

GOVERNANCE AND AUDIT COMMITTEE

Thursday, 18th May, 2023

10.00 am

**Council Chamber, Sessions House, County Hall,
Maidstone**





AGENDA

GOVERNANCE AND AUDIT COMMITTEE

Thursday, 18th May, 2023, at 10.00 am
Council Chamber, Sessions House, County
Hall, Maidstone

Ask for: **Katy Reynolds**
Telephone: **03000 42252**

Membership (12)

Conservative (7)	Mrs R Binks (Chairman), Mr N J D Chard, Mr D Jeffrey, Mr H Rayner, Mr R J Thomas, Mr S Webb and Vacancy
Labour (1)	Mr A Brady
Liberal Democrat (1):	Mr A J Hook
Green and Independent (1)	Mr M A J Hood
Independent Member (1)	Dr D A Horne

UNRESTRICTED ITEMS

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

1. Introduction/Webcasting
2. Apologies and Substitutes
3. Declarations of Interest in items on the agenda for this meeting
4. Minutes of the Meetings held on 28 February and 16 March 2023 (Pages 1 - 10)
5. Review of the Council's Current Standing Orders (Spending the Council's Money)
(Pages 11 - 80)
6. SEND Transport Review Management Response (Pages 81 - 104)
7. Internal Audit Progress Report (Pages 105 - 146)
8. Counter Fraud Progress Report (Pages 147 - 162)

9. Corporate Risk Register (Pages 163 - 236)
10. External Audit Progress Report
To follow.
11. External Audit 2022/23 Pension Fund Audit Plan
To follow.
12. Kent Pension Fund 2022-23 Planning Inquiries with Management Responses
To follow.
13. Other items which the Chairman decides are urgent

Motion to exclude the press and public for exempt business

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

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

EXEMPT ITEMS

14. Internal Audit Progress Report - Exempt (Pages 237 - 238)
15. Counter Fraud Investigation Verbal Update

Benjamin Watts
General Counsel
03000 416814

Wednesday, 10 May 2023

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

KENT COUNTY COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

MINUTES of a meeting of the Governance and Audit Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 28 February 2023.

PRESENT: Mrs R Binks (Chairman), Mr A Brady, Mr N J D Chard, Mr M A J Hood, Mr D Jeffrey, Mr H Rayner, Mr R J Thomas and Mr S Webb

ALSO PRESENT: Mr P Oakford

IN ATTENDANCE: Ms Z Cooke (Corporate Director of Finance), Mrs C Head (Head of Finance Operations), Mr B Watts (General Counsel), Mr J Idle (Head of Internal Audit), Miss E Feakins (Chief Accountant), Mr Paul Dossett and Miss K Reynolds (Democratic Services Officer)

UNRESTRICTED ITEMS

92. Substitutes

(Item 2)

Apologies for absence had been received from Dr Horne and Mr Hook.

93. Declarations of Interest in items on the agenda for this meeting

(Item 3)

In relation to items 5 and 6, Mr S Webb informed the Committee that he was in receipt of a Kent County Council (KCC) Pension.

94. Minutes of the Meeting Held on 26 January 2023

(Item 4)

RESOLVED that the minutes of the meeting held on 26 January were correctly recorded and that they be signed by the Chairman.

95. Review of Annual Accounts

(Item 5)

1. The Head of Finance Operations and the Chief Accountant presented the draft Statement of Accounts for 2021/22. Members were told that there had been an increase in the level of scrutiny and technical accounting required for producing the Statement of Accounts in recent years. It was highlighted that this had been the most uncertain year in terms of the outcome of the Statement. The Head of Finance Operations thanked the auditors for recognising the quality of the accounts.
2. In response to questions and comments from Members it was said that:

- a) There was a minimal balance left in the non-ringfenced Covid-19 emergency grant. This could be used to offset some of the overspend in the current financial year, however, some of the balance would be retained for ongoing projects in 2023-24.
 - b) In response to a question relating to the Movement in Reserves Statement (MiRS), Members were told that the accounting adjustments ensured that any movement did not impact the General Fund. Members would be provided the breakdown of the running costs outside of the meeting.
 - c) The £3m contribution to workforce reduction reserve was set aside for major restructures.
 - d) Questions relating to the net liability of the Pension Fund, rather than its accounting, would need to be directed to the consulting actuaries. Members were encouraged to follow up outside of the meeting.
3. RESOLVED to consider and note the draft Statement of Accounts for 2021/22.

96. External Audit Findings for 21/22

(Item 6)

1. Mr Paul Dossett from Grant Thornton UK LLP introduced the report which summarised the key findings and other matters arising from the statutory audit of Kent County Council (KCC) and the preparation of the Council's financial statements for the year ended 31 March 2022. Mr Dossett commended the Finance Team on the quality of the financial statements and supporting working papers despite a series of challenges, including the issue around infrastructure assets.
2. Mr Dossett highlighted the two key issues in the Financial Statements which had been discussed with management. These related to the Inland Border Facility at Sevington and a £4m invoice to an NHS CCG without any supporting evidence. It was said that while there were no material misstatement in the financial statements in relation to Sevington, there was concern that the governance and controls that KCC had put in place were not effective to mitigate the risk.
3. In response to questions and comments from Members it was said that:
 - a) KCC's performance materiality was set at a relatively high percentage of the main materiality. This level was influenced by the Council's history of minor deficiencies and few misstatements.
 - b) A Grant Thornton report on the key challenges in local audit accounting was being produced. This would be circulated to the Committee for information once published.
 - c) Further investigation was required into the key issues identified in the Financial Statements. Additional details on the management response to the Inland Border Facility at Sevington issue would be provided to the Committee at a future meeting.
 - d) Management were considering their response to an objection on the financial statements which had been received from a local elector. The objection would need to be closed before the accounts were certified.
 - e) The Chief Accountant would provide the Committee with further information regarding the causes of the four extrapolation errors identified by the external auditors.
4. RESOLVED that the report be noted for assurance.

97. Other items which the Chairman decides are urgent
(Item 7)

There were no matters arising.

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KENT COUNTY COUNCIL

GOVERNANCE AND AUDIT COMMITTEE

MINUTES of a meeting of the Governance and Audit Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Thursday, 16 March 2023.

PRESENT: Mrs R Binks (Chairman), Mr A Brady, Mr N J D Chard, Mr A J Hook, Dr D Horne, Mr M A J Hood, Mr H Rayner, Mr R J Thomas and Mr S Webb

IN ATTENDANCE: Mrs C Head (Head of Finance Operations), Mr B Watts (General Counsel), Mr J Idle (Head of Internal Audit), Miss E Feakins (Chief Accountant), Mr Paul Dossett, Mr Parris Williams, Mrs S Hammond (Corporate Director Children, Young People and Education), Mr S Jones (Corporate Director of Growth, Environment and Transport), Mr M Hyland (Project Coordinator - East Kent Opportunities LLP), Ms A Melvin (Commercial Accounting Manager) and Miss K Reynolds (Democratic Services Officer)

UNRESTRICTED ITEMS

98. Substitutes

(Item 2)

Apologies for absence had been received from Mr Jeffrey. There were no substitutes present.

99. Declarations of Interest in items on the agenda for this meeting

(Item 3)

There were no declarations of interest.

100. Review of the Terms of Reference for the Governance and Audit Committee

(Item 4)

1. The General Counsel introduced the item and the proposed revised version of the Terms of Reference for the Governance and Audit Committee. It was said it was an iterative revision process and further conversations would take place based on the need to continuously improve Kent County Council's governance.
2. In response to questions and comments from Members it was said that:
 - a) Further details regarding the minimum training requirements and the ongoing training programme for the Committee would be provided at a future meeting date. A definitive list of Members with adequate training would be retained.
 - b) The Committee's appointing powers relating to the two non-voting Co-Opted Members (independent of the elected membership) had been included in the Terms of Reference to formalise the delegation of powers.

