

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 29th July, 2020

10.00 am

Virtual Meeting





AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 29 July 2020, at 10.00 am
Virtual Meeting

Ask for: **Emma West**
Telephone: **03000 412421**

Membership (15)

Conservative (12): Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman),
Mr M A C Balfour, Mr P V Barrington-King, Mr T Bond,
Mr N J D Chard, Mr G Cooke, Mrs M E Crabtree, Mr P W A Lake,
Mr D Murphy, Mr H Rayner and Vacancy

Liberal Democrat (2): Mr R H Bird and Mrs T Dean, MBE

Labour (1) Mr D Farrell

In response to COVID-19, the Government has legislated to permit remote attendance by Elected Members at formal meetings. This is conditional on other Elected Members and the public being able to hear those participating in the meeting. This meeting will be streamed live and can be watched via the Media [link](#) on the Webpage for this meeting.

County Councillors who are not Members of the Committee but who wish to ask questions at the meeting are asked to notify the Chairman of their questions in advance.

UNRESTRICTED ITEMS

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

- 1 Introduction/Webcast announcement
- 2 Membership
To note that due to the sad passing of Mr I Thomas, a Conservative vacancy has arisen on the Committee.
- 3 Apologies and Substitutes
- 4 Declarations of Interest by Members in items on the Agenda
- 5 Minutes of the meeting held on 21 January 2020 (Pages 1 - 6)

- 6 Protocol for Virtual Meetings (Pages 7 - 12)
- 7 Financial Update (Pages 13 - 24)
- 8 Strategic and Corporate Services Performance Dashboard (Pages 25 - 46)
- 9 Facilities Management Procurement Update (Pages 47 - 54)
- 10 Work Programme 2020/21 (Pages 55 - 58)

Motion to Exclude the Press and Public

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

- 11 Oracle Application Support (Pages 59 - 66)

Benjamin Watts
General Counsel
03000 416814

Tuesday, 21 July 2020

KENT COUNTY COUNCIL**POLICY AND RESOURCES CABINET COMMITTEE**

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 21 January 2020

PRESENT: Mr B J Sweetland (Chairman), Mr R A Marsh (Vice-Chairman), Mr P V Barrington-King, Mr R H Bird, Mr T Bond, Mr N J D Chard, Mr G Cooke, Mrs M E Crabtree, Mrs T Dean, MBE, Mr D Farrell, Mr P W A Lake, Mr H Rayner and Mr I Thomas

ALSO PRESENT: Mr M A C Balfour and Mrs S Prendergast

IN ATTENDANCE: Mr V Bhatia (FM Commissioning Lead), Mr D Cockburn (Corporate Director Strategic & Corporate Services), Ms Z Cooke (Corporate Director of Finance), Ms R Kennard (Chief Analyst, Strategic Commissioning Analytics), Ms E Sanderson (Strategic Business Adviser), Mr D Shipton (Head of Finance - Planning, Policy & Strategy), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance) and Miss E West (Democratic Services Officer)

UNRESTRICTED ITEMS**207. Membership**

(Item 2)

Mr M Payne had formally resigned as a Member of the Committee.

208. Apologies and Substitutes

(Item 3)

Apologies for absence had been received from Mr P Oakford and Mr D Murphy. Mr M Balfour attended as a representative for Mr P Oakford.

209. Declarations of Interest by Members in items on the Agenda

(Item 4)

No declarations of interest had been received.

210. Minutes of the meeting held on 8 November 2019

(Item 5)

RESOLVED that the minutes of the meeting of the Policy and Resources Cabinet Committee meeting held on 8 November 2019 are correctly recorded and that they be signed by the Chairman.

211. Minutes of the Property-Sub Committee meeting held on 17 December 2019

(Item 6)

RESOLVED that the minutes of the meeting of the Property-Sub Committee meeting held on 17 December 2019 be noted.

212. Policy & Resources Cabinet Committee Meeting Dates for 2020/21 - For Information Only

(Item 7)

RESOLVED that the 2020/2021 meeting dates for the Policy and Resources Cabinet Committee be noted.

213. Draft Capital Programme 2020-23 and Revenue Budget 2020-21

(Item 8)

Ms Cooke (Corporate Director of Finance) and Mr Shipton (Head of Finance (Policy, Planning & Strategy)) were in attendance for this item

- (1) Mr Balfour (Deputy Cabinet Member for Corporate and Traded Services), Mrs Prendergast (Cabinet Member for Communications, Engagement and People) and Mr Shipton introduced the report which provided Members with the opportunity to comment on the Draft Budget proposals for 2020-21 and make recommendations prior to presentation at Cabinet on 27 January 2020 and full Council on 13 February 2020.

Officers then responded to comments and questions from Members, including the following: -

- (a) Mr Shipton stated that Kent were awaiting announcements for departmental grants and for capital allocations for future years and therefore had estimated how much would be received. The estimated figures were those in italics within the budget book.
- (b) Ms Cooke referred to the awaited announcement from Public Health England in relation to the funding for 2020 and stated that there was no clarity as to when the announcement would be received. She added that Kent County Council continued to lobby both directly and through the Directors of Public Health and the Society of County Treasurers in relation to the funding.

- (2) RESOLVED that the report be noted.

214. Updating the Strategy and Policy Control Framework

(Item 9)

Ms Sanderson (Strategic Business Adviser (Corporate)) and Mr Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance) were in attendance for this item

- (1) Mr Whittle and Ms Sanderson introduced the report which set out the changes to the Strategy and Policy Control Framework and the review which had been undertaken.

Officers then responded to comments and questions from Members, including the following: -

- (a) Ms Sanderson confirmed that archived documents were not held on the Council's external website to minimise the risk of individuals accessing and quoting out of date documents. Mr Watts added that a project would be carried out in the near future in relation to ensuring that the Council's historic data was accessible and clear.
- (b) Mr Watts emphasised the importance of equality considerations in relation to decision making and suggested that a proposal be submitted to the Selection and Members Services Committee for Members to debate.
- (c) Mr Whittle referred to point 7g within Appendix A and confirmed that 'equality considerations' related to the Public Sector Equality Duty (PSED). He added that the completion of EqIA's was a local policy choice and stated that there were different ways in which services could demonstrate equality considerations.

(2) RESOLVED that the report be noted.

215. Strategic and Corporate Services Directorate Performance Dashboard (Item 10)

Ms Kennard (Chief Analyst, Strategic Commissioning Analytics) was in attendance for this item

- (1) Ms Kennard introduced the report which set out progress made against targets set for Key Performance Indicators.

Officers then responded to comments and questions from Members, including the following: -

- (a) Mr Watts referred to the significant amount of activity expected of the Council in relation to Freedom of Information Governance since the implementation of General Data Protection Regulations (GDPR), and the prioritisation of various activities to deliver performance targets within the financial year.
- (b) Mr Watts referred to the Council's Technology project which aimed to change the way in which both information and responses were provided. He added that Kent County Council would be working alongside the Council's technology partner, Microsoft, to create a mechanism that published responses onto the Council's website at the same time as sending out information to the individual requester, which in turn would provide Members with the opportunity to access information that had been responded to in relation to any other query on the Council's website.
- (c) Mr Watts said that two Information Governance graduates had been appointed to look at ways in which Strategic and Corporate Services use and work with data. He added that part of their activity for the next year would involve conversations with Members to understand the types of data

that Members were interested to see to aid in the design of the future technology platform.

- (d) Mr Watts referred to the ever-increasing number of Freedom of Information requests that the Council received and confirmed that he would circulate further information to Members of the Committee outside of the meeting in relation to the matter. He emphasised the importance and value of discussions relating to GDPR and thanked officers and Members for their engagement in discussions and for continuing to meet statutory GDPR duties. He confirmed that regular update reports on the matter would be submitted to future meetings of the Policy and Resources Cabinet Committee, Members generally supported this.
 - (e) Mrs Spore referred to the increase in the number of calls to the ICT Helpdesk and confirmed that she would circulate a detailed breakdown of the ICT Helpdesk's call trends outside of the meeting. She specifically referred to the implementation of a number of key change programmes during the last year, for example, the Windows 10 upgrade and roll out, which had significantly impacted the number of calls received by the ICT Helpdesk. Mr Watts confirmed that he would be attending a meeting with Microsoft on 24th January 2020 to devise an action plan which would be circulated to Committee Members once completed.
 - (f) Mr Watts confirmed that he would liaise with the Council's Corporate Management Team in relation to the information projected onto the Council's website.
 - (g) Mr Watts emphasised the importance of ensuring that data contained within the Council's website was easily accessible.
 - (h) Mr Watts referred to the variation in FOI requests and said that many of the requests received over the last year had been driven by specific, local issues. He added that a Monitoring Officer group had been established between Kent County Council and like-sized authorities to share best practice and expertise in relation to Freedom of Information Governance.
 - (i) Mrs Prendergast (Cabinet Member for Communications, Engagement and People) referred to the nature and complexity of some of the FOI requests received which contributed to response delays and reiterated comments made by Mr Watts in relation to next steps.
 - (j) Mrs Spore referred to the 'Percentage of rent due to KCC outstanding over 60 days' indicator within the performance dashboard and confirmed that she could provide a trend breakdown to Committee Members outside of the meeting.
- (2) A Member commended the ICT Helpdesk for the excellent, seamless service that they provided to Members.
- (3) RESOLVED that the report be noted.

