Residential Care							
- Learning Disability	77,267.8	-6,294.2	70,973.6	-77	-2,030 +155 +1,805 -81 +74	Forecast -1,735 weeks below affordable level of 67,697 weeks Leading to a shortfall in client contributions Forecast average unit cost +£26.66 above affordable level of £1,143.16 Independent Sector: forecast average unit client contribution -£1.20 above affordable level of -£88.12 Other minor variances	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
- Mental Health	7,726.7	-993.0	6,733.7	+596	+624 -42 -62 +43 +33	Forecast +1,048 weeks above affordable level of 12,860 weeks Leading to an increase in client contributions Forecast average unit cost -£4.82 below affordable level of £600.27 Independent Sector: forecast average unit client contribution +£3.36 below affordable level of -£43.52 Other minor variances	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People - Nursing	47,851.4	-24,784.6	23,066.8	-2,013	-2,113	Forecast -4,334 weeks below affordable level of 78,686 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+869	Leading to a shortfall in client contributions	
					-325	Forecast average unit cost -£4.13 below affordable level of £491.75	
					-494	Independent Sector: forecast average unit client contribution -£6.28 above affordable level of -£194.20	
					+50	Other minor variances	
- Older People - Residential	80,206.7	-33,009.1	47,197.6	-2,545	-2,377	Forecast -5,756 weeks below affordable level of 147,739 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+1,115	Leading to a shortfall in client contributions	
					+573	Forecast average unit cost +£3.88 above affordable level of £409.12	
					-1,696	Independent Sector: forecast average unit client contribution -£11.48 above affordable level of -£182.29	
					+128	Costs of running the dementia ward at Kiln Court in-house unit. However, this is offset by underspends in other in-house units (see below).	
					-149	Lower than anticipated utility, security and equipment costs for in-house units	
					-87	Other minor variances for in-house units	
					-52	Other minor variances	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Physical Disability	11,344.4	-1,558.1	9,786.3	+1,725	+2,363	Forecast +2,835 weeks above affordable level of 13,003 weeks	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-303	Leading to an increase in client contributions	
					-505	Forecast average unit cost -£38.83 below affordable level of £872.44	
					+136	Independent Sector: forecast average unit client contribution +£10.44 below affordable level of -£117.23	
					+34	Other minor variances	
Total Nursing & Residential Care	224,397.0	-66,639.0	157,758.0	-2,314			
- Supported Accommodation							
- Learning Disability	36,397.3	-1,849.6	34,547.7	+1,323	+819	Forecast +97,807 hours above affordable level of 3,996,038 hours	These demographic pressures are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+1,479	Forecast average unit cost +£0.37 above affordable level of £8.00	
					-674	Net unrealised creditors and recovery of costs from other Local Authorities for Ordinary Residence clients relating to 2013-14	
					-239	In-house services and staffing levels have been reconfigured to reflect reductions in demand	
					-62	Other minor variances	
- Older People	4,575.4	-4,350.0	225.4	+176	+231	Forecast +30,195 hours above affordable level of 16,054 hours. The large increase in forecast hours compared to the affordable level is in part linked to an increase in Adult Placements recorded within the Older People client category rather than in the under 65 physical disability category, but also due to other changes to bring reporting into line with current guidance.	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-103	Forecast average unit cost -£6.40 below affordable level of £14.04	
					+48	Other minor variances	
- Physical Disability / Mental Health	3,727.9	-269.4	3,458.5	+519	+77	Mental Health Forecast +6,351 hours above affordable level of 170,188 hours	Demographic pressures & savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+252	Mental Health Forecast average unit cost +£1.48 above affordable level of £10.62	
					+731	Physical Disability Forecast +115,216 hours above affordable level of 232,101 hours	
					-230	Physical Disability Forecast average unit cost -£0.99 below affordable level of £7.33	
					-210	Anticipated reduction to forecast as a result of mental health activity data validation exercise currently being undertaken	
					-101	Other minor variances each under £100k	
Total Supported Accommodation	44,700.6	-6,469.0	38,231.6	+2,018			
- Other Services for Adults & Older People							
- Community Support Services for Mental Health	3,916.1	-851.0	3,065.1	-214	-155	Various contracts have been reviewed, with the services previously provided by these contracts now provided via Supporting Independence Service (SIS), (reported within Supported Accommodation above), or Direct Payments, with a corresponding overall reduction in cost. Plans continue to develop in this area.	
					-59	Other minor variances	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Day Care							
- Learning Disability	13,214.5	-127.7	13,086.8	+387	+236	Greater demand for in-house services due to increasing complexity of clients needs. In addition, there are increased costs relating to travel time and expenses of covering staff absence, emergency situations and unplanned changes now that staff resources are allocated over wider geographical areas.	These demographic pressures are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+151	Current demand for services provided by the independent sector	
- Mental Health	1,566.8	-30.2	1,536.6	-50			
- Older People	2,242.4	-45.0	2,197.4	-450	-430	Current demand for services provided by the independent sector	These savings are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-20	Other minor variances	
- Physical Disability	937.5	0.0	937.5	-33			
Total Day Care	17,961.2	-202.9	17,758.3	-146			
- Other Adult Services	12,425.7	-21,176.2	-8,750.5	-2,218	-2,108	The budget assumes large increases in usage of Telecare as part of the Transformation Programme, although to date demand for Telecare and the forecast average unit cost have been lower than anticipated.	
					-915	Capitalisation of Telecare programme of installations (where elements meet the criteria for capital spend). This is partly offset by the variance on drawdown from reserves below	
					-150	Capitalisation of Occupational Therapy equipment programme of installations (where elements meet the criteria for capital spend).	

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					+453	Drawdown from reserves for 2014-15 lower than initially anticipated. This is offset by a higher than previously anticipated capitalisation of Telecare programme of installations.	
					+507	Greater demand for Integrated Community Equipment Store (ICES) than anticipated	
					-382	Forecast reduction in the level of bad debt provision required for social care debts	
					+376	Costs of staff who install Assistive and Adaptive Technology (A&AT). An offsetting underspend is reflected in the Adult Social Care Staffing line below, where the entire staffing budget for A&AT is currently held.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets will need to be realigned in the 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					+130	Higher than budgeted unit cost for hot meals provided to older people	
					-129	Other minor variances each under £100k	
- Safeguarding	1,160.5	-282.1	878.4	+96	+205	Safeguarding spend on Deprivation of Liberty Safeguards (DOLS) is greater than anticipated due to higher costs from an interim structure, including agency costs for assessments and admin support	This pressure is expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					-109	Other minor variances each under £100k	

ANNEX 3

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Social Support							
- Carers	13,173.9	-4,318.2	8,855.7	-657	-521	Lower than anticipated spend on supporting carers via external provision (including services provided by voluntary organisations)	The spend and income budgets require realignment and this will need to be addressed in the 2015-18 MTFP
					+388	Leading to lower than anticipated client income	
					-448	In-house closure of Doubleday Lodge unit as part of the Older People Modernisation Programme	
					-76	Other minor variances each under £100k	
- Information & Early Intervention	4,780.6	-726.8	4,053.8	+352	+330	Expansion of care navigators programme, a service to explore options with older people to enable them to live independently within their community	These demographic pressures are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+22	Other minor variances	
- Social Isolation	4,461.4	-2,060.3	2,401.1	+139	+133	Payments to voluntary organisations as a result of higher demand for this service	These demographic pressures are expected to be ongoing & will need to be addressed in the 2015-18 MTFP
					+6	Other minor variances	
Total Social Support	22,415.9	-7,105.3	15,310.6	-166			

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
- Support & Assistance Service (Social Fund)	5,140.2	-3,418.0	1,722.2	-2,682	-2,683	The budgeted level includes the roll-forward of funds from 2013-14 of £1,722k. The forecast underspend reflects the estimated full year impact of lower than anticipated demand and lower average unit cost than anticipated. The government funding for this service is expected to cease this year, with no funding identified for 2015-16; one option would be to roll forward this underspend in order to provide this service for another year, whilst alternative longer term solutions are considered. However, this is dependent on the Authority as a whole achieving an underspending position of at least this magnitude to be able to fund the roll forward and will be subject to consideration of all competing roll forward priorities. However, recent high court action prompted by Islington Council has won a possible reprieve for this funding with the government due to reconsider its decision, with the outcome expected in time for the provisional local government finance settlement in December.	
					+1	Other minor variances	
Total Other Services for Adults & Older People	63,019.6	-33,035.5	29,984.1	-5,330			
<u>Housing Related Support for Vulnerable People (Supporting People)</u>							
- Administration	440.0	0.0	440.0	0			
- Adults - Learning Difficulties	3,386.4	0.0	3,386.4	-34			
- Adults - Physical Difficulties	138.5	0.0	138.5	0			
- Adults - Mental Health	2,904.3	0.0	2,904.3	+12			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Older People	4,199.3	0.0	4,199.3	-307	-307	Contract variations and efficiencies leading to lower overall cost without a reduction in service	
- Other Adults	7,508.6	0.0	7,508.6	-87			
Total Housing Related Support for Vulnerable People	18,577.1	0.0	18,577.1	-416			
<u>Public Health</u>							
- Drug & Alcohol Services	19,166.4	-17,803.5	1,362.9	+18		Variances primarily due to staffing vacancies and lower associated costs, with cover provided within the team:	
					-2	- Public health funded element (see transfer to reserves below)	
					0	- KCC funded element, for which roll forward will be required to fund our obligation to the pooled budget arrangement	
					+20	Other minor variances	
- *Tfr to(+)/from(-) Public Health reserve*				*+2*	*+2*	*Transfer to Public Health reserve of underspending against public health grant*	
- Drug & Alcohol Services base funded variance				+20			
<u>Assessment Services</u>							
- Adult Social Care Staffing	37,921.4	-3,441.1	34,480.3	-1,674	-376	Costs of staff who install Assistive and Adaptive Technology (A&AT) are reflected in Other Adult Services (above). Only the costs of assessment staff should be reported here.	Adults Social Care Staffing, Directorate Management and Support and Other Adult Services budgets will need to be realigned in the 2015-18 MTFP to reflect the split between assessment staff, support staff and installation staff for Assistive and Adaptive Technology
					-122	Costs of support staff for A&AT are reflected within Directorate Management and Support (above). Only the costs of assessment staff should be reported here.	

ANNEX 3

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-914	As part of the Transformation Programme, older people and physical disability assessment teams are being restructured. This restructuring has progressed more quickly than anticipated, providing greater savings.	
					-212	Delays in the recruitment to vacancies within the Mental Health assessment teams and the usage of locum/agency staff. This is partly due to recent staffing reviews along with general difficulties in recruiting to speciality mental health practitioners.	
					-110	Underspend of the Care Implementation grant on this line as work is mainly being undertaken by existing staff within other budget lines, with some further plans still to be developed	
					+60	Other minor variances	
Total SCH&W (Adults)	**489,652.6**	**-143,784.7**	**345,867.9**	**-284**			
Assumed Mgmt Action				-2,046		Indications are that the performance against the transformation savings is showing an improved position compared to that reported in June when this Management Action was agreed. This coupled with recruitment to the new staffing establishment and more extensive application of the transformation agenda means that the OPPD forecast position is likely to improve during quarter 3, and the Directorate is confident that £1,338k of management action will be achieved.	

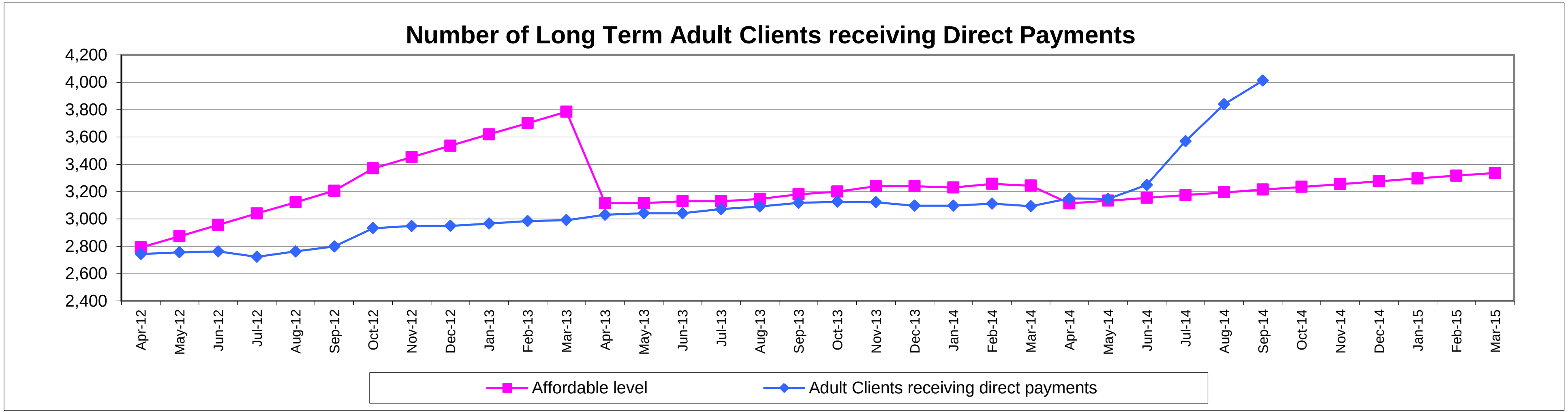
Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000	In relation to LDMH services, management action of up to £708k will continue to be targeted at overspending teams and services in order to reduce the revenue position. All services will be subject to some review and residential and community based activity will be amended as appropriate. Provision of Direct Payments, Supported Living and Shared Lives care packages will be reduced where possible. Negotiation and agreement with other local authorities for their funding of Ordinary Residence clients is expected to result in further revenue reductions within Kent. Additional emerging pressures will also be managed.	
Total SCH&W (Adults) Forecast <u>after</u> mgmt action	**489,652.6**	**-143,784.7**	**345,867.9**	**-2,330**			

ANNEX 3

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Direct Payments - Number of Adult Social Services Clients receiving Direct Payments:

	2012-13			2013-14			2014-15		
	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month	Affordable level for long term clients	Snapshot of long term adults rec'ing direct payments	Number of one-off payments made during the month
Apr	2,791	2,744	169	3,116	3,032	164	3,114	3,150	211
May	2,874	2,756	147	3,116	3,043	169	3,134	3,147	157
Jun	2,957	2,763	133	3,130	3,042	120	3,155	3,249	176
Jul	3,040	2,724	156	3,130	3,072	173	3,175	3,569	203
Aug	3,123	2,763	167	3,147	3,092	158	3,195	3,840	172
Sep	3,207	2,799	147	3,181	3,118	134	3,215	4,012	118
Oct	3,370	2,933	185	3,201	3,127	179	3,235		
Nov	3,453	2,949	119	3,240	3,123	144	3,256		
Dec	3,536	2,950	109	3,240	3,098	159	3,276		
Jan	3,619	2,967	117	3,231	3,097	176	3,297		
Feb	3,702	2,986	127	3,257	3,112	135	3,317		
Mar	3,785	2,992	105	3,244	3,093	121	3,337		
			1,681			**1,832**			**1,037**

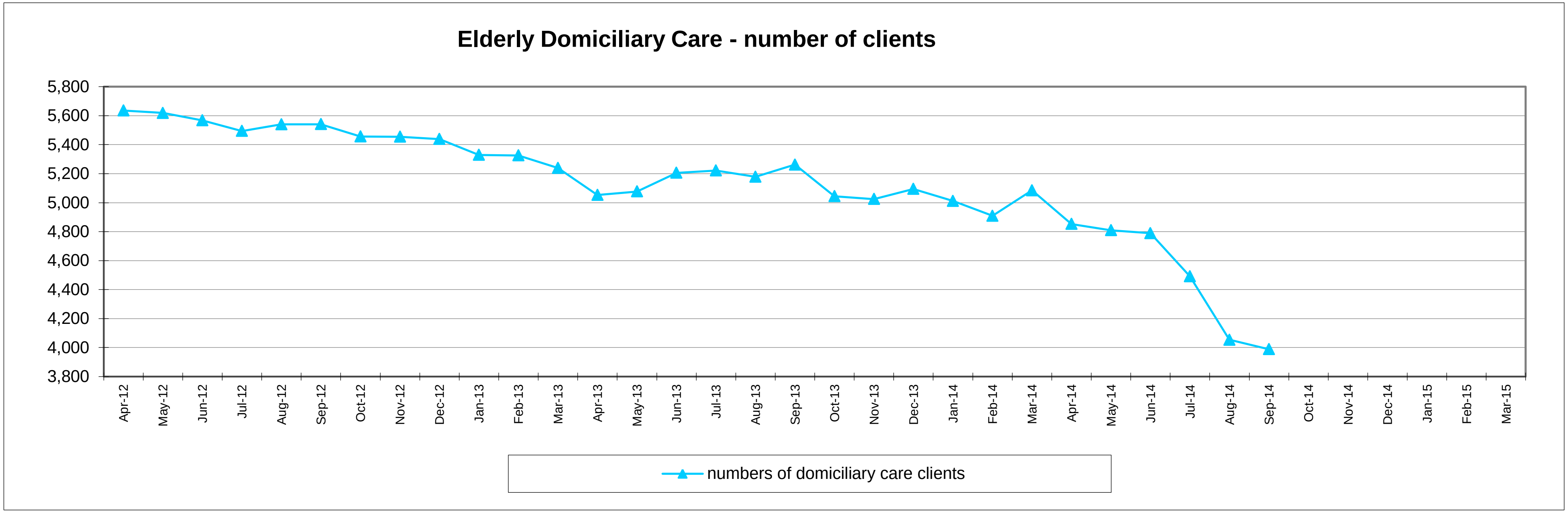


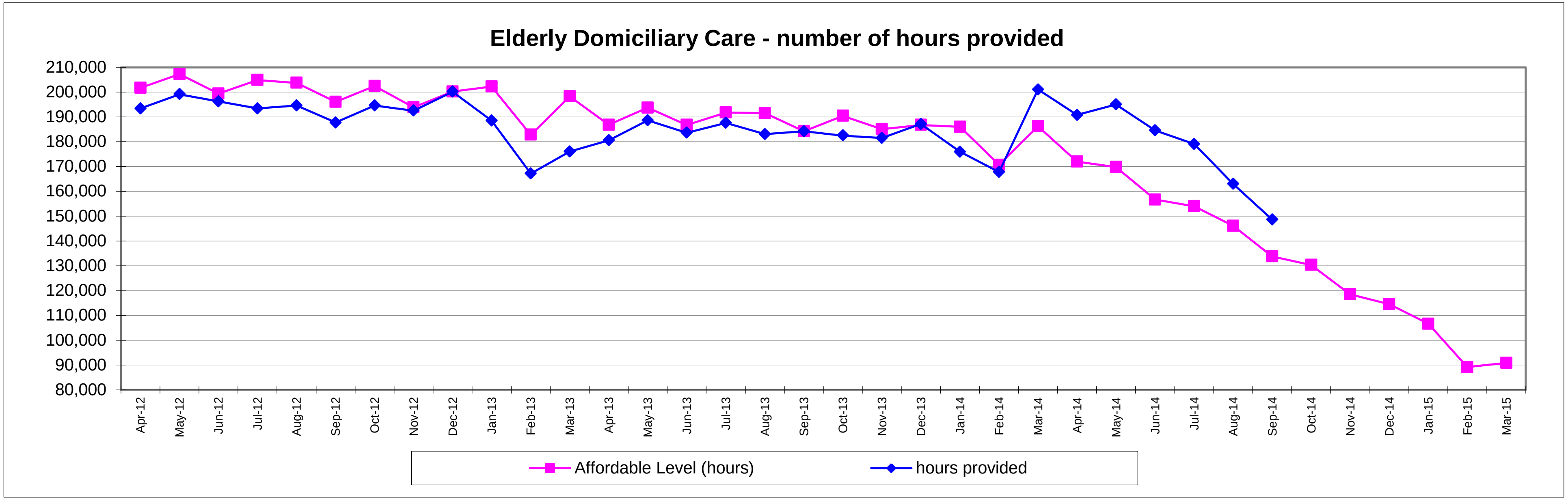
Comments:

- The presentation of activity being reported for direct payments changed in the 2012-13 Q2 report in order to separately identify long term clients in receipt of direct payments as at the end of the month plus the number of one-off payments made during the month. Please note a long term client in receipt of a regular direct payment may also receive a one-off payment if required. Only the long term clients are presented on the graph above.
- Please note that due to the time taken to record changes in direct payments onto the client database the number of clients and one-off direct payments for any given month may change, therefore the current year to date activity data is refreshed in each report to provide the most up to date information.
- The increase in client numbers between June and September is predominately due to clients who previously received domiciliary care transferring to direct payments during the domiciliary contract re-let because they wanted to remain with their existing service provider (these direct payments are made at the new lower domiciliary care re-let rate). This process is ongoing, so it is expected that further clients will transfer from domiciliary care to direct payments.
- A pressure is forecast against the direct payments budget as a result of the significant increase in client numbers receiving long term direct payments and higher than budgeted unit costs. This position is being partially offset by recoveries of unspent funds from clients. The overall effect of these factors across individual client groups is reflected in table 1, which shows a forecast pressure of £5,833k against the overall direct payments budget.

2.2 Elderly domiciliary care – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr	201,708	193,451	5,635	186,809	180,585	5,053	171,979	190,804	4,853
May	207,244	199,149	5,619	193,717	188,656	5,077	169,813	195,051	4,810
Jun	199,445	196,263	5,567	186,778	183,621	5,206	156,692	184,572	4,789
Jul	204,905	193,446	5,494	191,791	187,621	5,221	154,016	179,105	4,492
Aug	203,736	194,628	5,540	191,521	183,077	5,178	146,118	163,006	4,054
Sep	196,050	187,749	5,541	184,242	184,208	5,262	133,761	148,649	3,989
Oct	202,490	194,640	5,456	190,446	182,503	5,044	130,322		
Nov	193,910	192,555	5,455	185,082	181,521	5,025	118,474		
Dec	200,249	200,178	5,439	186,796	187,143	5,094	114,525		
Jan	202,258	188,501	5,329	186,006	175,916	5,011	106,627		
Feb	182,820	167,163	5,326	170,695	167,774	4,909	89,174		
Mar	198,277	176,091	5,239	186,184	201,069	5,085	90,829		
	2,393,092	**2,283,814**		**2,240,067**	**2,203,694**		**1,582,330**	**1,061,187**	





Comments:

- Figures exclude services commissioned from the Kent Enablement At Home Service.
- Client numbers have reduced significantly between May and September. This reduction is offset by an increase in clients receiving Direct Payments (see section 2.1 above). This is predominately because following the domiciliary care contract re-let, some clients wanted to remain with their existing service providers, so have chosen to take a Direct Payment instead. The domiciliary care contract re-let process is ongoing, so it is expected that further clients will transfer from domiciliary care to direct payments and therefore domiciliary care client numbers will reduce further over the coming few months as a result of the re-let process, as well as from the impact of the transformation savings.
- Client numbers are based on end of month snapshots, and therefore if a client stopped receiving this service on the 25th September, this would show as a reduction in the client numbers for September (taken at month end) but the number of hours provided would still include the clients care package from 1st to 25th September. The full impact of the reduction in client numbers will therefore not be seen in the number of hours provided until the month after the client leaves the service. Therefore, due to the reduction in client numbers in September, it is expected that the number of hours provided will drop further in October. In addition, the large scale of the changes due to the domiciliary contract re-let has resulted in slight delays in the recording of cancellation of domiciliary packages on the activity system, meaning the year to date activity is currently overstated and these reductions will impact in future months.
- The current forecast is 1,644,526 hours of care against an affordable level of 1,582,330, a difference of +62,196 hours. Using the forecast unit cost of £14.33, this additional activity increases the forecast by +£891k, as shown in Table 1.

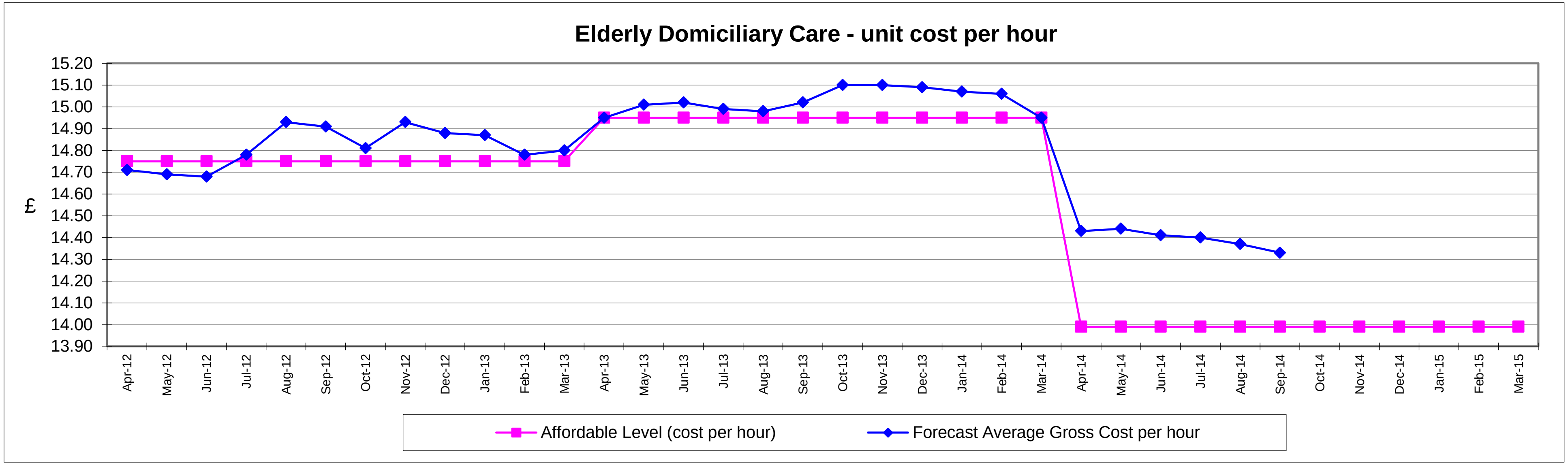
- To the end of September 1,061,187 hours of care have been delivered against an affordable level of 932,379, a difference of +128,808 hours. The budgeted level assumes a continual reduction in client numbers in line with transformation plans and previous years' trends. Current year to date activity suggests that the forecast should be higher on this service when compared to the budgeted profile, but as explained above, the year to date activity is overstated due to delays in recording cancellations of domiciliary packages on the activity system following the contract re-let process. In addition, this position is reliant on a variety of savings streams within the Transformation Programme, each of which could exhibit fluctuations from the assumptions made within the profile of the affordable level. An example of this is that the transfer of domiciliary clients to a new contract is taking longer than initially planned.
- Domiciliary for all client groups are volatile budgets, with the number of people receiving domiciliary care decreasing over the past few years as a result of the implementation of Self Directed Support (SDS). This is being compounded by a shift in trend towards take up of the enablement service. However, as a result of this, clients who are receiving domiciliary care are likely to have greater needs and require more intensive packages of care than historically provided - the 2010-2011 average hours per client per week was 7.8, whereas the average figure for 2012-13 was 8.0 and 8.3 for 2013-14. For 2014-15, the current actual average hours per client per week is 9.0. However, we should now start to see the average hours per client per week slowly decline as certain transformation savings are expected to reduce the package per client per week. For example, greater use of enablement services and installation of telecare should both reduce requirements for hours per client.
- The transformational changes which are affecting the domiciliary expenditure are creating some uncertainty with the forecast. Extensive work is ongoing to understand the impact of these changes on the expenditure incurred to date and it is anticipated that the outcome will be available for the next report. Whilst we await the outcome of this work, all other areas of expenditure within OPPD are being considered for efficiencies and re-phasing, should they be required to mitigate the risk of an increase to the forecast in future months.