3. RESOLVED to:
 - a) Note the suggested revisions to the Terms of Reference.
 - b) Ask County Council to agree the revised Terms of Reference for this Committee and update the Constitution accordingly.

101. External Audit Findings Report 2021-22 (Item 5)

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services and the Corporate Director of Finance were in attendance for this item.

1. Mr Parris Williams from Grant Thornton UK LLP introduced the report which presented the observations arising from the statutory audit of KCC and the preparation of the group and Council's financial statements for the year ended 31 March 2022. It was highlighted that the audit work on fully depreciated assets in 'Vehicles, Plant and Equipment' had been concluded since the last Governance and Audit Committee meeting. It was said that while this was a disclosure point, the misstatement was not material to the financial statements and, therefore, did not have an impact on the Audit Findings Report.
2. In response to questions and comments from Members it was said that:
 - a) With regard to the key issue raised in relation to Inland Border Facility at Sevington, the Corporate Director of Growth, Environment and Transport assured Members that further information was yet to be considered by Grant Thornton. It was agreed that the timeliness of providing information to the external auditors should be improved.
 - b) Members raised concerns in relation to the management response to the £4m invoice to an NHS CCG without any supporting evidence. In particular, the Committee requested further information regarding how the issue occurred and assurances as to how it would be prevented in future.
3. RESOLVED to note the report for assurance subject to the provision of a detailed response to the questions raised in 2.b).

102. External Audit Annual Report for 2021-22 (Item 6)

The Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services and the Corporate Director of Finance were in attendance for this item.

1. Mr Paul Dossett from Grant Thornton UK LLP introduced the report which provided a commentary on the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources for 2021-22. It was said that the Director General of Local Government, Resilience and Communities at the Department for Levelling Up, Housing and Communities had recommended that Audit Annual Reports are presented to County Council for consideration. It was highlighted that the findings for KCC for 2021-22 conclude that, overall, the situation for financial sustainability had deteriorated.
2. In relation to the concerns raised regarding decision-making and member/officer relations, the General Counsel said that the draft Annual Governance Statement for 2022-23 would be received by the Committee in July 2023.
3. In response to questions and comments from Members it was said that:

- a) A briefing on Treasury Management would be provided to Governance and Audit Committee Members.
- b) It was said that questions raised in Governance and Audit Committee could be tracked to evidence the Committee's engagement with key operational and financial risks.
- c) Members requested further detail from Finance colleagues regarding the planned use of sensitivity analysis/scenario testing as part of the medium term financial planning process.
- d) Further information regarding the comparative levels of rental income and rates of return on property assets across councils would be provided to Members outside of the meeting.

4. RESOLVED to note the report for assurance.

103. Review of Statutory Accounts of companies on which KCC has an Interest
(Item 7)

- 1. The Commercial Accounting Manager introduced the report which presented the latest available Statutory Accounts for the eight companies in which KCC has an interest. For most companies the accounts were for 2021-22. The most recent accounts for Produced in Kent Ltd and TRICS Consortium Ltd were for 2020-21.
- 2. In response to questions and comments from Members it was said that:
 - a) The issue relating to Locate in Kent Ltd arose due to the delayed signing of accounts.
 - b) There was ongoing work being undertaken with service directors to establish formal and informal mechanisms for identifying emerging risks within these companies. The General Counsel would produce a note for the Committee's reference on the findings of this work. The Independent Member agreed to provide the General Counsel with further information relating to these mechanisms in other councils.
 - c) In relation to Visit Kent Ltd, the Corporate Director of Growth, Environment and Transport advised that the performance of the EXPERIENCE project was monitored by the Growth, Economic Development and Communities Cabinet Committee.
- 3. RESOLVED to note the contents of this report for assurance.

104. Performance of KCC wholly owned companies
(Item 8)

- 1. The Commercial Accounting Manager introduced the report which summarised the performance of KCC's wholly owned companies for 2021-22. It was said that the trading companies were starting to recover from the impact of Covid.
- 2. The General Counsel said that a review into the governance arrangements of KCC's wholly owned companies was being undertaken as part of the Annual Governance Statement work. Members would be provided with an update at the next Governance and Audit Committee meeting.
- 3. In response to questions and comments from Members the General Counsel said that concerns relating to the risk and/or reward of maintaining shareholding in the companies would need to be raised with the Executive as part of a political

discussion. However, a briefing on the structuring of the companies and the detailed governance arrangements would be provided to the Committee.

4. RESOLVED to note the contents of this report for assurance.

105. East Kent Opportunities LLP

(Item 9)

1. Mr Matt Hyland introduced the annual report on East Kent Opportunities (EKO) LLP, including an update on recent activity. It was highlighted that the EKO LLP land holdings were naturally steadily diminishing through its continued calibrated land disposal programme. Following fragmented disposals, the concentration of business was on Manston Business Park as the remaining land asset. This was primarily commercially zoned land within the Local Plan but subject to planning applications.
2. In response to questions and comments from Members it was said that:
 - a) A counter signed version of the Financial Statements would be added to the meeting page on the website.
 - b) The Manston Business Park contained non-developable areas which were primarily landscaped by the previous developer. A Landscape Strategy for the undeveloped areas and service margins had been developed in consultation with Plan Tree and Plan Bee. However, there had been regular trespassing and anti-social behaviour in the corridors of non-developable land. It was said that additional methods of security and enclosure were required for the successful delivery of the Landscape Strategy.
 - c) Master planning for commercial developments was more complex than residential development. However, EKO LLP was providing additional support to applicants in relation to the environmental and ecological aspects of planning applications.
3. RESOLVED to note the contents of this report for assurance.

106. SEND Transport Review Management Response - Progress Update

(Item 10)

The Director of Education was in attendance for this item.

1. The General Counsel introduced the item and apologised to Members for the insufficient documentation. The report did not provide the detailed actions that had been undertaken in response to the SEND Transport Review. However, Members were reminded of the work that had already been reported to the Committee in other papers, including the Annual Governance Statement for 2021-22.
2. In response to questions and comments from Members it was said that:
 - a) A more detailed report from the Corporate Directors would be provided at the next Governance and Audit Committee meeting. It was noted that the table format may not be suitable for the robust monitoring of the management response.
 - b) The Chairman of the SEND Sub-Committee would provide a verbal update to the Governance and Audit Committee at a future meeting date.
 - c) The Head of Internal Audit confirmed that an independent review into the SEND Transport Review Management Response had started, and the findings would be presented to the Governance and Audit Committee.

- d) The Corporate Director of Growth, Environment and Transport assured Members that significant improvements had been made in terms of service delivery... It was said that positive management action had been taken as a result of the SEND Transport Review. Reference was also made to the challenging operational context, including increased demand and driver shortages, and the impact that this had on service delivery.
- e) The Director of Education told Members that data relating to the school attendance for children with Education, Health and Care Plans impacted by the changes to SEND transport in February 2022 would be provided to the Committee. Members were told that a sufficiency strategy for pupils with SEND was due to be launched for consultation in Summer 2023 as part of the Kent Commissioning Plan for Education Provision. A report on the findings of the consultation could be provided to the Committee at a future meeting.

3. RESOLVED to note the verbal updates for assurance.

107. Other items which the Chairman decides are urgent

(Item 11)

In relation to the Spring Budget 2023 presented to Parliament on Wednesday 15 March 2023, the General Council highlighted that there were a range of implications for KCC. Members were reminded that the KCC response to the Spring Budget 2023 announcement would need to adhere to the restrictions in place during the pre-election period.

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By: Interim Strategic Commissioner – Clare Maynard
To: Governance and Audit Committee – 18 May 2023
Subject: Review of the Council’s current Standing Orders (Spending the Council’s Money)
Classification: Unrestricted

Summary: This report summarises the proposed revisions to the Council’s Contract Standing Orders ‘Spending the Council’s Money’ following a comprehensive review.