216. Work Programme 2020/21

(Item 11)

RESOLVED that the work programme for 2020/21 be noted, subject to the inclusion of the following: -

- Freedom of Information Governance (Increased ICT demand)

217. Exclusion of the Press and Public

(Item)

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

Exempt Items

(open access to minutes)

218. Total Facilities Management

(Item 12)

Mrs Spore (Director of Infrastructure) and Mr Bhatia (FM Commissioning Lead) were in attendance for this item

- (3) Mrs Spore and Mr Bhatia introduced the report which set out the future options for the Facilities Management Service and the latest performance position for the current service performance.
- (4) Mrs Spore briefly referred to the financial aspects of the contract, expectations, engagement and partnership working, building maintenance and sustainability.
- (5) Mrs Spore responded to a question which related to security and the different elements that the security was made up of.
- (6) Mrs Spore confirmed that further information would be provided to Committee Members outside of the meeting in relation to uncapped deductions and a procurement timeline.
- (7) Mrs Spore and Mr Balfour (Deputy Cabinet Member for Corporate and Traded Services) responded to a question which related to the delivery of value for money for Kent and meeting statutory responsibilities.
- (8) Mr Balfour suggested that a discussion take place at the agenda setting meeting in relation to voluntary sector involvement.
- (9) Mr Rayner proposed, and Mr Bond seconded the following recommendation:

“The Policy and Resources Cabinet Committee recommends to Mr Oakford, as the Cabinet Member for Finance, Corporate and Traded Services, that he looks carefully at the proposed level of complexity of the proposed new contracts from October 2021 currently under consideration, in particular, the potential impact

upon the ease of administration of these contracts where hard and soft service provision is split.”

- (10) The amended recommendation was agreed without a vote.
- (11) RESOLVED that the Cabinet Member for Finance, Corporate and Traded Services looks carefully at the proposed level of complexity of the proposed new contracts from October 2021 currently under consideration, in particular, the potential impact upon the ease of administration of these contracts where hard and soft service provision is split.

From: Ben Watts, General Counsel
To: Policy and Resources Cabinet Committee – 29 July 2020
Subject: Protocols for Virtual Meetings
Classification: Unrestricted

1. Introduction

- (a) In line with provisions in the Coronavirus Act, regulations have come into force giving local authorities the ability to take a more flexible approach to holding meetings.
- (b) However, the core governance requirements for meetings remain. Notice still needs to be given for meetings and the Agendas need to be made available online. The public's right to observe meetings remains the same and so provision needs to be made for the public to hear the discussion and see it where possible as well.
- (c) The regulations are written so that each local authority can tailor their ability to hold virtual meetings to the technology they are able to put into place. Use of the technology needs to ensure the business of the Council can be conducted fairly and without any participant or observer being unduly disadvantaged.
- (d) Formal meetings held virtually are still formal meetings, and while the procedures and rules remain the same as when all Members are present in the same room, it will be a different way of working.

2. Protocols for Virtual Meetings

- (a) Each Committee is being asked to adopt a set of supplementary protocols to guide how virtual meetings will be run. These are geared to explaining how the requirements of the Constitution will be put into effect in a virtual setting.
- (b) Adopting these Protocols will enable Members to have a common point of reference and to understand how business will be conducted. For members of the public observing our virtual meetings, this will improve transparency and understanding of the democratic process.
- (c) A set of Protocols for this Committee are attached as an Appendix to this report.

3. Recommendation:

That in order to facilitate the smooth working of its virtual meetings, the Committee agrees to adopt the appended Protocols.

4. Background Documents

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) England and Wales) Regulations 2020 - SI 2020 392, <http://www.legislation.gov.uk/ukSI/2020/392/contents/made>

5. Contact details

Report Author and Relevant Director:

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Draft – Protocol for Meetings of the Policy and Resources Cabinet Committee, held under SI 2020 392

General

1. Part Three of the Constitution (Standing Orders) shall continue to apply for all virtual meetings except where there is a requirement, implied or otherwise, for Members to be physically present in the same location.
2. These Protocols supplement but do not replace the Standing Orders in the Constitution and exist to make meetings held under SI 2020 392 more effective and efficient.
3. Reference to Chair or Clerk relate to the Chair or Clerk of the specific virtual meeting.
4. The Monitoring Officer or his deputies are available to assist and advise the Chair and the Clerk as necessary.
5. Members are respectfully reminded to ensure that the electronic device through which they are attending the virtual meeting has sufficient battery charge.

Rules of Conduct

6. The Chair's ruling on the meaning or application of these Protocols or any other aspect of the proceedings of a meeting held virtually cannot be challenged.
7. The Chair may give any direction, or vary these Protocols, when they consider it appropriate to do so in order to allow for the effective and democratic management of the meeting but must take advice from the Clerk before so doing.
8. Immediately before the commencement of the virtual meeting, all participants must switch the video and microphone settings to "off" and only turn them on when invited to speak by the Chair.
9. Members are reminded that any member of the public may observe the meeting.
10. The conversation function referred to in the Protocols is also known as the 'meeting chat'. Members should proceed as if the content can be viewed by participants and the wider public and only use the function for procedural matters as set out below. It should not be used to discuss the substantive issue – this should be done verbally.

Attendance

11. Members must affirm their presence by typing the word 'Present' in the conversation function of the meeting. This shall be accepted by the Clerk as the equivalent of the Member having signed the attendance list.
12. Where a Member is leaving the meeting permanently or temporarily, the word 'Absent' shall be typed in the conversation function. Where the Member joins the meeting once more, 'Present' shall be typed once more.
13. Where a Member has declared a DPI or other interest which means they need to absent themselves for part of the meeting, the Member shall leave

the meeting completely at the appropriate time. The Clerk shall email the Member when they are able to re-join. The Clerk will confirm the absence by checking the meeting attendees and confirming the same to the Chair.

14. The standard quorum of one third of the total voting membership applies and this number must have indicated they are 'Present' for the meeting to commence or continue. The Clerk will conduct electronic checks on quoracy periodically throughout the meeting.

Substitutes

15. In order to ensure that Members have access to the virtual meeting, it is requested that formal notification of substitutes to the Clerk be made at least 48 hours prior to the start of the meeting. The start time of the meeting will be affected if this is not done.

Speaking

16. Members and other participants in the meeting must wait to be called on by the Chair before speaking.
17. Attendees may indicate a desire to speak through use of the conversation function. The Clerk will ensure these are brought to the attention of the Chair in the order received.
18. Members not part of the Committee wishing to speak shall request permission from the Chair in advance so that the Clerk is informed 24-hours ahead of the meeting.

Motions and Amendments

19. Except where the motion before the Committee is set out in the Agenda, any Member is entitled to request that a motion or amendment before the Committee be typed out in the conversation function by the proposer. Where this is done, the Clerk shall read out the motion/amendment.
20. All proposed motions/amendments will need to be seconded by a Committee Member present in line with usual practice.
21. The Chair shall ask for Members' views on the motion/amendment. Where the view of the Committee is unclear, the Chair shall call for a vote.

Voting

22. Voting will be through a rollcall of all Members taken in alphabetical order, or through a poll overseen by the Clerk through the conversation function, with the Clerk announcing whether the motion/amendment was agreed or not agreed once this has concluded. The Chair will announce at the start of the meeting which of these methods is to be used.
23. Where a poll is the chosen method but is not able to take place, the Chair shall ask Members to record whether they are for, against, or abstaining in the conversation function. No response shall be taken as an abstention.
24. No votes shall be recorded in the Minutes unless sections 16.31 or 16.32 of the Constitution apply.

Clerking

25. There will normally be a minimum of two Officers supporting the Chair and Committee during a virtual meeting. One will act as a facilitator to support the Chair. The other will be taking minutes.

Other Provisions

26. Where the minimum legal requirements apply and Members are only able to hear each other and be heard, the Chair shall be responsible for identifying speakers etc., and will be supported in this by the Clerk as facilitator. A rollcall shall be held at the start of the meeting, and at other times as deemed necessary by the Chair, to establish quoracy in these circumstances.

Part Two Meetings

27. At the start of any formal meeting, or part of any formal meeting, from which the press and public have been excluded in accordance with section 15.17 of the Constitution, Members shall type the words 'Present - Alone' to verify that no unauthorised person is able to hear, see, or otherwise participate in the meeting.
28. A Part Two meeting will normally be anticipated and will be scheduled in advance as a separate virtual meeting. Where the need to move into a Part Two meeting only becomes apparent during the meeting, the item affected should be adjourned to a later date.

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From: Peter Oakford, Deputy Leader and Cabinet Member for Finance,
Corporate and Traded Services
Zena Cooke, Corporate Director of Finance

To: Policy & Resources Cabinet Committee 29th July 2020

Subject: Financial Update

Classification: Unrestricted

Summary:

This report provides an update on the financial impact of the Covid-19 outbreak and subsequent economic fallout, including the additional funding provided by central Government (including a further tranche of un-ring-fenced Emergency Grant), the Council's estimated costs for the emergency response, and the potential loss of income and delays to savings plans. These have been assessed against the approved 2020-21 revenue budget together with an initial assessment of other issues arising from the first month's budget monitoring.

The overall assessment is that there is still a significant forecast shortfall in the emergency grant received to date resulting in a substantial projected overspend. The magnitude of the variances is such that it is proposed to undertake a review of both the revenue budget and capital programme which will require an amendment to the budget to be put to County Council in September. This could include revised operating budgets for individual services, including revised savings plans and the use of reserves.

Recommendations:

- a) Policy and Resources Cabinet Committee is asked to note that the magnitude of the impact is such that the Council needs to consider and approve an amendment to the budget in September to rebalance the 2020-21 budget.
- b) Policy and Resources Cabinet Committee is asked to note that the position remains highly uncertain and could change significantly during the Autumn pending resolution of the 2020-21 budget amendment, the Government's Spending Review, further analysis of the impact on local tax yields, and progress towards balancing 2021-22 budget.

1. Background

- 1.1 The 2020-21 revenue budget and 2020-23 capital programme were approved by County Council on 13th February 2020. The approved net revenue budget requirement was £1.064bn. This was funded £0.753bn from council tax¹,

¹ based on estimated net band D equivalent tax base of 554,625.61 properties, band D tax charge of £1,351.26 (including £118.62 social care levy), and collection fund surplus

£0.252bn un-ring-fenced government grants, and £0.059bn retained business rates. The capital programme included planned spending of £1.014bn over the three years (£0.472bn in 2020-21) with £0.621bn funded from external sources and government grants, and £0.393bn from KCC resources and borrowing (with consequential financing impact on current and future revenue budgets).