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

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr	14.75	14.71	14.95	14.95	13.99	14.43
May	14.75	14.69	14.95	15.01	13.99	14.44
Jun	14.75	14.68	14.95	15.02	13.99	14.41
Jul	14.75	14.78	14.95	14.99	13.99	14.40
Aug	14.75	14.93	14.95	14.98	13.99	14.37
Sep	14.75	14.91	14.95	15.02	13.99	14.33
Oct	14.75	14.81	14.95	15.10	13.99	
Nov	14.75	14.93	14.95	15.10	13.99	
Dec	14.75	14.88	14.95	15.09	13.99	
Jan	14.75	14.87	14.95	15.07	13.99	
Feb	14.75	14.78	14.95	15.06	13.99	
Mar	14.75	14.80	14.95	14.95	13.99	

Comments:

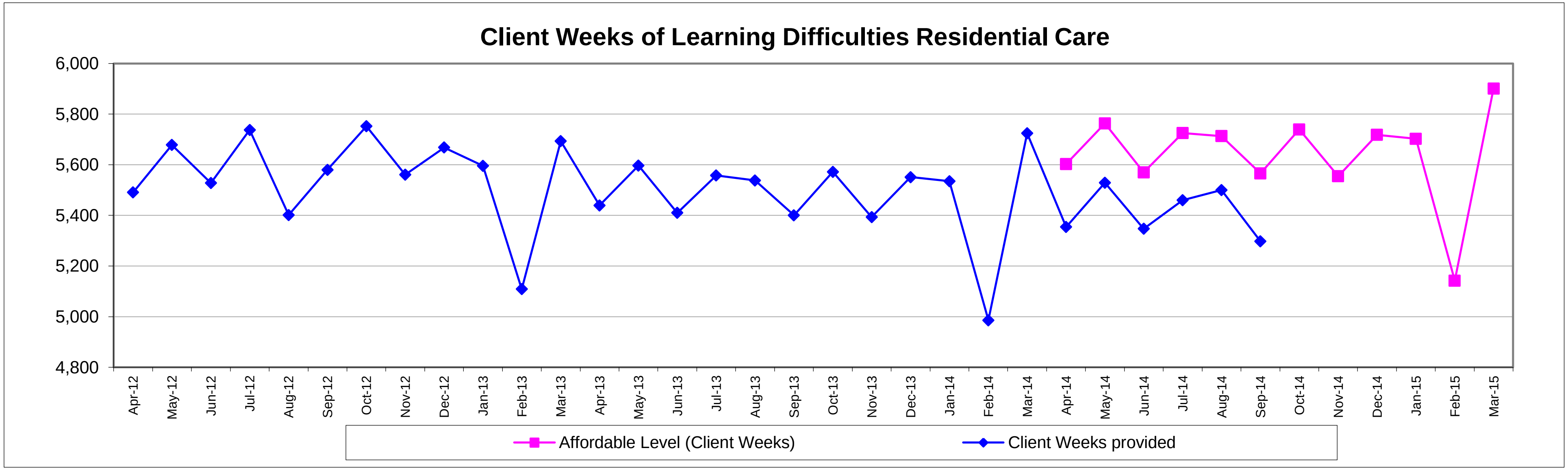
- The unit cost is dependent on the intensity of the packages required, so is subject to variations.
- The forecast unit cost of +£14.33 is higher than the affordable cost of +£13.99 and this difference of +£0.34 adds +£538k to the position when multiplied by the affordable hours, as shown in Table 1.
- The drop in affordable unit cost between March and April 2014 represents anticipated cost reductions from the domiciliary contract re-let as part of the Transformation Programme. This transfer of clients commenced in June 2014 and will continue in the coming months, so further reduction in the unit cost is anticipated as this progresses.



2.4 Number of client weeks of learning disability residential care provided compared with affordable level:

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	5,491	5,439	5,603	5,354
May	5,678	5,597	5,763	5,529
Jun	5,528	5,410	5,570	5,347
Jul	5,737	5,558	5,725	5,460
Aug	5,401	5,538	5,713	5,500
Sep	5,580	5,400	5,566	5,298
Oct	5,752	5,572	5,739	
Nov	5,561	5,393	5,555	
Dec	5,668	5,551	5,718	
Jan	5,596	5,535	5,702	
Feb	5,109	4,986	5,142	
Mar	5,693	5,724	5,901	
	66,794	**65,703**	**67,697**	**32,488**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



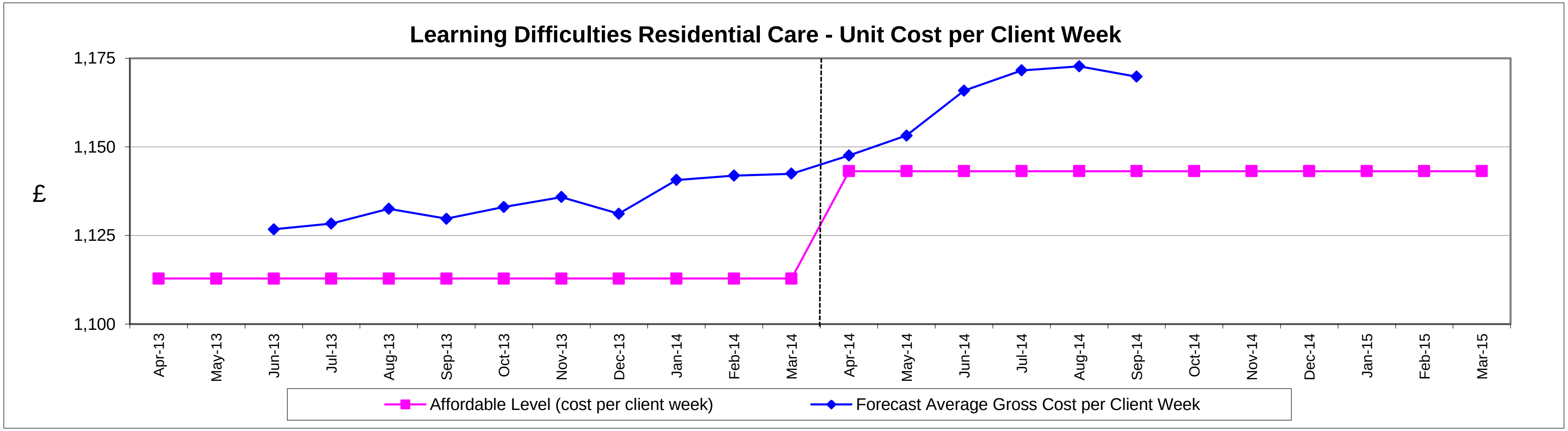
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in LD residential care (including preserved rights clients) at the end of 2012-13 was 1,275, at the end of 2013-14 it was 1,254 and at the end of September 2014 it was 1,236. This includes any ongoing transfers as part of the S256 agreement with Health, transitions, provisions and ordinary residence.
- The current forecast is 65,962 weeks of care against an affordable level of 67,697, a difference of -1,735 weeks. Using the forecast unit cost of £1,169.82, this reduced activity decreases the forecast by -£2,030k, as shown in Table 1.
- The forecast activity for this service is based on known individual clients including provisional and transitional clients. Provisional clients are those whose personal circumstances are changing and therefore require a more intense care package or greater financial help. Transitional clients are children who are transferring to adult social services.
- To the end of September 32,488 weeks of care have been delivered against an affordable level of 33,940, a difference of -1,452 weeks. The year to date activity suggests a lower level of activity than currently forecast, however, the forecast assumes that some activity for transitional and provisional clients will, by necessity, need to be backdated due to bespoke contracts that have to be agreed individually with providers. In addition, there are delays in the recording of non-permanent residential care services on the activity database, meaning the year to date activity is further understated.

2.5 Average gross cost per client week of learning disability residential care compared with affordable level

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		1,112.86		1,143.16	1,147.62
May		1,112.86		1,143.16	1,153.21
Jun		1,112.86	1,126.76	1,143.16	1,165.91
Jul		1,112.86	1,128.39	1,143.16	1,171.61
Aug		1,112.86	1,132.54	1,143.16	1,172.74
Sep		1,112.86	1,129.75	1,143.16	1,169.82
Oct		1,112.86	1,133.04	1,143.16	
Nov		1,112.86	1,135.86	1,143.16	
Dec		1,112.86	1,131.13	1,143.16	
Jan		1,112.86	1,140.70	1,143.16	
Feb		1,112.86	1,141.90	1,143.16	
Mar		1,112.86	1,142.45	1,143.16	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



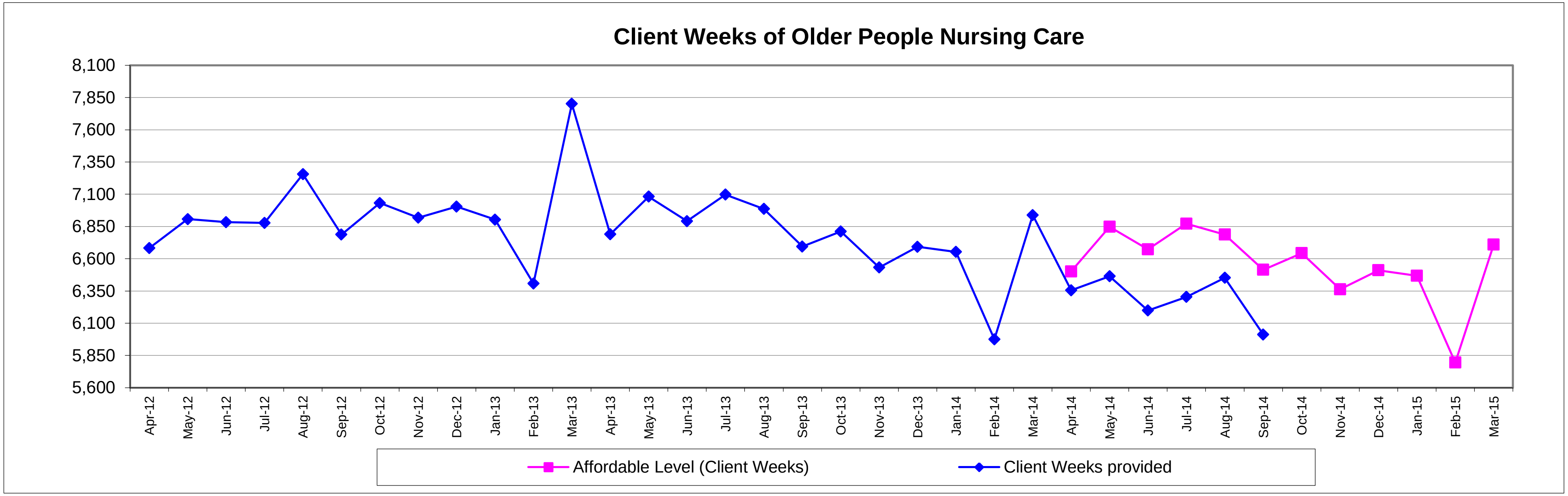
Comments:

- 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 £1,100 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 affordable unit cost has increased this month due to the allocation of funds to meet agreed price increases for providers.
- The forecast unit cost of +£1,169.82 is higher than the affordable cost of +£1,143.16 and this difference of +£26.66 adds +£1,805k to the position when multiplied by the affordable weeks, as shown in Table 1.

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

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	6,683	6,789	6,502	6,355
May	6,907	7,081	6,848	6,464
Jun	6,884	6,891	6,673	6,199
Jul	6,877	7,097	6,871	6,304
Aug	7,255	6,986	6,788	6,452
Sep	6,788	6,695	6,515	6,011
Oct	7,032	6,812	6,643	
Nov	6,918	6,532	6,363	
Dec	7,004	6,693	6,510	
Jan	6,903	6,653	6,468	
Feb	6,408	5,975	5,795	
Mar	7,801	6,937	6,710	
	83,460	**81,141**	**78,686**	**37,785**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The client weeks provided prior to April 2014, shown in the table, have been adjusted to form comparable figures. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



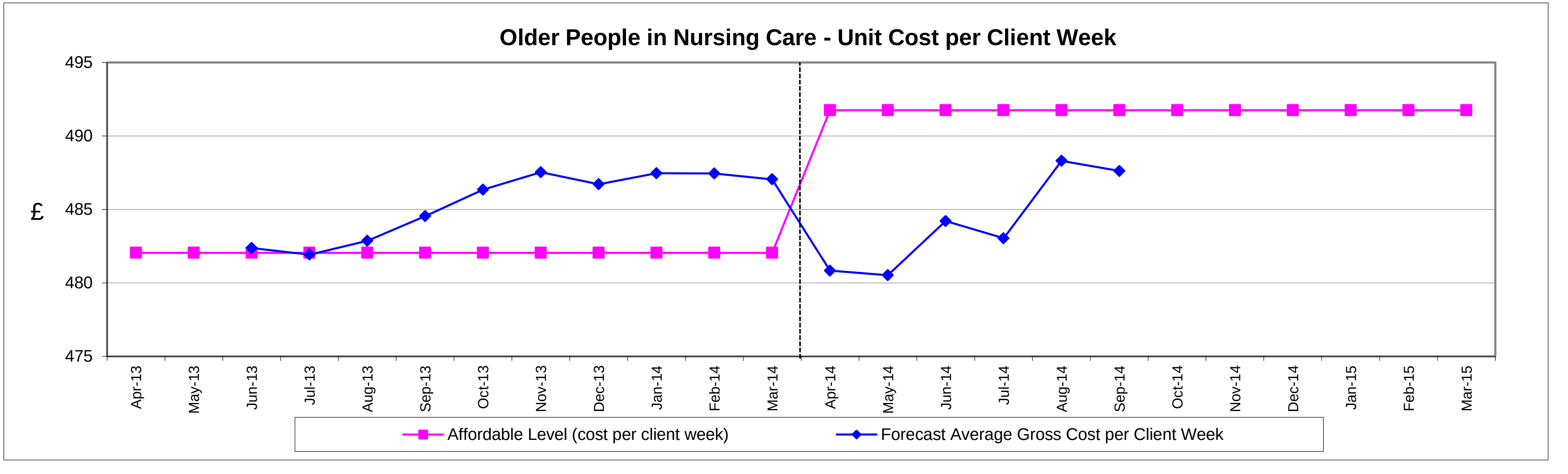
Comments:

- The graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people nursing care at the end of 2012-13 was 1,483, at the end of 2013-14 it was 1,423 and at the end of September 2014 it was 1,376.
- The current forecast is 74,352 weeks of care against an affordable level of 78,686, a difference of -4,334 weeks. Using the forecast unit cost of £487.62, this reduced activity decreases the forecast by -£2,113k, as shown in Table 1.
- To the end of September 37,785 weeks of care have been delivered against an affordable level of 40,197, a difference of -2,412 weeks. The year to date activity suggests a lower level of activity than currently forecast. However, this is mostly due to lower levels of short term placements recorded to date, which is likely to be due to late recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated.
- We are now making contributions under the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

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

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		482.05		491.75	480.83
May		482.05		491.75	480.53
Jun		482.05	482.37	491.75	484.21
Jul		482.05	481.93	491.75	483.04
Aug		482.05	482.87	491.75	488.31
Sep		482.05	484.55	491.75	487.62
Oct		482.05	486.34	491.75	
Nov		482.05	487.54	491.75	
Dec		482.05	486.72	491.75	
Jan		482.05	487.46	491.75	
Feb		482.05	487.44	491.75	
Mar		482.05	487.05	491.75	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The forecast average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.



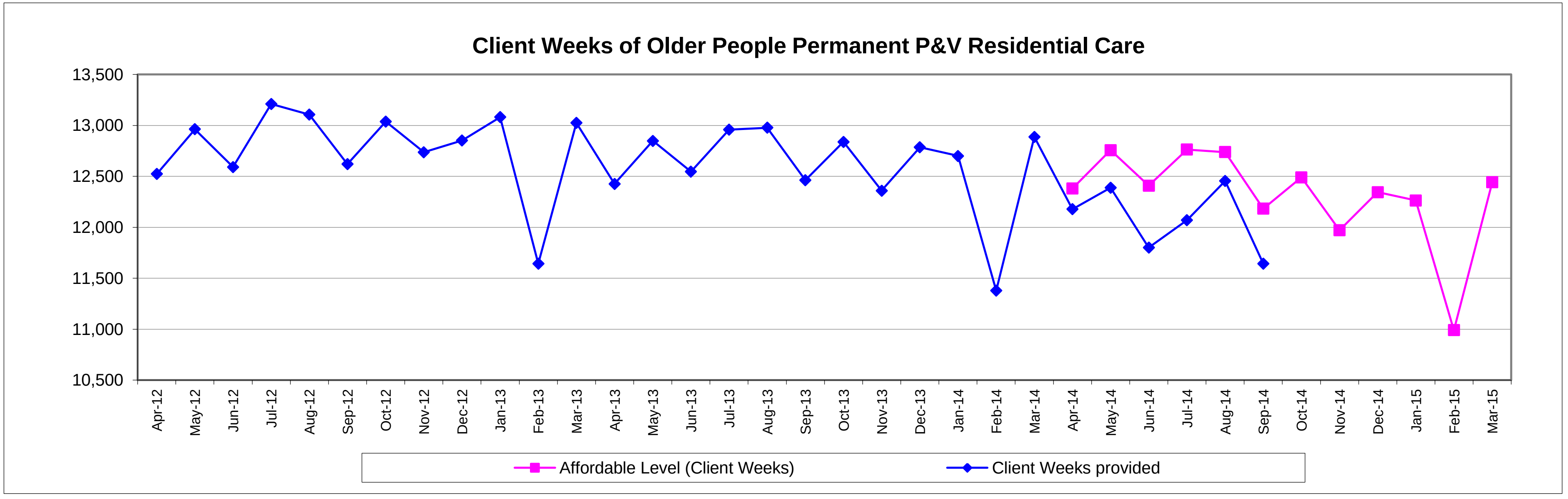
Comments:

- As with residential care, the unit cost for nursing care will be affected by the increasing proportion of older people with dementia who need more specialist and expensive care, which is why the unit cost can be quite volatile and in recent months this service has seen an increase of older people requiring this more specialist care.
- The affordable unit cost has increased this month due to the allocation of funds to meet agreed price increases for providers.
- The forecast unit cost of +£487.62 is lower than the affordable cost of +£491.75 and this difference of -£4.13 reduces the position by -£325k when multiplied by the affordable weeks, as shown in Table 1.
- The increase in the forecast unit cost in June 2014 is a result of a number of changes around savings adjustments, corrections and data cleansing following major changes to the coding structure with effect from 1 April 2014 in line with current guidance on financial and activity reporting requirements.

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

	2012-13	2013-14	2014-15	
	Client Weeks provided	Client Weeks provided	Affordable Level (Client Weeks)	Client Weeks provided
Apr	12,525	12,427	12,381	12,179
May	12,963	12,849	12,757	12,388
Jun	12,592	12,547	12,409	11,802
Jul	13,210	12,959	12,764	12,071
Aug	13,107	12,978	12,739	12,456
Sep	12,620	12,463	12,184	11,644
Oct	13,037	12,839	12,490	
Nov	12,737	12,360	11,972	
Dec	12,852	12,787	12,345	
Jan	13,082	12,701	12,264	
Feb	11,644	11,380	10,991	
Mar	13,026	12,887	12,443	
	153,395	**151,177**	**147,739**	**72,540**

From April 2014 there has been a change in the method of counting client weeks to align with current guidance, bringing together non-preserved rights client weeks with preserved rights client weeks. Also, clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. Due to the fact that prior year affordable levels did not distinguish between respite and non-respite services, the affordable level cannot be converted into a comparable measure for previous years.



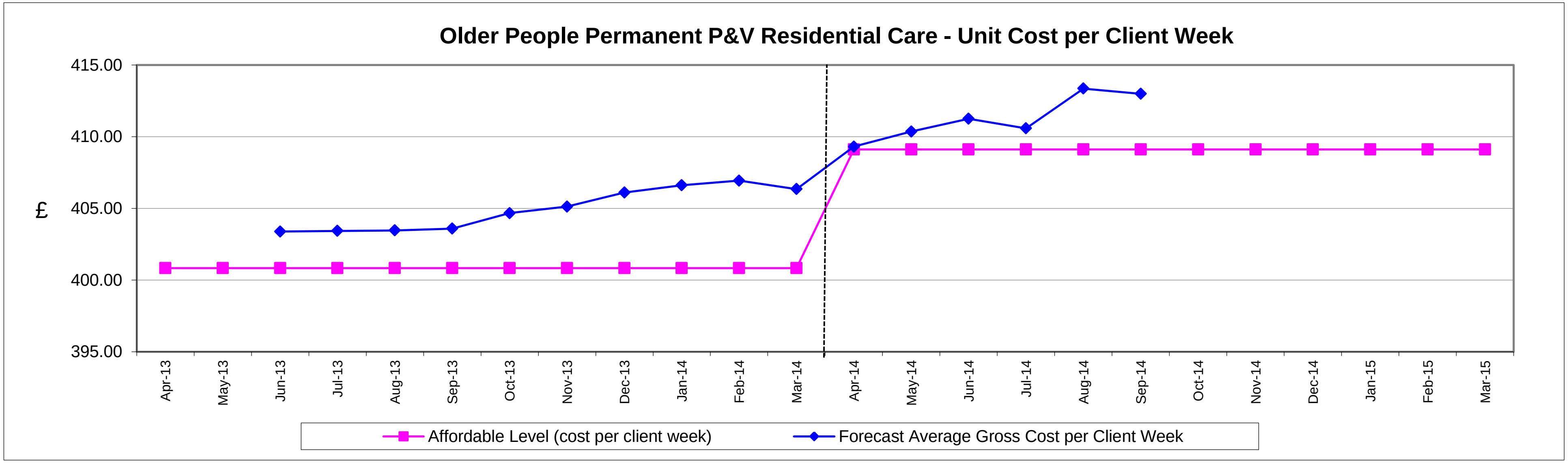
Comments:

- The above graph reflects the number of client weeks of service provided as this has a greater influence on cost than the actual number of clients. The actual number of clients in older people permanent P&V residential care at the end of 2012-13 was 2,737, at the end of 2013-14 it was 2,704 and at the end of September 2014 it was 2,688. It is evident that there are ongoing pressures relating to clients with dementia who require a greater intensity of care.
- It is difficult to consider this budget line in isolation, as the Older Person's modernisation strategy has meant that fewer people are being placed in our in-house provision, so we would expect that there will be a higher proportion of permanent placements being made in the independent sector which is masking the extent of the overall reducing trend in residential client activity.
- The current forecast is 141,983 weeks of care against an affordable level of 147,739, a difference of -5,756 weeks. Using the forecast unit cost of £413.00, this reduced activity decreases the forecast by -£2,377k, as shown in Table 1.
- To the end of September 72,540 weeks of care have been delivered against an affordable level of 75,234 a difference of -2,694 weeks. The year to date activity suggests a higher level of activity than currently forecast. This is because the forecast includes anticipated effects of the transformation programme that should lead to lower levels of permanent residential care activity in forthcoming months than would otherwise be expected. The affordable profile follows a combination of old year patterns and a gradually reducing profile, incorporating expected reductions, although the nature of the transformation programme means that reductions in spend have not necessarily mirrored this pattern precisely. This is partly offset by lower levels of short term placements recorded to date, which is likely to be due to late recording of non-permanent residential care services on the activity database, meaning the year to date activity is understated for these clients.
- We are now making contributions to the Health and Social Care Village model for health commissioning of short-term beds in order to support step down from acute hospital, to reduce demand for this service.

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

	2012-13	2013-14		2014-15	
	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Forecast Average Gross Cost per Client Week £p	Affordable Level (Cost per Week) £p	Forecast Average Gross Cost per Client Week £p
Apr		400.83		409.12	409.31
May		400.83		409.12	410.36
Jun		400.83	403.38	409.12	411.25
Jul		400.83	403.43	409.12	410.59
Aug		400.83	403.46	409.12	413.36
Sep		400.83	403.59	409.12	413.00
Oct		400.83	404.67	409.12	
Nov		400.83	405.12	409.12	
Dec		400.83	406.10	409.12	
Jan		400.83	406.62	409.12	
Feb		400.83	406.94	409.12	
Mar		400.83	406.35	409.12	

From April 2014 there has been a change in the method of counting clients to align with current guidance, bringing together non-preserved rights clients with preserved rights clients. Clients receiving a respite service are now no longer included in this measure and now fall under Support for Carers. The average gross cost per client prior to April 2014, shown in the table, includes respite in the overall unit cost. The overall impact of this change has been to increase the overall number of clients whilst increasing the unit cost. A dotted line has been added to the graph to distinguish between the two different counting methodologies, as the data presented is not on a consistent basis and therefore is not directly comparable. It has not been possible to calculate comparable figures for 2012-13 as the data is not available.

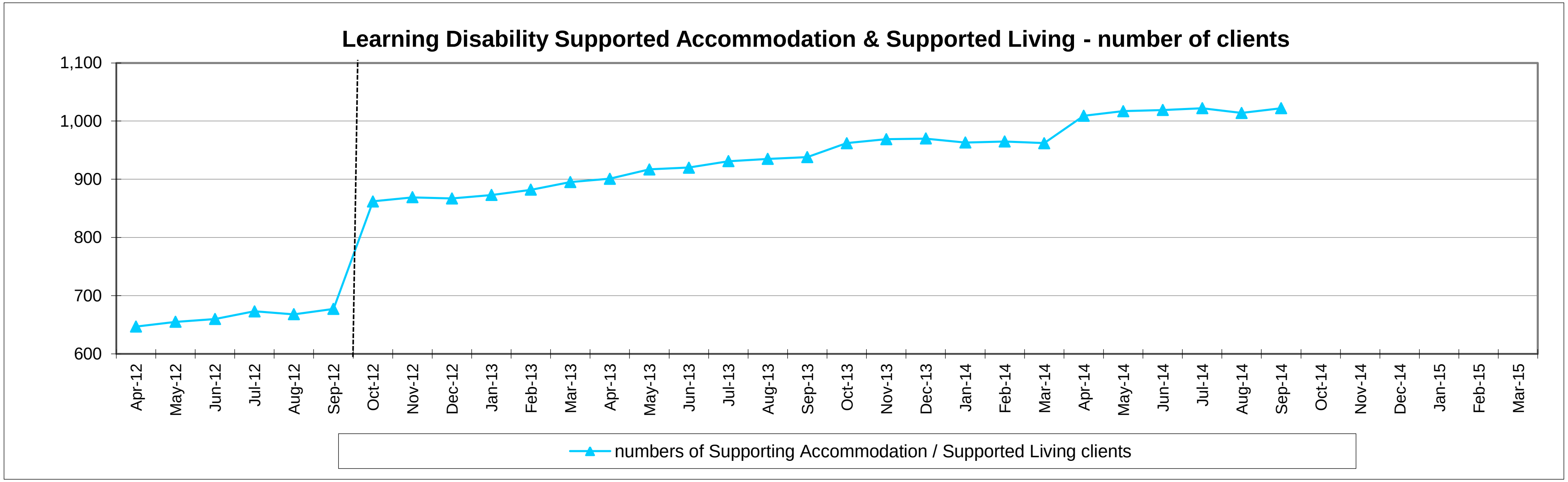


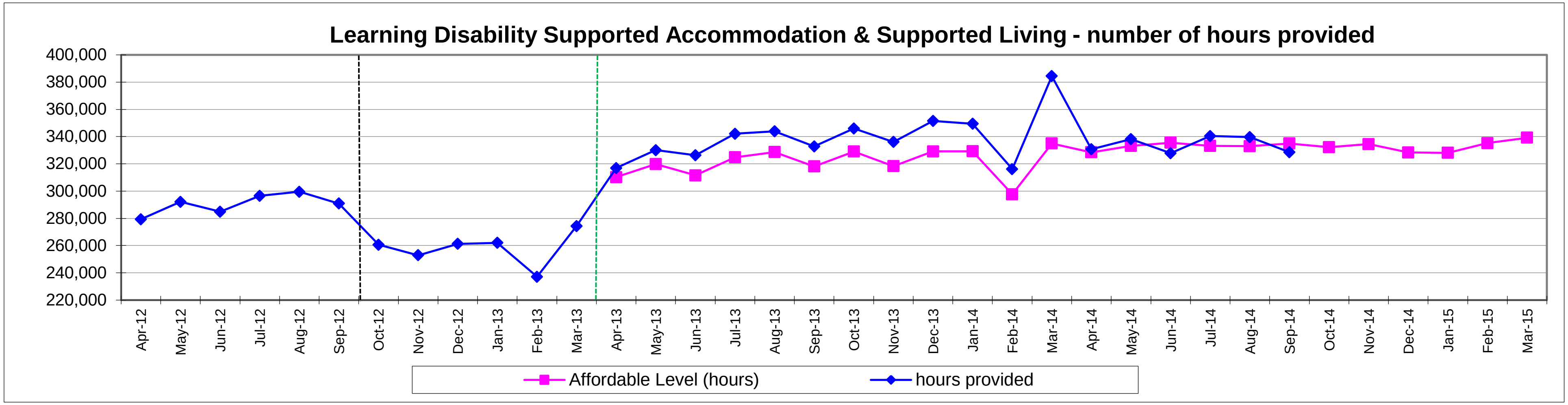
Comments:

- The forecast unit cost of +£413.00 is higher than the affordable cost of +£409.12 and this difference of +£3.88 adds +£573k to the position when multiplied by the affordable weeks, as shown in Table 1.
- The affordable unit cost has increased this month due to the allocation of funds to meet agreed price increases for providers.
- This general increasing trend in average unit cost is likely to be due to the higher proportion of clients with dementia, who are more costly due to the increased intensity of care required, as outlined above. New cases are likely to enter the service at higher unit costs, reflecting the fact that only those with higher needs are directed towards residential care, while those with lower needs are directed towards other forms of support.