Recommendation: The Governance and Audit Committee are asked to:

- i. Recommend the proposed amendments to section 13 of the Constitution to full Council for adoption – as attached as annex 1
- ii. Approve the revisions to 'Spending the Council's Money' as attached as annex 2 and recommend that the revised version be presented to full Council for noting alongside the proposed amendments to the Constitution.
- iii. Delegate Authority to the Section 151 Officer to amend Spending the Council’s Money in line with relevant legislative changes, with the Committee to be informed of any changes.

1. Introduction

“Spending the Council’s Money” was initially published in June 2010 as a document that provided both mandatory rules and guidance for carrying out contracting activities in the Council. Section 135 of the Local Government Act 1972 requires that local authorities have such standing orders in place.

With changes to government regulations, technology and the Council’s structure, the original document became outdated. The document was archived, and a significantly slimmed down version of “Spending the Council’s Money” was published in text on a KNet page covering the most crucial rules, as guidance and rules for staff.

In 2021/22, the Commissioning Standards Team reviewed the elements of “Spending the Council’s Money” that were for guidance purposes and published a new suite of guidance and a Commissioning Handbook on the Commissioning Standards for staff.

However, the mandatory elements of “Spending the Council’s Money”, including our procurement thresholds, have not been reviewed until now.

This report proposes an updated version of “Spending the Council’s Money” consisting of a set of mandatory rules for the Council’s external spending activity.

2. Case for Change

A key motivation for the update is to make the content up-to-date and easily understandable. However, this is also about ensuring that everyone who is spending the Council’s money knows and adheres to the rules that are in place.

This year, the functions and roles of commissioning and procurement services are being reviewed and that change is likely to make the current rules increasingly outdated.

Additionally, since the conception of “Spending the Council’s Money”, prices of goods and services have increased significantly, and many local authorities have higher thresholds that reflect this while KCC’s thresholds have not changed. This means that KCC’s rules have become more restrictive, compared to other local authorities, leading to additional bureaucracy for relatively small amounts of spend, compared with the Council’s overall budget.

There is nothing that has fundamentally changed within the contract standing orders to address any perceived weaknesses in control and governance issues, but any set of rules that are simplified and laid out to make them easy to understand and navigate should improve the control environment and ensure that governance is easier to follow and monitor. For example, there are clear sections covering the need for a procurement business case and an annual procurement pipeline to test that major procurements are adequately resourced.

A recent report by Grant Thornton¹ on lessons learned from recent auditor reports in Local Government procurement and contract management highlighted a number of key recommendations which support the proposed changes to “Spending the Council’s Money”. These include:

- a. Having clear procurement and contract management processes and rules in place, that are clearly communicated and understood
- b. Where there is non-compliance, it should be dealt with promptly, rectified and lessons learned should be shared
- c. Ensuring roles and responsibilities of individuals involved in procurement and contract management are clear, for both the local authority and for suppliers

3. Additional Considerations

¹ Grant Thornton (December 2022) ‘Local government procurement and contract management’ Available at: [Local government procurement and contract management \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/local-government-procurement-and-contract-management)

As part of this work there is also a requirement to update the Constitution, as there is a small section regarding contract standing orders. It will also be necessary to update role titles in the Scheme of Delegation. Additionally, as the Council now has a Chief Executive Model, adherence to standards will be reported to the Chief Executive as well as those Elected Members charged with governance.

There is also a need for the revised standing orders to be consistent with updates that have occurred in other areas (such as the Ethical and Sustainable Procurement Policy, Commissioning Standards, the Contracts register and pipeline).

4. Spending the Council's Money - Summary of Content

Responsibilities and Conduct

"Spending the Council's Money" clearly establishes the responsibilities of different teams and officers involved in procurement activity, which previously has not been defined in their entirety. In addition to this, the document delegates some authority over decision making to the Head of Commercial role.

The document also clearly states the expectations of staff and other individuals who are buying on behalf of the Council.

Contract Pipeline

"Spending the Council's Money" mandates the requirement to establish a Contract (or Commercial) Pipeline. This is simply a forward look of potential commercial activity for the Council and may include the procurement of a contract or a framework, a call-off from a framework, a significant contract amendment or a contract extension. It is important to better engage with markets, plan and manage resources, improve transparency and improve governance and decision-making. This is an element that we are aware will be required in the upcoming changes to public procurement regulations.

The document also implements a new requirement for approval of increases of actual aggregate contract value of 5% more from that budgeted before contract award.

Requirements for Sourcing Goods, Services and Works

"Spending the Council's Money" defines the expected considerations and activities that must take place in order to ensure that the chosen procurement route will be appropriate for the related value and risk and deliver value for money.

Some of the elements included in this section are procurement thresholds, calculating the contract value, business cases, using existing arrangements and Local Authority Trading Companies (LATC's), financial security and using framework agreements.

Many of these elements, other than the procurement thresholds, have not been clearly defined as a mandatory requirement up until this point. However, they are important for consistent practice and to support the Council in saving money through reducing inefficient and inappropriate procurement activity.

Requirements for Quotations and Tender Procedures

“Spending the Council’s Money” defines the required activities and documentation for running quotation and tender procedures and the details for how these should be carried out and completed.

The previous version of “Spending the Council’s Money” included the mandatory requirements for these procedures, with guidance that differed based on circumstances. This made the document large and unwieldy and required frequent updating and circumstances changed. This version only states the mandatory requirements (which shouldn’t fundamentally change in the short to medium term), with the rest of the guidance covered by the Commissioning Standards.

Some of the elements included in this section are:

- Engaging the procurement team
- Selection Questionnaires
- Requests for Quotations
- Invitations to Tender
- Advertising
- Evaluation
- Contract Award

5. Changes to Procurement Thresholds

“Spending the Council’s Money” makes changes to the current value thresholds that determine the procurement procedures required to be undertaken. The key changes are summarised in the table below.

Procurement Procedure	Current Threshold	New Threshold
Minimum of one written quote required	Up to £7,999	Up to £24,999
Minimum of three written quotes required	£8,000 - £49,999	£25,000 - PCR Threshold (approx. £177,897**)
A competitive tendering process that follows Council defined procedures and/or regulatory procedures where the thresholds for these are met. This excludes works procurements*.	£50,000 +	PCR Threshold (approx. £177,897**) - £999,999
A competitive tendering process that follows Council defined procedures and/or regulatory procedures where the thresholds for these are met*.	N/A	£1,000,000 +

**Previously this requirement included works procurements. This refers generally to building, construction and engineering related works., “Spending the Council’s Money” allows a competitive quotation procedure to be undertaken for works procurements up to £1m.*

***Indicative value excluding 20% VAT*

The new proposed thresholds were derived following research into KCC's contracting activity and other local authority's thresholds and a series of review meetings with a subgroup of the Governance and Audit Committee. A summary of the research can be found in Annex 4.

Additionally, the new thresholds define further required elements of the procurement procedure including advertising in line with public procurement regulations, contract award approval and contract signature.