- 1.2 On 11th March the Covid-19 outbreak was declared a pandemic. On the same day the Chancellor announced the March 2020 Budget. The Budget was in two parts, the first part dealt with the immediate response to the emergency, and the second part was the typical presentation of medium-term tax and spending plans. The economic forecasts (and therefore the medium-term spending, tax and borrowing projections) were before the effects of the additional Covid-19 measures. Effectively these were out of date even at the time of publication. The Chancellor of the Exchequer has made a number of subsequent announcements on additional spending to tackle the outbreak and measures to support the economy which means they are now further out of date.
- 1.3 The Council had to act quickly in response to the pandemic and on 18th March staff were told to work from home wherever possible. This was in advance of announcements on 20th March closing schools, restaurants, pubs, indoor entertainment venues and leisure centres, and the more substantial lockdown imposed on 23rd March banning all non-essential travel and contact outside the home.
- 1.4 The Council's response has focussed on protecting the safety and wellbeing of all Kent residents, especially the most vulnerable as well as supporting its principal suppliers in line with government guidelines. Some of the main aspects of the response has included making additional payments to all residential, nursing, homecare and day care adult social care providers towards additional costs they are incurring during the emergency; procurement and distribution of additional personal protective equipment (PPE) to both staff and care providers; maintaining payments to early years and childcare providers even where they have had to close down; maintaining payments to bus companies and home to school transport providers to sustain the market during the slump in journeys during lockdown and school closures; securing additional temporary mortuary provision.
- 1.5 Inevitably some of the Council's own facilities have also had to close such as children's centres, country parks, libraries, waste disposal and recycling facilities, etc. In the main the Council has continued to incur contractual and staffing costs for these services even though facilities were closed.
- 1.6 It is important to emphasise that at this stage all forecasts are only an initial assessment of the potential impact of the Covid-19 outbreak on the council's revenue and capital budgets for 2020-21 and 2021-22 based on the latest available information. This is a unique situation and whilst the Council has responded incredibly well, there remains a significant amount of uncertainty that makes financial planning far more challenging than would usually be the case. A key part of the uncertainty is how much funding the Government will

provide and whether this will cover all the costs incurred by the Council as well as the losses in income. Furthermore, the forecasts can only be based on some high-level assumptions about the impact of on-going social distancing requirements and other measures as we move into recovery phase and do not include any assumptions about a second wave of infections.

2. Cost Estimates

- 2.1 As soon as the pandemic was announced arrangements were made to capture information about the additional costs the Council would incur. In March 2020 a total of £1.705m of additional spending and lost income associated with the Covid-19 response was accounted for within the final 2019-20 accounts. This included distress payments to bus providers, PPE purchases, and IT equipment and licences to support home working. The first tranche of Emergency Grant funding of £39m was received on 27th March, this was used to offset this expenditure with the remaining £37.3m transferred to a specific reserve to be drawn down to support spend in 2020-21.
- 2.2 Initially there was very little guidance on the expectations on local authorities. The Government did issue three Procurement Policy Notes (PPN) although these related to suspending aspects of procurement procedure rather than guidance on the type of expenditure the government anticipated local authorities would incur. The Council produced local guidance on the expenditure and income to be captured. This included:
- Additional costs incurred in response to the initial emergency e.g. temporary mortuary, procurement of PPE, etc.
 - Additional costs to support market sustainability e.g. payments to support social care providers in meeting Covid-19 related additional costs, payments to home to school transport providers even though no service has been provided due to closures, etc.
 - Future demand increases e.g. adult social care where the Council has to assume responsibility following hospital discharges, children's social care due to increased demand following the easing of lockdown restrictions etc.
 - Delays in delivering savings
 - Loss of income
 - Workforce pressures associated with demand increases
- 2.3 The Ministry of Housing, Communities and Local Government (MHCLG) has asked local councils to provide a monthly return setting out estimates of the impact of the Covid-19 pandemic. Three returns have been submitted to date setting out estimates of additional spending, delayed savings and potential lost income. A fourth return will need to be submitted by the end of July.
- 2.4 The latest return submitted in June asked for information on the amount of emergency grant allocated to services to date. The return showed a total forecast spending/delayed savings of £96.6m and £20.0m potential loss of income. This includes the actual spending/loss of income in 2019-20, actuals for 2020-21 year to date, and forecasts for the remainder of 2020-21. This results in a forecast shortfall of £50.7m compared to the total Emergency Grant announced in tranche 1 in March and tranche 2 in May.

- 2.5 Income losses for KCC do not include the impact of additional council tax discounts for households facing a decline in income, or collection losses for other households unable to pay, or losses on business rate collection for business not in receipt of additional Covid-19 reliefs. At this stage these income losses will be borne by billing authorities (districts and boroughs in Kent) in 2020-21 with precepts for upper tier authorities unchanged from the amounts built into 2020-21 budget. There will be an impact on the distribution of funds from the Kent business rate pool in 2020-21, but this has yet to be fully quantified pending confirmation of Section 31 grants for additional Covid-19 related business rate reliefs and has not been included in MHCLG return.
- 2.6 The first budget monitoring report setting out the overall financial position for 2020-21 revenue and capital budgets as the end of May was reported to Cabinet on 20th July. This report only includes forecast spending and income in 2020-21 and thus excludes the £1.7m of Covid-19 spending and lost income in 2019-20 and consequently identifies the balance of £65.2m of Emergency Grant in the Covid-19 Reserve available to fund additional costs and income losses in 2020-21.
- 2.7 The budget monitoring report identifies a forecast net revenue overspend in 2020-21 of £11.2m related to the shortfall in Covid-19 reserve and forecast £14.6m revenue overspend for non Covid-19 related issues. The budget monitoring for 2020-21 includes a forecast of the additional revenue spending, delays in savings and income losses of £97.9m, and a forecast underspend £21.5m compared to base budget due to Covid-19 related issues. These underspends are not included in the MHCLG return which sought information on total additional spending and income losses related to Covid-19 and not whether any of the spending had base budget provision e.g. continuity payments to home to school transport providers. The MHCLG return also included the £1.7m of spending in 2019-20 and £18m of potential financial risks which are not yet included in budget monitoring report. Table 1 shows the reconciliation between the 2020-21 budget monitoring and the total potential impact included in the MHCLG return. Costs and income loss estimates will continue to be refined in light of further evidence.

Table 1

	2020-21 £m	2019-20 £m	Total (MHCLG return) £m
Potential Risks (not included in revenue monitoring at this stage)			18.0
Additional Spending	72.8	1.7	74.5
Delayed Savings	6.1		6.1
Loss of Income	19.0		19.0
Gross Impact	97.9		117.6
Base budget underspends (not in Covid-19 return)	-21.5		
Drawdown from Covid-19 Reserve	-65.2	-1.7	-66.9
Net Covid-19 Overspend	11.2		50.7

2.8 It is important to note that the cost estimates at this stage do not include any impact of a second wave of infections or changes in spending for the recovery phase. There is also no assumption of costs that could be recovered through furloughing of staff through the Government's Job Retention Scheme other than those employed through trading companies that have suffered a loss of income.

3. Government Funding Allocations

3.1 MHCLG has made £3.2 billion available to support local authorities through an emergency grant in March and May. A further tranche of £500m was announced on 2nd July to support additional spending and individual authority allocations were announced on 16th July. This funding is un-ringfenced on the basis that councils are best placed to determine the specific needs of their local communities. The emergency grant to date has been paid in two tranches in March and May which total £66.9m for the council, with a further £10.3m announced on 16th July taking KCC's total grant to £77.3m. It should be noted that each of the tranches of emergency grant funding were distributed using different methodologies which meant that the Council received significantly less in the second tranche of funding than the first. A further £6m of tranche 3 is still to be allocated to a small number of authorities facing acute pressures from Unaccompanied Asylum Seeking Children (UASC) although we have no further details about which authorities will receive this element or how much over what period at this stage.

3.2 The Government also announced advance payments of social care grants and grants to compensate for existing business rate discounts before the additional discounts announced since the Covid-19 outbreak. These grants were already built into the Council's 2020-21 budget and therefore do not constitute extra funding towards additional costs and loss of savings, they merely represent an advance to assist cashflow. The Council's share of these grants is £33.4m.

3.3 On 13th May the Government announced an additional £600m grant to be paid to adult social care authorities to help manage infection control in care homes. This is in addition to the emergency grant and advance of existing grants outlined in paragraphs 3.1 and 3.2. This grant amounting to £18.9m for KCC is

specifically aimed at preventing and controlling COVID-19 in all registered care homes, 75% must be paid to all registered providers as an amount per bed (irrespective of whether they have any KCC clients) and is subject to each home signing a grant agreement. The remaining 25% must also be passed onto care providers although the Council has discretion over individual allocations. This grant is included in this report for completeness but as this is ring-fenced it is not included in the additional spending analysis. It is possible that as a result of this grant some of the future cost risks included in the MHCLG submissions do not now materialise, but given the restricted grant criteria any amount is not likely to be significant. The local NHS are also in receipt of their share of £1.3bn government funding, to support the hospital discharge process and to avoid hospital admissions. The Council is currently negotiating a pooled fund which would enable some of the Council's costs related to admission avoidance to be met from the NHS allocation.