2.10 Learning Disability Supported Accommodation/Supported Living – numbers of clients and hours provided in the independent sector

	2012-13			2013-14			2014-15		
	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients	Affordable level (hours)	hours provided	number of clients
Apr		279,365	647	310,234	316,882	901	328,492	330,760	1,009
May		292,122	655	319,790	330,055	917	333,241	338,125	1,017
Jun		284,835	660	311,563	326,381	920	335,519	327,879	1,019
Jul		296,532	673	324,853	342,117	931	333,140	340,451	1,022
Aug		299,521	668	328,693	343,856	935	332,930	339,621	1,014
Sep		290,914	677	318,098	332,862	938	335,006	328,528	1,022
Oct		260,574	862	329,037	346,001	962	332,260		
Nov		252,932	869	318,371	336,051	969	334,509		
Dec		261,257	867	329,160	351,431	970	328,357		
Jan		262,070	873	329,252	349,416	963	328,115		
Feb		237,118	882	297,660	316,116	965	335,263		
Mar		274,334	895	334,943	384,428	962	339,206		
		3,291,574		**3,851,654**	**4,075,596**		**3,996,038**	**2,005,363**	





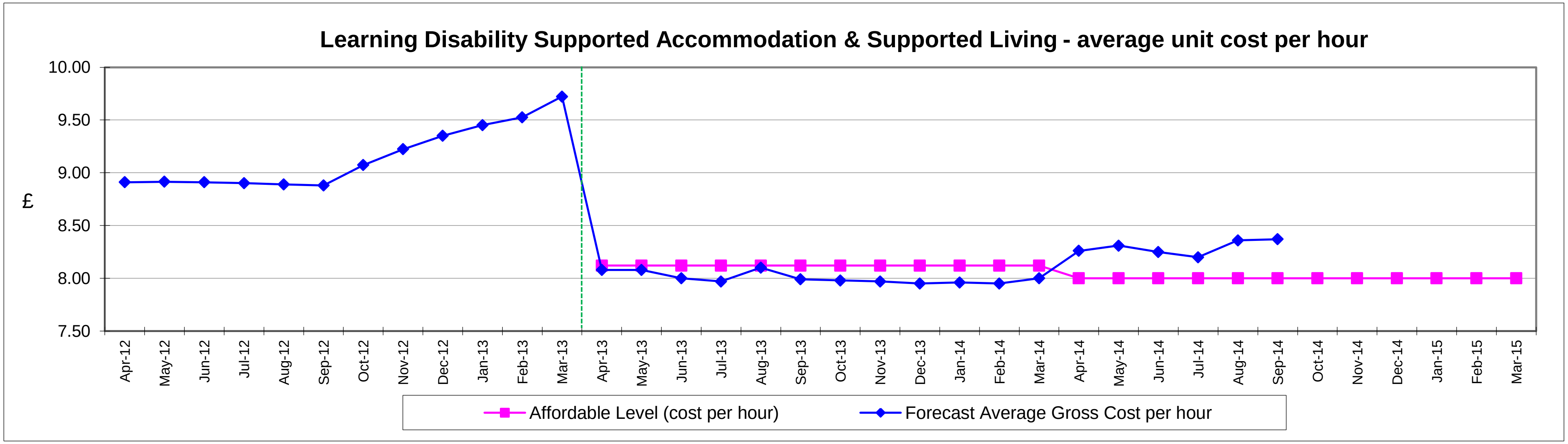
Comments:

- This indicator changed in 2013-14 to include the Supporting Independence Service contract. This measure now incorporates 3 different supported accommodation/living arrangements; the adult placement scheme, supported accommodation (mainly S256 clients) and Supporting Independence Service. The level of support required by individual clients can vary from a few hours a week to 24 hours a day therefore to better reflect the activity related to this indicator, the service is now recorded in hours rather than weeks. In addition, the details of the number of clients in receipt of these services is given on a monthly basis.
- The Supporting Independence Service Contract was introduced in October 2012-13 and involved the transfer of specific clients previously in receipt of services categorised as domiciliary care, extra care sheltered housing and supported accommodation to this new contract. As part of this transfer, some clients chose to receive a direct payment instead. The result of this transfer was an overall net increase in the total number of clients categorised as receiving a supported accommodation/living support service however the average number of hours provided per client reduced. **A black dotted line is shown on the graphs above to illustrate the introduction of the new Supporting Independence Service, and the consequent transfer of clients, as the data presented either side of the dotted line is not on a consistent basis and is therefore not directly comparable.**
- Services provided are recorded in terms of weeks, sessions or hours before all being converted into hours for this activity indicator. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but, for the first time in this report, this estimate has been revised upwards to 9 hours, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data have been restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts. This has also impacted on the unit cost reported in 2.11 below.

- The spike in activity shown for March 2014 is due to backdated hours for transitional and provisional clients being recorded on the activity system but relating to activity undertaken throughout 2013-14.
- Hours provided from April 2014 onwards have been revised in this report in order to remove hours relating to the Better Homes Active Lives PFI night support block contract, as the spend on this support should not be included in this activity indicator.
- The current forecast is 4,093,845 hours of care against an affordable level of 3,996,038, a difference of +97,807 hours. Using the forecast unit cost of £8.37, this additional activity increases the forecast by +£819k, as shown in Table 1.
- To the end of September 2,005,363 hours of care have been delivered against an affordable level of 1,998,328, a difference of +7,035 hours. The forecast number of hours reflects an increase in activity expected in future months which is also reflected in the profile of the budgeted level. The September year to date activity suggests a lower level of activity for the year than currently forecast. This is due to a delay in the recording of transitional and provisional clients on the activity database meaning that the year to date activity is currently understated.
  Delays in the recording of transitional and provisional clients on the activity database are intrinsic to this service as a result of the channels through which referrals take place, i.e. ordinary residence cases, where complex negotiations are involved to determine the point at which different local authorities have responsibility for clients, in addition to the number of bespoke contracts that have to be agreed individually with providers.

2.11 Average gross cost per hour of Supported Accommodation/Supported Living service compared with affordable level:

	2012-13		2013-14		2014-15	
	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p	Affordable Level (Cost per Hour) £p	Forecast Average Gross Cost per Hour £p
Apr		8.91	8.12	8.08	8.00	8.26
May		8.92	8.12	8.08	8.00	8.31
Jun		8.91	8.12	8.00	8.00	8.25
Jul		8.90	8.12	7.97	8.00	8.20
Aug		8.89	8.12	8.10	8.00	8.36
Sep		8.88	8.12	7.99	8.00	8.37
Oct		9.07	8.12	7.98	8.00	
Nov		9.22	8.12	7.97	8.00	
Dec		9.35	8.12	7.95	8.00	
Jan		9.45	8.12	7.96	8.00	
Feb		9.53	8.12	7.95	8.00	
Mar		9.72	8.12	8.00	8.00	



Comments:

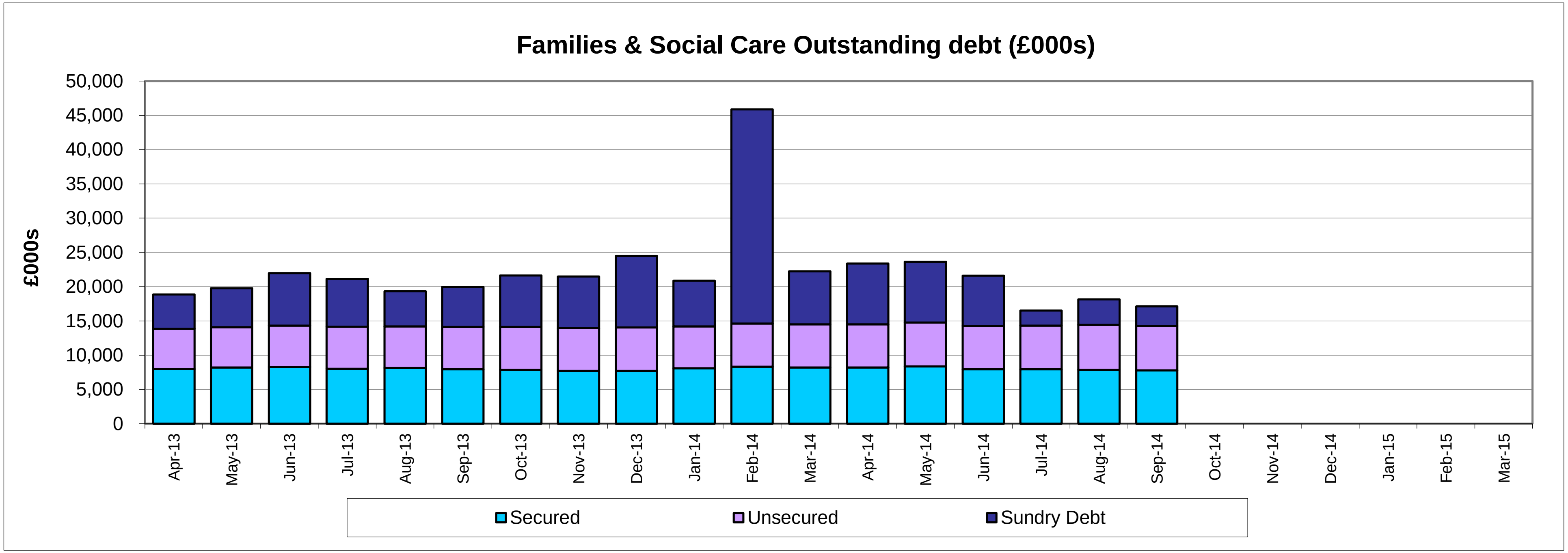
- This measure comprises 3 distinct client groups and each group has a very different unit cost, which are combined to provide an average unit cost for the purposes of this report.
- The costs associated with these placements will vary depending on the complexity of each case and the type of support required in each placement. This varies enormously between a domiciliary type support to life skills and daily living support.
- The forecast unit cost of +£8.37 is higher than the affordable cost of +£8.00 and this difference of +£0.37 adds +£1,479k to the position when multiplied by the affordable hours, as shown in Table 1. Prior to April 2014, sessions were treated as either 8 hours each for Supported Living contracts or 1 hour for Supporting Independence Service contracts but this estimate was revised upwards to 9 hours in the July monitoring report to Cabinet in October, based on updated information provided by Commissioning. Both the 2014-15 affordable level and the 2013-14 data have been restated on the same basis in order to show a comparable position. **A green dotted line has been added to the graph at April 2013 to indicate that the data either side of the line is not on a comparable basis** i.e. 2012-13 data is based on 8 hour sessions for Supported Living contracts and 1 hour sessions for Supporting Independence Service contracts, whereas from April 2013 the data is now based on 9 hour sessions for both of these contracts.

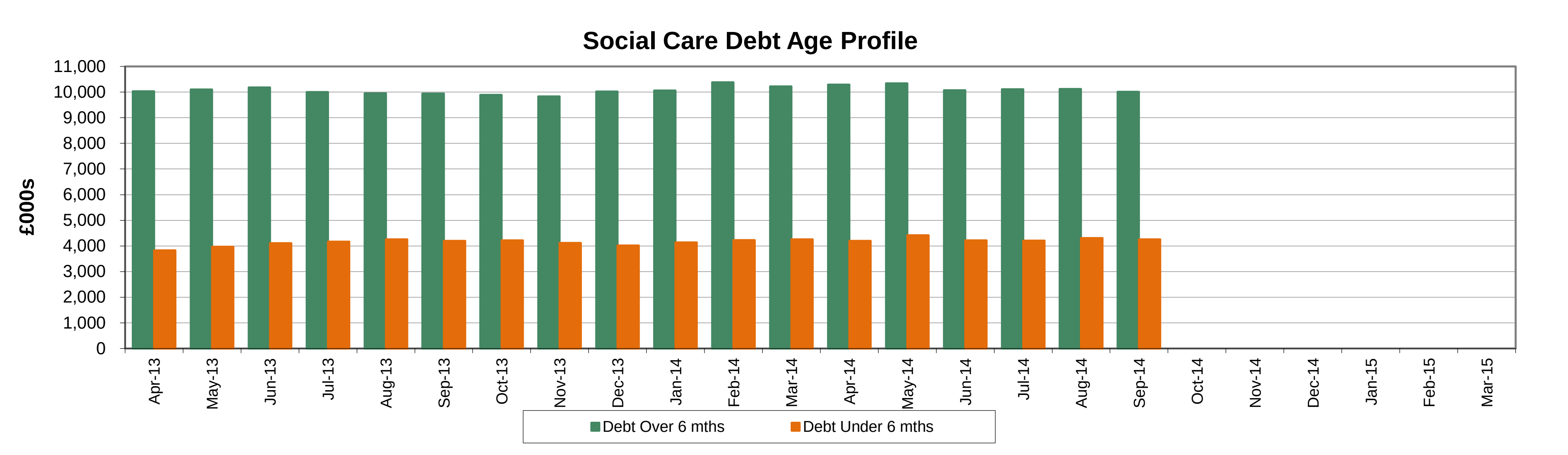
2.12 SOCIAL CARE DEBT MONITORING

The outstanding debt as at the end of September was £17.119m compared with August's figure of £18.138m (reported to Cabinet in October) excluding any amounts not yet due for payment (as they are still within the 28 day payment term allowed). Within this figure is £2.849m of sundry debt compared to £3.707m in August. The amount of sundry debt can fluctuate for large invoices to Health. Also within the outstanding debt is £14.270m relating to Social Care (client) debt which is a small reduction of £0.161m from the last reported position to Cabinet in October. The following table shows how this breaks down in terms of age and also whether it is secured (i.e. by a legal charge on the client's property) or unsecured, together with how this month compares with previous months. For most months the debt figures refer to when the four weekly invoice billing run interfaces with Oracle (the accounting system) rather than the calendar month, as this provides a more meaningful position for Social Care Client Debt. This therefore means that there are 13 billing invoice runs during the year. The sundry debt figures are based on calendar months.

			Social Care Debt				
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
Apr-13	18,859	4,995	13,864	10,037	3,827	7,969	5,895
May-13	19,789	5,713	14,076	10,106	3,970	8,197	5,879
Jun-13	21,956	7,662	14,294	10,183	4,111	8,277	6,017
Jul-13	21,146	6,978	14,168	10,005	4,163	8,015	6,153
Aug-13	19,320	5,116	14,204	9,950	4,254	8,141	6,063
Sep-13	19,950	5,814	14,136	9,943	4,193	7,931	6,205
Oct-13	21,646	7,533	14,113	9,896	4,217	7,867	6,246
Nov-13	21,471	7,524	13,947	9,830	4,117	7,728	6,219
Dec-13	24,480	10,436	14,044	10,026	4,018	7,694	6,350
Jan-14	20,879	6,685	14,194	10,060	4,134	8,103	6,091
Feb-14	45,888	31,278	14,610	10,380	4,230	8,321	6,289
Mar-14	22,238	7,753	14,485	10,226	4,259	8,213	6,272
Apr-14	23,374	8,884	14,490	10,288	4,202	8,220	6,270
May-14	23,654	8,899	14,755	10,342	4,413	8,353	6,402
Jun-14	21,579	7,289	14,290	10,071	4,219	7,944	6,346
Jul-14	16,503	2,187	14,316	10,108	4,208	7,927	6,389
Aug-14	18,138	3,707	14,431	10,122	4,309	7,882	6,549

			Social Care Debt				
	Total Due Debt (Social Care & Sundry Debt) £000s	Sundry Debt £000s	Total Social Care Due Debt £000s	Debt Over 6 months £000s	Debt Under 6 months £000s	Secured £000s	Unsecured £000s
Sep-14	17,119	2,849	14,270	10,015	4,255	7,805	6,465
Oct-14							
Nov-14							
Dec-14							
Jan-15							
Feb-15							
Mar-15							





With regard to Social Care debt, the tables below show the current breakdown and movement since the last report to Cabinet in October of secured, unsecured and health debt, together with a breakdown of unsecured debt by client group.

Social Care debt by Customer Credit Status	**August** £000s	**September** £000s	**Movement** £000s
Secured	7,882	7,805	-77
Unsecured - Deceased/Terminated Service	1,842	1,866	24
Unsecured - Ongoing	4,702	4,586	-116
Caution/Restriction (Unsecured)	7	12	5
Health (Unsecured)	-2	1	3
TOTAL	14,431	14,270	-161

Unsecured debt by Client Group	**August** £000s	**September** £000s	**Movement** £000s
Older People/Physical Disability	6,138	6,062	-76
Learning Disability	313	302	-11
Mental Health	100	100	0
Health	-2	1	3
TOTAL	6,549	6,465	-84

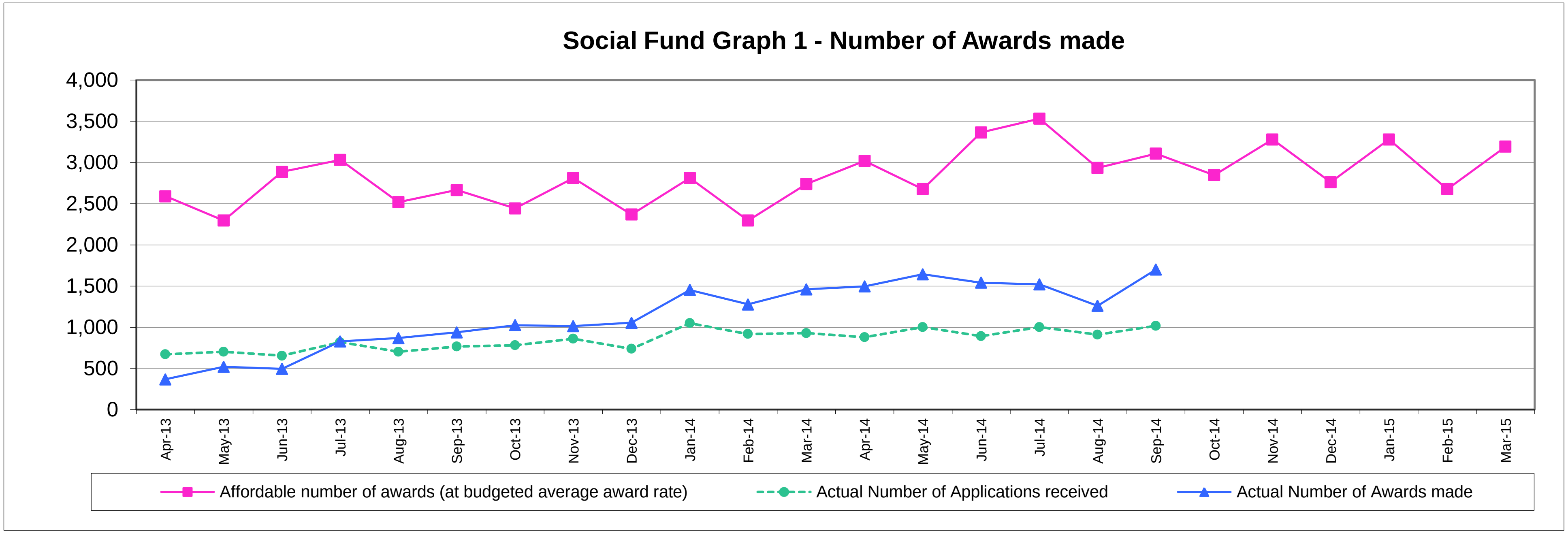
2.13 Number and Value of Social Fund awards made

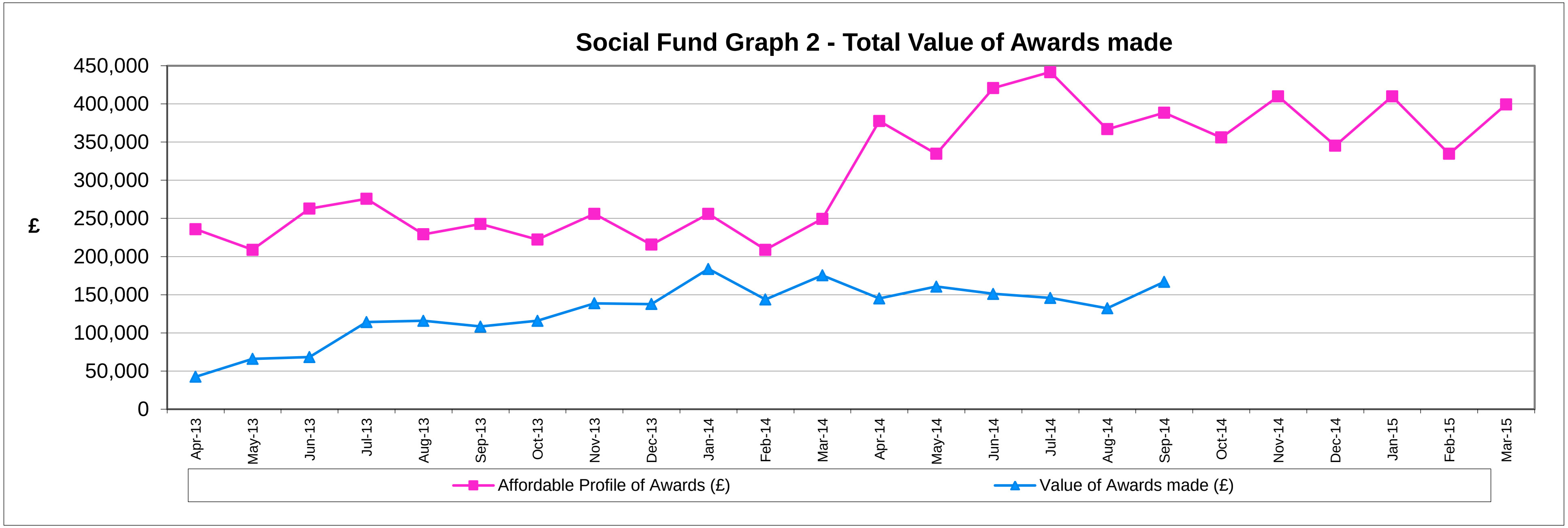
		(a) *	(b)	(c)	(d) *	(e)	(d) / (a)	(e) / (c)
		Affordable number of awards (at budgeted average award rate)	Actual number of applications received	Actual number of awards made	Affordable profile of awards (£)	Value of awards made (£)	Budgeted average award (£)	Actual average award (£)
2013-14	Apr	2,591	673	368	235,800	42,620	91	116
	May	2,296	704	520	208,900	65,907	91	127
	Jun	2,887	655	494	262,700	68,201	91	138
	Jul	3,031	818	828	275,800	114,188	91	138
	Aug	2,518	704	869	229,100	115,811	91	133
	Sep	2,666	766	939	242,600	108,237	91	115
	Oct	2,443	783	1,025	222,300	115,778	91	113
	Nov	2,813	861	1,015	256,000	138,738	91	137
	Dec	2,369	738	1,054	215,600	137,748	91	131
	Jan	2,813	1,050	1,453	256,000	183,774	91	126
	Feb	2,296	918	1,278	208,900	143,813	91	113
	Mar	2,739	930	1,460	249,300	175,416	91	120
		31,462	**9,600**	**11,303**	**2,863,000**	**1,410,231**	**91**	**125**
2014-15	Apr	3,021	880	1,496	377,600	145,043	125	97
	May	2,677	1,003	1,644	334,600	160,674	125	98
	Jun	3,366	891	1,541	420,700	151,071	125	98
	Jul	3,534	1,001	1,520	441,700	145,708	125	96
	Aug	2,935	911	1,261	366,900	132,206	125	105
	Sep	3,108	1,018	1,701	388,500	166,819	125	98
	Oct	2,848			356,000		125	
	Nov	3,280			410,000		125	
	Dec	2,762			345,300		125	
	Jan	3,280			410,000		125	
	Feb	2,677			334,600		125	
	Mar	3,194			399,300		125	
		36,682	**5,704**	**9,163**	**4,585,200**	**901,521**	**125**	**98**

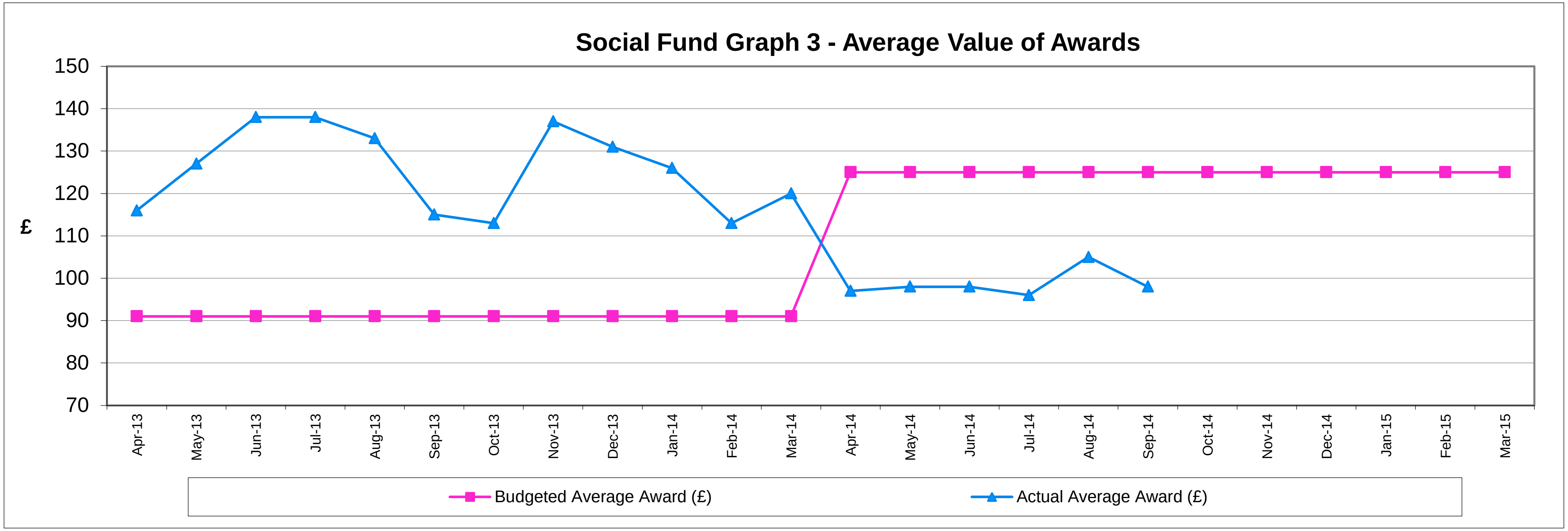
* Columns (a) and (d) are based on available funding which has been profiled by month and type of award (excluding cash awards) in the same ratio as the previous DWP scheme. As the criteria and awards for this pilot scheme differ to the DWP scheme, this does not represent the anticipated demand for the pilot scheme, but represents the maximum affordable level should sufficient applications be received which meet the criteria. (As the data for 2013-14, the first year of our pilot scheme, includes increasing levels of activity as the service commenced, it will not represent a typical year and therefore has not been used to profile the 2014-15 budget in column d of the table)

One application may result in more than one award, e.g. an award for food & clothing and an award for utilities, hence the number of awards in column (c) may exceed the number of applications in column (b).

ANNEX 3


Social Fund Graph 1 - Number of Awards made
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
Affordable number of awards (at budgeted average award rate)
Actual Number of Applications received
Actual Number of Awards made


Social Fund Graph 2 - Total Value of Awards made
£
450,000
400,000
350,000
300,000
250,000
200,000
150,000
100,000
50,000
0
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
Apr-14
May-14
Jun-14
Jul-14
Aug-14
Sep-14
Oct-14
Nov-14
Dec-14
Jan-15
Feb-15
Mar-15
Affordable Profile of Awards (£)
Value of Awards made (£)



Comments:

- This is a pilot scheme that commenced in Kent on 1 April 2013 and differs from the Social Fund scheme, previously administered by DWP, in that cash awards are only given in very extreme circumstances e.g. where an individual may be at risk. This scheme offers 4 types of award including food & clothing, white goods, energy vouchers and furniture & equipment and more importantly signposts the individual, whether an award is given or not, to the appropriate service so that they can receive ongoing support. This is an emergency fund to help support the most vulnerable in society. The figures provided in the table and represented in the graphs above reflect a combined average of these 4 types of award.
- Applications are immediately prioritised with the intention that high priority applications should receive the award within 24 hours. However, approval of awards for lower priority cases e.g. applications for furniture from low risk households may be slower. Therefore, actual awards made in any month can exceed the number of applications for the month, either due to the processing of low priority cases from previous months, or as a result of individual applications resulting in multiple awards being granted, as referred to above.

- **Graph 1** above represents the number of individual awards granted, (there could be multiple awards arising from an individual application), compared to (i) the number of applications received and (ii) the affordable number of awards, as calculated using the budgeted average award rate, which is the maximum number of awards that can be afforded, not the anticipated level of demand.

  In the early months of 2013-14 the number of applications received was higher than the number of awards made, which predominately reflected that applications for cash awards were being received in line with the old DWP scheme, but this type of award is not generally offered as part of this pilot scheme. Initially there were also a number of inappropriate referrals being made whereby the applicant did not qualify. However, the number of awards made is now higher than the number of applications received illustrating that some applications result in more than one award e.g. an award for food and clothing and an award for energy vouchers. There is an admin cost involved in assessing the applications received, irrespective of whether they result in an award being made. The gross budget for this service, as shown in Table 1 is £5.140m, with £0.555m being the cost of administering the scheme including signposting applicants to alternative appropriate services, and £4.585m available to award where appropriate (column d in the table above).