6. Governance and Audit Committee Subgroup Review

The G&A subgroup panel met on 8th and 23rd February to work through the document in detail. Each section was reviewed in detail and discussed with the group and any feedback was recorded and actions to review were noted. Following these meetings, a track changed version of the document was produced to outline any variations to the original. The sessions were extremely valuable in being able to test and challenge the proposal and ensure that all elements had been worked through. There was general agreement and support for the proposal from the group and the main amendments made to the document as a result are outlined below:

- Increasing the robustness and clarity of wording around roles and responsibilities to ensure all Officers and Members are fully aware of how the rules apply to them and their role.
- Increase the threshold below which officers can undertake a quotation process up to the PCR 2015 threshold for services (approx. £177,897 exc VAT) and £1m for Works. This was on the basis that data from the KCC e-tendering system showed that there are minimal procurements that fall between £100,000 and PCR threshold, the majority of procurement processes at KCC are for low value (below £50,000) and high value (PCR+). Data for this can be seen in Annex 4. Raising the level to PCR threshold also avoids confusion of having a further layer of rules between the original proposed £100,000 threshold and the PCR 2015 threshold and it ensures consistency with Public Procurement Regulations. This amendment was proposed on the basis that there will be an extensive communication and education programme to launch these updated rules to ensure all Officers and Members are fully aware of the changes and what they mean for them. There will also be increased compliance monitoring reviews with consequences for non-compliance to provide assurance that these rules are being adhered to.
- Clarity on the wording for non-compliance and education process
- Clarity on the engagement of legal and procurement advice and when this is necessary

There was also agreement at the meetings that the Commissioning Standards team would work with KCC legal to ensure the wording is in line with legislation, especially

on areas such as the Public Contract Regulations, Grants and Subsidies. This review was carried out in conjunction with an external law firm to provide additional assurance and robustness. A version showing all of the changes to the document over the review process can be found at Annex 3.

7. Future Changes to "Spending the Councils Money"

There is a strong link between "Spending the Council's Money", other Council policies such as the Financial Regulations and government regulations such as The Public Contract Regulations.

We are already preparing for the changes that both the Public Procurement Reforms and the NHS Provider Selection Regime will bring in late 2023, however there will inevitably be some changes required to the Procurement Rules as a result of the reforms. Public Procurement Reforms refers to the Government's proposal to repeal the current EU law-based procurement regulations and replace them with new rules and procedures that would cover local government. The NHS Provider Selection Regime (PSR) refers to a new set of rules for arranging healthcare services in England.

Additionally, changes to technology, systems and the teams in the future may require small changes to be made to "Spending the Council's Money", before we intend to review them again.

In order to avoid "Spending the Council's Money", becoming outdated with these changes, we are recommending to the Governance and Audit Committee authority for approving non-substantive changes to Spending the Council's Money should be delegated to the Section 151 officer in conjunction with the General Counsel.

Non-substantive changes will include:

- Changes required due to changes in law or changes to relevant KCC policies
- Changes required due to changes in roles or teams that are relevant to Spending the Council's Money
- Changes required due to the adoption of new procurement systems or technologies
- Changes required due to changes to the names of procurement documentation and procedures

8. Background Documents

Annex 1: Proposed changes to Constitutional wording on contract standing orders

Annex 2: Spending the Council's Money

Annex 3: Spending the Council's Money with tracked changes

Annex 4: Review of KCC's Current Procurement Thresholds

Annex 1 - Proposed Constitutional Text for 'Contracts and Tenders Standing Orders'

It is the responsibility of anyone who buys on behalf of the Council to ensure that all purchasing or procurement of goods, services, or works comply with:

- a) legal requirements, including public procurement regulations
- b) the Council's Financial Regulations,
- c) 'Spending the Council's Money' (as approved by the Governance and Audit Committee),
- d) the Financial Regulations
- e) the Council's Code of Conduct (i.e. the 'Kent Code')
- f) the Council's Corporate Grants Procedure
- g) the Council's Anti-Bribery Policy
- h) the Council's Anti-Fraud Strategy and Policy
- i) standards for the management of property, information technology resources and staff,
- j) any conditions attached by the Leader or the full Council to the exercise of powers delegated by them, and

Non-compliance with any of these requirements will be reported to the Monitoring Officer who will ensure this is reported to the Governance and Audit Committee. Disciplinary action may be taken in line with the Council's Code of Conduct against anyone who breaches these requirements.

Authority

All transactions must either fall within the powers delegated to Senior Managers or have been approved by a decision (in accordance with the Council's Constitution) of the Cabinet, the Leader, an authorised Cabinet Member, the full Council or one of its Committees or Sub-Committees.

No contract, agreement or other document shall be signed or sealed unless it gives effect to:

- a) a decision or resolution (in accordance with the Council's Constitution) of the Leader, an authorised Cabinet Member, the Cabinet, or one of its committees or sub-Committees with decision-making authority), or
- b) a decision by an Officer exercising delegated powers.

Budgetary provision must exist before any contract can be entered into. This provision should be explicit in a Budget approved by resolution of the full Council.

Where there is no specific Budget line, the Director of the relevant service and the Head of Commercial may approve expenditure up to £1,000,000, provided the expenditure can be met within budget. Above £1,000,000 a formal decision by the Leader, the Cabinet or an authorised Cabinet Member is required in accordance with the Council's Constitution.

Thresholds

The financial values (exclusive of Value Added Tax) are defined within Spending the Council's Money and refer to the total aggregate contract value. Anybody who is buying on behalf of the Council must follow the procedure set out in the Spending the Council's Money for the total aggregate contract value of their procurement. The definition of aggregate contract value is also defined in the Spending the Council's Money.

In addition, public procurement regulations set thresholds for public contracts above which specific procedures are required to be followed. Anyone who buys on behalf of the Council should understand these regulations and follow the procedures as necessary.

There must be no attempt to avoid any of these thresholds by deliberately manipulating the requirement or frequency of ordering.

The Award

Senior Managers may sign documents on behalf of the Council or authorise Officers to do so in accordance with the Delegated Authorities Matrix in the Financial Regulations.

Any contract with a value in excess of £1m must be made in writing and either:

- a) affixed with the common seal of the Council and be attested by at least one authorised Officer (see section 13.18), or
- b) signed as a deed by at least one authorised Officer (as defined in 13.18) unless otherwise determined by the Monitoring Officer.

The common seal of the Council shall be affixed to any deeds (unless a specific statutory provision permits otherwise) and any document or agreement if the Monitoring Officer considers it appropriate for the purpose of transacting the Council's business or safeguarding its interests.

The affixing of the Common Seal, either by physical or electronic means (as defined in section 11.21), may only be attested by the Monitoring Officer, or Officers authorised by them in writing to do so.

The Monitoring Officer shall ensure a register is maintained of all documents and agreements that are sealed including the name of the person who witnessed the affixing of the seal.

Where a process that is non-compliant with Spending the Council's Money is required to determine the contractor, a waiver must be sought. A waiver cannot be given to contravene any applicable public procurement legislation. A waiver can be approved by the Officer delegated responsibility for the Council's procurement activity unless the value of the award exceeds £1,000,000 with which they will also seek approval from the Section 151 Officer and Monitoring Officer. The approved Award Report must be sent to the Monitoring Officer within two days of the contract being awarded so that they may notify Members of the Scrutiny Committee on a quarterly basis.

Where there is a requirement (legal or otherwise) for a 'wet ink' signature on legal agreements, they will be sealed and/or signed physically. Otherwise, section 13.23 may apply.

Where the law, and (where applicable) any additional requirements of a public registry (for example, HM Land Registry) allow, electronic signatures may be permitted, and will be accepted as a fair representation of a willingness to enter into a contract with the Council, as long as the following apply:

- a) the Contract will be entered into in relation to being either under seal or under hand,
- b) the electronic signature is a true representation of the authorised person's written signature, and
- c) is supported with a contemporaneous document of authenticity and authorisation from the Supplier.