- 3.4 The Government has also announced a ring-fenced £300m grant which will be paid to local authorities to support the consequence management of local Covid-19 outbreaks (including the provision of infrastructure) by upper and lower tier Authorities. Kent's share has been confirmed as £6.3m. This grant is ring-fenced and as with Infection Control this expenditure is not included within the additional spending analysis. The Government has also announced £167m of funding to support bus operators and councils over a 12 week period, with up to £21.5m to be paid to local councils. Again there is very limited detail at this time. It is possible that some of the support already provided to bus companies and included in the additional spending analysis can be funded from this grant.
- 3.5 The government has also confirmed an additional £63 million for local authorities in England to help those families who are struggling to afford food and other essentials due to coronavirus. The Council's share of this grant is approximately £1.7m to be used from July 2020. Some of this support has been included in the additional spending analysis and should help to reduce the shortfall in MHCLG emergency grant.
- 3.6 Details of all the funding announcements to date for KCC are set out in table 2 overleaf.

Table 2

Table 2 Government Grant allocations	Department	£000s	Comments
Additional un-ring-fenced Grants			
Emergency Grant tranche 1	MHCLG	39,012	KCC's share of the additional £1.6bn first announced in 11th March Budget and paid on 27th March
Emergency Grant tranche 2	MHCLG	27,934	KCC's share of the further additional £1.6bn announced 18th April and to be paid on 14th May
Emergency Grant tranche 3	MHCLG	10,312	KCC's share of further £500m announced 2nd July. Awaiting details of individual allocations
Sub-total MHCLG un-ring-fenced Grants		77,258	
Local Welfare Assistance Fund	DEFRA	1,669	KCC's share of £63m hardship fund announced on 11th June to help authorities support families struggling with cost of food and other essentials during the crisis. Individual allocations confirmed 10th July
NHS Hospital Discharges	DHSC		Subject to joint bid with Heath authorities
Total Additional un-ring-fenced Grants		78,927	
Additional Specific Grants			
Social Care Infection Control Grant	DHSC	18,878	KCC's share of £600m announced on 14th May. It is expected that each care home should receive an amount per CQC registered bed, representing 75% of the funding. The remaining 25% to be allocated by the local authority to care homes or domiciliary care providers and support wider workforce resilience
Test and Trace Grant	DHSC	6,311	KCC's share of £300m announced on 22nd May and paid 19th June. In 2-tier areas, this grant is conditional on upper tier authorities working closely with their lower tier partners and pay sufficient resources to lower tier authorities
Emergency Active Travel Fund	DfT	470	KCC's share of initial tranche of additional revenue funding (plus a further £1.13m capital funding) to develop active travel schemes in response to Covid-19 emergency
Bus Service Support Grant	DfT	1,343	Announced on 3rd April and paid in three instalments (to date we have only been notified of first 2 instalments). This is to be used to make additional payments to bus operators to maintain routes. It cannot be used to replace existing subsidies
Total Specific Grants		27,002	
Advance of Grants already in Settlement and Approved Budget (not new money, only eases cashflow)			
Business Rate Compensation Grant	MHCLG	12,662	Grant we would normally have received in monthly instalments throughout 2020-21 and already built into 2020-21 budget but paid in full on 27th March
Social Care Support Grant and Improved Better Care Fund	MHCLG	20,728	Grants we would normally have received in monthly instalments throughout 2020-21 and already built into 2020-21 budget. 1/4 of the grant was paid in April and the remaining 3/4 to be paid in nine monthly instalments from July
Total Early Advances		33,390	

3.6 The 2nd July announcement also included a separate compensation of $\frac{3}{4}$ of losses on income from sales fees and charges in excess of 5% of total income. At this stage we are awaiting further details of how this will be assessed but we anticipate KCC's losses are not yet sufficient to exceed this 5% threshold. The announcement also included provision for authorities to spread business rates and collection fund losses over 3 years rather than one. There are no details of how this would be funded pending the Spending Review announcements covering future years' settlements later this year.

4. 2020-21 Budget Amendment

4.1 Cabinet on 22nd June endorsed a recommendation for a review of the 2020-21 revenue budget and 2020-23 capital programme in light of the significant changes since the budget was approved in February 2020. This review will result in Cabinet proposing an amendment to the 2020-21 revenue budget and 2020-23 capital programme to County Council on 10th September. This amendment will take into account the following:

- Changes to revenue budget due to the response to the Covid-19 pandemic and subsequent recovery, and projected losses of income

- Inclusion of additional funding towards the Net Revenue Requirement from the allocation of the Covid-19 emergency grant from MHCLG and other un-ring-fenced grants
- One-off savings that have already arisen during lockdown e.g. reduced staff and member travel claims
- Other material non Covid-19 related changes to forecast expenditure and income from original approved budget
- Proposed additional savings and management action/use of reserves to close any gap between revised spending plans and available funding
- Options regarding the remainder of £3.5m approved in the original budget for Strategic Statement priorities
- Inclusion of additional spending and grant income from additional ring-fenced specific grants for Covid-19 activities (Infection Control etc.)
- Changes to spending and income from other ring-fenced specific grants confirmed since the budget was originally approved e.g. Public Health, Asylum

5. Medium Term Impact

- 5.1 A significant proportion of the additional costs and losses on income will be one-off in 2020-21. However, if billing authorities are not compensated for tax collection losses in 2020-21 the Council will have to bear its share through collection fund deficit that has to be included in future year's budgets (pending confirmation of the ability and funding to spread losses over 3 years). If the recession lasts longer throughout 2020-21 and into 2021-22 there could also be an impact on the tax base for future years' budgets.
- 5.2 There is no detail of when the Spending Review planned for 2020 will take place. The Government have confirmed that the move to 75% business rate retention and reforms to funding distribution through Fair Funding reform and reforms to business rate retention will not go ahead for next year. Some potential scenarios have been modelled, which start with a presumption of another roll forward settlement based on similar principles to 2020-21 i.e. Government grants are repeated but only increased for inflationary uplift where funded from the annual uplift in business rates. It is assumed that Council Tax continues to be subject to referendum limits on excessive increases.
- 5.3 Spending projections in these range from a low of +5% to a higher +7% for the usual factors associated with increased demand due to demographic changes, increased prices due to inflation, etc. These spending demands are before any ongoing impact of Covid-19 beyond 2020-21. The impact of these projections on the net budget are shown in table 3 below.

Table 3

Scenarios	2020-21 Net Budget £m	2021-22 Net Additional Spending £m	2022-23 Net Additional Spending £m	2023-24 Net Additional Spending £m
Lower Case	1,063.7	1,116.8	1,172.7	1,231.3
Higher Case		1,152.6	1,233.3	1,319.6

- 5.4 The most straightforward funding scenario is to assume a similar rollforward settlement for future years to 2020-21. Under this scenario it is assumed the same 4% council tax increase is permitted (2% referendum threshold plus 2% social care), growth in tax base is similar to previous years, and government grants continue at the same level with uplifts in line with CPI for those grants funded from business rates. Under the roll forward funding scenario these projections based on the lower +5% spending projections would leave a gap of between £17.6m in 2020-21 (and up to £53.4m based on the higher +7% spending projection), and further gaps of between £12m to £40m in subsequent years compared to spending projections as shown in table 4 below.

Table 4

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	787.2	826.9	868.6
Retained Business Rates	55.9	57.0	58.1	59.2
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5			
Total Funding	1,063.7	1,099.2	1,143.3	1,189.4
Savings Requirement Lower case		-17.6	-29.4	-41.9
Savings Requirement Higher case		-53.4	-90.0	-130.2

- 5.5 If the council tax referendum threshold were increased (and the Council was willing to raise council tax), each 1% increase would reduce the gaps by £7.5m.
- 5.6 If the recession is short with a bounce back during 2020-21 there would be little medium term impact. There would be an impact if billing authorities are not fully compensated for additional discounts and collection losses this year. Council tax losses in 2020-21 would arise from a combination of additional claimants for discounts under local council tax reduction schemes (LCTRS) where additional households are in receipt of welfare benefits/substantially reduced incomes, and higher losses on collection. Business rates losses would arise from those businesses that have seen significant decline in trading activity but do not benefit from the additional reliefs granted to retail/leisure/hospitality premises and nurseries. This is the first recession where local authorities would suffer tax losses following the introduction of business rate retention and

localisation of council tax benefit. If a combined 2% unfunded deficit is assumed in 2020-21 this would increase the gap for 2021-22 to between £33.7m to £69.5m as shown in table 5 below (although we anticipate some of the collection fund losses can be deferred into later years pending confirmation of the 3 year extension). The scale of collection fund deficits in 2020-21 will not be known for some time and 2% is only shown for illustrative purposes. This would be a one-off impact and have no lasting effect on future years' gaps.

Table 5

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	787.2	826.9	868.6
Retained Business Rates	55.9	57.0	58.1	59.2
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5	-16.1	0.0	0.0
Total Funding	1,063.7	1,083.1	1,143.3	1,189.4
Savings Requirement Low		-33.7	-29.4	-41.9
Savings Requirement High		-69.5	-90.0	-130.2

5.7 If the recession is deeper and lasts longer there could be a significant medium term impact. If an unfunded collection fund deficit of 5% is assumed throughout 2020-21 and reductions in the council tax and business rate tax bases into 2021-22 are of a similar magnitude, the gap in 2021-22 increases to £116.8m to £152.6m as shown in table 6 below. As with a short recession some of the collection fund losses could be deferred into later years pending confirmation of the revised arrangements.

Table 6

	2020-21 £m	2021-22 £m	2022-23 £m	2023-24 £m
Council Tax	749.4	740.5	770.1	848.9
Retained Business Rates	55.9	47.6	49.1	51.0
Government Grants	251.8	255.0	258.3	261.6
Collection Funds	6.5	-43.1	0.0	0.0
Total Funding	1,063.7	1,000.0	1,077.4	1,161.6
Savings Requirement Low		-116.8	-95.2	-69.7
Savings Requirement High		-152.6	-155.8	-158.0

5.8 A longer recession is also more likely to increase spending demands into future years. An additional £30m of spending due to higher demands for Council services could increase the upper end of the gap projection to £180m.