  Because of the uncertainty about both future levels of demand and government funding, the funding for awards in 2013-14 was ring-fenced and rolled forward to 2014-15 to provide some stability to the service. **This roll forward of £1,722.2k was approved by Cabinet in July and is reflected in the cash limits and the affordable level for this indicator.** *(The table above shows an underspend of £1,452.8k in 2013-14 (column d - column e), which is based on the number of awards approved during the financial year. Although awards are approved for individuals in dire need, these awards are not always taken up for a variety of reasons. During 2013-14 £269.4k of approved awards, mainly for furniture and equipment, were not taken up by clients. Therefore the financial underspend as a consequence of the value of awards actually paid (taken up) in 2013-14 was £1,722.2k).*

- **Graph 2** represents the value of awards made against the maximum profiled funding available.

  The number and value of awards made is significantly lower than the affordable level and reflects the current take up of this scheme being low in comparison to the old DWP scheme (which is what the funding, and affordable level, is based upon). The graph illustrates that the value of awards made is showing a steadily increasing trend since the inception of this pilot scheme and this is expected to continue to increase as the scheme matures and communication increases about what the scheme provides. In addition, it is anticipated that changes to welfare reform may still impact on the value of awards given. However, if applicants are successfully signposted to alternative appropriate services to receive sustained support, and an award is not made, then this will be beneficial to the applicant and would result in an underspend against this scheme, which is still a positive outcome for the pilot.

- **Graph 3** compares the budgeted average award value, based on the anticipated mix and value of awards, to the actual average award. Using DWP data, and excluding cash awards, it was anticipated that the majority of awards for this pilot would be for food & clothing, high volume & low value, and therefore the budgeted average award for 2013-14 was set with this in mind at £91. The affordable average award value was revised for 2014-15 to match the actual average award value for 2013-14 of £125. This increase in the budgeted average award value from £91 to £125 reflects a higher than expected number of awards in 2013-14 for furniture & equipment which have a higher award value.

  To the end of September, on average, award values in 2014-15 have been lower with an average of £98 currently reported. In the first half of 2014-15, 38% of the number of awards have been for food & clothing, compared to 49% for 2013-14. Furniture & equipment (incl white goods) accounts for 38% of the number of awards but 45% of the value of awards (the percentages were 19% and 54% respectively for 2013-14, indicating an increasing number falling into this category, but also a shift to lower value items of furniture and equipment). As a result, the actual average award is lower than budgeted due to the apportionment of the award types being different to what was anticipated.

  The awards figures for December 2013-14 include the impact of both energy and food awards being issued for 14 days rather than the normal 7 days to cover the Christmas period. Also, there was a higher number (and value) of cash awards made in December 2013, which included emergency payments to households evacuated because of the flooding.

3. CAPITAL

3.1 The Social Care, Health and Wellbeing Directorate - Adult Services has a working budget for 2014-15 of £76,976k. The forecast outturn against the 2014-15 budget is £77,303k giving a variance of +£327k.

3.2 Table 1 below details the Adults Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Home Support Fund	6,600	2,200	280	280	Real - grant	Predicted additional expenditure on equipment to be legitimately capitalised at year end.	Green		
Individual Projects									
Kent Strategy for Services for Older People (OP):									
Community Care Centre - Ebbsfleet	0	0	0	0			Green		
Community Care Centre - Thameside Eastern Quarry	0	0	0	0			Green		
OP Strategy - Transformation / Modernisation	6,978	6,089	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Kent Strategy for Services for People with Learning Difficulties/Physical Disabilities:									
Learning Disability Good Day Programme-Community Hubs	2,182	1,580	0	0			Green		
Learning Disability Good Day Programme-Community Initiatives	679	622					Green		
Active Care / Active Lives Strategy:									
PFI - Excellent Homes for All - Development of new Social Housing for vulnerable people in Kent	63,000	63,000					Green		
Developing Innovative and Modernising Services:									
Information Technology Projects	2,507	2,507	1,015	1,015	Real - £905k grant, £110k dev cons	Predicted expenditure on Telecare equipment to be capitalised at year end.	Green		
Lowfield St (formerly Trinity Centre, Dartford)	972	978	-968	-968	Rephasing	Development of site delayed, in further negotiations with developer on how to proceed. Budget rephased to 15/16.	Amber	Project delayed therefore amber status.	
Total	82,918	76,976	327	327					

1. Status: Green – on time & within budget; Amber – either delayed completion date or over budget; Red – both delayed completion & over budget.

ANNEX 4

SOCIAL CARE, HEALTH & WELLBEING DIRECTORATE
PUBLIC HEALTH
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before transfer to Public Health Reserve	Transfer to Public Health Reserve	Net Variance after transfer to Public Health Reserve
Total (£k)	**-**	**-780**	**+780**	**-**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Social Care, Health & Wellbeing - Public Health							
Strategic Management & Directorate Support Budgets	170.1	-170.1	0.0	+13			
Public Health:							
- Children's Public Health Programmes	5,924.5	-5,924.5	0.0				
- Drug & Alcohol Services	752.2	-752.2	0.0				
- Obesity & Physical Activity	2,794.8	-2,794.8	0.0				
- Public Health - Mental Health Adults	912.1	-912.1	0.0				
- Public Health Staffing, Advice & Monitoring	4,887.4	-4,887.4	0.0	-793	*-793*	*Underspend due to vacancies*	
- Sexual Health Services	11,996.7	-11,996.7	0.0				
- Targeting Health Inequalities	6,116.1	-6,116.1	0.0				
- Tobacco Control & Stop Smoking Services	4,013.4	-4,013.4	0.0				
	37,567.3	-37,567.3	0.0	-780			
- tfr to(+)/from(-) Public Health reserve				***+780***	***+780***	*Transfer of underspend to reserves*	
Total SCH&W (Public Health)	**37,567.3**	**-37,567.3**	**0.0**	**0**			

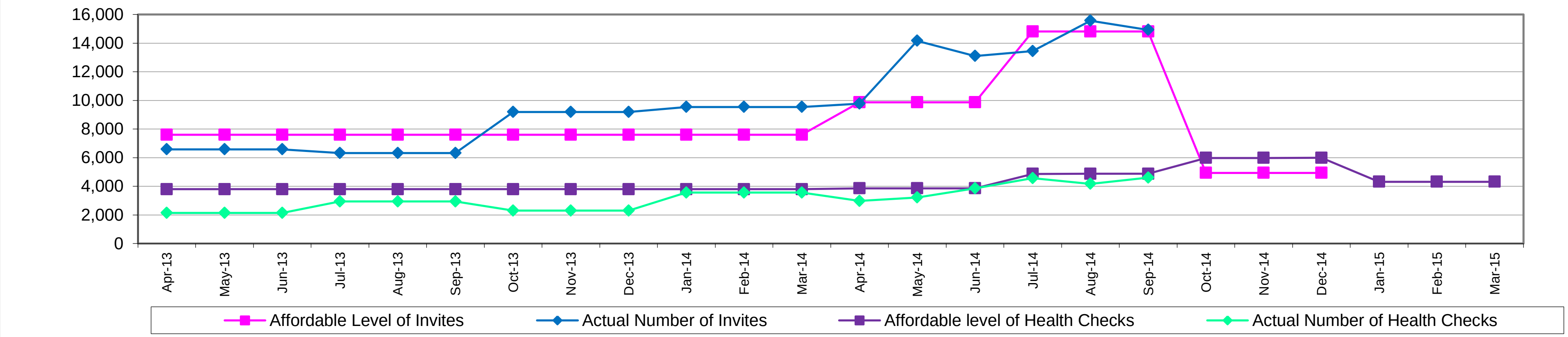
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number of Health Check invites compared to number of Health Checks undertaken

	2013-14				2014-15			
	Invites		Checks		Invites		Checks	
	Budget level	actual	Budget level	actual	Budget level	actual	Budget level	actual
Apr					9,877	9,776	3,860	2,984
May	22,810	19,761	11,405	6,455	9,877	14,169	3,860	3,225
Jun					9,878	13,108	3,862	3,865
Jul					14,816	13,457	4,874	4,572
Aug	22,810	18,996	11,405	8,836	14,816	15,577	4,875	4,179
Sep					14,816	14,933	4,876	4,613
Oct					4,939		5,987	
Nov	22,810	27,608	11,405	6,924	4,939		5,988	
Dec					4,938		5,989	
Jan					0		4,324	
Feb	22,811	28,639	11,406	10,709	0		4,325	
Mar					0		4,325	
TOTAL	91,241	95,004	45,621	32,924	88,896	81,020	57,145	23,438

Comments:

- As can be seen from the difference in total budgeted activity for invites and checks, not all people invited for a health check attend a check and there is often a delay between the invite and the health check taking place.
- The invites planned activity is weighted towards the early part of the year to give time for the follow-up process to maximise the number of people attending a health check.
- The planned number of invites was based on DH estimates, more recent GP data shows an increase in eligible population by more than 5,000. This activity is anticipated to be above budget for the year.



Number of Invites to Health Checks Compared with Actual Health Checks Undertaken

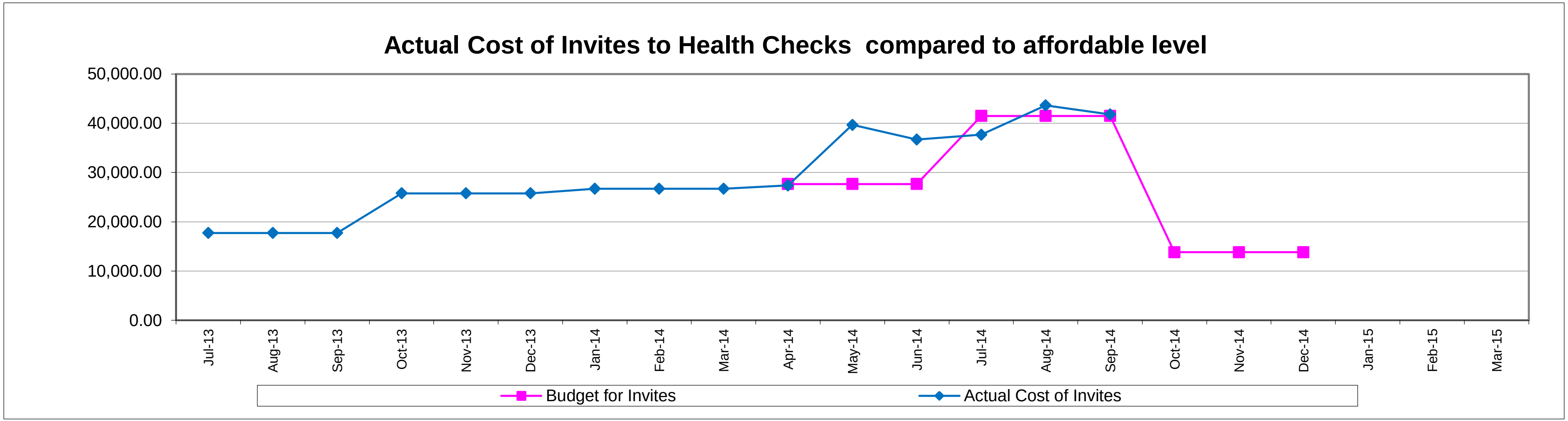
2.2 Cost of Health Check invites and Health Checks undertaken compared to budget

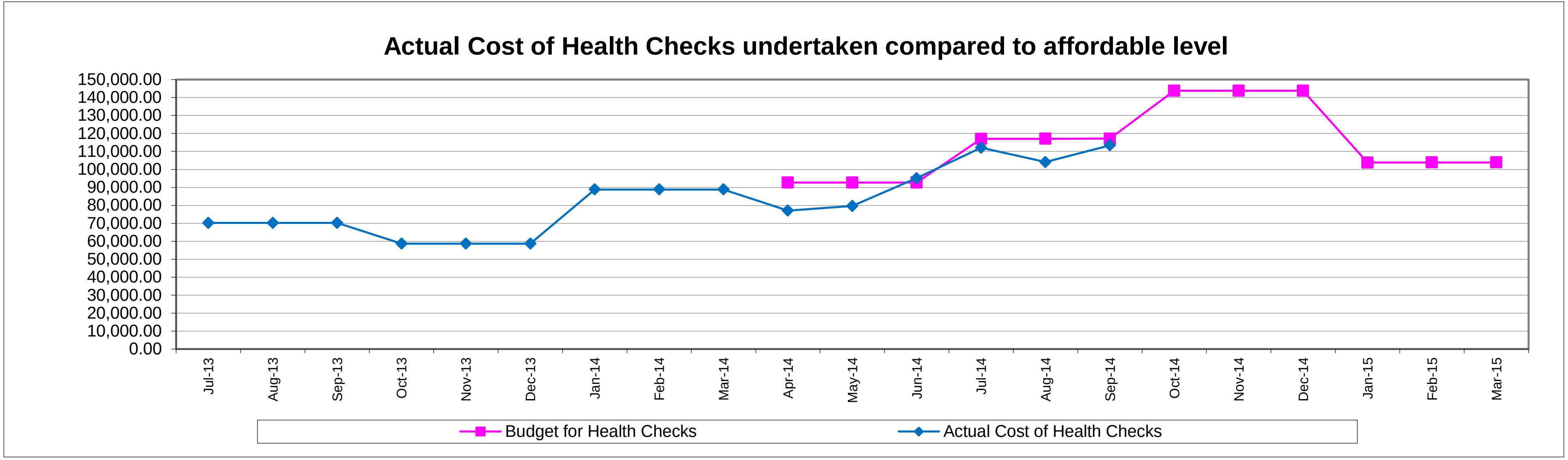
	2013-14 *		2014-15			
	Invites	Checks	Invites ~		Checks #	
	actual cost (£)	actual cost (£)	Budget (£)	actual cost (£)	Budget (£)	actual cost (£)
Apr			27,656	27,373	92,700	77,081
May	0	0	27,656	39,673	92,700	79,696
Jun			27,658	36,702	92,748	95,130
Jul			41,485	37,680	117,052	112,119
Aug	53,189	210,746	41,485	43,616	117,076	104,137
Sep			41,485	41,812	117,100	113,424
Oct			13,829		143,781	
Nov	77,302	175,920	13,829		143,805	
Dec			13,826		143,829	
Jan			0		103,843	
Feb	80,189	266,524	0		103,869	
Mar			0		103,869	
TOTAL	210,680	653,190	248,909	226,856	1,372,372	581,587

* In 2013-14 the service was initially commissioned on a block contract basis. From the second quarter this was amended to a performance basis, with specific activity budgets set for the year, with payments being related to the level of activity provided.

Health check activity for the first six months of 2014-15 is below budget. We are now expecting lower than budgeted activity in the second half of the year.

~ The health check invites activity for the first six months of 2014-15 is above budget. We are expecting the activity to be in line with budget in the third quarter.





Comments:

- The NHS Health Checks programme is monitored closely with a focus on performance and contract management. The targets for 2014-15 are more stretching, providers are expected to deliver significantly more checks during the year. The target for invites is weighted towards the first part of the year to give time for the follow-up process to maximise the number of health checks that are delivered in year.
- The budget for Health Checks is made up of a fixed cost element £465,756 and a performance element £1,621,281. The performance element is shown in the activity data above, with a budget of £248,909 for invites and £1,372,372 for health checks (totalling £1,621,281).
- The budgeted activity level for invites is based on the eligible population. The budgeted activity level for health checks is higher in 2014-15 as the provider is expected to make up for the underperformance in the previous year. It is now anticipated that the number of health check invites will be greater than budgeted due to an increase in eligible population. Any pressure as a result of this will be offset by a saving on checks.

GROWTH, ENVIRONMENT & TRANSPORT DIRECTORATE
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Directorate Total (£k)	**+180,000**	**-2,280**	**-**	**-2,280**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Growth, Environment & Transport							
Strategic Management & Directorate Support budgets	4,794.9	-93.6	4,701.3	+122	+407	Savings held centrally but being more than achieved through underspends within other budget headings (primarily in Community Wardens, Sports Development, and Development Planning within Highways Management).	This pressure is expected to be on-going and realignment of budgets will be required in the 2015-18 MTFP
					-207	This results from a number of vacancies as well as some staffing costs being covered by the Facing the Challenge budget (see annex 6).	Part of this saving is expected to be ongoing and will be reflected in the 2015-18 MTFP
					-78	Other minor variances	
Children's Services - Education & Personal							
- 14 - 19 year olds	111.9	-59.3	52.6	0			
Community Services:							
- Arts Development (incl. grant to Turner Contemporary)	2,435.8	-300.7	2,135.1	-35			
- Community Safety	443.3	-61.2	382.1	0			
- Community Wardens	2,689.8	0.0	2,689.8	-183	-267	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is expected to be on-going and realignment of budgets will be required in the 2015-18 MTFP
					+84	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Gypsies & Travellers	666.1	-430.0	236.1	-68			
- Libraries, Registration & Archives (LRA)	18,526.2	-5,256.7	13,269.5	-418	-333	Increased Registration Service income primarily from ceremonies and nationality checking service	This additional income is expected to be on-going and will need to be reflected in the 2015-18 MTFP
					-179	Staffing vacancies	
					+150	Estimated additional costs (legal, consultations, etc) relating to possible establishment of a charitable trust for future provision of the LRA service	
					-62	Increased Libraries & Archives income primarily from audio visual hire, fines and sale of old stock	
					+6	Other minor variances	
- Sports Development	3,008.9	-2,208.7	800.2	-124	-98	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is on-going and realignment of budgets between these A to Z lines will need to be reflected in the 2015-18 MTFP
					-26	Other minor variances	
	27,770.1	-8,257.3	19,512.8	-828			
Environment:							
- Country Parks	1,532.9	-1,023.7	509.2	-14			
- Countryside Access (incl. Public Rights of Way)	2,646.9	-885.1	1,761.8	-32			
- Environment Management	4,752.7	-2,414.6	2,338.1	-54			
	8,932.5	-4,323.4	4,609.1	-100			
Highways:							
- Highways Maintenance							
- - Adverse Weather	3,214.9	0.0	3,214.9	+12			
- - Bridges & Other Structures	2,242.3	-221.9	2,020.4	-69			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- General maintenance & emergency response	12,397.0	-475.8	11,921.2	+259	+154	Traffic management costs at junctions on high speed roads where additional grass cutting and weed control has been required as a result of the favourable growing conditions (mild & moist) and high water table.	
					+105	Other minor variances, each below £100k.	
- Highway drainage	2,962.4	0.0	2,962.4	+70			
- Streetlight maintenance	3,831.5	-154.0	3,677.5	-2			
	24,648.1	-851.7	23,796.4	+270			
- Highways Management:							
- Development Planning	2,117.5	-2,135.2	-17.7	-52	-91	Staffing vacancies (to offset saving held centrally within Strategic Management & Directorate Support budgets).	This saving is on-going and realignment of budgets between these A to Z lines will need to be reflected in the 2015-18 MTFP
					+39	Other minor variances	
- Highways Improvements	1,596.7	-33.3	1,563.4	-82			
- Road Safety	3,059.8	-2,146.4	913.4	-279	-384	Lower than budgeted average cost per attendee for Speed Awareness courses	This net saving is expected to be on-going and will need to be reflected in the 2015-18 MTFP
					-58	Reduced costs of Speed Awareness courses due to lower than budgeted number of attendees	
					+171	Reduced income for Speed Awareness courses due to fewer attendees	
					-8	Other minor variances	
- Streetlight energy	5,689.5	0.0	5,689.5	-218	-162	Greater than budgeted savings achieved from part night switch-off energy saving initiative, partially offset by costs of additional streetlights at new developments.	This saving is expected to be on-going and will need to be reflected in the 2015-18 MTFP
					-56	Lower than budgeted impact of electricity price increase	
- Traffic management	5,304.7	-3,363.2	1,941.5	-127	-145	Increased permit scheme income	
					+18	Other minor variances	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Tree maintenance, grass cutting & weed control	3,361.5	0.0	3,361.5	+164	+150	Backlog of tree inspections	
					+124	Additional weed treatment. The budget only provides for one treatment but two treatments have been undertaken this year due to the mild and moist conditions leading to favourable growing conditions.	
					-100	Procurement saving on grass cutting	This saving is expected to be on-going and will need to be reflected in the 2015-18 MTFP
					-10	Other minor variances	
	21,129.7	-7,678.1	13,451.6	-594			
Planning & Transport Strategy:							
- Planning & Transport Policy	1,121.7	-60.0	1,061.7	-9			
- Planning Applications	1,094.4	-600.0	494.4	0			
	2,216.1	-660.0	1,556.1	-9			
Regeneration & Economic							
- Regeneration & Economic Development Services	5,709.3	-1,777.8	3,931.5	+49			
Regulatory Services							
- Coroners	3,664.4	-1,032.7	2,631.7	-170	-152	Long Inquest costs lower than expected	
					-18	Other minor variances	
- Emergency Planning	761.8	-169.0	592.8	-57			
- Trading Standards (incl. Kent Scientific Services)	3,812.8	-945.6	2,867.2	+16			
	8,239.0	-2,147.3	6,091.7	-211			
Schools Services							
- Other Schools Services	416.4	0.0	416.4	+24			
Transport Services:							
- Concessionary Fares	17,006.0	-27.0	16,979.0	-783	-545	Reduced bus operator costs due to reduced number of journeys being taken	Part of this saving is expected to be on-going and will need to be reflected in the 2015-18 MTFP

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-376	The budget to fund the bulk renewal of the bus passes, which happens every five years, is £376k; this was last done in 2012-13 meaning that aside from passes for new applicants, this budget will remain underspent this year.	
					+150	It has been agreed that it is now more appropriate to set up a smoothing reserve with a fixed annual contribution, which is then fully drawn down every five years to fund the bulk renewal of passes. The annual contribution to reserves required is £75k and the renewal takes place in four years time. For this year only a £150k transfer to reserves is required, representing a two year contribution for 2013-14 and 2014-15.	An annual net saving of £301k will be reflected in the 2015-18 MTFP (£376k less £75k annual contribution to reserves)
					-12	Other minor variances	
- Freedom Pass / Young Person's Travel Pass	13,301.5	-4,596.0	8,705.5	0		This budget was reduced considerably in 2014-15, due to the introduction of the new Young Person Travel Pass scheme from September, resulting in an increased fee payable to acquire the pass, as well as an assumed reduction in cost as there would be a number of people who no longer thought the pass to be cost effective for their needs, and therefore usage was expected to reduce accordingly. Half year passes can also now be purchased. These new criteria came into effect from September, and hence there are a number of variables that could impact on this budget.	

ANNEX 5

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Freedom Pass / Young Person's Travel Pass (continued)						The quarter 2 position is that approximately 24,200 passes have been issued; it appears therefore that the overall take-up will not reduce as much as originally modelled between September and February, due to the revised policy enabling the purchase of half year passes. At this stage it is difficult to quantify what impact these variables may have as the first half year passes have now been acquired but we can only speculate on how many of these applicants will also purchase the second half year pass (applications are due by early January). We also do not yet have any substantial data on number of journeys travelled under the new scheme, however our external advisors are currently undertaking a reconciliation of the information received from bus companies and we are expecting to receive the data at the end of November. The activity reported for the April to June period, under the old scheme, shows a reduction in the passes issued against budget but a higher number of journeys travelled (see section 2.3)	
- Subsidised Bus Routes	10,093.8	-2,185.7	7,908.1	-656	-602	Additional savings from negotiation of lower than budgeted prices and greater contract efficiencies	This saving is expected to be on-going and will need to reflected in the 2015-18 MTFP
					-54	Other minor variances	
- Transport Operations	1,271.4	-214.5	1,056.9	+78			
- Transport Planning	562.8	-228.0	334.8	-20			
	42,235.5	-7,251.2	34,984.3	-1,381			

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Waste Management							
- Waste Commissioning & Contract Management	1,353.9	0.0	1,353.9	-37			
- Recycling & Diversion from Landfill:							
- Household Waste Recycling Centres	7,897.2	-1,982.0	5,915.2	-188	-280	Underspend due to contract changes at household waste recycling centres	
					-205	The amounts to be paid in recycling bonuses to contractors are expected to be lower than budget primarily as a result of a change of contractor at two sites, where under the terms of the new contract no bonuses are payable.	
					+327	Reduction in income primarily in relation to the sale of recycled textiles	
					-30	Other minor variances	
- Partnership & development	500.7	-168.0	332.7	+40			
- Payments to Waste Collection Authorities (DCs)	6,241.0	-102.0	6,139.0	+180	+231	The Church Marshes Waste Transfer Station is currently not able to take food waste, meaning that Swale Borough Council's contractor must dispose of this at a different site and is incurring additional costs in doing so. KCC has agreed to reimburse these costs until problems at the site are resolved, which should be by the end of the financial year.	
					-51	Other minor variances	
- Recycling Contracts & Composting	8,111.0	-992.0	7,119.0	-612	+509	Forecast increase of +23,900 tonnes of hardcore, wood, garden and food waste, and other materials; the higher volume of waste has generated a small amount of additional income which is also included within this variance.	The pressure resulting from increased waste tonnage will need to be addressed in the 2015-18 MTFP.

ANNEX 5

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-1,038	Savings resulting from the new Materials Recycling Facilities contract	The full year effect of saving from new waste contracts will need to be reflected in the 2015-18 MTFP
					-102	Actual price of in-vessel composting is lower than budgeted	
					+19	Other minor variances	
	22,749.9	-3,244.0	19,505.9	-580			
- Waste Disposal:							
- Closed Landfill Sites & Abandoned Vehicles	568.0	-30.0	538.0	+118	+154	Insufficient creditor provision set up for Southern Water charges in 2013-14, plus an increase in the metered water charges at North Farm	Approx. £90k of this pressure is expected to be ongoing and will need to be addressed in the 2015-18 MTFP
					-36	Other minor variances	
- Disposal Contracts	31,131.0	-156.0	30,975.0	+881	+884	Additional +6,600 tonnes of residual waste to be sent to the Allington Waste to Energy plant	The pressure resulting from increased waste tonnage will need to be addressed in the 2015-18 MTFP.
					+228	Forecast increased tonnage of residual waste to be sent to landfill (+9,000 tonnes) following re-direction of waste due to down time at the Allington Waste to Energy Plant	
					-302	Income from Trade Waste at North Farm and Dunbrik	This is expected to be ongoing and will be reflected in the 2015-18 MTFP
					+71	Other minor variances	
- Haulage & Transfer Stations	9,947.0	-75.0	9,872.0	-739	-804	Underspend due to contract changes at transfer stations	
					+32	Additional haulage fees due to higher volume of waste	
					+33	Other minor variances	

ANNEX 5

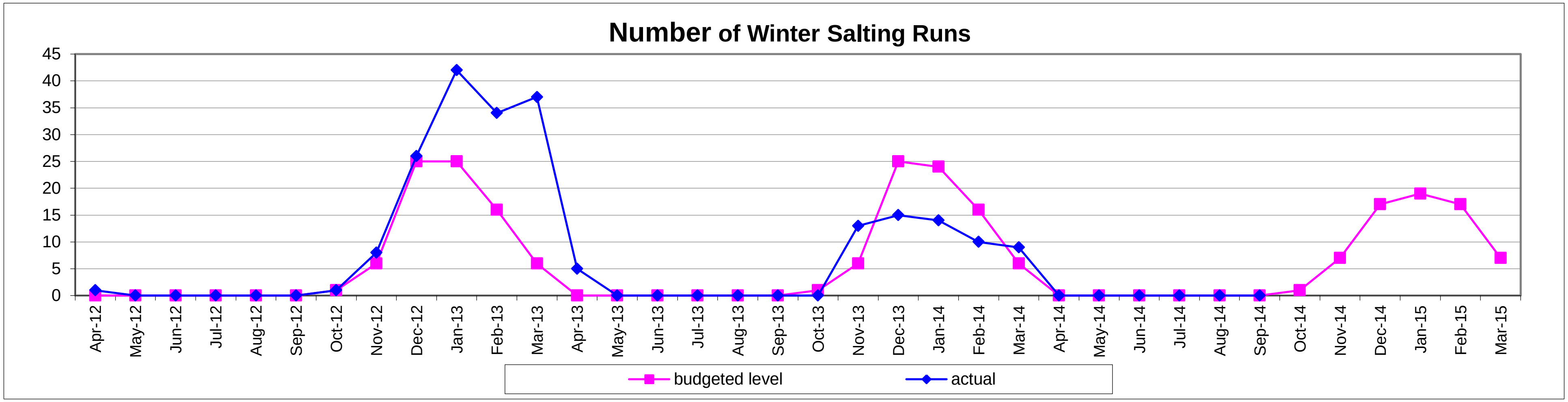
Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
- Landfill Tax	4,651.0	0.0	4,651.0	+735	+735	Forecast increase in the volume of waste sent to landfill due to an overall increase in residual waste and unplanned maintenance at the Allington Waste to Energy plant (+9,000 tonnes)	The pressure resulting from increased waste tonnage will need to be addressed in the 2015-18 MTFP.
	46,297.0	-261.0	46,036.0	+995			
Total GE&T	**216,604.3**	**-36,604.7**	**179,999.6**	**-2,280**			
Assumed Mgmt Action							
Total Forecast after mgmt action	**216,604.3**	**-36,604.7**	**179,999.6**	**-2,280**			

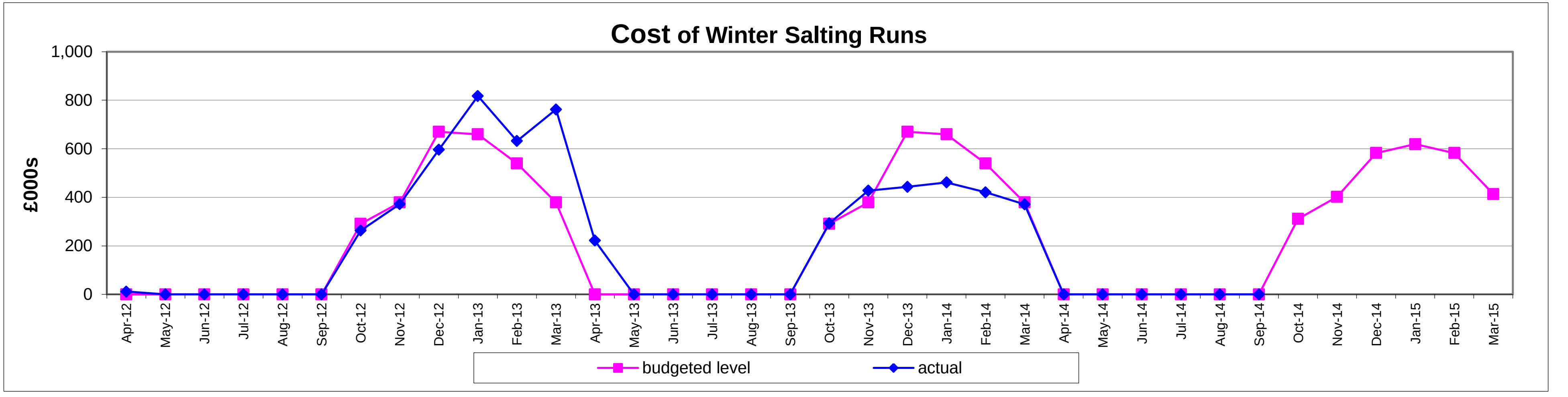
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Number and Cost of winter salting runs

	2012-13				2013-14				2014-15			
	No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs		No. of salting runs		Cost of salting runs	
	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000	Budgeted level	Actual	Budgeted level £'000	Actual £'000
Apr	-	1	-	12	-	5	-	222	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
Jun	-	-	-	-	-	-	-	-	-	-	-	-
Jul	-	-	-	-	-	-	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	-
Oct	1	1	291	263	1	-	291	293	1		311	
Nov	6	8	379	372	6	13	379	428	7		402	
Dec	25	26	670	596	25	15	670	443	17		583	
Jan	25	42	660	817	24	14	660	462	19		619	
Feb	16	34	540	632	16	10	540	421	17		583	
Mar	6	37	379	762	6	9	379	371	7		414	
	79	**149**	**2,919**	**3,454**	**78**	**66**	**2,919**	**2,639**	**68**	**-**	**2,911**	**-**

The budgeted number of salting runs assumes county wide coverage but in some cases, the actual number includes salting runs for which only part county coverage was required.