Kent County Council Spending the Council's Money

The Council's Rules for Procurement and
Spending Activity



PART A: INTRODUCTION	3
1. PURPOSE	3
2. FORMAL STATUS OF SCM	3
3. KEY PRINCIPLES.....	3
4. COMPLIANCE	4
5. SCOPE	4
6. THE ROLE OF BUYING ON BEHALF OF THE COUNCIL	5
7. RESPONSIBILITIES AND ACCOUNTABILITIES OF THE WIDER COUNCIL	6
8. CONTRACT PIPELINE.....	9
9. APPROVALS FOR CONTRACTING ACTIVITY	9
PART B: REQUIREMENTS FOR SOURCING GOODS, SERVICES AND WORKS.....	10
10. PROCEDURES FOR PROCUREMENT BY AGGREGATE CONTRACT VALUE	10
11. CALCULATING THE AGGREGATE CONTRACT VALUE.....	11
12. PROCUREMENT BUSINESS CASES.....	11
13. USING EXISTING CONTRACTUAL ARRANGEMENTS	11
14. FRAMEWORK AGREEMENTS AND DYNAMIC PURCHASING SYSTEMS (DPS)	11
15. CONCESSION CONTRACTS	12
16. TEMPORARY STAFF, CONTRACTORS, AND CONSULTANTS	12
17. COLLABORATION WITH OTHER PUBLIC BODIES.....	13
18. LIABILITY AND SECURITY	13
19. FINANCIAL SECURITY	14
20. FRAUD, BRIBERY AND CORRUPTION	14
21. DOCUMENT RETENTION	15
PART C: REQUIREMENTS FOR QUOTATION OR TENDERING PROCEDURES	15
22. ENGAGING THE COMMERCIAL TEAM	15
23. REQUIREMENT TO ADVERTISE	15
24. USE OF SELECTION QUESTIONNAIRES (SQs)	16
25. REQUEST FOR QUOTATIONS	17
26. INVITATIONS TO TENDER.....	17
27. FORMS OF CONTRACT	18
28. SUBMISSION, RECEIPT AND OPENING OF TENDERS.....	19
29. POST-SELECTION QUESTIONNAIRE (SQ) AND TENDER CLARIFICATIONS	19
30. EVALUATION	20
31. CONTRACT AWARD, AGREEMENT AND SIGNATURE	20
32. CONTRACT TIERING AND MANAGEMENT RESPONSIBILITY	21
33. CONTRACT AWARD NOTICES	22
34. CONTRACT MODIFICATIONS, EXTENSIONS AND NOVATIONS	22
35. DISPOSING OF SURPLUS GOODS, MATERIALS OR ASSETS.....	23
36. WAIVERS.....	23
37. EMERGENCY PURCHASES	23
38. PURCHASE ORDERS	24
39. SUBSIDIES	24
APPENDIX 1: DEFINITIONS	25

Part A: Introduction

1. Purpose

- 1.1. This document, 'Spending the Council's Money' is referred to hereafter as 'SCM'. SCM is the mandatory rules and processes that must be followed and complied with when spending money on behalf of Kent County Council ("the Council"). The purpose of SCM is to ensure that prior to any expenditure being incurred that there is proper consideration of the process, and that any procurement or contracting is carried out in a fair, open, and transparent way such that the outcome will represent value for money to the Council and the county's residents.
- 1.2. It is important to understand that whilst SCM is an internal Council document it does seek to incorporate and embed procedures across the Council to also ensure compliance with external obligations placed upon the Council, including those found in relevant procurement legislation, applicable case law and both statutory and non-statutory guidance. Non-compliance with SCM would therefore not only be a breach of an internal Council set of rules but could result in the Council acting unlawfully in terms of procurement legislation, applicable case law and guidance.

2. Formal Status of SCM

- 2.1. SCM is referenced in KCC's Contracts and Tenders Standing Orders ('the Orders'), which are written into the Constitution and made under Section 135 of the Local Government Act 1972.
- 2.2. The Corporate Director for Finance, as the Council's Section 151 Officer, is the custodian of SCM. However, the Section 151 Officer may delegate the responsibility for keeping SCM under review and up to date to the Head of Commercial within the Council. Where the law is changed in a way that affects SCM, then those with delegated responsibility will issue a bulletin and the change must be observed until these documents have been revised to reflect the changes. Where there is a difference between current legislation, applicable case law and/or statutory and non-statutory guidance governing procurement, contracting and public expenditure ("current law and guidance") and SCM, the current law and guidance prevails.

3. Key Principles

- 3.1. SCM is underpinned by the following key principles:
 - a. To ensure that there is accountability for the Council's external spending.
 - b. To ensure that those spending money for or on behalf of the Council act in the best interests of the Council and with high standards of probity.
 - c. To manage the Council's exposure to financial and legal risk
 - d. To ensure that the Council meets its statutory duty to deliver best value for money and creates healthy competition and markets for the goods, services, and works purchased.
 - e. To be transparent to our residents about how the Council spends their money.
 - f. To ensure that public money is spent legally and fairly.
 - g. To support the Council to achieve its corporate aims, including supporting our sustainability and social value objectives, delivery in line with the public sector equality duty, and

encouraging the growth of local businesses, Small and Medium Enterprises (SMEs) and Voluntary, Community, and Social Enterprises (VCSEs).

4. Compliance

- 4.1. SCM applies to all Members and Officers and those working for, or on behalf of, the council. That means:
 - a. Individuals, permanent or temporary, and whether via a contract of employment or engaged through an agency or otherwise as a contractor or consultant.
 - b. Schools and business/trading units.
 - c. Third parties undertaking procurements specifically on the Council's behalf.
- 4.2. Anyone who buys goods, services or works on behalf of the Council, including Members, Officers, temporary staff, contractors, and consultants, must always comply with SCM.
- 4.3. Potential breaches of SCM must be reported to the Monitoring Officer, who will report them to Internal Audit and the Governance and Audit Committee as the parties responsible for monitoring and oversight of the Council's compliance with SCM.
- 4.4. Those found to be in breach of SCM will be subject to investigation which will lead to proportionate action being taken which may include disciplinary action in line with the Council's relevant Code of Conduct.
- 4.5. All such individuals who are buying on behalf of the Council must follow the Council's policies, as amended from time to time, particularly those relevant to SCM that are listed below:
 - a. Contracts and Tenders Standing Orders
 - b. Financial Regulations.
 - c. Scheme of Delegation
 - d. Code of Conduct (i.e., the 'Kent Code')
 - e. Property Management Protocol
 - f. Corporate Grants Procedure
 - g. Anti-Bribery Policy
 - h. Anti-Fraud and Corruption Strategy
 - i. Whistle Blowing Policy and Procedure
- 4.6. The legislation by which public procurement is governed in the UK must also be followed, including but not limited to the following legislation as amended from time to time:
 - a. The Public Contracts Regulations (PCR) 2015
 - b. The Utilities Contracts Regulations (UCR) 2016
 - c. The Concession Contracts Regulations (CCR) 2016
 - d. The Defence and Security Public Contracts Regulations (DSPCR) 2011
 - e. The Public Services (Social Value) Act 2012
 - f. Local Government Act 1999 (LGA 1999)
- 4.7. The Council must also comply with any applicable case law and statutory guidance issued in connection with the above legislation, as such guidance is amended from time to time.

5. Scope

- 5.1. Apart from the exceptions listed below, SCM covers all Council spend with external suppliers regardless of how they are funded, or which systems are used to place orders with suppliers.

This includes services sourced from other local authorities or public bodies under the relevant legislation.

- 5.2. There are circumstances when exemptions exist under the procurement regime and/or where the Council's internal rules may not apply to the requirement you are seeking to commission (see table below for a non-exclusive list – other exemptions may apply under the applicable procurement legislation). Early engagement with Commercial and Legal colleagues should be undertaken when scoping to ensure that the correct procedures are followed. Exclusion from compliance with SCM does not negate the need to consider the most appropriate route forward to achieve value for money.