5.9 It is important to understand that for many years the Council's budget challenge has been eased through the notification of in-year collection fund surpluses and higher than predicted tax base estimates. This flexibility is not available for the amended 2020-21 budget and seems likely not to be part of the solution for 2021-22 and later years. This means that the Council will need to challenge any requests for spending growth even more than in recent years, and could have to find further substantial savings in order to reduce spending and balance the budget.

6. Capital Programme

6.1 The approved capital programme identifies £1,014m investment in infrastructure over the 3 years 2020-21 to 2022-23, this includes £121m of new schemes not included in previous programmes including a significant investment in highways asset management and priority remedial works. Capital investments are funded by a combination of government grants, developer contributions, external funding, capital receipts and borrowing. The approved programme included a preliminary figure for the 2019 schools commissioning plan together with assumed basic need grant but was still subject to confirmation at that time.

6.2 A fundamental review of the capital programme is being undertaken as the funding sources (borrowing, capital receipts, developer contributions, etc.) will also be impacted by Covid-19. It should be noted that avoiding borrowing would only reduce the revenue costs of borrowing and the Minimum Revenue Provision and would not impact until 2021-22. Capital receipts flexibility can still be used to support revenue transformation spending although our ability to attract receipts is limited in the current circumstances.

7. Financial Assessment of Impact and Resilience

7.1 At this stage it seems more than likely there will be a substantial gap in 2020-21 between revised spending/income projections and available funding. With so much uncertain we are still quantifying this gap and options to ensure the Council continues to plan for a balanced budget. More detail will be available when the County Council papers are published on 2nd September. As part of preparation for the Council meeting on 10th September we are planning an all member briefing in advance of the meeting.

7.2 The estimates will continue to be refined and changed as actual expenditure is recorded and more information becomes available. The shortfall in funding has significant implications for the Council's budget for 2020-21 and 2021-22. Concerns regarding the funding shortfall have been put in writing and raised with MHCLG directly by the Council and through Kent Leaders, the Kent Finance Officers' Group, the County Councils Network and the Society of County Treasurers.

7.3 At this stage the Corporate Director of Finance is satisfied that the Council can address the potential shortfall in 2020-21 and does not need to consider issuing a s114 notice. However, this position could change in the autumn and will depend on the Council agreeing a revised balanced budget for 2020-21 in

September, the outcome of the Spending Review later in the year, further evidence on council tax and business rate collection and future tax base estimates, and progress on developing proposals for 2021-22 budget.

8. Recommendations

- a) Policy and Resources Cabinet Committee is asked to note that the magnitude of the impact is such that the Council needs to consider and approve an amendment to the budget in September to rebalance the 2020-21 budget.
- b) Policy and Resources Cabinet Committee is asked to note that the position remains highly uncertain and could change significantly during the Autumn pending resolution of the 2020-21 budget amendment, the Government's Spending Review, further analysis of the impact on local tax yields, and progress towards balancing 2021-22 budget.

9. Background Documents

9.1 KCC's Budget webpage

<https://www.kent.gov.uk/about-the-council/finance-and-budget>

9.2 KCC's approved 2020-21 Budget

9.3 Emergency Grant Notifications

9.4 Other Additional Grant Notifications

10. Contact details

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From: Roger Gough, Leader of Kent County Council

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Shellina Prendergast, Cabinet Member for Communications,
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David Cockburn, Corporate Director for Strategic and Corporate
Services

To: Policy and Resources Cabinet Committee – 29 July 2020

Subject: Strategic and Corporate Services Performance Dashboard

Classification: Unrestricted

Summary:

The Strategic and Corporate Services Performance Dashboard shows progress made against targets set for Key Performance Indicators (KPIs). This is the year end report. Also included are the proposed KPIs and targets for next year.

21 of the 25 KPIs achieved target and were RAG rated Green, 3 were below target but did achieve the floor standard (Amber) and 1 did not achieve the floor standard (Red). The Red indicator is Freedom of Information Act requests completed within 20 working days.

Recommendation(s):

The Policy and Resources Cabinet Committee is asked to NOTE the performance position for Strategic and Corporate Services, and proposed KPIs for 2020-21.

1. Introduction

- 1.1. Part of the role of Cabinet Committees is to review the performance of the functions of the Council that fall within the remit of the Committee. To support this role Performance Dashboards are regularly reported to each Cabinet Committee throughout the year, and this is the third and final report for the 2019/20 financial year.

2. Performance Dashboard

- 2.1. The Strategic and Corporate Services Performance dashboard provides year-end results to March 2020 and is attached in Appendix 1.
- 2.2. The Dashboard includes performance against target for the 25 Key Performance Indicators (KPIs) for 2019/20. These KPIs and targets came before the Cabinet Committee for comment in May 2019. The Dashboard also includes a range of activity indicators which help give context to the KPIs.

2.3. KPIs are presented with RAG (Red/Amber/Green) alerts to show progress against targets. Details of how the alerts are generated are outlined in the Guidance Notes, included with the Dashboard in Appendix 1.

2.4. Of the 25 KPIs, the latest RAG status are as follows:

- 21 are rated Green – the target was achieved or exceeded;
- 3 are rated Amber – performance achieved or exceeded the expected floor standard but did not meet the target for Green;
- 1 is rated Red – performance did not meet the expected floor standard.

2.5. The Freedom of Information Act requests completed within 20 working days was the KPI RAG rated Red.

2.6. The proposed KPIs and targets for 2020-21 are attached in Appendix 2. These are largely unchanged from 2019-20, except for increases in floor standard for two indicators (CS04a, and CS04b).

3. Recommendation(s):

The Policy and Resources Cabinet Committee is asked to NOTE the performance position for Strategic and Corporate Services, and proposed KPIs for 2020-21

4. Contact details

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Strategic and Corporate Services Performance Dashboard

Financial Year 2019/20

Results up to March 2020

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Produced by Strategic Commissioning - Performance & Analytics

Publication Date: June 2020



Guidance Notes

Key Performance Indicators

All Key Performance Indicators are provided with RAG (Red/Amber/Green) ratings.

RAG ratings are based on Targets and Floor Standards brought before the Cabinet Committee in May 2019.

RAG Ratings

GREEN	Target has been achieved
AMBER	Floor Standard* achieved but Target has not been met
RED	Floor Standard* has not been achieved

*Floor Standards are the minimum performance expected and if not achieved must result in management action

Activity Indicators

Activity Indicators representing demand levels are also included in the report. They are not given a RAG rating, instead where appropriate, they are tracked within an expected range represented by Upper and Lower Thresholds. The Alert provided for Activity Indicators is whether results are within the expected range or not. Results can either be in expected range (**Yes**) or they could be **Above** or **Below**. Expected activity Thresholds are based on previous years' trends.

When activity indicators do not have expected levels they are shown in the report to provide context for the Key Performance Indicators. In such cases the activity indicators are simply shown with comparison to activity for the previous year.

Key Performance Indicator Summary

People and Communications	Year End RAG
CS01: Callers who rate the advisors in Contact Point as good	GREEN
CS04a: Daytime calls to Contact Point answered	GREEN
CS04b: Out of hours calls to Contact Point answered	GREEN
CS06a: Daytime calls achieving 85% of quality scorecard	GREEN
CS06b: Out of hours calls achieving 85% of quality scorecard	GREEN
CS07: Complaints responded to in timescale	GREEN
HR25: Completed corporate themed Health and Safety audits	GREEN
HR09: Training evaluated by participants as having delivered stated learning outcomes	GREEN

Governance and Law	Year End RAG
GL01: Council and Committee papers published at least five days before meetings	GREEN
GL02: Freedom of Information Act requests completed within 20 working days	RED
GL03: Data Protection Act Subject Access requests completed within statutory timescales	AMBER

Finance	Year End RAG
FN01: Pension correspondence processed within 15 working days	GREEN
FN02: Retirement benefits paid within 20 working days of all paperwork received	GREEN
FN07: Invoices received by Accounts Payable within 30 days of KCC received date	GREEN
FN11: Financial assessments fully completed within 15 days of referral	GREEN
FN05: Sundry debt due to KCC which is under 60 days old	GREEN
FN06: Sundry debt due to KCC outstanding over 6 months old	GREEN
FN08: Invoices received on time by Accounts Payable processed within 30 days	GREEN

Infrastructure	Year End RAG
ICT01: Calls to ICT Help Desk resolved at the first point of contact	GREEN
ICT02: Positive feedback rating with the ICT help desk	AMBER
ICT03: Working hours where Kent Public Sector Network is available to staff	GREEN
ICT04: Working hours where ICT Services available to staff	GREEN
ICT05: Working hours where email is available to staff	GREEN
PI01: Rent due to KCC outstanding over 60 days	AMBER
PI04: Reactive tasks completed in Service Level Agreement standards	GREEN

Service Area	Director	Cabinet Member	Delivery by:
People & Communications	Amanda Beer	Shellina Prendergast	Agilisys

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
CS01	Percentage of callers who rate the advisors in Contact Point as good	97%	97%	97%	97%	96%	97%	GREEN	97%	90%
CS04a	Percentage of daytime calls to Contact Point answered	98%	98%	98%	97%	94%	96%	GREEN	95%	80%
CS04b	Percentage of out of hours calls to Contact Point answered	96%	96%	97%	100%	100%	99%	GREEN	95%	80%
CS06a	Percentage of daytime calls achieving 85% of quality scorecard	72%	64%	64%	74%	73%	73%	GREEN	70%	65%
CS06b	Percentage of out of hours calls achieving 85% of quality scorecard	71%	76%	75%	71%	75%	75%	GREEN	70%	65%

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Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	In expected range?	Expected Activity		Previous YTD
									Upper	Lower	
CS08	Number of calls answered by Contact Point	44,398	36,523	51,239	44,974	43,166	545,188	Yes	575,000	394,000	574,502

Service Area	Director	Cabinet Member	Delivery by:
People & Communications	Amanda Beer	Shellina Prendergast	People & Communications

Key Performance Indicators - Quarterly

Ref	Indicator description	Mar 19	Jun 19	Sep 19	Dec 19	Mar 20	Full Year	Year RAG	Target	Floor
CS07	Percentage of complaints responded to in timescale	84%	87%	87%	82%	82%	85%	GREEN	85%	80%
HR25	Percentage of corporate themed Health and Safety audits sent in 7days	100%	96%	100%	100%	99%	99%	GREEN	90%	85%

Key Performance Indicators - Monthly

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
HR09	Training evaluated by participants as having delivered stated learning outcomes	99%	100%	100%	99%	100%	100%	GREEN	95%	85%

Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	In expected range?	Expected Activity		Previous Year
									Upper	Lower	
CS12	Number of visits to the KCC website, kent.gov (000s)	450.2	362.8	529.0	448.8	582.3	5,872.4	Above	5,400	4,600	5,389

CS12 – Visits to the KCC website were above expectations over the year with a large increase in visits to the school transport pages early in 2019/20 when changes to the Kent Travel Saver Card were made public. In September and October, higher numbers were accessing pages relating to Kent Test, term dates, options for post-16 children and reporting problems on roads. In Quarter 4, the new coronavirus section was seeing high volumes, as well as higher numbers visiting the “Healthy Weight” public health pages following an enhanced marketing campaign. Web visits relating to the secondary school allocation were also higher this year.