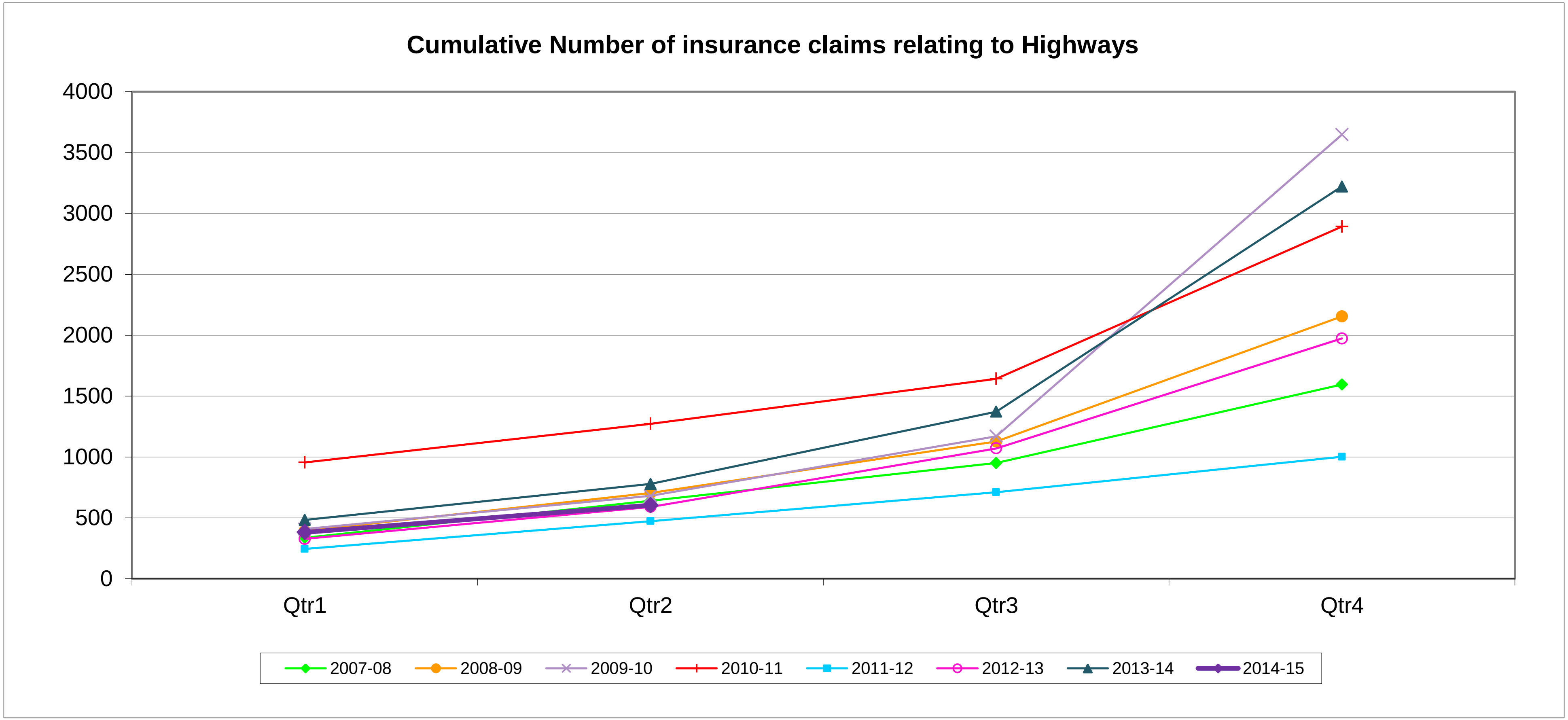


Comments:

- As a result of the prolonged hard winter which extended into April 2013, unbudgeted salting runs were required at the start of last financial year resulting in additional expenditure of £222k. However the actual number of salting runs was below budgeted levels due to the mild winter of 2013-14. Overall there was a net underspend of -£176k on the adverse weather budget in 2013-14 which was due to an underspend of -£280k on winter salting runs (as shown in the table above), an overspend of £146k due to insufficient provision being made for 2012-13 salting costs and an underspend of £42k of other costs associated with adverse weather, not directly attributed to salting runs. The 2014-15 budgeted level of runs is lower than either of the last two years as the contract has changed with a greater proportion of the total cost per run now being fixed, resulting in fewer overall runs being affordable.
- The actual number of salting runs in 2012-13 was above the budgeted levels, however, the budgeted cost of salting runs was calculated using the worst case scenario in terms of the rate of spread of salt. As the actual spread of salt was at a lower rate than assumed, this resulted in the costs of salting runs not being as high as the number of salting runs may suggest. Overall there was a net overspend of £1.669m on the adverse weather budget in 2012-13, which was due to an overspend of £0.535m on winter salting runs (as shown in the table above) and an overspend of £1.134m of other costs associated with adverse weather, not directly attributed to salting runs, such as costs of snow clearance, maintenance costs of farmers' ploughs, salt bins & weather stations.

2.2 Number of insurance claims arising related to Highways

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
Apr to Jun	337	393	408	956	245	327	484	382
Jul to Sep	640	704	680	1,273	473	590	779	604
Oct to Dec	950	1,128	1,170	1,643	710	1,071	1,373	
Jan to Mar	1,595	2,155	3,647	2,893	1,002	1,973	3,221	



Comments:

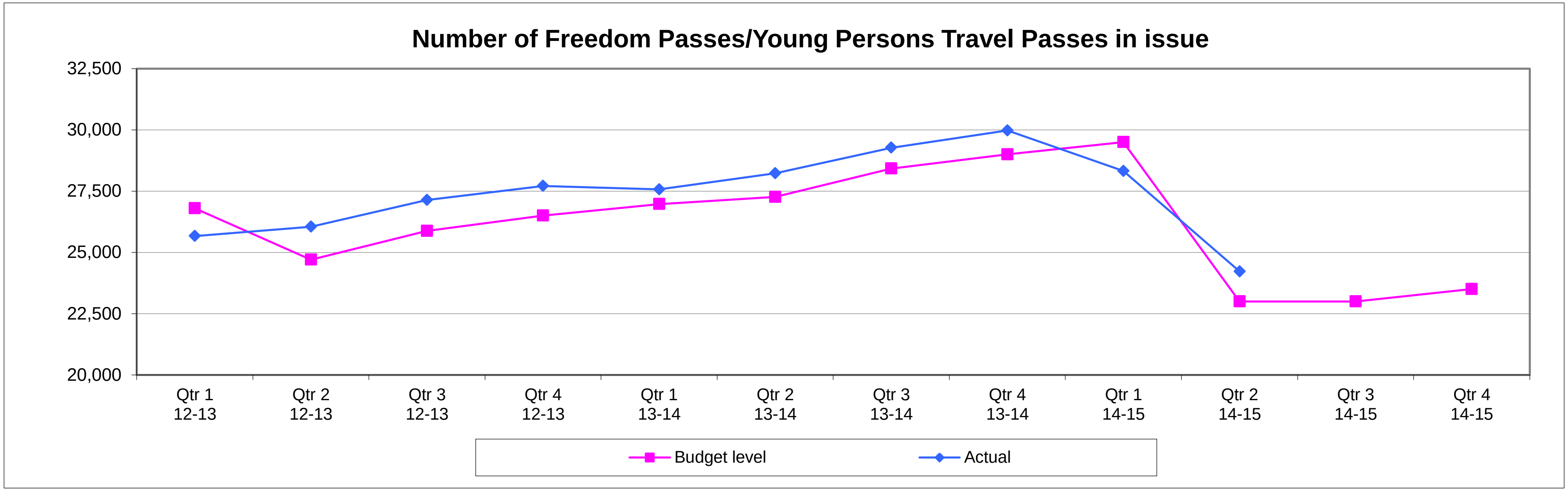
- Numbers of claims will continually change as new claims are received relating to incidents occurring in previous quarters. Claimants have three years to pursue an injury claim and six years for damage claims. The data previously reported has been updated to reflect claims logged with Insurance as at 30 September 2014.
- Claims were high in each of the years 2008-09 to 2010-11 largely due to the particularly adverse weather conditions and the consequent damage to the highway along with some possible effect from the economic downturn. These claim numbers may increase further as more claims are received for incidents which occurred during the period of the bad weather.
- Claims were lower in 2011-12 which could have been due to many factors including: an improved state of the highway following the find and fix programmes of repair, an increased rejection rate on claims, and a mild winter. However, claim numbers increased again in 2012-13, which was likely to be due to the prolonged hard winter and the consequent damage to the highway, but claim numbers did not increase to the levels experienced during 2008-09 to 2010-11, probably due to the continuation of the find and fix programmes of repair. Claim numbers were again high in 2013-14, probably due to the particularly adverse wet weather conditions and the consequent damage to the highway. However, additional funding has been made available to address this.
- Claim numbers for 2011-12, 2012-13 and 2013-14 have increased since the July monitoring report presented to Cabinet on 13 October 2014 as new claims have been received relating to incidents occurring during these years, as explained above.
- The Insurance section continues to work closely with Highways to try to reduce the number of claims and currently the Authority is managing to achieve a rejection rate on claims received over the past 12 months where it is considered that we do not have any liability, of just under 92%.

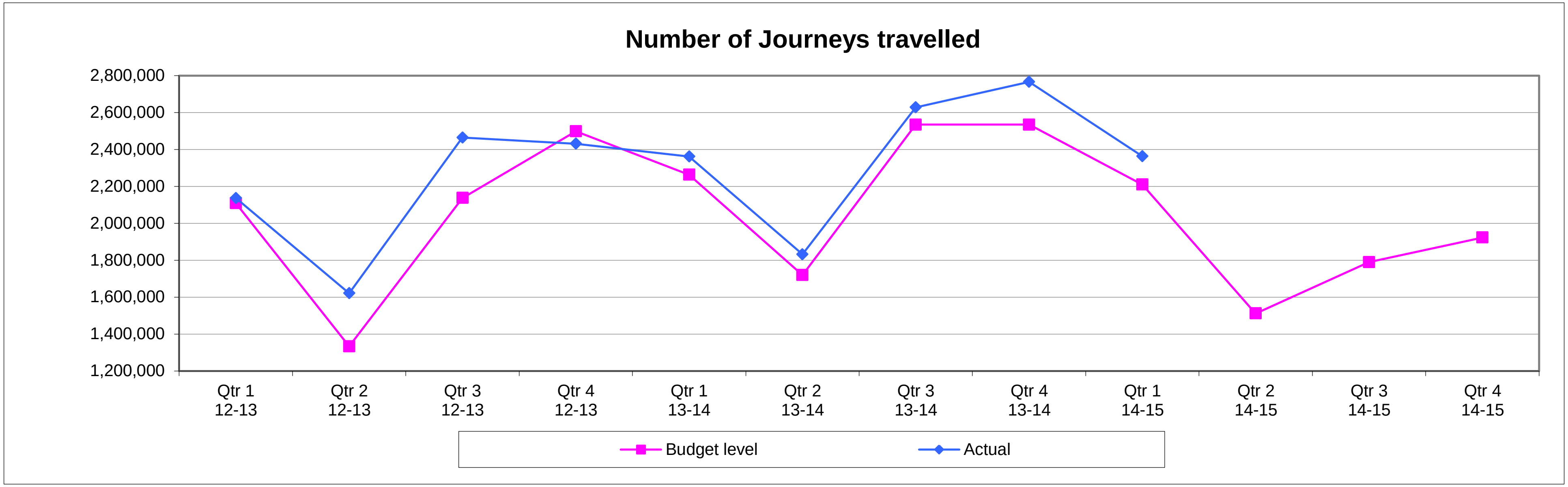
2.3 Young Persons Travel Pass (formerly Freedom Pass)

	2012-13				2013-14				2014-15			
	Passes		Journeys travelled		Passes		Journeys travelled		Passes		Journeys travelled	
	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)	Budget level	Actual	Budget level (000's)	Actual (000's)
Qtr 1	26,800	25,668	2,108	2,136	26,970	27,571	2,263	2,361	29,500	28,322	2,210	2,363
Qtr 2	24,703	26,051	1,333	1,621	27,260	28,227	1,719	1,832	23,000	24,223	1,512	*
Qtr 3	25,877	27,141	2,137	2,464	28,420	29,272	2,534	2,627	23,000		1,789	
Qtr 4	26,500	27,711	2,498	2,431	29,000	29,972	2,534	2,765	23,500		1,922	
			8,076	**8,652**			**9,050**	**9,585**			**7,433**	**2,363**

The data for this activity indicator is only provided on a quarterly basis from our external provider MCL Transport Services.

* MCL Transport Services are currently undertaking a reconciliation of the Q2 data provided by the bus companies and this activity data should be available at the end of November.





Comments:

- Applications have steadily increased since quarter one of 2012-13, due in part to changes in education transport policy, and the continued popularity of the scheme, resulting in a pressure on this budget in 2012-13, hence Cabinet, at the 15 July 2013 meeting, agreed to allocate £800k of rolled forward 2012-13 underspending to support this budget in 2013-14.
- The figures for actual journeys travelled are regularly reviewed and updated as further information is received from the bus companies, so may be subject to change.
- The above figures do not include journeys travelled relating to free home to school transport as these costs are met from the Education & Young People Directorate budget and not from the Young Persons Travel Pass budget.
- The reduction in the budgeted number of journeys for 2014-15 is as a result of the introduction of a new scheme , agreed by County Council in February 2014, restricting travel to between the hours of 6am and 7pm, Monday to Friday, between 1 September and 31 July; meaning the pass is no longer valid during the school summer holidays or at weekends. As a result of these changes it was anticipated that the number of passes in issue will reduce and this is reflected in the 2014-15 budgeted number of passes shown in the table above. It is now evident that demand has not reduced to the scale anticipated at the time of setting the budget.
- The above figures show that the number of passes in issue in Quarter 1 was below the budgeted number, however there was a higher than budgeted number of journeys being travelled. Following implementation of the changes to the scheme, 24,200 new passes have been issued (as at 30 September 2014) for the new academic year. Although this is above the budgeted level, it remains difficult to quantify the full impact of the changes until we have information on journey numbers travelled, so a balanced position is currently forecast. Robust data on trends of journeys travelled will not be available until quarter 3.

2.4 Waste Tonnage

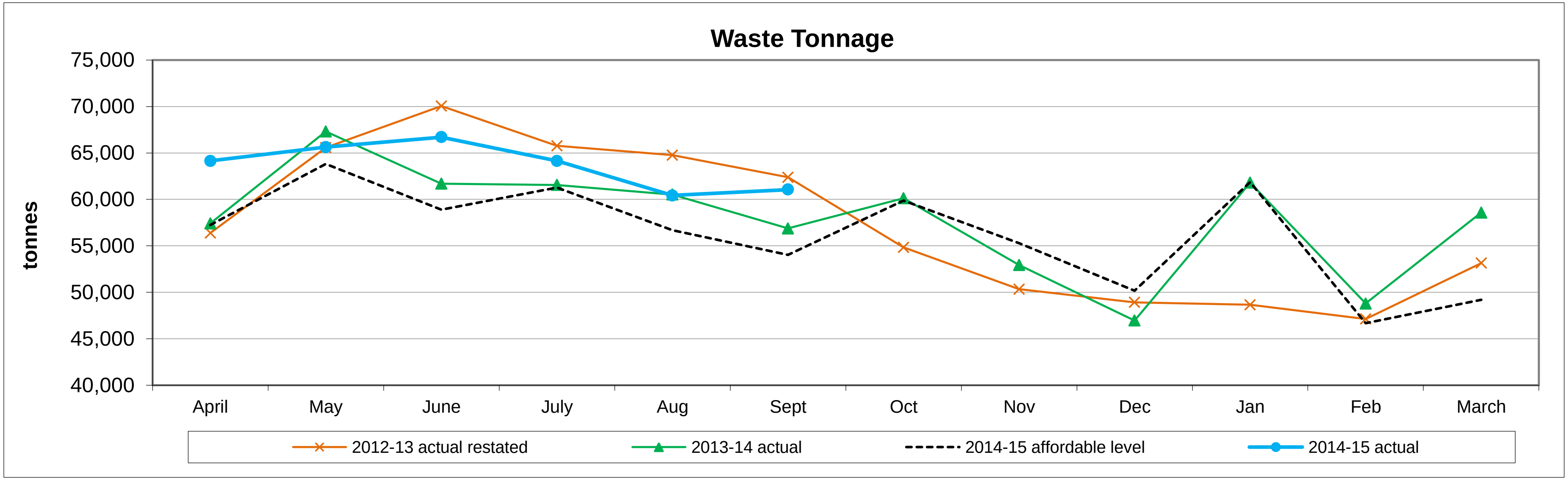
	# 2012-13 restated	2013-14 restated	2014-15	
	Waste Tonnage	Waste Tonnage	Affordable Level ^	* Waste Tonnage
Apr	56,390	57,423	57,246	64,136
May	65,562	67,314	63,802	65,631
Jun	70,033	61,701	58,899	66,701
Jul	65,764	61,563	61,282	64,143
Aug	64,760	60,519	56,684	60,433
Sep	62,377	56,884	54,032	61,061
Oct	54,837	60,127	59,881	
Nov	50,344	52,934	55,294	
Dec	48,925	46,979	50,167	
Jan	48,668	61,791	61,844	
Feb	47,135	48,801	46,682	
Mar	53,150	58,583	49,187	
	687,945	**694,619**	**675,000**	**382,105**

^ Historically contracts with service providers have been on the basis of a four/four/five week cycle of accounting periods (with weeks ending on a Sunday), rather than on calendar months, and reported waste tonnages have reflected this. From April 2013, due to changes in managing waste contracts, all service providers have transferred on to a calendar month basis .

The 2012-13 actual waste tonnage data has been restated on a calendar month basis to ease comparison with 2013-14.

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

These waste tonnage figures include residual waste processed either through Allington Waste to Energy plant or landfill, recycled waste and composting.



Comments:

- From 2013-14 Waste tonnage data is based on waste outputs from transfer stations rather than waste inputs to our facilities. This is necessary due to the changes in how waste is being presented to KCC by the waste collection authorities, where several material streams are now being collected by one refuse collection vehicle utilising split body compaction. These vehicles are only weighed in once at our facilities, where they tip all of the various waste streams into the separate bays, and then the vehicle is weighed out when empty. The separate waste streams are stored separately at our transfer stations, where these materials are bulked up for onward transfer to various processing plants/facilities. The bulked loads are weighed out, providing data for haulage fees and then are weighed in at the relevant processing plant, providing data for processing fees. All the data presented in the table above has been restated on this output basis in order to enable comparison.
- The overall volume of waste managed in 2013-14 was 694,619 tonnes, which was 20,381 tonnes below the affordable level and equated to a saving of £2.155m. However this saving on waste volumes was offset by other pressures within the service, giving an overall saving against the waste management budget of £0.778m last year.
- The actual tonnage in 2013-14 of 694,619 tonnes was far higher than the forecast figure of 676,900 tonnes based on actuals to January and reported to Cabinet in April. This unexpected increase in volume in the final quarter of 2013-14 has continued into 2014-15, with cumulative tonnage activity for the first six months of the year approximately 30,200 tonnes more than the affordable level for the same period; the 2014-15 affordable level is based on the actual activity of the first three quarters of 2013-14. This increase in waste tonnage is reflected in the current financial forecast in table 1 of this annex.
- Based on the actual waste tonnage for April to September, and forecasts for October to March, the overall volume of waste to be managed this financial year is expected to be approximately 714,500 tonnes, which is 39,500 tonnes above the affordable level and equates to a pressure of £2.388m. However with the advent of the new contracts some of the tonnage, primarily soil and hardcore, does not attract an incremental cost as it is processed as part of a fixed management fee irrespective of the volume of waste, therefore an increase in waste tonnage may not always result in an increased pressure on the waste budget. The pressure on waste volumes is mostly offset by other savings within the service, as detailed in table 1, giving an overall net pressure against the waste management budget of +£0.378m. The service believes that the increase in waste tonnage experienced over the last nine months can be mostly explained by two separate issues. Firstly, climatic: the extraordinarily mild and moist winter and spring, as well as a markedly high water table, led to a very favourable and advanced growing season, leading to high levels of organic waste. In addition, large volumes of broken fence panels etc were evident in the early part of the year as a result of repairs to winter storm damage. Secondly, the growth in the UK economy has led to increased waste arising across the UK, but particularly in the south east, where economic activity is greatest, in particular in house purchases and renovations. The current forecast assumes that the increased tonnage as a result of the unusual weather conditions will not continue throughout the remainder of the year, but in view of a wet August, mild September and October together with a high water table, there is a significant risk that the current trend will continue and consequently the overspend as a result of higher waste volumes will increase.

- The figures in Table 1 of section 1.2 are based on actual activity for April to September, with estimates for the remaining months. Overall waste volumes are currently 4.6% higher for the first half year when compared with the same period for last year, but the forecast assumes that the increase in tonnage as a result of the climatic issues will not continue throughout the year, hence the current forecast of 714,500 tonnes is only 2.9% higher than actual tonnage for 2013-14.

3. CAPITAL

3.1 The Growth, Environment and Transport Directorate has a working budget for 2014-15 of £128,406k. The forecast outturn against the 2014-15 budget is £134,905k giving a variance of +£6,499k.