Exclusion	Relevant Policy/Law
Contracts for the acquisition or lease of land and/or real estate	KCC Property Management Protocol Section 123 of the Local Government Act Regulation 10 of the Public Contracts Regulations 2015
Contracts for permanent or fixed-term employment (not including agency staff, contractors and consultants)	HR/Recruitment Policies Regulation 10 of the Public Contracts Regulations 2015
Non-trade mandatory payments to third parties, such as insurance claims, pension payments, payments to public bodies	These are not subject to competition due to their nature and are not in consideration for the provision of supplies, services or works.
A declared emergency authorised by the Emergency Planning Officer	The Civil Contingencies Act 2004
Awarding of Grants where this is not an extension of funding for current contracted services	Corporate Grants Procedure – where a genuine grant award and not a public contract for services.
Loans and investments	KCC Financial Regulations and Treasury Management Strategy Regulation 10 of the Public Contracts Regulations 2015
Placement of a child with Special Educational Needs where already directed following statutory assessment	Children and Families Act 2014 and ESFA guidance 2019-20 para 86
Direct payments to customers following care assessment (for example, payments under Self-Directed Support or Individual Budgets)	Section 12 of The Care Act 2014
Discharging the obligations placed on the Monitoring Officer pursuant to the Constitution	KCC's Constitution at 11.21

6. The Role of Buying on Behalf of the Council

6.1. Anyone who buys on behalf of the Council is responsible for:

- a. Complying with SCM and all policies and regulations listed in 4.5 and 4.6
- b. Ensuring that adequate consideration has been taken to determine if procurement is the correct approach to delivering required provisions
- c. Acting with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements
- d. Purchasing from existing contracts and, internal and external framework agreements in the first instance wherever they are appropriate for the requirement in question and can be used in a legally compliant way

- e. Ensuring there is adequate budget available for any purchase
 - f. Raising a properly completed purchase order and ensuring it is approved *before* the requirements are delivered to the Council, regardless of which finance system is used
 - g. Ensuring specifications are drafted to meet the identified needs and requirements and that proper consideration is given to equality and diversity, data and privacy, sustainability and social value
 - h. Engaging with the Commercial Team as early as possible to obtain advice, guidance and support and where they are required to in accordance with section 10 of SCM
 - i. Ensuring the total aggregate contract value is calculated in accordance with Section 11 of SCM
 - j. Undertaking contract tiering to assess the level of risk associated with the contracts to be managed
 - k. Following the guidance set out by the Commercial Team around buying on behalf of the Council and the management of contracts in accordance with their value, risk, and complexity
 - l. Ensuring that where required, a commercial case is developed that is efficient and suitable for the purchase and market concerned, considering any other relevant sourcing options with assistance from the Commercial Team and, the Finance and the Legal Team
 - m. Planning an appropriate, proportionate timetable for any procurement or sourcing exercise subject always to any regulatory requirements on timescales
 - n. Ensuring that any TUPE and pensions related issues are properly considered prior to inviting tenders or quotations with legal advice sought where appropriate
 - o. Ensuring that there is appropriate insurance cover in place for any awarded contract in accordance with Council guidance
 - p. Ensuring that accurate contract information is maintained, and that for all contracts each with a total aggregate contract value of £25,000 or more (excluding VAT), the Commercial Team are provided with accurate contract information in order to create a record on the Council's contract management system
 - q. Ensuring that for all contracts each with a total aggregate contract value of £25,000 or more (excluding VAT) information on the Council's contract management system remains up to date with changes throughout the lifetime of the contract
 - r. Determining and following the required governance route and obtaining all necessary approvals for the procurement and, where required, decisions in contract management
 - s. Ensuring that appropriate legal guidance and support is sought in accordance with Section 10 of SCM and where required for contract variations, extensions and novations.
 - t. Ensuring that HR is consulted, and the appropriate approval obtained for requirements of temporary staff, contractors, or consultants outside the agreed corporate contract with Connect2Kent (a trading subsidiary of Commercial Services Ltd.)
 - u. Having proper regard for all necessary legal, financial, and professional advice received
 - v. Maintaining a full record and audit trail of all procurement activity, including decisions made, and communications with suppliers
 - w. Ensuring the fraud, bribery and corruption risks have been appropriately considered, seeking specialist advice from Internal Audit and Counter Fraud
 - x. Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer
- 6.2. Contracts are to be managed day-to-day by a named Officer within Services, who will be either a dedicated contract manager or an Officer who has those responsibilities as part of a broader role (the only exception to this requirement for a named contract manager being for those contracts valued below £25,000 excl. VAT). The Commercial Team will provide the commercial lead to support the contract manager on all high-risk contracts identified through the Council's contract tiering model.

7. Responsibilities and Accountabilities of the Wider Council

- 7.1. Members of the Council are responsible and accountable for providing strategic direction on procurement activity and arrangements, in line with the Member role in decision-making set out in the Constitution.
- 7.2. Executive Members of the Council are responsible and accountable for:
 - a. Approving relevant financial expenditure to be incurred through contracting where the Constitution would require a Key Decision or Significant Decision of the Executive
 - b. Taking relevant decisions around financial expenditure made through contracting in line with the Scheme of Delegation
- 7.3. The Section 151 Officer is responsible for:
 - a. Ensuring, in liaison with the Monitoring Officer, that the appropriate requirements are in place in this document and other relevant policies to govern financial expenditure made through contracting with external parties
 - b. Ensuring the correct financial processes and systems are in place to manage financial expenditure made through contracting with external parties
 - c. Delegating appropriate responsibility for managing financial expenditure made through procurement to the Head of Commercial and the Commercial Team
 - d. Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer
- 7.4. The Monitoring Officer is responsible for:
 - a. Determining and maintaining, in liaison with the Section 151 Officer, the appropriate systems for monitoring and reporting on non-compliance with SCM.
 - b. To determine if reported breaches constitute non-compliance and report non-compliance with SCM to Internal Audit and Governance and Audit Committee
 - c. Enabling the provision of appropriate legal advice to the Council and the management of legal risk .
- 7.5. Internal Audit and Counter Fraud are responsible for:
 - a. Providing independent assurance that the procurement rules have been followed through risk-based auditing
 - b. Providing support and advice on conducting fraud risk/impact assessments where required
 - c. Recording and reporting on financial irregularities within contracting activity undertaken
- 7.6. Corporate Directors, Directors, and/or Heads of Service (as applicable under the Council's Scheme of Delegation) are specifically responsible for:
 - a. Providing strategic direction for all procurement undertaken in their area of responsibility
 - b. Ensuring that adequate consideration has been taken to determine if procurement is the correct approach to delivering required provisions
 - c. Ensuring all procurement and decision-making adheres to the Scheme of Delegation
 - d. Obtaining the necessary internal governance, whether by way of a Leader and/or Cabinet Member decision as, required by the Council's Constitution Scheme of Delegation bearing in mind the total aggregate contract value, before undertaking any procurement and contracting activity
 - e. Engaging with the Commercial Team, ensuring they are notified in advance of all proposed contracts each with a total estimated aggregate value above the PCR 2015 threshold for services, and over £1m for works to support the development of the Contract Pipeline and to enable the commissioning of appropriate legal advice to ensure to ensure compliance with SCM

- f. Ensuring their Officers undertake contract tiering to assess the level of risk associated with contracts to be managed (both as part of developing the Contract Pipeline and prior to contract award)
- g. Nominating appropriately skilled and qualified Officers to undertake procurement and contract management activity, where this takes place within their area of responsibility
- h. Ensuring their staff act with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements
- i. Ensuring all sourcing decisions ultimately represent value for money and are within the budgetary limits that have been approved
- j. Ensuring their Officers engage with the Commercial Team before procuring any contract with a total aggregate contract value above the PCR 2015 threshold for services, and over £1m for works in order for them to provide advice on the most appropriate sourcing route
- k. Ensuring their Officers seek appropriate legal advice in accordance with Section 10 of SCM where required for contract variations, extensions and novations to determine the level of legal advice required to mitigate legal risk
- l. Providing for appropriate and effective management of all contracts under their area of responsibility and managing relationships with key suppliers identified
- m. Ensuring sufficient funds are available for relevant procurement and contracting activity and allocating appropriate funds within their budget
- n. To ensure the fraud, bribery and corruption risks have been appropriately considered, seeking specialist advice from Internal Audit and Counter Fraud
- o. To report any non-compliance with SCM or relevant legislation to the Monitoring Officer