Service Area	Director	Cabinet Member	Delivery by:
People & Communications	Amanda Beer	Shellina Prendergast	People & Communications

Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	In expected range?	Expected Range		Previous Year
								Upper	Lower	
HR12	Number of current change activities being supported	86	92	92	96	86	Above	80	70	61
HR13	Total number of e-learning training programmes completed (YTD)	38,966	43,045	93,450	149,389	212,131	Above	49,980	40,000	67,724
HR16	Number of registered users of Kent Rewards	23,545	23,753	23,995	24,129	24,065	Above	22,000	20,000	21,583
HR21	Number of current people management cases being supported	98	91	95	97	95	Above	90	80	96
HR23	Percentage of staff who have completed all 3 mandatory learning events	90	91	92	92	91	Above	90	80	90

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HR12 – The volume of change activity has been higher than anticipated this year; activity is driven by demand from the wider business, including requests for service redesigns, other projects will relate to new statutory requirements such as employment contract changes. Change activities vary significantly in complexity, requiring different levels of resource and work to be carried out, they can also span more than one month.

HR13 – The number of e-learning training programmes completed were higher than expected as the offering of courses expanded throughout the year, courses were also made more accessible to the workforce through the Delta learning platform. Large numbers of staff were also due to retake their mandatory learning during Autumn and Winter leading to an increase in completions.

HR16 - The number of registered users for Kent Rewards were higher than anticipated throughout the year. Increases in communication and engagement initiatives helped to promote the site to staff, highlighting how Kent Rewards can be used to access Childcare Vouchers, Cycle2Work schemes and Health and Wellbeing initiatives.

HR21 – Case activity volumes are higher than expected this year; activity is driven by requests from Managers and this increase indicates that Managers are taking a robust approach and managing cases through the appropriate channels with HR support and advice.

HR23 – Throughout the year the percentage of staff who have completed all 3 mandatory learning events has been above target. Mandatory training dashboards within Delta were launched earlier this year and automatically generated email alerts were introduced, allowing managers to easily identify staff who are due to complete or overdue with mandatory training. These new features have aided conversations between managers and employees and helped to maintain a high completion rate

Service Area	Director	Cabinet Member	Delivery by:
Finance	Zena Cooke	Peter Oakford	Finance

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
FN01	Pension correspondence processed within 15 working days	100%	99%	100%	100%	100%	100%	GREEN	98%	95%
FN02	Retirement benefits paid within 20 working days of all paperwork received	97%	97%	99%	93%	95%	97%	GREEN	90%	85%
FN07	Invoices received by Accounts Payable within 30 days of KCC received date	86%	92%	82%	89%	86%	87%	GREEN	85%	80%
FN11	Percentage of financial assessments completed within 15 days of referral	87%	89%	89%	89%	89%	92%	GREEN	90%	85%

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Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Previous Year
FN01b	Number of pension correspondences processed	323	183	352	303	357	4,279	5,789
FN02b	Number of retirement benefits paid	164	181	172	135	194	2,483	2,591
FN07b	Number of invoices received by KCC	10,289	9,285	9,958	9,412	11,117	115,982	118,601
FN11b	Number of financial assessments received	246	373	447	482	467	5,825	7,526

Service Area	Director	Cabinet Member	Delivery by:
Finance	Zena Cooke	Peter Oakford	Cantium Business Services

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
FN05	Percentage of sundry debt due to KCC which is under 60 days old	85%	85%	78%	73%	80%	80%	GREEN	75%	57%
FN06	Percentage of sundry debt due to KCC outstanding over 6 months old	11%	11%	14%	12%	9%	9%	GREEN	15%	20%
FN08	Percentage of invoices received on time by Accounts Payable processed within 30 days	99%	99%	98%	98%	97%	98%	GREEN	97%	94%

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Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Previous Year
FN05b	Value of debt due to KCC (£000s)	31,769	28,964	21,042	24,677	26,229	31,342

Service Area	Director	Cabinet Member	Delivery by:
Governance and Law	Ben Watts	Peter Oakford / Shellina Prendergast	Governance and Law

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
GL01	Council and Committee papers published at least five clear days before meetings	100%	100%	100%	100%	100%	100%	GREEN	100%	96%
GL02	Freedom of Information Act requests completed within 20 working days	93%	71%	75%	80%	77%	83%	RED	92%	90%
GL03	Data Protection Act Subject Access requests completed within statutory timescales	86%	88%	79%	92%	85%	85%	AMBER	90%	85%

Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	In expected range?	Expected Activity		Previous Year
									Upper	Lower	
GL01b	Committee meetings	17	11	15	16	12	162		N/a		169
GL02b	Freedom of Information requests	183	134	194	173	174	2,139	Yes	2,302	2,109	2,358
GL03b	Data Protection Act Subject Access requests	50	42	29	38	34	484	Above	440	290	475

GL02 – Those requests which have not met timescale tend to be complex, sometimes requiring input from different teams, access to data which is not immediately available, or needing further interaction with the Information and Resilience team. The highest number of requests related to Highways and Transportation, followed by Education and Integrated Children’s Services.

GL03 - Performance met the Information Commissioner’s Office benchmark of 85%, but not the higher target set by the service. Over the year there was an increase in requests regarding Brexit and Information Governance, while public awareness of the new General Data Protection Regulation (GDPR) also potentially led to more requests. Operational teams responding to requests have to balance delivery of front-line services with collation of records.

Service Area	Director	Cabinet Member	Delivery by:
Infrastructure - ICT	Rebecca Spore	Peter Oakford	Cantium Business Services

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
ICT01	Calls to ICT Help Desk resolved at the first point of contact	71%	75%	74%	72%	78%	74%	GREEN	70%	65%
ICT02	Positive feedback rating with the ICT help desk	88%	92%	94%	91%	95%	92%	AMBER	95%	90%
ICT03	Working hours where Kent Public Sector Network is available to staff	100%	100%	100%	100%	100%	100%	GREEN	99.8%	99.0%
ICT04	Working hours where ICT Services are available to staff	100%	100%	100%	100%	100%	99.5%	GREEN	99.0%	98.0%
ICT05	Working hours where email is available to staff	100%	100%	100%	100%	100%	100%	GREEN	99.0%	98.0%

ICT02 – Negative feedback included the time taken to resolve calls and problems reopening a call which had not met expectations. Cantium Business Solutions have advised that they are continuing to make service improvements including making it easier for customers to reopen a call if it is not resolved, including via live chat, and working to reduce wait times for hardware by having buffer stock.

Service Area	Director	Cabinet Member	Delivery by:
Infrastructure - ICT	Rebecca Spore	Peter Oakford	Cantium Business Services

Activity Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Previous Year
ICT01b	Calls to ICT Help Desk	7,057	5,682	8,083	6,024	7,461	87,841	63,842
ICT02b	Feedback responses provided for ICT Help Desk	411	309	517	330	400	3,664	4,388

ICT01b - The implementation of a number of key change programmes during the last year, for example, the Windows 10 upgrade and roll out, had significantly impacted the number of calls received by the ICT Helpdesk. With the instigation of the Covid-19 lockdown, Infrastructure and Cantium moved to a command & control situation with many queries being fed through by business partners on a team-by-team basis, reducing burden on the helpdesk. In addition, there was a well-advertised strategy for prioritising calls relating to remote access over all other calls, which suppressed demand for non-urgent calls. Agreement was made that any calls not related to Covid-19 could be put on hold during this period.

ICT02b – With the change of business system within Cantium to Service Now, which brings benefits to KCC as a customer by replacing a number of legacy systems, the method of rating calls is now dependent on responding to the closing email by choosing to respond with a positive or negative review. The previous ICT call system was more conducive to making these ratings directly against calls in the system.

Service Area	Director	Cabinet Member	Delivery by:
Infrastructure - Property	Rebecca Spore	Peter Oakford	Infrastructure

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Year RAG	Target	Floor
PI01	Percentage of rent due to KCC outstanding over 60 days	11%	11%	13%	12%	13%	AMBER	5%	15%

Activity Indicator

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Year End
PI01b	Total rent invoiced (£000s)	2,666	2,762	2,807	2,949	3,005	3,005
PI03c	Capital receipts banked (£m)	0.0	0.0	1.7	0.7	2.8	9.8

PI01 – Total rent due outstanding over 60 days totalled £824k at the end of March. 84% of this debt relates to two debtors. One of which is in legal dispute with the council, and the other is in ongoing negotiations and is considered a low risk debtor. The third largest debtor at £8.7k has been making payments to KCC as per the agreed payment plan to recover the debt. However, payments are currently suspended as the business is currently closed due to Coronavirus.