3.2 Table 1 below details the Growth, Environment and Transport directorate Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Country Parks Access and Development	180	77	0	0			Green		
Library Modernisation Programme	1,095	782	0	0			Green		
Management and Modernisation of Assets - Vehicles	430	141	0	0			Green		
Public Rights of Way	2,505	1,098	270	270	Real - grant	Real variance due to 4 PROW schemes originally to be carried out by Highways, now being done under the PROW programme. Grant to be moved from highways to cover the cost.	Green		Increase 14-15 cash limit by £270k grant
			-80	-80	Rephasing		Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Public Sports Facilities Improvement - Capital Grant	300	100	0	0			Green		
Village Halls and Community Centres - Capital Grants	725	325	0	0			Green		
Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening	83,582	39,724	-79	-79	Real - grant -£86k Real - external other +£7k	Underspend (grant) by £86k and £20k (grant) contribution from MHF to fund the overspend reported against the Weather Damage project. £7k external contributions received towards tourism signs.	Green		Increase 14-15 cash limit by £20k grant

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Integrated Transport Schemes under £1 million	11,346	4,999	519	519	Real - grant +£506, Rephasing - dev con -£54 Real - external other +67	Real variance due to additional grant of £756k awarded by the DfT to deliver local sustainable transport schemes and electric vehicle charge points. £270k of grant is requested to be vired to PROW for the delivery of schemes. A contribution of £20k grant from MHF towards one of the Integrated transport schemes. Some of the developer funded schemes are now being rephased due to design issues. An additional £67k external contribution towards some IT schemes and Electric vehicle charge points.	Green		Decrease 14-15 cash limit by £270k grant to PROW; Increase cash limit by £20k grant to H&T
Member Highway Fund		1,117	-40	-40	Real - grant	£20k grant contributions to Highway Major Enhancements and £20k grant to Integrated transport schemes.	Green		Decrease 14-15 cash limit by £40k grant
Land compensation and Part 1 claims arising from completed projects	1,213	261	86	86	Real - dev con		Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Major Schemes - Preliminary Design Fees	450	680	0	0			Green		
Individual Projects									
Dartford Library Plus	434	434	0	0			Green		
Kent History & Library Centre	0	104	0	0			Green		
New Community Facilities at Edenbridge	0	43	0	0			Green		
Southborough Hub	250	125	0	0			Green		
Tunbridge Wells Library	0	10	0	0			Green		
Broadband	21,850	12,955	-1,337	-1,337	Rephasing - +£4,213k grant, -£5,550k prudential	Rephasing: due to works scheduled, this does not effect the completion date of this project.	Green		
Cyclopark	0	35	0				Green		
Empty Property Initiative	7,500	2,972	10	10	Real - revenue		Green		
Eurokent Road (East Kent)	69	71	-62	-62	Rephasing - external other		Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Folkestone Heritage Quarter	300	402	310	310	Real - external other	Successful HLF funding claim (total of £1.3m) for regeneration of heritage quarter and harbour area in Folkestone.	Green		
Incubator Development	0	401					Green		
LIVE Margate	2,656	5,076	-3,376	-3,376	Rephasing - prudential	KCC has endeavoured to acquire some key strategic sites and it is taking longer to finalise these acquisitions.	Green		
Marsh Million	200	333	0				Green		
No Use Empty - Rented Affordable Homes	250	563	0				Green		
Old Town Hall, Gravesend	58	15	0				Green		
Payers Park	0	500	0				Green		
Regeneration Fund Projects	2,006	2,902					Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Regional Growth Fund - Expansion East Kent	21,000	9,867	13,293	13,293	Rephasing	The fund is heavily committed, and hence currently a significant amount of the spend will be defrayed (according to current actual and pipeline cases) in current year.	Green		
Regional Growth Fund - Journey Time Improvement (JTI)	4,556	330	0				Green		
Rural Broadband Demonstration Project	1,315	675	-516	-516	Real - £516k: £100k prudential and £416k prudential/revenue	The rural allocation was based on providing grants to local communities. On review of the market, the response is likely to be insufficient to generate good value for money for KCC. The funding has been rolled into the Superfast Extension Programme to enable more rural areas to be covered. This scheme is due to start in 2016-17.	Green		
Swale Parklands	0	48	-25	-25	Real - prudential	Underspend to fund Tram Road/Tontine Street.	Green		
Tram Road/Tontine Street Road Works	0	13	25	25	Real - prudential	To be funded from Swale Parklands.	Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
TIGER	16,000	4,796	5,478	5,478	Rephasing	The fund is heavily committed, and hence currently a significant amount of the spend will be defrayed (according to current actual and pipeline cases) in current year.	Green		
Escalate	5,400	5,500	-311	-311	Rephasing	The forecast has been adjusted according to current actual and pipeline cases in current year.	Green		
Energy and Water Efficiency Investment Fund - External	431	235	0	0			Green		
Energy Reduction and Water Efficiency Investment - KCC	292	172	0	0			Green		
Sandwich Sea Defences	1,875	1,515	-75	-75	Rephasing		Green		
Coldharbour Gypsy site		41	34	34	Real - external other		Green		
Household Waste Recycling Centres (HWRCs) and Transfer Stations (TSs):									
Mid Kent Joint Waste Project									
HWRC - Tonbridge and Malling	300		0	0			Green		

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
HWRC-West Kent	600	600	-600	-600	Real - prudential	Existing site's lease is now extended therefore no new project is needed. Underspend to be held to offset emerging pressures elsewhere in the GET capital programme.	Green		
TS/HWRC - Ashford	50	50	0	0			Green		
TS/HWRC - Swale	3,380	1,880	-1,280	-1,280	Rephasing	The forecast assumes only bridge works to be carried out in this financial year. The scheme is subject to review to ensure the delivery of the project within the budget allocation.	Green		
Kent Highway Services									
Weather Damage - Major Patching	0	1,516	106	106	Real Grant	Additional works had been carried out. The overspend is managed by the underspend shown against the Highway Major Enhancement Programme.	Amber		
Carriageway Collapse-Emergency works	0	1,119	0	0			Green		
A228 Colts Hill Strategic Link - Major Road Scheme	0	0	0	0					

ANNEX 5

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
East Kent Access Phase 2 - Major Road Scheme	3,447	2,011	-1,374	-1,374	Rephasing	Review of delivery programme due to re tendering of LCA part 1 works.	Green		
Growth without Gridlock initiatives	350	0	0	0					
Kent Thameside Strategic Transport Programme	11,526	1,479	-649	-649	Rephasing	The programme is under review. Rephasing due to Rathmore Road Link (a scheme within the programme). Work had been suspended temporarily until receiving planning consent by the Planning Committee.	Green		
Lorry Park	14,620	1,080	-1,070	-1,070	Rephasing	Further options are being explored hence the start date has been delayed.	Amber		
North Farm Longfield Road, Tunbridge Wells	4,275	6,054	10	10	Rephasing		Green		
Rushenden Link (Sheppey) - major road scheme	749	694	-559	-559	Rephasing	Review of delivery programme due to re tendering of LCA part 1 works.	Green		
Sandwich Highways Depot	3,000	0	0	0			Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Sittingbourne Northern Relief Road - major road scheme	2,722	2,395	-1,934	-1,934	Rephasing	Review of delivery programme due to re tendering of LCA part 1 works.	Green		
Street Lighting Column - Replacement Scheme	2,500	1,804	0	0			Green		
Street Lighting Timing - Invest to Save	1,817	1,512	0	0			Green		
South East Maidstone Strategic Link - Major Road Scheme	0	0	0	0					
Thanet Park Way	2,600	1,642	-500	-500	Rephasing	The rephasing is due to delays in the procurement process.	Green	Revised completion date was reported in the June Monitoring.	
Westwood Relief Strategy - Poorhole Lane Improvement	1,727	4,386	-435	-435	Rephasing	Scheme is expected to be completed in May 2015. Two months worth of works are now being rephased.	Green		

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Ashford Schemes									
A28 Chart Road, Ashford	16,600	0	660	660	Rephasing	The scheme has now received planning consent and needs to be progressed. The anticipated spend has now been brought forward to cover initial development works and engagement with utilities.	Amber	The overall scheme cost has increased and this will be funded from the anticipated LEP grant and developer contributions.	
Drovers Roundabout junction	192	242	0	0			Green		
Orchard Way Railway bridge, Ashford	0	0	0	0					
Victoria Way	468	505	0	0			Green		
Total	259,191	128,406	6,499	6,499					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 6

STRATEGIC & CORPORATE SERVICES DIRECTORATE
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+82,700**	**-486**	**-**	**-486**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Strategic & Corporate Services							
Strategic Management & Directorate Support Budgets	3,535.1	-5,089.3	-1,554.2	-160	-157	Staff vacancies, mainly due to secondments to the Facing the Challenge team	
					-3	Other minor variances	
Community Services							
- Contact Centre & Citizens Advice Help Line	3,569.4	-1,524.1	2,045.3	+482	+165	In the current year there has been an increase in the number and duration of calls to the Contact Centre, resulting in a need to increase staffing levels to maintain performance.	Management action has been taken to improve performance and efficiencies and thus keep additional staff to a minimum.
					+320	The service transferred to S&CS with a previous year saving of -£573k and a further -£213k saving for 2014-15 in the base budget. Delivery was focussed on reducing staffing levels but has not been entirely possible because of the unanticipated effect on performance/ outputs, as described above.	Management action underway to address the savings targets by reviewing the way these can be delivered. Future strategy is focussed on moving customer contact to a web based solution which will yield further efficiencies.
					-3	Other minor variances	
- Gateways & Customer Relationship	2,940.6	-113.3	2,827.3	-67			
- Local Healthwatch & NHS Complaints Advocacy	1,281.5	-706.0	575.5	0			
	7,791.5	-2,343.4	5,448.1	+415			

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Local Democracy							
- Community Engagement	415.3	0.0	415.3	+145	+271	The service transferred to S&CS with an existing saving of £327k based on an anticipated service review which should have happened in the previous financial year. A review is currently being undertaken which will be subject to a Member decision on scoping the future nature of the service.	
					-126	Other minor variances, each below £100k, including savings from a moratorium on non critical spend to offset the pressure on this service.	
- County Council Elections	570.0	0.0	570.0	0			
- Local Member Grants	2,120.5	0.0	2,120.5	0			
- Partnership arrangements with District Councils	2,463.2	0.0	2,463.2	0			
	5,569.0	0.0	5,569.0	+145			
Support to Frontline Services							
- Business Strategy	3,365.5	-82.0	3,283.5	-215	-231	Staff vacancies & maternity leave. A committed roll forward of £14k will be requested for Health Reform monies which is due to be spent in April & May 2015.	
					+16	Other minor variances	
- Business Strategy (Facing the Challenge & Corporate Portfolio Office)	504.2	0.0	504.2	0	+3,011	Facing the Challenge costs in excess of the gross budget of £484.1k which was rolled forward from 2013-14	
					-3,011	Drawdown from reserves to meet Facing the Challenge costs in excess of cash limit	
					+595	Corporate Portfolio Office costs in excess of the gross budget of £20.1k which was rolled forward from 2013-14	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
					-595	Drawdown from reserves to meet Corporate Portfolio Office costs in excess of cash limit	
					+252	Corporate/Customer Services Transformation Assessment works	
					+341	Adult Social Care Transformation Phase 2 Assessment works	
					+113	0-25 Children's Services Transformation Assessment works	
					+1,000	0-25 Children's Services Transformation Design works - in accordance with Cabinet Member decision 14/00086	
					-1,706	Drawdown from reserves to fund Transformation works detailed above	
						It is anticipated that these transformation costs, together with the matching drawdown from reserves, will be transferred to the relevant services before the end of the financial year.	
- Communications & Consultation	2,805.4	-131.0	2,674.4	-413	-198	Staff vacancies	
					-42	Income from Public Health to fund costs of Press Campaign Officer	
					-173	Other minor variances, each below £100k	
- Democratic & Members	3,835.1	-128.7	3,706.4	-63			
- Finance & Procurement	19,664.9	-7,761.9	11,903.0	-135	+277	Delay in reduction in Support Services and related activities pending the outcome of Facing the Challenge review	
					-208	Staffing vacancies	

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
					-141	Reduction in specialist fees within Financial Management	
					-63	Other minor variances	
- Human Resources	15,879.1	-6,535.8	9,343.3	-573	-129	Staffing vacancies	
					-294	Revision to the training budget following finalisation of workforce development plans	The training budget will be subject to review as part of the mtfp process
					-147	Additional income for recruitment services provided to schools & academies	
					-3	Other minor variances	
- Information, Communications & Technology	34,927.1	-17,351.3	17,575.8	-19			
- Legal Services & Information Governance	10,068.3	-12,407.9	-2,339.6	+232	+182	Reduction in income resulting from market conditions	
					+50	Other minor variances	
- Property & Infrastructure Support	32,990.7	-6,405.0	26,585.7	+300	+300	Property Group budget for 2014-15 has a £300k savings target which depends on service changes and reviews taking place in other parts of the Authority in order to enable the overall property portfolio to reduce. The service reviews are outside the control of Property Group.	Action is being taken to address this through on-going work with service directorates to identify opportunities.
	124,040.3	-50,803.6	73,236.7	-886			
Total S&CS	**140,935.9**	**-58,236.3**	**82,699.6**	**-486**			
Assumed Management Action							
Total S&CS Forecast after mgmt action	**140,935.9**	**-58,236.3**	**82,699.6**	**-486**			

2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Capital Receipts

The total forecast receipts expected to be banked during 2014-15 is £26.576m. With the imminent closure of PEF1 and PEF2 all receipts achieved will now go towards funding the capital programme. Finance and Property colleagues are continuing discussions to resolve any ongoing implications from the closure of the two funds.

2.2 Capital Receipts Funding Capital Programme

	2014-15
	£'000
Capital receipt funding required for capital programme	41,974
Banked in previous years and available for use	32,881
Receipts from other sources*	2,743
Requiring to be sold this year	6,350
Forecast receipts for 2014-15	26,579
Potential Surplus/(Deficit)	20,229

2.2.1 The total capital receipt funding required to fund projects in the capital programme per the latest forecasts for 2014-15 totals £41.974m. Taking into account receipts banked in previous years which are available for use, receipts from other sources, and on the assumption the forecast receipts are achieved in 2014-15, there is a forecast "surplus" of capital receipt funding by the end of the year. It should be noted that any surplus would be a result of timing differences between when the receipts are achieved and when the spend is incurred in the capital programme. Any surplus receipts would therefore be required to fund future capital expenditure.

2.2.2 PEF1 and PEF2 have served their original purpose and work is underway to close these two funds as mentioned in paragraph 2.1 above.

3. CAPITAL

3.1 The working budget for 2014-15 is £29,764k. The forecast outturn against the 2014-15 budget is £28,995k giving a variance of -£769k.

3.2 Table 1 below details the Strategic and Corporate Services Capital Position by Budget Book line.

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
Rolling Programmes									
Corporate Property Strategic Capital	5,300	2,650	0				Green		
Disposal Costs	750	250	0				Green		
Modernisation of Assets	5,626	6,793	0				Green		
Individual Projects									
Connecting with Kent	282	651	0				Green		
Customer Journey Programme (Facing the Challenge)	990	709	-709	-709	Rephasing - prudential	Project presently on hold until further clarity on requirements following Facing the Challenge.	Amber	Amber until new completion date agreed.	
Enterprise Resource Programme	0	209	0				Green		
Gateways (Programme Rollout)	296	296	0				Green		
HR System Development	160	160	-60	-60	Rephasing - prudential		Green		
Innovative Schemes Fund	2,000	926	0				Green		

ANNEX 6

Budget Book Heading	Three year cash limit per budget book 14-15 (£000)	2014-15 Working Budget (£000)	2014-15 Variance (£000)	Variance Break-down (£000)	Rephasing / Real Variance and Funding Stream	Explanation of In-Year Variance >£100k	Project Status [1]	Explanation of Project Status	Actions
New Ways of Working	12,400	14,238	0				Green		
Property Asset Management System	0	90	0				Green		
Replacement and Enhancement of Core Website (Facing the Challenge)	412	560	0				Green		
Swanley Gateway (Programme Rollout)	490	1,078	0				Green		
Sustaining Kent - Maintaining the Infrastructure	0	1,054	0				Amber	Completion date now 31/01/2015 from 31/10/2014: October date was based on the contract term whilst the revised project plan was developed.	
Winter Gardens Rendezvous site	100	100	0				Green		
S&CS Directorate Total	**28,806**	**29,764**	**-769**	**-769**					

1. Status:

Green – on time and within budget
Amber – either delayed completion date or over budget
Red – both delayed completion and over budget

ANNEX 7

FINANCING ITEMS
SEPTEMBER 2014-15 MONITORING REPORT

1. REVENUE

1.1

	Cash Limit	Variance Before Mgmt Action	Management Action	Net Variance after Mgmt Action
Total (£k)	**+131,748**	**-488**	**-**	**-488**

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

Budget Book Heading	Cash Limit			Variance	Explanation		Management Action/ Impact on MTFP
	Gross	Income	Net	Net			
	£'000	£'000	£'000	£'000	£'000		
Financing Items							
Audit Fees	314.0	0.0	314.0	-141	-141	Forecast based on anticipated fees as notified by our external auditors which includes rebates relating to prior years	
Carbon Reduction Commitment Levy	1,000.0	0.0	1,000.0	-200	-200	Anticipated underspend based on current purchase of allowances for estimated carbon emissions	
Commercial Services (net contribution)	0.0	-7,691.0	-7,691.0	+1,391	+1,391	Shortfall in dividend from Commercial Services based on first half year results, new costs of rent payments to KCC and higher than expected costs of closing County Print	
Contribution to IT Asset Maintenance Reserve	2,352.0	0.0	2,352.0	0			
Contribution to/from Reserves	10,020.2	0.0	10,020.2	+1,962	+445	Transfer to Insurance reserve of surplus on Insurance Fund (see below)	
					+1,517	Transfer to the Minimum Revenue Provision (MRP) smoothing reserve of in year saving on MRP to cover potential impact in future years, in line with usual practice (see net debt charges below).	

Budget Book Heading	Cash Limit Gross	Cash Limit Income	Cash Limit Net	Variance Net	Explanation		Management Action/ Impact on MTFP
	£'000	£'000	£'000	£'000	£'000		
Insurance Fund	4,679.0	0.0	4,679.0	-445	-445	Forecast surplus on Insurance Fund following negotiations concerning long term exposure/Period of Time claims during RSA insurance policy years 1996-2001, which has achieved a significant reduction in liabilities.	
Modernisation of the Council	3,448.5	0.0	3,448.5	0			
Net Debt Charges (incl Investment Income)	128,042.5	-8,514.0	119,528.5	-1,117	+400	Impact of continued low interest rates on our cash balances and investments	
					-1,517	In year saving on MRP as a result of re-phasing of the 2013-14 capital programme, resulting in fewer assets becoming operational last year. As we have adopted the asset life method of calculating MRP, MRP does not become payable until assets become operational, therefore resulting in an "MRP holiday" this year.	
Other	939.0	-36.0	903.0	0			
Unallocated	1,193.8	0.0	1,193.8	-1,938	-1,905	Additional Business Rate compensation grant, above the budgeted level, for reimbursement of impact of measures introduced in the 2012 and 2013 Autumn Statements	
					-983	Bellwin funds received in respect of emergency costs incurred as a result of the 2013-14 autumn and winter storms & flooding	
					+983	Transfer of Bellwin funds to the Emergency Conditions reserve	
					-33	Business Rates flood relief grant	
Total Financing Items	**147,989.0**	**-16,241.0**	**131,748.0**	**-488**			

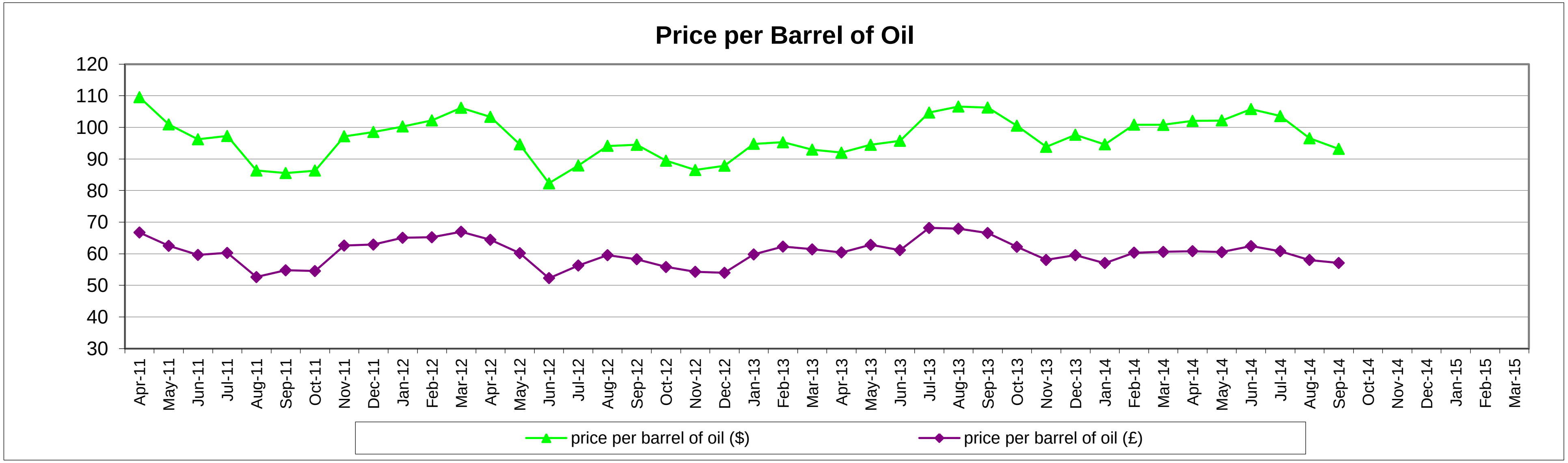
2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 Price per Barrel of Oil - average monthly price in dollars:

	Price per Barrel of Oil		
	2012-13 $	**2013-14** $	**2014-15** $
Apr	103.32	92.02	102.07
May	94.65	94.51	102.18
Jun	82.30	95.77	105.79
Jul	87.90	104.67	103.59
Aug	94.13	106.57	96.54
Sep	94.51	106.29	93.21
Oct	89.49	100.54	
Nov	86.53	93.86	
Dec	87.86	97.63	
Jan	94.76	94.62	
Feb	95.31	100.82	
Mar	92.94	100.80	

Comments:

- The figures quoted are the West Texas Intermediate Spot Price in dollars per barrel, monthly average price.
- The dollar price has been converted to a sterling price using exchange rates obtained from the HMRC UK trade info website.
- Fluctuations in oil prices affect many other costs such as heating, travel, and therefore transportation costs of all food, goods and services, and this will have an impact on all services provided by the Council.



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By: **Paul Carter, Leader and Cabinet Member for Business Strategy, Audit & Transformation**

David Cockburn, Corporate Director for Strategic & Corporate Services

To: **Cabinet – 1st December 2014**

Subject: **Corporate Risk Register**

Classification: **Unrestricted**

Past Pathway of Paper: N/A

Future Pathway of Paper: N/A

Electoral Division: All

Summary

This paper presents the latest version of the Corporate Risk Register for the Authority.

Cabinet Members are asked to NOTE the report

1. Corporate Risk Register

1.1 The latest version of the Corporate Risk Register is attached at appendix 1. It has been refreshed to reflect key themes arising from meetings with individual Corporate Management Team, Cabinet Members and Directorate Management Teams during the autumn. Comments arising from presentation of corporate risks to Cabinet Committees and the Governance & Audit Committee have also been taken into account.

1.2 The majority of risks highlighted during the refresh process are already captured on strategic risk registers at corporate or directorate level, which would indicate that the risk identification process is robust, although there is the continuing need to be alert to new or emerging risks.

1.3 The Corporate Risk Register is a ‘living’ document, and is subject to a more formal refresh process each autumn. The main changes since presented last year are:

- The previous risk relating to procurement (CRR 14) has now been broadened to reflect key considerations relating to the development of KCC as a Strategic Commissioning Authority. The risk now incorporates elements of the former Governance & Internal Control risk (CRR 7), particularly the importance of ensuring our governance arrangements keep pace with any changes to operating models. Consequently, risk CRR7 has been closed.

- CRR17: The future operating environment for local government risk now explicitly references the scale of the financial challenge, with the 2015 – 2018 medium term financial picture included.
- CRR9 – Better Care Fund (previously known as Integration Transformation Fund). The level of risk was raised from amber to red in July after the Government announcement changes to funding arrangements, which could potentially impact on the level of funding available for social care initiatives that promote independence. With the revised BCF plan approved with support, and Government arrangements with Clinical Commissioning Groups advancing, the level of risk has been reduced back to amber.
- CRR 10 – as proposed last year, the management of social care demand risk has been split into adults and children's services, to reflect the varying drivers of demand and consequent differences in controls required. Several of the mitigating actions for both risks revolve around respective adults and children's transformation programmes.
- CRR 18 – A medium level risk relating to Public Sector Network Code of Compliance (CoCo) information security standards was added early in 2014, as the government took a 'zero tolerance' approach to compliance. KCC has since achieved compliance with the code, although there are still potential adverse effects on KCC objectives that will need to be managed.
- CRR 19 – The Care Act provides a number of opportunities and risks, and it was felt back in the spring that these are significant enough to warrant being listed as a risk in its own right, rather than as part of the management of social care demand risk. A programme plan is in place ahead of implementation to ensure KCC delivers its new responsibilities and that Kent residents who need social care, their carers and local providers are able to take advantage of the new developments.

1.4 During the formal refresh process, comments were received highlighting the importance of our people to aid successful transformation. People-related risks currently feature on a number of risk registers across the authority, and consequently, an overall risk relating to potential staffing implications of transformation is being considered for the corporate register.

1.5 There are three areas of risk currently rated as 'high' on the register. These are:

- <u>Management of adult social care demand:</u> Adult social care services across the country are facing growing pressures, particularly with factors such as increasing numbers of young adults with long-term complex needs, increases in Deprivation of Liberty Safeguards Assessments and likely implications of the Care Act on demand for services. The adult social care transformation programme aims to respond to these challenges – the design stage of phase 2 is currently in progress.

- Management of demand on specialist children's services: A programme to deliver integrated Early Help and Preventative Services for 0-19s and their families is underway. A one-year plan for early help & preventative services has been produced, setting out priorities for service development and change. Diagnostic work has been conducted with the aid of an efficiency partner, aiming to ensure an improved and measurable impact of Early Help Services on Specialist Children's Services demand. A 'sandbox' approach is being used to provide an opportunity to test out new and innovative service design concepts.

- Future operating and financial environment for local government: Local authorities nationally are facing increasing pressures as public sector austerity measures will continue well into the next parliament. KCC's response is its 'Facing the Challenge' Transformation Programme, which is continuing apace with progress updates regularly reported to County Council. Work undertaken so far includes completion of phase 1 service reviews, the launch of a new Leadership & Management Framework to address identified gaps in key skills and the establishment of four change portfolios to enable a clear and single view of all the change activity taking place across the council. A commissioning workstream is progressing to deliver the recommendations set out in the May 2014 County Council paper "Facing the Challenge: Towards a Strategy Commissioning Authority".

1.6 Further details of these risks, including controls and mitigating actions, are contained in appendix 1.

2. Monitoring & Review

2.1 While the Corporate Risk Register is formally refreshed annually, it is a 'living' document and is reviewed and updated regularly by Corporate Management Team and Cabinet Members in-year to reflect any significant new risks or changes in risk exposure.

2.2 The corporate risks led by each Corporate Director are presented to the relevant Cabinet Committees annually, alongside existing arrangements for presentation of directorate risk registers.

2.3 The corporate register is also presented to Governance & Audit Committee twice yearly for assurance purposes, and the Internal Audit function uses the register as one source of information to inform its audit plan for the coming year.

2.4 There is a particular focus on ensuring that key mitigating actions are identified and progress monitored. The risks within the Corporate Risk Register, their current risk level and progress against mitigating actions are reported to Cabinet quarterly via the Quarterly Performance Report. This includes commentary against high risks.

3. Recommendations

Cabinet is asked to:

a) NOTE and COMMENT on the refreshed Corporate Risk Register.

Contact Officers:

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Mark Scrivener, Corporate Risk Manager

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KCC Corporate Risk Register

For Presentation to Cabinet

1st December 2014

Corporate Risk Register - Summary Risk Profile

Low = 1-6	Medium = 8-15	High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating
CRR 1	Data and Information Management	9	9
CRR 2	Safeguarding	15	10
CRR 3	Access to resources to aid economic growth and enabling infrastructure	12	8
CRR 4	Civil Contingencies and Resilience	12	8
CRR 9	Better Care Fund (Health & Social Care Integration)	12	9
CRR 10(a)	Management of Adult Social Care Demand	20	12
CRR 10(b)	Management of Demand – Specialist Children's Services	20	12
CRR 12	Welfare Reform changes	12	9
CRR 13	Delivery of 2014/15 savings	9	2
CRR 14	Development of strategic commissioning authority governance arrangements	12	8
CRR 17	Future operating & financial environment for local government	20	10
CRR 18	PSN – implications of compliance with Code of Connection security standards	9	4
CRR 19	Implications of the Care Act 2014	15	6

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore there will be some 'gaps' between risk IDs.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Risk ID CRR1	Risk Title	Data and Information Management			
Source / Cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Council is reliant on vast amounts of good quality data and information to determine sound decisions and plans, conduct operations and deliver services. It is also required by the Data Protection Act and Government's Code of Connection (CoCo) to maintain confidentiality, integrity and proper use of the data. With the Government's 'Open' agenda, increased flexible working patterns of staff, and increased partnership working and use of multiple information repositories, controls on data management and security have become complex and important.	Information security incidents resulting in loss of personal data or breach of privacy / confidentiality Data Subject complaint upheld by Information Commissioners Office (ICO) Failure to achieve either annual PSN or NHS Information Governance certification	ICO sanction (e.g. undertaking, assessment, improvement, enforcement or monetary penalty notice) issued against the Authority. Reputational damage Damages claims. Cost of remediation Access to PSN and / or NHS connected services revoked or restricted resulting in significant interruption to services.	On behalf of CMT: Geoff Wild, Director Governance & Law Peter Bole, Director of ICT **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services	Possible (3) **Target Residual Likelihood** Possible (3)	Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Senior Information Risk Officer supported by Information Governance cross-directorate group.	David Cockburn, Corporate Director Strategic and Corporate Services
SIRO IG Action Plan and Information Risk Register in place and regularly reviewed	Geoff Wild, Director Governance & Law
Information Governance policies and procedures in place and monitored.	Geoff Wild, Director Governance & Law
Information Governance Management Framework in place	Geoff Wild, Director Governance & Law
Information Resilience & Transparency Team providing business information governance support	Caroline Dodge, Team Leader Information Resilience & Transparency Team
Information Assurance maturity monitoring procedure in place	Peter Bole, Director ICT

Information Assurance maturity monitoring procedure in place	Geoff Wild, Director Governance & Law
Contractor information assurance procedure in place	
Corporate Director Social Care Health & Wellbeing is KCC Caldicott Guardian , protecting confidentiality of service user information and enabling appropriate information sharing. Caldicott Guardian Support Officers nominated in relevant services.	Andrew Ireland, Corporate Director SCHWB
County wide protocols in place for information sharing between agencies and governed by Kent & Medway Information Governance Partnership Board. Information Sharing Designated Officers nominated in relevant services.	Charlie Beaumont, Education & Young People Services
ICT Security and Service Transition Team operational	Peter Bole, Director ICT
Electronic Communications User Policy, Virus reporting procedure and social media guidelines in place	Peter Bole, Director ICT
Information Governance training completed by employees, contractors and temporary staff. Specialist training needs identified and training plan in place. Information Governance training plan in place and monitored.	Geoff Wild, Director Governance & Law
Discussions in place with Government regarding requirements of the Code of Connection (cross reference to CRR 18)	Peter Bole, Director ICT
Corporate Information Asset Register established and risk assessments in progress	Geoff Wild, Director Governance & Law
Information Risk Assessments completed for systems processing personal data and for new / change projects	Geoff Wild, Director Governance & Law
Information Security & Information Risk Management supporting procedures and processes are monitored to ensure realisation of benefits	Andrew Ireland, Corporate Director SCHWB/Geoff Wild, Director Governance & Law/Peter Bole, Director ICT
Public Service Network (PSN) code of compliance information security standard achieved	Peter Bole, Director of ICT
NHS Information Governance Toolkit 'satisfactory' rating achieved	Peter Bole, Director of ICT

Action Title	**Action Owner**	**Planned Completion Date**
All staff to complete Information Governance e-learning training	Geoff Wild, Director Governance & Law	March 2015