7.7. The Commercial Team is responsible for:

- a. Working closely with Officers, Senior Officers (Heads of Service and above), and Finance to agree and deliver a Contract Pipeline that will be authorised by the CMT
- b. Providing expert category and market knowledge to help Services within the Council find the right suppliers in the right way and at the right time, irrespective of the contract value
- c. Providing advice and guidance, and support to procure where it is deemed necessary, to Services where the total estimated aggregate value of the contract resulting from sourcing activity will be £25,000 to the PCR 2015 threshold for services and up to £1m for works
- d. Leading on all procurements where the estimated total aggregate contract value of the contract resulting from the procurement exercise will exceed the PCR 2015 threshold for services and over £1m for works
- e. Ensuring that there is early engagement with the Council's legal team on any planned procurement activity in the Contract Pipeline so that appropriate legal support can be provided or commissioned to support the procurement activity
- f. Ensuring efficient and effective purchasing and procurement practices are in place
- g. Acting with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements
- h. Maintaining guidance in relation to buying on behalf of the Council and the management of contracts, according to the value, risk, and complexity of the contract
- i. Taking a lead on all high-risk procurements (identified through the Council's contract tiering model), working alongside named contract managers within Services and named legal advisors
- j. Taking a commercial lead on contract extensions, variations and novations where it is deemed necessary, ensuring that legal advice is taken promptly
- k. Taking a commercial lead in developing strategic relationships with key suppliers (identified through supplier segmentation), working alongside Senior Officers (Heads of Service and above) within Services
- l. Embedding sustainability and social value objectives across the Council's supply chain
- m. Ensuring transparency over contracts, and contract opportunities, including making sure that there is an appropriate audit trail maintained for all procurement and contracting activity

- n. Ensuring that all contracts with a total aggregate contract value at or above the Public Contract Regulations 2015 requirement for advertising opportunities on Contracts Finder, have a record created on the Council's contract management system
- o. Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer

8. Contract Pipeline

- 8.1. To enable the Council to maintain an accurate oversight of procurement activity across the full range of Council Services, the Head of Commercial is responsible for the development of the Contract Pipeline in liaison with Corporate Directors. This is to identify the following:
- a. For each directorate, all contracts held each with an aggregate value above the PCR 2015 threshold for services, and which are due to be procured, extended, renewed, or replaced
 - b. The aggregate contract value across the life of each contract
 - c. The tier (risk level) of the contract
 - d. The procurement activity required
 - e. Likely legal advice that will be required, in consultation with the Council's Legal Team
 - f. The expected start date for the commencement of the contract or extension
 - g. Whether there is an option to extend the existing contract or not
 - h. The expected start date of any new contract or extension
 - i. Whether the cost will be met from capital, revenue, or a combination
- 8.2. The Contract Pipeline must be developed and agreed during the business planning cycle before it is then submitted to the Corporate Management Team (CMT) for approval.
- 8.3. Where the aggregate contract value is projected to be exceeded by 5% or more than the value stated within the Contract Pipeline that has been approved by the CMT, the S151 Officer must be consulted with and, where required, approve that change in contract value in line with the summary table below and the contract award must be put on hold pending that approval.
- 8.4. If the need arises during the year for procurement activity on contracts at or above the PCR 2015 threshold for services and over £1m for works which have not been pre-approved through the Contract Pipeline, then approval to procure must be sought by the Director of the Service concerned, before any procurement activity may begin, in line with the below:

£1m and above (excluding VAT)	Director of the relevant Service, S151 Officer, and the CMT
£100,000 - £1m (excluding VAT)	Director of the relevant Service in consultation with the S151 Officer

9. Approvals for Contracting Activity

- 9.1. Officers must ensure they seek approval for all contracting activity and decisions in line with the Constitution, the Scheme of Delegation and the requirements outlined in section 10 of SCM.

Part B: Requirements for Sourcing Goods, Services and Works

10. Procedures for Procurement by Aggregate Contract Value

Aggregate Contract Value (exclusive of VAT)	Procurement Method	Who is authorised to carry out the procurement?	Must the contract be formally advertised?	Who must approve the contract award?	Who signs the contract on the Council's behalf?	Is a contract award notice needed?	Where should the contract details be maintained?	Must there be a named contract manager?	Legal Advice Required
Up to £24,999.99	Minimum of one written quote (Unless using another compliant route such as a framework)	Any Officer	No	Budget holder	Not required (need fulfilled via approval of Purchase Order)	No	Locally within the Service	If necessary due to the nature of the contract	Use of up to date templates or automated document production technology depending on the nature of the requirement.
£25,000 - up to PCR value 2015 for Goods, Services or up to £1m for Works	Minimum of three quotes (Unless using another compliant route such as a framework) For works procurements above £1,000,000, a fully PCR compliant tendering procedure must be used.	Any Officer, following consultation with the Commercial Team and Legal Team, if required	Only needs to be advertised on the Council's tendering portal if Officers have chosen to undertake an open competitive tender	Budget holder can approve up to £50k Head of Service (or delegated manager) can approve up to £100,000 Service Director may approve up to £500k and a CMT Director up to £1m	Senior Commercial Officer or Head of Service	Yes, on Contracts Finder	On the Council's Contract Management System	Yes, within the Service	Use of up to date templates or automated document production technology depending on the nature of the requirement, seeking advice at the earliest instance from the Legal Team if required. [Legal advice will not be required where the contract to be let is for legal services.]
Page 28 Above PCR 2015 value for Goods, Services or above £1m for Works	For goods and services above the PCR 2015 thresholds, a fully PCR compliant tendering procedure must be used. For health, educational, cultural, and social care-related services above the Regulatory Thresholds and eligible under the Light Touch Regime, a tendering process permitted under that regime can be followed. For works procurements, a quotation procedure can be used up to £1,000,000 with a minimum of 3 quotations required. For works procurements above £1,000,000, a fully PCR compliant tendering procedure must be used.	The Commercial Team will lead the procurement (where the contract has been included on the approved Contract Pipeline, otherwise approval for the procurement activity must be sought in line with section 8)	Yes, must be published via Contracts Finder, the Council's tendering portal and the Find a Tender Service. (Unless route to market is via a framework or direct award which requires no advertisement.)	Service Director may approve up to £500k and a CMT Director up to £1m Above £1m approval must be sought from The Leader, Cabinet or Cabinet Member. The Leader, Cabinet, and Cabinet Member have no limit on the value of contracts they can award. Where the contract value is projected to exceed the value in the approved Contract Pipeline by 5% or more, Finance Business Partners must be consulted prior to the award.	Up to £500k, the Service Director and Category Manager. Over £500k, up to £1m, the CMT Director with Head of Commercial. Above £1m, the CMT Director and the officer delegated responsibility for the Council's procurement activity with Leader, Cabinet, or Cabinet Member approval to award and express authorisation of the Monitoring Officer to sign or seal.	Yes, on Contracts Finder and the Find a Tender Service (FTS)	On the Council's Contract Management System	Yes, within the Service.	Contact the Council's Legal Team. Advice must be sought at the earliest possible stage

11. Calculating the Aggregate Contract Value

- 11.1. Aggregate contract value must be calculated in accordance with the applicable legislation but broadly speaking this means the estimated total aggregate value payable in pounds sterling exclusive of Value Added Tax (VAT) over the entire contract period, including any options, renewals and extensions of the contract.
- 11.2. Officers must make an effort to calculate an accurately estimated contract value over the contract period to ensure that the appropriate procurement route is taken that adheres to SCM and legislation.
- 11.3. Contracts must not be artificially underestimated or disaggregated into two or more separate contracts with the intention of avoiding the application of SCM or legislation.
- 11.4. In the case of framework agreements or Dynamic Purchasing Systems (DPS's) the contract value must be calculated to include the total maximum estimated value, net of VAT, of all the contracts envisaged to be awarded for the total term of the framework agreement or the DPS.