Service Area	Director	Cabinet Member	Delivery by:
Infrastructure - Property	Rebecca Spore	Peter Oakford	Kier, Amey, and Skanska

Key Performance Indicators

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Year RAG	Target	Floor
PI04	Percentage of reactive tasks completed within Service Level Agreement standards	93%	80%	88%	99%	80%	91%	GREEN	90%	80%

Activity Indicator

Ref	Indicator description	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20	Full Year	Previous Year
PI04b	Number of reactive tasks responded to	1,273	568	1,007	1,258	1,124	13,512	17,904

PI04b - In January 2020 there was a change in supplier for East Kent TFM Services from Kier Group to Skanska PLC. As Kier disengaged from the KCC contract, there was a considerable drop in volume and performance of reactive tasks.

Proposed KPIs and Activity indicators for 2020/21

People and Communications

Key Performance Indicators

Ref	Indicator Description	2019-20 Actual	2020-21 Target	2020-21 Floor
CS01	Percentage of callers to Contact Point who rated the advisor who dealt with their call as good	97%	97%	90%
CS04 (a)	Percentage of day time calls to Contact Point which were answered	96%	95%	90%
CS04 (b)	Percentage of out of hours calls to Contact Point which were answered	99%	95%	90%
CS06 (a)	Percentage of day time calls to Contact Point achieving 85% of quality scorecard	73%	70%	65%
CS06 (b)	Percentage of out of hours calls to Contact Point achieving 85% of quality scorecard	75%	70%	65%
CS07	Percentage of complaints responded to in timescales	85%	85%	80%
HR25	Percentage of completed Health and Safety audits sent to recipients within 7 working days	99%	90%	85%
HR09	Percentage of training evaluated by responding participants as having delivered stated learning outcomes	100%	95%	85%

Activity Indicators

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2020-21 Total
CS08	Number of calls answered by Contact Point	Upper	151,776	155,440	127,188	140,596	575,000
		Lower	104,000	106,510	87,152	96,338	394,000
CS12	Number of visits to KCC website (000s)	Upper	1,350	1,350	1,350	1,350	5,400
		Lower	1,150	1,150	1,150	1,150	4,600
HR12	Number of current change activities being supported	Upper	80	80	80	80	80
		Lower	70	70	70	70	70
HR13	Total number of E-learning training programmes completed	Upper	12,500	12,500	12,500	12,500	50,000
		Lower	10,000	10,000	10,000	10,000	40,000

Appendix 2

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2020-21 Total
HR16	Number of registered users of Kent Rewards	Upper	22,500	23,000	23,500	24,000	24,000
		Lower	22,000	22,500	23,000	23,000	23,000
HR23	Percentage of staff who have completed all 3 mandatory learning events	Upper	90%	90%	90%	90%	90%
		Lower	80%	80%	80%	80%	80%
HR21	Number of current people management cases being supported	Upper	90	90	90	90	90
		Lower	80	80	80	80	80

Finance

Key Performance Indicators

Ref	Indicator Description	2019-20 Actual	2020-21 Target	2020-21 Floor
FN01	Percentage of pension correspondence completed within 15 working days	100%	98%	95%
FN02	Percentage of retirement benefit paid completed within 20 working days from receipt of required paperwork	97%	90%	85%
FN05	Percentage of sundry debt due to KCC under 60 days old	80%	75%	57%
FN06	Percentage of sundry debt due to KCC over 6 months old	9%	15%	20%
FN07	Percentage of invoices received by accounts payable within 30 days of received date	87%	85%	80%
FN08	Percentage of invoices received by accounts payable on time which were input by due date	98%	97%	94%
FN11	Percentage of financial assessments fully completed within 15 days of receipt of the referral	87%	90%	85%

Activity indicators - reported against previous year actuals

Ref	Indicator Description
FN01b	Pension correspondence processed
FN02b	Retirement benefits paid
FN05b	Value of debt due to KCC (£000s)
FN07b	Number of invoices paid by KCC
FN11b	Number of financial assessments received

Governance and Law

Key Performance Indicators

Ref	Indicator Description	2019-20 Actual	2020-21 Target	2020-21 Floor
GL01	Council and Committee papers published at least five clear days before meetings	100%	100%	96%
GL02	Requests for information under FOI & EIR completed within 20 working days	83%	92%	90%
GL03	GDPR Art. 15 Subject Access requests, completed within one month	85%	90%	85%

Activity indicators

Ref	Indicator Description	Threshold	Q1	Q2	Q3	Q4	2020-21 Total
GL02b	FOI/EIR requests completed	Upper	622	582	557	631	2,392
		Lower	547	487	537	560	2,131
GL03b	GDPR Art. 15 Subject Access requests	Upper	114	140	123	138	515
		Lower	88	132	102	110	432

Infrastructure - ICTKey Performance Indicators

Ref	Indicator Description	2019-20 Actual	2020-21 Target	2020-21 Floor
ICT01	Calls to ICT Help Desk resolved at the first point of contact	74%	70%	65%
ICT02	Positive feedback rating with ICT help desk	92%	95%	90%
ICT03	Working hours where Kent Public Sector Network available to staff	100%	99.8%	99.0%
ICT04	Working hours where ICT Service available to staff	99.5%	99.0%	98.0%
ICT05	Working hours where email is available to staff	100%	99.0%	98.0%

Activity indicators - reported against previous year actuals

Ref	Indicator Description
ICT01b	Calls to ICT Help Desk
ICT02b	Feedback responses provided for ICT Help Desk

Infrastructure - PropertyKey Performance Indicators

Ref	Indicator Description	2019-20 Actual	2020-21 Target	2020-21 Floor
PI01	Invoiced Rent Outstanding at 60 Days	13%	5%	15%
PI04	Percentage of reactive tasks completed within Service Level Agreement standards	91%	90%	80%

Activity indicators - reported against previous year actuals

Ref	Indicator Description
PI03	Capital receipts
PI04b	Number of reactive tasks responded to

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee – 29 July 2020

Decision No: N/A

Subject: Facilities Management Procurement Update

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This paper updates members on progress with the Facilities Management re-procurement and the proposed commercial strategy.

Recommendations: The **Policy and Resources Cabinet Committee** is asked to note progress.

1. Background

- 1.1 The Council currently commissions Facilities Management services (including statutory compliance, planned preventative maintenance, project services, helpdesk, cleaning, catering, waste, feminine hygiene, pest control, handypersons, portorage, mail delivery, landscaping and ground maintenance, reception and Security) with two providers, Amey and Skanska for the KCC corporate landlord estate, and statutory checks (which are the responsibility of KCC) only for schools. The Council also makes available waste services, cleaning and deliver catering services through separate contracts to the TFM providers.
- 1.2 Whilst the current TFM contracts have been extended to support service continuity and enable the market to re-establish itself following the COVID-19 pandemic, planning is progressing for the re-procurement of the Facilities Management (FM) contract.

2. Update on Progress and Activity since January 2020

- 2.1 A bidder day was held in February 2020, which was attended by 40 organisations as part of a market engagement process.

2.2 Following the Bidder day, a questionnaire was issued to further test the following areas:

- **Strategic Objectives Alignment**
- **Contract Term** including contract length and extensions
- **Contractual Terms & Conditions** such as limits on liability, termination triggers, TUPE and insurances. The most critical of these in suppliers “bid/no bid” decision was caps on liabilities, change of law protection, pensions, TUPE validation and consequential loss.
- **Evaluation Criteria** which considered the weighting and balancing quality and cost to reflect KCCs priorities
- **Commercial Models**
- **Performance Models** which set the overarching principles to incentivise performance within FM contracts.
- **Collaborative Relationship** and how to break down barriers that form
- **Services Bundling Strategy & Delivery** and preferences on the various options being considered
- **Procurement Procedure** and if this would prevent suppliers from bidding
- **Mobilisation** period required in addition to providing feedback on the areas outlined above general feedback included the importance of accurate data as part of the procurement process, timely decision making, effective communication and clarity of scope.

3. Procurement Service Objectives

3.1 A strategic review took place in late 2019, this was followed by a series of workshops with service directorates to agree the procurement service objectives. The key objectives identified were:

- A focus on building safety and compliance, with clear accountability and responsibilities
- A flexible service model which can respond to the need for continuous improvement, maximising the use of technology and innovation in the management of the estate
- To support the environmental commitments of the Council in the day to day management of the estate, including net zero emissions
- Reduce management layers and layers of subcontracting
- Consistent, proactive and responsive services focused on the needs of the building users
- To add value to the local economy of Kent by generating opportunities for small and medium sized enterprises based within Kent to form part of the supply chains.

4. Proposed FM Delivery Model

4.1 As part of the strategic review a number of different service delivery models were considered. The long list was evaluated against the objectives set out above, which identified a short list of two models with a number of permutations

which are set out in more detail in appendix 1 along with the key risks and benefits.

4.2 Taking into account the Council's objectives and the feedback from the market engaged Option 5 - one county wide hard FM contract & multiple soft FM contracts, was considered to be the best solution as it provides: best:

- Consistent delivery with a single helpdesk across the whole of KCCs estate with information held by one provider. Contract management and technical expertise can focus on working with this supplier
- One point of contact for compliance and maintenance
- A reduction in the contractual chain and supports supply chain efficiency
- By contracting directly with key suppliers there is greater opportunity to encourage innovation and best practice to improve service delivery in their area of expertise
- Reduces management overhead through multiple sub-contracting layers
- Enables an appropriate spread of contractors better aligned to service requirements e.g. requirements for schools is different to a corporate requirement.
- Better supports more localised supply chains
- A greater degree of service resilience and alignment to the current marketplace.