Risk ID	CRR2	Risk Title	Safeguarding		
Source / Cause of risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Council must fulfil its statutory obligations to effectively safeguard vulnerable adults and children.	Insufficiently robust management grip, performance management or quality assurance Its ability to fulfil this obligation could be affected by the adequacy of its controls, management and operational practices or if demand for its services exceeded its capacity and capability. Insufficient rigor in maintaining threshold application/inconsistency Increase in referrals and service demand resulting in unmanageable caseloads/ workloads for social workers Decline in performance and effective service delivery leading to critical inspection findings and reputational damage	Serious impact on vulnerable people Serious impact on ability to recruit the quality of staff critical to service delivery. Serious operational and financial consequences Attract possible intervention from a national regulator for failure to discharge corporate and executive responsibilities Incident of serious harm or death of a vulnerable adult or child	On behalf of CMT: Andrew Ireland, Corporate Director SCHWB **Responsible Cabinet Member(s):** Peter Oakford Specialist Children's Services Graham Gibbens, Adult Social Care & Public Health	Possible (3) **Target Residual Likelihood** Unlikely (2)	Major (5) **Target Residual Impact** Major (5)

Control Title	**Control Owner**
Consistent scrutiny and performance monitoring through Divisional Management Team, District 'Deep Dives' and audit activity	Andrew Ireland, Corporate Director SCHWB
Independent scrutiny by Kent Safeguarding Children Board	
Manageable caseloads per social worker and robust caseload monitoring	Philip Segurola, Interim Director Specialist Children's Services
Significant ongoing work to increase rigour and managerial grip in Duty and Initial Assessment Teams	Philip Segurola, Interim Director Specialist Children's Services
Central Duty Service & Central Referral Unit now in place to ensure increase in consistency and threshold application	Andrew Ireland, Corporate Director SCHWB

SCHWB management team monitors social work vacancies and agrees strategies for urgent situations	Andrew Ireland, Corporate Director SCHWB
Active strategy in place to attract and recruit social workers through a variety of routes with particular emphasis on experienced social workers. Detailed programme of training	Philip Segurola, Interim Director Specialist Children's Services / Amanda Beer, Corporate Director Human Resources
CMT, SCHWB Directorate Management Team and the Cabinet Member for Adult Social Care & Public Health and Specialist Children's Services receive quarterly safeguarding performance reports.	Andrew Ireland, Corporate Director SCHWB
Programme of internal and external audits for adult safeguarding case files with regards to SCHWB and Kent & Medway Partnership Trust (KMPT) in place.	Andrew Ireland, Corporate Director SCHWB
Performance management of safeguarding is part of the Improvement Plan in place between KCC (SCHWB directorate) and KMPT.	Penny Southern, Director Learning Disability & Mental Health
SCHWB Strategic Adults Safeguarding Board provides a strategic countywide overview of adult safeguarding within SCHWB and monitors progress towards the SCHWB Strategic Adult Safeguarding action plan	Andrew Ireland, Corporate Director SCHWB
Safeguarding Vulnerable Adults (SGVA) coordinators work closely with Contracting colleagues where there are safeguarding concerns in the independent sector using 'Quality in care' framework	Andrew Ireland, Corporate Director SCHWB
Education Safeguarding Team in place	Sue Rogers, Director Education Quality & Standards
Practice Development Programme in place to strengthen practice across Children and Families Teams	Philip Segurola, Interim Director Specialist Children's Services
Ofsted action plans monitored at bi-monthly Kent Corporate Parenting Group (KCPG)/Corporate Parenting Panel (CPP) meetings	Philip Segurola, Interim Director Specialist Children's Services
Children's Quality Monitoring Framework in place	Philip Segurola, Interim Director Specialist Children's Services
Annexe A Peer Review conducted by West Sussex	Philip Segurola, Interim Director Specialist Children's Services
New improvement action plan published and monitored through the Specialist Children's Services Divisional Management Team	Philip Segurola, Interim Director Specialist Children's Services
Audit of Children in Need cases undertaken	Philip Segurola, Interim Director, Specialist Children's Services

Action Title	Action Owner	Planned Completion Date
Ongoing development of further strategies and campaigns to support recruitment so that we attract and retain high calibre social workers and managers. Use of competent agency social workers and managers on temporary basis to fill vacancies	Andrew Ireland, Corporate Director SCHWB /Amanda Beer, Corporate Director Human Resources	December 2014 (review)
Implementation of transformation programme for children's services, including Social Work Contract programme	Philip Segurola, Interim Director Specialist Children's Services	January 2015 (review)
Learning from the Annex A Peer review to be addressed by Specialist Children's Services Divisional Management Team and other colleagues as necessary	Philip Segurola, Interim Director Specialist Children's Services	December 2014
Safeguarding aspects of the Care Act being addressed (see risk CRR 19)	Nick Sherlock, Head of Adult Safeguarding	December 2014

Risk ID CRR3	Risk Title	Access to resources to aid economic growth and enabling infrastructure			
Source / Cause of Risk The Council seeks access to resources to develop the enabling infrastructure for economic growth and regeneration. However, in parts of Kent, there is a significant gap between the costs of the infrastructure required to support growth and the Council's ability to secure sufficient funds through s106 contributions, Community Infrastructure Levy and other growth levers to pay for it. This is especially the case in the east of the county. At the same time, Government funding for infrastructure (for example via the new Local Growth Fund) is limited and competitive and increasingly linked with the delivery of housing and employment outputs. Several local transport schemes proposed will require preparatory work without knowledge of funding allocation in order to deliver on time.	**Risk Event** Inability to secure sufficient contributions from development to support growth. Failure to attract sufficient funding via the Local Growth Fund and other public funds to both support the cost of infrastructure and aid economic growth and regeneration.	**Consequence** Key opportunities for growth missed. The Council finds it increasingly difficult to fund KCC services across Kent and deal with the impact of growth on communities. Kent becomes a less attractive location for inward investment and business Without growth the county residents will have less disposable income, face increased levels of unemployment and deprivation which could lead to heightened social and community tensions Our ability to deliver an enabling infrastructure becomes constrained	**Risk Owner** Barbara Cooper, Corporate Director Growth, Environment and Transport **Responsible Cabinet Member(s):** Mark Dance, Economic Development	**Current Likelihood** Possible (3) **Target Residual Likelihood** Unlikely (2)	**Current Impact** Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Unlocking the Potential being prepared as Kent and Medway growth strategy to secure future Government infrastructure funds	David Smith, Director Economic & Spatial Development
KCC's 20 year transport delivery plan, *Growth without Gridlock* sets out the key transport drivers for change which will help to facilitate and stimulate economic growth in the County. Implementation plan in place and regularly monitored.	Paul Crick, Director Environment Planning & Enforcement
Key infrastructure is identified and planned for as part of District Local Plans and Infrastructure Delivery Plans.	Paul Crick, Director Environment Planning & Enforcement
Environment Planning & Enforcement and Economic Development teams working with each individual District on	David Smith, Director Economic &

composition of infrastructure plans including priorities for the CIL and Section 106 contributions, from which gaps can be identified		Spatial Development / Paul Crick, Director Environment Planning & Enforcement
Coordinated approach in place between Development Investment Team and service directorates		David Smith, Director Economic & Spatial Development
Dedicated team in Economic Development in place to lead on major sites across Kent.		David Smith, Director Economic & Spatial Development
Economic Development SMT review of “critical” programmes/projects and review of KPIs to ensure continued appropriateness and relevance		David Smith, Director Economic & Spatial Development
Strong engagement of private sector through Kent and Medway Economic Partnership (KMEP), Business Advisory Board and Kent Developer’ Group		David Smith, Director Economic & Spatial Development
Growth Deal allocation announced, July 2014, allocating funds for specific identified schemes in Kent and Medway		Ross Gill, Economic Strategy & Policy Manager
Action Title	**Action Owner**	**Planned Completion Date**
Maintain coordinated dialogue with developers, Districts and KCC service directorates	Nigel Smith, Head of Development	April 2015 (review)
Development & delivery of programme of transport interventions to deliver growth to utilise first round of Local Growth Fund monies.	Ann Carruthers, Transport Strategy Delivery Manager	April 2015
Bidding for second round of Local Growth Fund 2 monies	David Smith, Director Economic & Spatial Development	December 2014

Risk ID CRR4	Risk Title	Civil Contingencies and Resilience			
Source / Cause of Risk The Council, along with other Category 1 Responders in the County, has a legal duty to establish and deliver containment actions and contingency plans to reduce the likelihood, and impact, of high impact incidents and emergencies and severe / extreme weather conditions.	**Risk Event** Failure to deliver suitable planning measures, respond to and manage these events when they occur. Critical services are unprepared or have ineffective emergency and business continuity plans and associated activities.	**Consequence** Potential increased harm or loss of life if response is not effective. Serious threat to delivery of critical services. Increased financial cost in terms of damage control and insurance costs. Adverse effect on local businesses and the Kent economy. Possible public unrest and significant reputational damage Legal actions and intervention for failure to fulfill KCC's obligations under the Civil Contingencies Act or other associated legislation.	**Risk Owner** On behalf of CMT: Barbara Cooper, Corporate Director Growth, Environment & Transport **Responsible Cabinet Member(s):** Mike Hill, Community Services	**Current Likelihood** Possible (3) **Target Residual Likelihood** Unlikely (2)	**Current Impact** Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Legally required multi-agency Kent Resilience Forum in place, with work driven by risk and impact based on Kent's Community Risk Register. Key roles of group include: • Intelligence gathering and forecasting; • Regular training exercises and tests; • Task & Finish groups addressing key issues. • Plan writing • Capability building	Stuart Beaumont, Head of Community Safety & Emergency Planning (KCC lead)
Critical functions identified across KCC as a basis for effective Business Continuity Management (BCM).	Stuart Beaumont, Head of Community Safety & Emergency Planning

Management of financial impact to include Bellwin scheme	Dave Shipton, Head of Financial Strategy
Maintenance & delivery of emergency procedures, plans and capabilities in place to respond to a broad range of challenges.	Stuart Beaumont, Head of Community Safety & Emergency Planning
System in place for ongoing monitoring of severe weather events (SWIMS)	Carolyn McKenzie, Sustainability & Climate Change Manager
Implementation of Kent's Climate Adaptation Action Plan	Carolyn McKenzie, Sustainability & Climate Change Manager
Local multi-agency flood response plans in place for each district / borough in Kent, in addition to overarching flood response plan for Kent	Stuart Beaumont, Head of Community Safety & Emergency Planning
Winter Resilience Planning Group & action plan in place.	Stuart Beaumont, Head of Community Safety & Emergency Planning
ICT resilience improvements made to underlying data storage, data centre capability and network resilience.	Peter Bole, Director ICT
Business Continuity Management Plan in place to improve overall resilience for Contact Point	Christopher Smith, Operations Manager Contact Point
On-going programme of review relating to ICT Disaster Recovery and Business Continuity	Peter Bole, Director ICT
Kent Resilience Team in place bringing together personnel from KCC, Kent Police and Kent Fire & Rescue Service in an integrated and co-located team to deliver enhanced emergency planning and business continuity in Kent	Stuart Beaumont, Head of Community Safety & Emergency Planning
Multi-Agency recovery structures are in place at the Strategic and Tactical levels & working effectively.	Paul Crick, Director Environment Planning & Enforcement
KCC Community Wardens trained as Incident Liaison Officers	Stuart Beaumont, Head of Community Safety & Emergency Planning
Pan-Kent Flood Group established to oversee implementation of multi-agency recommendations arising from lessons learnt from Christmas and New Year floods 2013/14.	Paul Crick, Director Environment Planning & Enforcement
KCC and local Kent Resilience Forum partners have tested preparedness for Ebola outbreak in line with national requirements. The Director of Public Health has additionally sought and gained assurance from the local Public Health England office and the NHS on preparedness and maintaining business continuity	Andrew Scott-Clark, Acting Director Public Health

Action Title	Action Owner	Planned Completion Date
Continue to conduct regular exercises and rehearsals of plans – test two plans per directorate, where there would be significant impact on welfare or business reputation.	Tony Harwood, Senior Resilience Officer (lead role)	March 2015 (review)
Upgrading / enhancement to Automated call distribution system,	Peter Bole, Director ICT/Jane Kendal, Head of Service, Customer Experience	January 2015 (review)
Implement recommendations from internal and external debriefs into the Christmas/New Year 2013 -14 storms and floods and other recent emergencies.	Paul Crick, Director Environment Planning & Enforcement	December 2014 (review)
Senior management on-call rota being devised and agreed	Paul Crick, Director Environment, Planning & Enforcement	December 2014
Emergency planning training being rolled out	Paul Crick, Director Environment, Planning & Enforcement	November 2014 (Strategic) December 2014 (Tactical) December 2014 (Operational eLearning package)
Recruitment of additional emergency reservists to aid emergency responses	Paul Crick, Director Environment, Planning & Enforcement	December 2014

Risk ID CRR9	Risk Title	Better Care Fund (Health & Social Care Integration)			
Source / Cause of Risk The Government's spending review in June 2013 announced an Integration Transformation Fund (now relabelled Better Care Fund), which provides an opportunity to create a shared plan for health & social care activity and expenditure. The plan for 2015/16 needs to start in 2014 and form part of a five-year strategy for health & social care. A fully integrated service calls for a step change in current arrangements to share information, staff, money and risk. Government announced in July 2014 that over 25% of the total BCF monies are being held back and ring-fenced to support acute hospital trusts where BCF activity fails to achieve targets to reduce emergency hospital admissions. This moves the burden of risk from hospitals into other sectors such as social care.	**Risk Event** The new regulations may reduce the money available to support social care services through the BCF by 50% Plans to reduce hospital admissions are destabilised Governance arrangements for pooled budgets unclear	**Consequence** Failure to maximise opportunities presented for health & social care integration, and ensure changes achieve maximum impact. Additional budget pressures.	**Risk Owner** Andrew Ireland, Corporate Director SCHWB **Responsible Cabinet Member(s):** Roger Gough, Education & Health Reform Graham Gibbens, Adult Social Care & Public Health	**Current Likelihood** Likely (4) **Target Residual Likelihood** Possible (3)	**Current Impact** Significant (3) **Target Residual Impact** Significant (3)

Control Title	Control Owner
KCC has designated Cabinet Portfolio Holders for Public Health and Health Reform, who have assumed central roles at strategic level	Paul Carter, Leader of the Council
Health & Wellbeing Board and CCG-level Health & Wellbeing Board sub-committees established	Roger Gough, Cabinet Member Education & Health Reform
Joint Commissioning Board Strategy & Commissioning plans established with Clinical Commissioning Groups	Mark Lobban, Director Commissioning SCHWB
Kent chosen as one of 14 pioneers of health & social care integration in the UK	Andrew Ireland, Corporate Director SCHWB(KCC lead)
Integration Pioneer Steering Group established as an informal group of the Health & Wellbeing Board to provide	Anne Tidmarsh, Director Older

strategic direction and oversee successful delivery of health & social care in Kent	People & Physical Disability (KCC lead)
Detailed delivery plans being developed with CCG areas	Andrew Ireland, Corporate Director SCHWB
Joint Area Team, CCG and KCC group established	Andrew Ireland, Corporate Director SCHWB
Revised integrated BCF plan submitted by Health & Wellbeing Board to BCF Programme Director and agreed with support	Andrew Ireland, Corporate Director SCHWB

Action Title	**Action Owner**	**Planned Completion Date**
Establishment of Partnership Board to oversee the delivery of the BCF plan and finalise governance arrangements (Inc. section 75 agreement)	Andrew Ireland, Corporate Director SCHWB / Andy Wood, Corporate Director Finance & Procurement (KCC leads)	March 2015
Develop understanding of NHS 'Five Year Forward Plan' and what this means for BCF implementation in Kent	Andrew Ireland, Corporate Director SCHWB (KCC lead)	February 2015

Risk ID CRR10(a)	Risk Title	Management of Adult Social Care Demand			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
Adult social care services across the country are facing growing pressures. Overall demand for adult social care services in Kent continues to increase due to factors such as increasing numbers of young adults with long-term complex care needs and Ordinary Residence issues. This is all to be managed against a backdrop of reductions in Government funding, implications arising from the implementation of the Care Act, a recent Supreme Court ruling that may lead to increases in Deprivation of Liberty Assessments and longer term demographic pressures.	Council is unable to manage and resource to future demand and its services consequently do not meet future statutory obligations and/or customer expectations.	Customer dissatisfaction with service provision. Increased and unplanned pressure on resources. Decline in performance. Legal challenge resulting in adverse reputational damage to the Council. Financial pressures on other council services.	Andrew Ireland, Corporate Director SCHWB **Responsible Cabinet Member(s):** Graham Gibbens, Adult Social Care & Public Health	Likely (4) **Target Residual Likelihood** Possible (3)	Major (5) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Regular analysis and refreshing of forecasts to maintain the level of understanding which feeds into the relevant areas of the MTFP and the business planning process	Andrew Ireland, Corporate Director SCHWB/ Mark Lobban, Director Commissioning SCHWB
Implementation of Adults Transformation partnership programme progressing including: Care Pathways, Commissioning & Procurement and Optimisation	Mark Lobban, Director Commissioning SCHWB/Anne Tidmarsh, Director Older People & Physical Disability/Penny Southern, Director Learning Disability & Mental Health
Monitoring, vigilance and challenge regarding the placement of Adults into Kent by other local authorities.	Mark Lobban, Director Commissioning SCHWB
Legal Services are engaged where required to support KCC when challenging other Authorities to accept Ordinary Residence re: responsibilities	Penny Southern, Director Learning Disability & Mental Health
Benefits of enablement support to existing and potential service users, their families and key partners being marketed. Work is linked into the Adult Transformation Programme and ensure there is sufficient capacity in the market to provide	Mark Lobban, Director

Enablement Services	Commissioning SCHWB
Joint commissioning of services with health, in particular for people with dementia, long term conditions and for carers (links to Better Care Fund – see Risk CRR9).	Mark Lobban, Director Commissioning SCHWB/ Anne Tidmarsh, Director Older People & Physical Disability
Continued drive to maximise the use of Telecare as part of the mainstream community care services	Anne Tidmarsh, Director Older People & Physical Disability and Penny Southern, Director Learning Disability and Mental Health
Maintain the use of appropriate tools to obtain value for money in relation to the commissioning of expensive specialist residential accommodation	Mark Lobban, Director Commissioning SCHWB
Health & Social Care Integration Programme in place with a strategic objective of proactively tackling demand for health & social care services	Anne Tidmarsh, Director Older People & Physical Disability
Risk stratification tools devised. Now being used by GP's	Anne Tidmarsh, Director Older People & Physical Disability
Briefings being provided in relation to key elements of the Care Bill and their potential implications for KCC	Michael Thomas-Sam, Strategic Business Advisor, SCHWB
Care Act Preparation Programme established as part of the Adults Transformation Change Portfolio to ensure implementation of Care Act.	Michael Thomas-Sam, Strategic Business Advisor, SCHWB
Continued support for investment in preventative services through voluntary sector partners	Mark Lobban, Director Commissioning SCHWB
Briefing on implications of Supreme Court ruling relating to Deprivation of Liberty Assessments issued	Andrew Ireland, Corporate Director, SCHWB
Analysis conducted to identify the likely event of demand for Deprivation of Liberty Assessments	Mark Lobban, Director Commissioning, SCHWB

Action Title	**Action Owner**	**Planned Completion Date**
Public Health & Social Care to ensure effective provision of information, advice and guidance to all potential and existing service users, and to promote self-management to reduce dependency	Andrew Scott-Clark, Interim Director Public Health / Anne Tidmarsh, Director Older People and Physical Disability Services	December 2014 (review)
Lobby the Treasury to investigate Ordinary Residence matters in more detail as a national funding issue.	Andy Wood, Corporate Director Finance & Procurement / Penny	February 2015

	Southern Director Learning Disability & Mental Health	
Continual review and monitoring of demand in relation to Deprivation of Liberty Assessments	Mark Lobban, Director Commissioning, SCHWB	December 2014 (review)
Delivery of Adults Transformation Phase 2 Design, including: • Agreement of baselines and key performance indicators against which progress / savings will be monitored • Establishment of Programme Management Office to ensure the right change initiatives are being delivered and to coordinate delivery of change initiatives in the right way • Development of detailed implementation plan for phase 2	Mark Lobban, Director Commissionin SCHWB	April 2015

Risk ID CRR10(b) **Risk Title** **Management of Demand – Specialist Children's Services**

Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
Local Authorities continue to face increasing demand for specialist children's services due to a variety of factors, including consequences of highly publicised child protection incidents and serious case reviews, and policy/legislative changes. At a local level KCC is faced with additional demand challenges such as those associated with significant numbers of Unaccompanied Asylum Seeking Children (UASC) There are also particular 'pressure points' in several districts. These challenges need to be met as specialist children's services face increasingly difficult financial circumstances and operational challenges such as recruitment and retention of permanent qualified social workers.	High volumes of work flow into specialist children's services leading to unsustainable pressure being exerted on the service.	Children's services performance declines as demands become unmanageable. Failure to deliver statutory obligations and duties or achieve social value. Additional financial pressures placed on other parts of the Authority at a time of severely diminishing resources. Ultimately an impact on outcomes for children, young people and their families.	Andrew Ireland, Corporate Director SCHWB Patrick Leeson, Corporate Director EYPS **Responsible Cabinet Member(s):** Peter Oakford, Specialist Children's Services	Likely (4) **Target Residual Likelihood** Possible (3)	Major (5) **Target Residual Impact** Serious (4)

Control Title	Control Owner
Analysis and refreshing of forecasts to maintain the level of understanding which feeds into the relevant areas of the MTFP and the business planning process	Andrew Ireland, Corporate Director SCHWB / Mark Lobban, Director Commissioning SCHWB
Kent Integrated Adolescent Support Service (KIASS) aims to reduce demands by enabling swift access to specific additional and early help, particularly for the most disadvantaged and vulnerable young people, to meet their needs quickly and flexibly.	Patrick Leeson, Corporate Director EYPS
Plans developed to appropriately manage the number of children in care (subject to continual monitoring)	Philip Segurola, Interim Director Specialist Children's Services
Intensive focus on ensuring early help to reduce the need for specialist children's support services.	Patrick Leeson, Corporate Director EYPS / Andrew Ireland, Corporate Director SCHWB
Continued support for investment in preventative services through voluntary sector partners	Mark Lobban, Director

	Commissioning SCHWB
Maintain the use of appropriate tools to obtain value for money in relation to the commissioning of expensive specialist residential and independent fostering accommodation	Mark Lobban, Director Commissioning SCHWB
Dedicated Children in Care project action plan being presented to June 2014 Children's Transformation Board	Philip Segurola, Interim Director Specialist Children's Services
Scoping of diagnostic work for children's services with aid of efficiency partner has been completed	Philip Segurola, Interim Director Specialist Children's Services
Early Help & Preventative Services one year plan 2014/15 produced setting out priorities for service development and change and ambitious targets to improve outcomes for children, young people and families	Florence Kroll, Director of Early Help & Preventative Services

Action Title	**Action Owner**	**Planned Completion Date**
Implement a programme of work to deliver integrated, early help and prevention service for the 0-19s and their families that is streamlined, responsive and effective in terms of reducing demand for acute services and managing need at the appropriate level/tier of support.	Patrick Leeson, Corporate Director EYPS	December 2014 (review)
In-house fostering capacity to be developed and assertive monitoring of all children in care performance milestones	Philip Segurola, Interim Director Specialist Children's Services	January 2015
Specialist Children's Services, Early Help and External Spend teams involved in 'sandbox' approach, providing an opportunity to test out new and innovative service design concepts	Patrick Leeson, Corporate Director Education & Young People's Services / Andrew Ireland, Corporate Director SCHWB	December 2014
Implementation of Unified 0-25 programme with projects targeted within Specialist Children's Services, Early Help and Prevention and External Spend	Patrick Leeson, Corporate Director Education & Young People's Services / Andrew Ireland, Corporate Director SCHWB	December 2015

Risk ID CRR 12	Risk Title	Welfare Reform changes			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Welfare Reform Act 2012 put into law many of the proposals set out in the 2010 white paper *Universal Credit: Welfare that Works*. It aims to bring about a major overhaul of the benefits system and the transference of significant centralised responsibilities to local authorities. KCC needs to be prepared to manage the uncertain affects and outcomes that the changes may have on the people of Kent.	The impact of the reforms in regions outside of Kent could trigger the influx of significant numbers of 'Welfare' dependent peoples to Kent. Failure to plan appropriately to deal with potential consequences. The financial models and budgets and funding sources underpinning the new schemes prove to be inadequate and allocation of payments and grants has to become prioritised against more challenging criteria.	Failure to meet statutory obligations. An increase in households falling below poverty thresholds with vulnerable people becoming exposed to greater risk. Increasing deprivation leads to increase in social unrest and criminal activity. Additional pressure on KCC services e.g. school places	Andrew Ireland, Corporate Director SCHWB **Responsible Cabinet Member(s):** Graham Gibbens, Adult Social Care & Public Health	Possible (3) **Target Residual Likelihood** Possible (3)	Serious (4) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Ongoing analysis of impacts conducted by Policy & Strategic Relationships and Business Intelligence teams plus external partners to give an indication of scale of implications of reforms. Mechanism developed to track benefit migration into Kent.	Richard Hallett, Head of Business Intelligence /David Whittle, Head of Policy & Strategic Relationships
Policy & research updates produced periodically to to aid monitoring of potential impacts	David Whittle, Head of Policy & Strategic Relationships & Richard Hallett, Head of Business Intelligence
Kent Support and Assistance Service pilot scheme operating	Mark Lobban Director Commissioning SCHWB

Action Title	Action Owner	Planned Completion Date
Universal Credit – Local Support Service Framework (LSSF) Continue work with DWP to establish local delivery aspects in terms of face-to-face support	Jane Kendal, Head of Service, Customer Experience	March 2015 (review)
Options for the future of Kent Support & Assistance Service to be discussed in light of potential changes to Government funding arrangements from April 2015	Mark Lobban, Director Commissioning SCHWB	December 2014

Update on potential impacts of welfare reform changes to be provided to aid understanding.	David Whittle, Head of Policy & Strategic Relationships / Richard Hallett, Head of Business Intelligence	January 2015

Risk ID CRR13	Risk Title	Delivery of 2014/15 savings			
Source / Cause of Risk The ongoing difficult economic climate has led to significant reductions in funding to the public sector and Local Government in particular. KCC has already made significant cost savings and still needs to make ongoing year-on-year savings in order to "balance its books."	**Risk Event** The required savings from key programmes or efficiency initiatives are not achieved.	**Consequence** Urgent alternative savings need to be found which could have an adverse impact on service users and/or residents of Kent Potential adverse impact on whole-council transformation plans. Reputational damage to the council.	**Risk Owner** On behalf of CMT: Andy Wood, Corporate Director Finance & Procurement **Responsible Cabinet Member(s):** John Simmonds, Finance & Procurement	**Current Likelihood** Possible (3) **Target Residual Likelihood** Very unlikely (1)	**Current Impact** Significant (3) **Target Residual Impact** Moderate (2)

Control Title	**Control Owner**
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process	Andy Wood, Corporate Director (Finance & Procurement)
Process for monitoring delivery of savings is in place, including a Budget Programme Board to scrutinise progress.	Andy Wood, Corporate Director (Finance & Procurement)
Robust monitoring and forecasting of arrangements in place relating to the KCC budget as a whole	Andy Wood, Corporate Director (Finance & Procurement)
Corporate Portfolio Office in place providing independent assurance of significant transformational programme and project management across KCC to ensure appropriate benefits realisation, including delivery of savings. Reports to Corporate Board and Budget Programme Board as appropriate.	Elizabeth Beadle, Head of Corporate Portfolio Office
Procedures for appropriate consultation in place (including Equality Impact Assessments) when decisions relating to changes in services are being considered	Steve Charman, Head of Consultation & Engagement
Arrangements for localisation of council tax agreed with District Councils (cross reference to Risk 12 Welfare Reform)	Dave Shipton, Head of Financial Strategy
Savings 'PIDS' are used to ensure personal accountability for delivery of savings	Andy Wood, Corporate Director Finance & Procurement
Controls and mechanisms remain robust	Andy Wood, Corporate Director Finance & Procurement

Action Title	Action Owner	Planned Completion Date
Management action plans being devised and agreed to address potential 2014/15 budget issues in several areas	Corporate Directors	December 2014

Risk ID CRR14	Risk Title	Development of strategic commissioning authority governance arrangements			
Source / Cause of Risk As part of KCC's whole-council transformation programme the Authority is moving towards more strategic commissioning arrangements. This will put even greater emphasis on the importance of robust procurement and commissioning arrangements and contract management and ensuring robust and responsive governance arrangements remain in place	**Risk Event** Lack of understanding of what a commissioning authority is and how it should operate KCC's governance arrangements do not keep pace with changes to operating models of its services leading to risk of governance & internal control failure. Too much or too little KCC oversight of any alternative delivery models introduced. Ineffective contract management – KCC fails to act as a strong enough 'client'. Procurement and commissioning functions not appropriately aligned. Lack of appropriate skills to facilitate a commissioning approach	**Consequence** Failure to secure optimum value for money from service providers. Decisions taken that are not based on understanding of customer need Loss of confidence in the Council and / or financial loss.	**Risk Owner** All Corporate Directors **Responsible Cabinet Member(s):** Paul Carter, Business Strategy, Audit, Transformation	**Current Likelihood** Possible (3) **Target Residual Likelihood** Unlikely (2)	**Current Impact** Serious (4) **Target Residual Impact** Serious (4)