4.3 Whilst there are a number of opportunities the preferred model does present greater integration risk between the hard and soft services compared to a single provider. To mitigate this risk, it is proposed to build strong contract management function with the appropriate skills and expertise and to include a contractual interface agreement with suppliers. The interface agreement will ensure that suppliers work together and that KPI's are included in the contracts to incentivise collaborative behavior.

5. Programme

5.1 As a result of the COVID-19 pandemic, the original programme has been revised (assuming a 6-month delay). Whilst the procurement activity is under review it is envisaged that the procurement activity will start in the Autumn of 2020. This notice would only be issued if the market conditions are favourable and KCC had the capacity to focus on the procurement, in addition to any ongoing COVID-19 issues that need to be managed across its estate.

5.2 The programme is now split into a number of separate workstreams, but the critical path is the Hard FM contract, as this is the most complex. For the soft services there will be a number of different programmes depending on the service line and procurement route chosen. A detailed programme has been prepared based on the key stages of the procurement process. The key dates are set out below. The most important elements on the critical path are:

- Issue of OJEU notice which starts the formal procurement process.
- Shortlist suppliers following Supplier Questionnaire evaluation
- Submission of final bids

- Key Decision to award contract with delegated authority within specific parameters.

5.3 The timetable also identifies key update points for the Policy and Resources Cabinet Committee as part of the proposed contract award.

Year	Month	Activities / Milestones
2020	June – Aug	Preparation of Draft Tender Documents for Hard Services
2020	September	Issue OJEU, Selection Questionnaire (SQ) & Draft Tender Documents
2020	October	SQ Returns & SQ Evaluation
2020	November	SQ Evaluation Report, Shortlist Approvals
2020	December	Issue Tender docs to shortlisted bidders
2020	December	P and R Committee- Update on shortlisted suppliers
2021	January - March	Tender Period
2021	April	Final bids submitted
2021	April	P and R committee prior to a Key Decision on contract award with delegated authority to enter into contract subject to specific terms
2021	May	Tender Evaluation
2021	June	Evaluation Report, Approvals, Preferred Bidder, Contract Award & Standstill Period
2021	June	P and R committee update on final bidders and award
2021	July	Contract(s) Preparation & Signature
2021	August	Mobilisation Commences
2021/22	September – May	Mobilisation (includes additional 3 months contingency)
2022	May	Service Commencement

Please note this programme is assuming that there are no further COVID-19 delays, hence the additional mobilisation period.

6. Next Steps

6.1 Over the next few months the focus will be:

- Development of the contract documents including the interface agreement
- Finalisation of Supplier Questionnaire (SQ)
- Drafting performance mechanism, contract evaluation and weighting criteria.
- Finalisation of hard services specifications
- Confirming soft services route to market

The key milestones will be completion of the specification, contract documentation and evaluation criteria prior to the issue of the OJEU notice.

7. Recommendation(s)

Recommendation(s):

The **Policy and Resources Cabinet Committee** is asked to **note** progress.

8. Background Documents

- Appendix One – Options Table

9. Contact details

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Policy and Resources Cabinet Committee – 29th July 2020

Item: FM Re-procurement - Appendix One – Options Table

Option	Contract type	Risks/ Issues	Benefits
1	1 Geographical TFM contract	Very few providers who deliver all services and so distanced from the supply chain resulting in margin on margin and lack of control and less ability to react quickly to issues. Supplier failure to perform or financial problems will impact all areas.	One point of contact and standardisation.
2	2 County wide TFM contracts	Very few providers that directly deliver all services as option 1.	Some resilience compared to one provider. Only two points of contact
3	3 geographical TFM contracts	Very few providers that directly deliver all services as option 1. More complex contract management and dilution of KCC FM expertise across 3 contracts which could result in inconsistent service delivery	Increased resilience.
4	1 county wide hard FM contract & 1 county wide soft FM contract	Potentially more complex interface risk particularly around the helpdesk provision. Few providers able to directly deliver all services.	Closer to supply chain as there are suppliers who can deliver more of the services directly. Suppliers experts in their field. Only two points of contact.
5	1 county wide hard FM contract & multiple soft FM contracts Hard FM - One services contract across all sites, with the helpdesk included and an option to include minor works Catering - Separate provider for Schools catering and one for Corporate landlord (CLL) to include catering, hospitality, water coolers and vending Security - One provider across the whole county to cover manned guarding, key holding and patrols (including vacant sites) Cleaning and Feminine Hygiene – Separate contractor for schools and one for CLL Waste - One contract for CLL across the whole county Pest Control - One contract for CLL across the whole county	More complex interface between providers particularly around help desk provision	Able to control the supply chain directly. Suppliers will self-deliver the majority of the services. Risk can sit where it is best placed. Able to build KCC FM team with expertise in either hard or soft services so that team can focus. Use of companies that directly deliver the service and therefore will have direct contact with the KCC FM management team

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From: Peter Oakford, Deputy Leader, Cabinet Member for Finance,
Corporate and Traded Services

Ben Watts, General Counsel

To: Policy and Resources Cabinet Committee – 29 July 2020

Subject: Work Programme 2020/21

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: Standard item

Summary: This report gives details of the proposed work programme for the Policy and Resources Cabinet Committee.

Recommendation: The Policy and Resources Cabinet Committee is asked to CONSIDER and AGREE a work programme for 2020/21.

1. Introduction

- 1.1 The proposed Work Programme has been compiled from items on the Forthcoming Executive Decision List; from actions arising from previous meetings, and from topics identified at agenda setting meetings, held 6 weeks before each Cabinet Committee meeting in accordance with the Constitution and attended by the Chairman, Vice-Chairman and group spokesmen.
- 1.2 Whilst the Chairman, in consultation with the Cabinet Members, is responsible for the final selection of items for the agenda, this item gives all Members of the Cabinet Committee the opportunity to suggest amendments and additional agenda items where appropriate.

2. Terms of Reference

- 2.1 At its meeting held on 27 March 2014, the County Council agreed the following terms of reference for the Policy and Resources Cabinet Committee “To be responsible for those functions that fall within the Strategic and Corporate Services Directorate”.
- 2.2 Further terms of reference can be found in the Constitution at Appendix 2 Part 4 paragraph 21 and these should also inform the suggestions made by Members for appropriate matters for consideration.

3. Work Programme 2019/20

- 3.1 The Cabinet Committee is requested to consider and note the items within the proposed Work Programme, set out in appendix A to this report, and to suggest any additional topics to be considered for inclusion on the agenda of future meetings.

3.2 The schedule of commissioning activity that falls within the remit of this Cabinet Committee will be included in the Work Programme and is considered at agenda setting meetings to support more effective forward agenda planning and allow Members to have oversight of significant services delivery decisions in advance.

3.3 When selecting future items, the Cabinet Committee should consider performance monitoring reports. Any 'for information' or briefing items will be sent to Members of the Cabinet Committee separately to the agenda or separate member briefings will be arranged where appropriate.

4. Conclusion

4.1 It is important for the Cabinet Committee process that the Committee takes ownership of its work programme to help the Cabinet Members to deliver informed and considered decisions. A regular report will be submitted to each meeting of the Cabinet Committee to give updates on requested topics and to seek suggestions for future items to be considered. This does not preclude Members making requests to the Chairman or the Democratic Services Officer between meetings for consideration.

5. Recommendation: The Policy and Resources Cabinet Committee is asked to CONSIDER and AGREE a work programme for 2020/21.

6. Background Documents

None.

7. Contact details

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POLICY & RESOURCES CABINET COMMITTEE - WORK PROGRAMME 2020/21

	When was item added?	Has item been deferred?
Friday 11 September 2020		
<ul style="list-style-type: none"> Strategic Delivery Plan Monitoring 	Agreed at Corporate Board in July 2019 to go to Cabinet Committees on a 6-monthly basis	
<ul style="list-style-type: none"> Invicta Law Update (Exempt) 	Bi-annual	
<ul style="list-style-type: none"> Contract Management Review Group update (Exempt) 	Bi-annual	
<ul style="list-style-type: none"> Strategic and Corporate Service Directorate Performance Dashboard 	Standing item – every other month	
<ul style="list-style-type: none"> Work Programme 2020/21 	Standard item	
Friday 6 November 2020		
<ul style="list-style-type: none"> Annual Report on the Implementation of the Armed Forces Covenant in Kent 	Annual Report	
<ul style="list-style-type: none"> Update on Legislative Changes around Business Rate Retention 		Deferred from Nov 2019 mtg (put on hold for a year as a result of the one-year spending round.)
<ul style="list-style-type: none"> Strategic Delivery Plan Monitoring 	Agreed at Corporate Board in July 2019 to go to Cabinet Committees on a 6-monthly basis	
<ul style="list-style-type: none"> Work Programme 2020/21 	Standard item	
Thursday 14 January 2021		
<ul style="list-style-type: none"> Invicta Law Update (Exempt) 	Bi-annual	
<ul style="list-style-type: none"> Policy & Resources Cabinet Committee Meeting Dates for 2021/22 - For Information Only 		
<ul style="list-style-type: none"> Total Facilities Management (Exempt) 	Bi-annual	
<ul style="list-style-type: none"> Strategic and Corporate Service Directorate Performance Dashboard 	Standing item – every other month	
<ul style="list-style-type: none"> Work Programme 2021/22 	Standard item	

Wednesday 24 March 2021		
• Strategic and Corporate Services Risk Management	Annual report (Mark Scrivener)	
• Work Programme 2021/22	Standard item	
Thursday 10 June 2021		
• Invicta Law Update (Exempt)	Bi-annual	
• Strategic Delivery Plan Monitoring	Agreed at Corporate Board in July 2019 to go to Cabinet Committees on a 6-monthly basis	
• Strategic and Corporate Service Directorate Performance Dashboard	Standing item – every other month	
• Work Programme 2021/22	Standard item	

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