Control Title	Control Owner
KCC Procurement Strategy sets out the strategic approach to procurement across the Authority and Spending the Council's money – Code of Practice, sets out how strategic approach to procurement is to be achieved at operational level.	Henry Swan, Head of Procurement
Commissioning & Procurement Board in place, establishing clear agreed relationships, support, information flow, governance structures and accountability between different levels of commissioning and procurement.	Henry Swan, Head of Procurement
Procurement training for KCC managers, as part of the Kent Manager standard, in place	Henry Swan, Head of Procurement
Procedures for appropriate consultation in place (including Equality Impact Assessments) where procurement and	Steve Charman, Head of

commissioning decisions are being considered	Consultation & Engagement
Governance & Audit Committee (Inc. Trading Activities sub-group) and Internal Audit roles	Andy Wood, Corporate Director Finance & Procurement
Management Guide for Alternative Service Delivery Models produced	Neeta Major, Strategic Financial Advisor
Procurement and Legal Services joint protocol in place to clarify the respective responsibilities of these two functions and service managers	Henry Swan, Head of Procurement/Geoff Wild, Director Governance & Law
Protocol relating to companies in which KCC has an interest in place – establishes processes and provides additional controls to ensure such companies are run according to rules of good governance	Geoff Wild, Director of Governance & Law / Andy Wood, Corporate Director, Finance & Procurement
“Guidance on Local Authority Companies” available to assist anyone within the Council wishing to set up a company	Andy Wood, Corporate Director Finance & Procurement / Geoff Wild, Director of Governance & Law
Cross-directorate Commissioning Support Working Group meets regularly to move the agenda forward	Olivia Crill, Project Manager
Member working group established to build understanding of the role of elected Members in a commissioning authority, with Commissioning Advisory Board in place.	Councillor Hotson

Action Title	**Action Owner**	**Planned Completion Date**
Development of a commissioning workstream within the Business Capability change portfolio to deliver the recommendations set out in the May 2014 County Council paper Facing the Challenge: Towards a Strategic Commissioning Authority.	David Cockburn, Corporate Director Strategic & Corporate Services (supported by Olivia Crill, Project Manager) /Andy Wood, Corporate Director Finance & Procurement	March 2015
Development of outcomes framework for KCC that has coherence with existing statutory outcomes frameworks, for consideration by County Council	David Whittle, Head of Policy & Strategic Relationships	December 2014
Review the Council’s Leadership & Management Framework to ensure leadership of effective commissioning becomes an integral part.	Amanda Beer, Corporate Director Human Resources	March 2015
Further development and roll out of Contract Management training across the council	Henry Swan, Head of Procurement	February 2015
Completion of Procurement & Commissioning review	Andy Wood, Corporate Director Finance & Procurement	January 2015

Ensure key governance & control mechanisms (e.g. KCC constitution) are refreshed and communicated as required if new operating models are introduced	Geoff Wild, Director Governance & Law / All of Corporate Management Team	March 2015 (review)
Develop decision making guidance and publish on KNet	Louise Whitaker, Democratic Services Manager (Executive)	December 2014

Risk ID CRR17	Risk Title	Future operating & financial environment for local government			
Source / Cause of Risk The extension of public sector austerity beyond the current Parliament, the continuing growth in pressures and a radical public service reform agenda being pursued by the Coalition Government means that KCC, like many local authorities, is faced with significant uncertainty and enormous challenges. It is estimated that on top of significant savings already delivered, another £206m are required between 2015/16 and 2017/18. There is uncertainty for Local Govt over the next spending round.	**Risk Event** Failure to respond appropriately to the challenges faced and to be able to shape a new resilient and financially sustainable fit-for-purpose Authority in the timescales required. Quality of services suffers as financial situation continues to worsen. Financial settlement from Govt is less than anticipated for 2015 onwards	**Consequence** Unsustainable financial situation Reduction in resident satisfaction and reputational damage	**Risk Owner(s)** Corporate Directors **Responsible Cabinet Member(s):** Paul Carter, Business Strategy, Audit & Transformation	**Current Likelihood** Likely (4) **Target Residual Likelihood** Unlikely (2)	**Current Impact** Major (5) **Target Residual Impact** Major (5)

Control Title	Control Owner
"Facing the Challenge: Whole-Council Transformation" paper approved at County Council – sets out how the Authority will position itself to meet the anticipated financial challenges, outlines a future vision for the Council and a whole-council transformation approach	Paul Leader, Leader of the Council
Version 1 of Transformation Plan (Facing the Challenge: Delivering Better Outcomes) presented to County Council outlining a phased roadmap for transformation	Paul Carter, Leader of the Council/Transformation Advisory Group
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process	Andy Wood, Corporate Director (Finance & Procurement)
Processes in place for monitoring delivery of savings and budget as a whole, including Budget Programme Board to scrutinise progress	Andy Wood, Corporate Director (Finance & Procurement)
Corporate Directors are providing managerial leadership for the transformation agenda and ensuring resources for delivering transformation are adequate and appropriate to ensure successful delivery, alongside maintaining focus on 'business as usual' activity, and meeting regularly to ensure effective oversight and coordination of officer level programme management	Corporate Directors
Effective operation of Cross-party Commissioning Advisory Board in order to gain wider engagement of political groups	Paul Carter, Leader of the Council/Transformation Advisory Group

Effective operation of Transformation Advisory Group as the vehicle through which strategic management and oversight of delivery takes place.	Paul Carter, Leader of the Council
Corporate Portfolio Office in place charged with identifying and managing dependencies across all programmes and projects	Elizabeth Beadle, Acting Head of Corporate Portfolio Office
Communications and Engagement Strategy for *Facing the Challenge* developed	Diane Trollope, Change/Engagement Manager
Change Portfolio arrangements established	Portfolio Senior Responsible Officers (SROs)
Top-tier posts realigned to support transformation	Paul Carter, Leader of the Council
Agreed approach with Democratic Services on decision making, governance and approval routes for *Facing the Challenge* programme	John Burr, Director Transformation/ Portfolio Senior Responsible Officers (SROs)
Staff development and Leadership & Management frameworks established to further develop key skills, including commercial acumen, project management, and contract management, across the organisation as an essential enabler of transformation	Amanda Beer, Corporate Director Human Resources
Three year cash limits allocated across the organisation to aid planning	Andy Wood, Corporate Director Finance and Procurement

Action Title	**Action Owner**	**Planned Completion Date**
Commissioning Framework being developed for KCC as part of move towards a strategic commissioning authority.	Olivia Crill, Project Manager	March 2015
Development of interventions to improve professional capacity and capability of project and programme delivery as a distinct skill set within KCC	Julie Cudmore, Workforce Development Manager	December 2014 (review)

Risk ID CRR 18	Risk Title	Public Sector Network - implications of Compliance with Code of Connection			
Source / Cause of Risk	**Risk Event**	**Consequence**	**Risk Owner**	**Current Likelihood**	**Current Impact**
The Public Services Network is a UK government Wide Area Network, whose main purpose is to enable connected organisations, including local authorities and central government, to communicate electronically and securely at low protective marking levels. The customer Code of Connection (CoCo) provides a minimum set of security standards that organisations must adhere to when joining the PSN. Due to the Government's zero-tolerance approach a number of local authorities need to make changes to current policies / ways of working that requires additional investment. Ongoing compliance with the standard will have a number of potential impacts on KCC objectives.	Additional investment in technology required to meet standards without commensurate increase in productivity.	Impact on "Doing things Differently" objectives – less technology choices available. Financial implications	David Cockburn, Corporate Director Strategic & Corporate Services Peter Bole, Director ICT **Responsible Cabinet Member(s):** Gary Cooke, Corporate & Democratic Services	Possible (3) **Target Residual Likelihood** Unlikely (2)	Significant (3) **Target Residual Impact** Moderate (2)

Control Title	Control Owner
Thorough analysis of potential impacts of satisfying the CoCo compliance conducted	Peter Bole, Director ICT
Impact analysis conducted for adoption of Baseline Personnel Security Standards (BPSS)	Peter Bole, Director ICT/Amanda Beer, Corporate Director HR
CMT commitment to comply communicated to Public Services Network Authority (PSNA)	Corporate Management Team
Project plan devised to achieve compliance	Peter Bole, Director ICT
KCC compliant with current Code of Connection standards	Peter Bole, Director ICT

Action Title	Action Owner	Planned Completion Date
Action plan to meet requirements for compliance in September 2015	Peter Bole, Director ICT	April 2015 (review)
Continuing liaison with Government on evolving security standards to encourage risk-based, proportionate approach	Peter Bole, Director ICT	April 2015 (review)

Risk ID	CRR 19	Risk Title	Implications of the Care Act 2014		
Source / Cause of risk The Care Act 2014 establishes a new legal framework for care and support services. The new law marks the biggest change to care and support law in England since 1948. The changes will have significant implications for Kent residents and Kent County Council, in terms of both opportunities and risks.	**Risk Event** Costs of implementation may not be fully funded. The effect of the changes in law on the existing cost differential between the Local Authority and a self-funder may erode. Significant increase in people coming forward for care and financial assessments. The public may not understand the reforms. Appropriate systems enhancement may not be completed within 2016 timescales	**Consequence** Additional financial pressure Increase in demand for services in addition to existing demand pressures (see CRR 10a risk) Confusion and dissatisfaction of residents and potential service users	**Risk Owner** Andrew Ireland, Corporate Director Social Care Health & Wellbeing **Responsible Cabinet Member(s):** Graham Gibbens, Adult Social Care and Public Health	**Current Likelihood** Possible (3) **Target Residual Likelihood** Unlikely (2)	**Current Impact** Major (5) **Target Residual Impact** Significant (3)

Control Title	Control Owner
Care Act Programme established to ensure KCC is well placed to deliver its new responsibilities and that Kent residents who need social care, their carers and local providers are able to take advantage of the developments coming. Programme Board contains representatives from across KCC and efficiency partner.	Andrew Ireland, Corporate Director Social Care Health & Wellbeing (SCHWB)
Adults Transformation Board to oversee the Care Act Programme, setting direction, approving decisions and ensuring successful implementation	Andrew Ireland, Corporate Director SCHWB
Care Act Programme is part of the wider Adults Transformation Change Portfolio to ensure appropriate linkages with other programmes in the portfolio, ensuring that they are "Care Act proof".	Andrew Ireland, Corporate Director SCHWB
Regular briefings for elected Members and other stakeholders being held	Care Act Policy Lead Manager
Costs have been modelled to give KCC an understanding of the total costs involved in implementing the Care Act	Michelle Goldsmith, Finance Business Partner

Action Title	Action Owner	Planned Completion Date
Programme Plan in place including a number of projects:		
Communications – to provide clear and accurate communication to inform the public, service staff and providers about forthcoming changes	Andrew Bose, Communications Account Manager, Social Care	January 2015 (review)

Workforce capacity, planning and training – ensuring the necessary capacity and that all relevant staff receive appropriate training prior to implementation	Andrea Cahill, Professional Development Advisor, Social Care	January 2015
Commissioning – ensuring that duties regarding preventative services, information & advice, independent advocacy, the facilitation of independent financial advice and oversight of care markets are implemented	Emma Hanson, Head of Commissioning (Community Support) / Head of Commissioning (Accommodation solutions)	January 2015
Financial assessment and charging – to address the changes in assessment, including the residential means-test threshold, and changes to charging, including the extension of powers to charge	Michelle Vickery, Assessment & Income Client Services Manager	December 2014
Safeguarding – to address safeguarding aspects of the Care Act, including making arrangements for the Adult Safeguarding Board	Nick Sherlock, Head of Adult Safeguarding	December 2014
IT and information systems – to provide effective and timely changes to IT and finance systems	Linda Harris, ICT Applications Team Manager	April 2015 (review)
Consideration of whether to adopt national standard eligibility criteria	Andrew Ireland, Corporate Director Adult Social Care	December 2014

From: **David Brazier, Cabinet Member for Environment and Transport**

Barbara Cooper, Corporate Director of Growth, Environment and Transport

To: **Cabinet**

Subject: **Policy on Gatwick Airport**

Classification: **Unrestricted**

Non-Key decision

Past Pathway of Paper: None

Future Pathway of Paper: Information item for Environment and Transport Cabinet Committee, 5 December 2014

Electoral Division: Countywide

Summary:

Gatwick Airport Ltd has proposed a second runway which is now subject to a national public consultation by the Airports Commission. A recommendation will then be made by the Airports Commission to Government in summer 2015 on whether Heathrow or Gatwick should have approval for additional runway capacity.

The proposal for a second runway along with proposals for changes to airspace resulting in a concentration of flight paths; a high level of permitted night flights; and an increase in over-flight and noise currently experienced in West Kent; has resulted in Kent County Council **opposing a second runway at Gatwick Airport**.

The increase in over-flight across West Kent, the proposed airspace changes and night flights at Gatwick are also **opposed**.

The policy on Gatwick is stated in section 4.16 of this report and this will be added to '*Facing the Aviation Challenge*' which states Kent County Council's views on aviation.

Recommendation:

The Cabinet agrees that Kent County Council opposes a second runway at Gatwick Airport, opposes the increase in overflights across West Kent as a result of airspace changes, and supports a reduction in the number of night flights.

1. Introduction

1.1 The Airports Commission's interim report (December 2013) stated that it would take forward through the appraisal process; Gatwick Airport Ltd's proposal for one new runway to the south of the existing runway, over 3,000m in length and sufficiently spaced from the existing runway to permit fully independent operation. This option (a southern wide spaced parallel runway with independent mixed mode operation) provides the maximum amount of additional capacity in terms of aircraft movements and passengers; however, it also has the most detrimental environmental and noise impacts.

1.2 The Airports Commission is now undertaking a national public consultation until 3 February 2015, on this option for a second runway at Gatwick; alongside two options for additional runway capacity at Heathrow. The Airports Commission will then make a recommendation to Government in summer 2015 on where to add one net additional runway in the South East by 2030. The option of a Thames Estuary Airport was ruled out by the Airports Commission in September 2014.

1.3 Independent of the Airports Commission's work on airport capacity, the UK's air traffic service provider (NATS), working with all London airports, including Gatwick Airport Ltd, as part of the London Airspace Management Programme (LAMP) is implementing the Civil Aviation Authority's (CAA) Future Airspace Strategy (FAS). Airspace changes have been proposed that meet the requirements of the FAS to deal with airspace congestion and increase capacity; improve safety; use technological developments to improve efficiency and reduce environmental impact; and implement the EU Single European Sky initiatives. Airspace changes must be implemented by 2020 and are based on Gatwick as a single runway airport.

1.4 These two major developments in UK aviation policy, in addition the Department for Transport's (DfT) decision to maintain the existing level of permitted night flights at the noise designated airports of Heathrow, Gatwick and Stansted; could have significant impacts across West Kent.

1.5 In 2014, there has already been an increase in over-flight and aviation noise across West Kent. Along with the proposed second runway; airspace change proposals; and national policy on night flights described in sections 1.1 to 1.4 of this report; this has resulted in the need for a Kent County Council (KCC) policy on Gatwick Airport.

1.6 Therefore it is recommended that Cabinet adopts a policy on Gatwick Airport which opposes a second runway; increased over-flight of West Kent; the proposed airspace changes; and night flights.

2. Financial Implications

2.1 N/A

3. Policy Framework

3.1 The decision relates to the Local Transport Plan (LTP) as set out in the Council's Policy Framework (see Appendix 3 of the Constitution).

4. Policy on Gatwick Airport

4.1 Gatwick Airport Ltd's proposal for a new runway with fully independent operation, i.e. independent mixed mode (both runways used for departures and arrivals); provides the maximum amount of additional capacity in terms of aircraft movements and passengers. However, it also has the most detrimental environmental and noise impacts with no opportunity for respite from runway alternation (one runway used for arrivals while the other runway is used for departures).

4.2 The proposed operational configuration for the two runway airport, while providing the greatest increase in annual passenger throughput for a doubling of the runway capacity, could also potentially double the number of aircraft movements (from a maximum of 55 to a peak capacity of 95 movements per hour). This would result in an unacceptable increase in aviation noise from the high frequency of over-flights.

4.3 Table 1 shows the potential future capacity at Gatwick with a second runway taken from Gatwick Airport Ltd's consultation document (April 2014) compared with its current usage in 2013 (CAA annual statistics). It shows that by 2050 Gatwick could more than double its current air traffic movements and passenger numbers. Passenger numbers are 'million passengers per annum' (mppa).

Table 1 – Planning Capacity with a second runway compared with current single runway usage

Planning Capacity (with second runway)	2013 (existing single runway)	2030	2040	2050
Annual Movements	251,000	377,000	468,000	513,000
Annual Passengers	35 mppa	60 mppa	78 mppa	87 mppa

4.4 For comparison, Heathrow currently (2013) handles 472,000 annual movements (within its planning cap of 480,000 movements) and 72mppa; therefore Gatwick Airport Ltd is proposing an airport that by between 2040 and 2050 will be busier than Heathrow's current level of air traffic and passenger volumes.

4.5 In terms of surface access, Gatwick Airport Ltd claim to be "road and rail ready for a second runway by 2021" regardless of whether a second runway is delivered or not in the post 2025 period. Gatwick's surface access strategy for a second runway is heavily reliant on already planned, committed and delivered schemes for strategic road and rail access. These highway and rail schemes are already being implemented to help alleviate current levels of congestion and delay; and to meet background growth, without taking account of the demand generated by more than a doubling of Gatwick's size.

4.6 In terms of economic impacts, the West Kent districts of Sevenoaks, Tunbridge Wells and Tonbridge and Malling did not even feature in the study area for the economic effects of a second runway in Gatwick Airport Ltd's consultation on the runway options (April 2014); as less than 1% of Gatwick's workforce are from these Kent districts. Small towns and villages in West Kent feel the negative impacts of being under Gatwick's flight paths but are not benefiting as well as they should from the employment and business opportunities that come from being near to the UK's second largest airport.

4.7 Within its current single runway operation, Gatwick Airport Ltd should be engaging with schools and colleges in West Kent to make young people more aware of the jobs and careers that are available to them through working at the airport. Local transport improvements to the airport are also needed so that these opportunities can be accessed by West Kent's communities. Local businesses need to be made aware of the opportunities, both through the supply chain and the benefit of access to global markets from being located near to a major international airport. Gatwick could also do more to promote the attractions of West Kent to overseas visitors passing through the airport so as to encourage visitor spend in the local area.

4.8 The prospect of a second runway at Gatwick has caused widespread distress in the communities of West Kent. This has been coupled with an increase in over-flight and aircraft noise in 2014. CAA statistics show that Gatwick has experienced an annual increase in air transport movements (ATMs) over the last decade from 243,000 in 2003 to 251,000 in 2013. The busiest year was pre-recession in 2007 with 267,000 ATMs and after a period of decline, air traffic is now growing again. July 2014 was the second busiest July at Gatwick; and there has been 3% growth year on year during the peak summer month of July since 2011, with the exception of July 2012, which displayed no growth compared to the previous year's month.

4.9 Arriving aircraft into Gatwick fly over the Tunbridge Wells area generally at around 4,000ft or less and are descending so that they can join the instrument landing system (ILS) final approach path (a straight line of descent to the runway) by 10 nautical miles from the airport at an altitude of not lower than 3,000ft. Departing aircraft that head east are generally at around 5,000ft to 6,000ft by the time they pass into Kent and have climbed to around 10,000ft when flying over the top of the arrivals across the Tonbridge area. It is generally the low flying arriving aircraft that causes a problem for West Kent. Respite is only provided when there is an easterly wind because arriving aircraft then approach the airport and descend on the western side of the airport (easterly operations). When on westerly operations, which are the majority of the time due to the prevailing westerly winds, the frequency of arrivals over-flight is generally an aircraft every two minutes in the peak flying over West Kent. Aviation noise events of 50 to 70 decibels are experienced in the Tunbridge Wells area before aircraft have even turned and joined the ILS final approach at lower altitude.

4.10 Residents in West Kent have been very vocal with their complaints about the increase in over-flight and noise experienced in 2014. Table 2 shows analysis of the increase in number of movements in the peak summer month of July 2014 compared with July of the previous year (2013). This increase in flights coupled with the more average occurrence of prevailing westerly winds (69% in July 2014, compared with only 51% in July 2013), and an assumed 50/50 split of arrivals and departures; shows that there has been a 39% increase in the number of arriving aircraft flying over West Kent in July 2014, compared with July of the previous year. This equates to an average of 12 to 16 arrivals flights per hour in July 2014, an average increase of 4 or 5 more arriving aircraft per hour than the previous year's summer month. At peak times of the day and peak days of the week, the frequency of arriving aircraft over-flight is even higher.

Table 2 – Air Transport Movements in July 2014 compared to the previous July 2013

July 2014 compared to previous July 2013	**2013**	**2014**
Air Transport Movements in July	24,663	25,406
Assuming 50/50 split of arrivals and departures - number of arrivals in July	12,332	12,703
Attributed number of arrivals over West Kent in July (2013 51% westerly, 2014 69% westerly)	6,289	8,765
Increase (decrease) of attributed arrivals in July from previous year		2,476
Percentage Change from previous year		39
Assuming 50/50 split of arrivals and departures - average number of daily arrivals in July	398	410
Attributed average number of daily arrivals over West Kent in July (2013 51% westerly, 2014 69% westerly)	203	283
Increase (decrease) of attributed daily arrivals from previous year		80
Percentage Change from previous year		39
Average number of hourly attributed arrivals (24 hour operations) over West Kent	8	12
Increase (decrease) in average number of attributed hourly arrivals from previous year		4
Average number of hourly attributed arrivals (18 hour operations) over West Kent	11	16
Increase (decrease) in average number of attributed hourly arrivals from previous year		5

4.11 The continuous over-flight of arriving aircraft into Gatwick causes significant detrimental impact for residents of West Kent and impacts on the tranquillity of the countryside, including Areas of Outstanding Natural Beauty (AONB); where the CAA discourages over-flight, if practical, below 7,000ft. There needs to be better adherence to this DfT guidance to the CAA to avoid over-flight of AONB, where practical; and aircraft should also avoid flying over the major tourist attractions that are of significant national heritage value in West Kent.

4.12 The current level of over-flight and resulting noise impact on West Kent is unacceptable and measures should be taken by Gatwick Airport Ltd to reduce the number of arriving aircraft flying over this area; and provide mitigation measures for the noise impacts. The number of flights into Gatwick is likely to continue to increase until the airport reaches its capacity limit for a single runway airport. The likely noise impact from the increased frequency of over-flight that would result from the proposed second runway would be intolerable for the communities in West Kent, further degrading the rural tranquillity of the area, the AONB and major heritage tourist attractions; as well as impacting on the urban areas of Tunbridge Wells and Tonbridge.

4.13 Furthermore, in 2013/14 there have also been two consultations by NATS and Gatwick Airport Ltd on proposed airspace changes for Gatwick as a single runway airport that need to be implemented by 2020, as described in section 1.3 of this report. If implemented, this would result in the concentration of flight paths into a single precision arrivals route for the daytime and one alternative arrivals route for the night time before aircraft join the final approach to land. The consequence of this is that every single aircraft will fly directly over-head of the communities below the proposed new flight paths. KCC has responded to these consultations opposing these proposals. As an alternative, KCC has proposed the use of precision navigation technology to devise multiple arrival and departure routes; which if alternated would provide the opportunity for predictable rotating respite so that the burden of over-flight is spread more equitably between communities.

4.14 In terms of the number of flights at night, these are very frequent at Gatwick due to a lower quota set by the DfT compared to Heathrow. Gatwick's night time air transport movement limits (between 23:30 and 06:00) remains set until 2017, at 3,250 in winter and 11,200 in summer. This contrasts with far tighter night time movement controls at Heathrow (2,550 in winter and 3,250 in summer); therefore Gatwick's air traffic movement limit exceeds Heathrow by 27% in winter and is almost 3.5 times greater than Heathrow in summer.

4.15 Sleep disturbance has detrimental effects on the health of people living under flight paths, therefore in order for the situation for local residents to improve, there needs to be a reduction in the number of permitted movements at night. KCC has made the case to Government, in response to the DfT consultation (November 2013), for a reduction in night flights at Gatwick so that the number of permitted night movements is more comparable with the quota set by the DfT for Heathrow.

4.16 In summary, KCC's policy on Gatwick:

- KCC is opposed to a second runway at Gatwick Airport.

- Gatwick Airport Ltd's proposal for a second runway with independent mixed mode operation will double the number of aircraft movements with arrivals and departures on both runways and offers no opportunity for respite from runway alternation. The noise impacts on West Kent from Gatwick's current single runway configuration are already unacceptable and a potential doubling of these impacts with a second runway would be intolerable. Along with a lack of adequate surface transport infrastructure enhancements to cope with the additional demand and little obvious direct economic benefit to Kent; KCC is opposed to Gatwick Airport Ltd's proposal for a second runway.

- The increase in over-flight and noise currently experienced in West Kent is unacceptable and there needs to be an immediate reduction in aviation noise across West Kent. Operational procedures must be put in place by Gatwick Airport Ltd to provide respite for the communities that experience continuous over-flight day and night.

- Furthermore, the proposed airspace changes due to be implemented by 2020 with the concentration of flight paths and lack of suitable respite provision for arrival routes is unacceptable and is opposed by KCC. Gatwick Airport Ltd and NATS must re-design the airspace change proposal to include the use of multiple arrival and departure routes to provide predictable rotating respite and spread the burden of over-flight more equitably between communities.

- The current number of permitted night flights is unacceptable and is opposed by KCC. The DfT should reduce the night movement limit at Gatwick to at least a level that is comparable with Heathrow.

- In addition to the need for an immediate reduction in aviation noise across West Kent, action needs to be taken to ensure that West Kent's communities benefit from the business and job opportunities at Gatwick as a single runway airport.

4.17 The policy on Gatwick, stated above in section 4.16, will be added to '*Facing the Aviation Challenge*' which states KCC's views on aviation.

5. Conclusions

5.1 The proposal for a second runway at Gatwick Airport which is the subject of a national public consultation by the Airports Commission; along with the separate proposals for changes to airspace, the continuation of high numbers of permitted night flights, and the current unacceptable increase in over-flight and aircraft noise in West Kent; has resulted in the need for a KCC policy on Gatwick Airport.

5.2 The policy stated in section 4.16 of this report, which will be added to '*Facing the Aviation Challenge*', makes it unequivocally clear that KCC is opposed to a second runway at Gatwick; and that the increase in over-flight currently experienced in West Kent is unacceptable and an immediate reduction in noise through changes to operational procedures must be implemented by Gatwick Airport Ltd. The number of permitted night flights is unacceptable and the DfT should reduce the night movement limit at Gatwick to at least a level that is comparable with Heathrow. The proposed airspace changes for Gatwick as a single runway airport, due to be implemented by 2020, also need to be revised so that predictable rotating respite is provided to help spread the burden of over-flight more equitably between communities. The business and job opportunities that Gatwick currently offers also need to spread to West Kent.

6. Recommendation:

The Cabinet agrees that Kent County Council opposes a second runway at Gatwick Airport, opposes the increase in overflights across West Kent as a result of airspace changes, and supports a reduction in the number of night flights.

7. Background Documents

7.1 Facing the Aviation Challenge, Kent County Council, August 2014
http://www.kent.gov.uk/__data/assets/pdf_file/0016/15433/Facing-the-Aviation-Challenge.pdf

7.2 Airports Commission, Discussion Paper 05: Aviation Noise, Response from Kent County Council, 6 September 2013
http://www.kent.gov.uk/__data/assets/pdf_file/0016/15541/KCC-response-to-Airports-Commission-discussion-paper-on-noise.pdf

7.3 London Airspace Consultation – NATS (National Air Traffic Services) and Gatwick Airport Ltd, Response from Kent County Council, 20 January 2014 http://www.kent.gov.uk/__data/assets/pdf_file/0018/15543/KCC-response-to-Phase-1-of-the-London-Airspace-Consultation.pdf

7.4 Department for Transport (DfT) Consultation – Night Flying Restrictions at Heathrow, Gatwick and Stansted Stage 2 Consultation, Response from Kent County Council, 31 January 2014
http://www.kent.gov.uk/__data/assets/pdf_file/0017/15542/KCC-submission-to-Department-for-Transport-consultation-on-night-flights.pdf

7.5 London Airspace Change – Gatwick Local Area Consultation, Response from Kent County Council, 14 August 2014
http://www.kent.gov.uk/__data/assets/pdf_file/0019/15544/KCC-response-to-Phase-2-of-the-London-Airspace-Consultation.pdf

8. Contact details

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