12. Procurement Business Cases

- 12.1. Any procurement with a total contract value below the PCR 2015 thresholds for goods, services or works should complete a business case using the Council's Low Value Procurement Business Case template.
- 12.2. Any procurement with a total contract value above the PCR 2015 thresholds for goods, services or works must have completed a Commercial Case as part of a wider business case using the Council's High Value Procurement Business Case template.

13. Using Existing Contractual Arrangements

- 13.1. Prior to proceeding with any new procurement and contracting process, Officers must determine whether the identified need can instead be met through contracting with the Council's Local Authority Trading Companies (LATC's), utilising other existing Council contracts, or by calling off of a framework agreement or DPS that has been established or recommended by the Commercial Team as a legally compliant route to market.
- 13.2. Only where it is determined that the identified need cannot be met through such arrangements as outlined in 13.1, or such arrangements will not deliver best value can Officers proceed with any new procurement and contracting process.

14. Framework Agreements and Dynamic Purchasing Systems (DPS)

- 14.1. All requirements to set up new frameworks or DPS' to be managed by the Council must be referred to the Commercial Team, who will make the appropriate arrangements.
- 14.2. Any framework or DPS that is developed by the Council must include contract terms that allow the arrangements to be reviewed at trigger points to ensure they continue to reflect best value for money

- 14.3. Where the Council accesses an existing framework agreement or DPS, the Framework Agreement or DPS terms and conditions of contract must be used, amended as appropriate as permitted by the framework agreement or DPS and the applicable procurement legislation.
- 14.4. Before accessing existing frameworks established by third parties, due diligence checks must be carried out, including taking relevant legal advice, to demonstrate that the Council can lawfully access and use the identified framework agreement or DPS and that the call off contract terms are fit for purpose and provide value for money.
- 14.5. Call-offs from a framework will be via a direct award process or a further competition (depending on the call-off procedure(s) included in the framework and call-offs from a DPS will be via a further competition.
- 14.6. A direct award may be made from a framework that permits direct awards where it:
- a. Sets out all the terms governing the provision of the goods, services, or works and they do not require amendment or supplementary terms and conditions.
 - b. The objective conditions for making a direct award to a particular supplier on the framework are clear and unambiguous in the contract arrangements.
 - c. Value for money can be demonstrated through the direct award (for example, the supplier provides the most economically advantageous solution for the need).
 - d. An assessment has been made to ensure it meets the needs in terms of innovative solutions and also represents value for money, taking into account the cost of procurement.
- 14.7. A call to further competition can be made under the terms of a framework (where expressly provided for in the framework) or a DPS. All suppliers on the framework or DPS capable of performing the contract must be invited to tender against the requirement in accordance with the framework or DPS mechanisms provided and the applicable procurement regulations.
- 14.8. Each contract award under a framework or a DPS (with a value over £30,000 including VAT) must be published on Contracts Finder in accordance with Procurement Policy Note 01/23.
- 14.9. Advice must be sought from the Commercial Team and the Legal Team for any proposed variations to the framework or DPS contract terms.

15. Concession Contracts

- 15.1. Concession contracts are contracts under which the Council outsources works or services to a contractor or provider, or makes available an asset, which the contractor or provider then has the right to commercially exploit to recoup its investment and make a return. The key feature is that the contractor/provider bears the operating risk of the arrangement and so has no guarantee of recouping its investment or operating costs. Concession contracts must meet certain criteria to be considered to be a concession in accordance with the Concession Contracts Regulations 2016 and advice must be sought from the Commercial Team and Legal Team.

16. Temporary Staff, Contractors, and Consultants

- 16.1. A Consultant is a person (not an employee), agency, or firm engaged for a limited period of time on a project or requirement specific basis to carry out a specific task or set of tasks which meet a desired set of outputs or outcomes. A consultant provides

subject matter expertise, support, and/or experience to the Council either because it does not possess the skills or resources in-house or requires an independent evaluation/assessment to be made.

16.2. This definition excludes:

- a. Agency staff, interim, or role-specific duties which should be sourced through the Council's corporate contract with Connect2Kent
- b. Routine services, e.g., maintenance, cleaning, and security
- c. Professional services, e.g., architects, structural engineers, forensic archaeologists, specialist social care support, training etc.

16.3. Regardless of value, Officers must ensure that they follow the processes outlined on [KNet](#) when contracting temporary and agency staff and consultants. They must also ensure that they are compliant with the [Kent Scheme Terms and Conditions](#).

16.4. In the event that Officers are unable to successfully source the required staff or consultant through the process outlined on KNet, they must engage with the Commercial Team for advice on using appropriate frameworks.

16.5. No temporary worker, contractor, or Consultant may be procured or engaged outside of the corporate contract with Connect2Kent without the prior approval from People Strategy Manager (Resourcing).

16.6. Where it is agreed that a temporary worker, contractor or Consultant may be sourced outside of the corporate contract, and the total aggregate value of such engagement is estimated to be £25,000 or more, competition is to be sought in the same manner as would be required for any procurement of the same value following the requirements outlined in the summary table under section 10.

16.7. If the total estimated aggregate value of such an engagement exceeds £50,000 the decision to award the contract must be made in consultation with the relevant Cabinet Member.

17. Collaboration with Other Public Bodies

17.1. The Council may enter into collaborative agreements for the procurement of goods, services, and works with other public bodies or Central Purchasing Bodies where this offers best value for money for Kent residents. However, where this is proposed, advice must be sought from the Head of Commercial in conjunction with the Section 151 Officer and the Legal Team before entering into such arrangements.

18. Liability and Security

18.1. To protect the Council, insurance is required where the Council purchases goods, services, or works provided by a supplier. The minimal levels of insurance cover for Public Liability Insurance, Employers' Liability Insurance, Professional Indemnity (Negligence) Insurance and other relevant insurances are set out in guidance on the Council's intranet. Advice should be obtained from the Insurance Team in accordance with Council guidance.

18.2. In some instances where the contract value, risk, or scope may be particularly high, additional insurance cover may be required. Equally, where some contracts may be suitable for micro businesses, lower levels of insurance may be considered. However,

in these instances, advice should be sought from the relevant officer within the Insurance Team.

- 18.3. Where the Council is providing goods, services, or works to another organisation (that is not a part of the Council), Services must not arrange their own insurance policies and should contact the Insurance Team in the first instance who arrange cover on behalf of the Council.

19. Financial Security

- 19.1. For all procurements above the PCR 2015 threshold for services, the Commercial Team should determine if a supplier requires additional financial checks based on the perceived financial risk. If required, the Commercial Team and Finance must confirm that suppliers are financially robust both prior to contract award and during the life of the contract.
- 19.2. Advice should be obtained from the Legal team and Finance team if there are concerns about financial stability prior to contract award and through the duration of the contract to enable steps to be taken to mitigate risk.
- 19.3. Tender documents must include a statement asserting that, where requested, suppliers need to provide security for performance and outline the level of security needed, the financial checks to be applied on tenders, how financial suitability will be assessed, and any checks that will be required during the life of the contract.
- 19.4. Where either the total aggregate value of the contract exceeds £1m (excl. VAT) within any twelve month period of the contract, or there is doubt as to the financial credibility of a supplier, but the Council has decided to accept the level of risk, then additional forms of security to a level determined by Finance may be required, for example:
- a. A Parent Company, Ultimate Company, or Holding Company guarantee, where the financial standing of those companies proves acceptable
 - b. A Director's Guarantee or Personal Guarantee, where finances prove acceptable
 - c. A Performance Bond, retained funds, or cash deposit
 - d. Any other security (such as escrow arrangements), which has been determined to be appropriate by Finance
- 19.5. Advice from the Legal Team should be taken on all forms of guarantee, bond or security being used.

20. Fraud, Bribery and Corruption

- 20.1. Every contract shall include provision for termination of that contract (and recovery of losses) where the supplier, their employees, or anyone acting on the supplier's behalf:
- a. Offers, gives, or agrees to give anyone an inducement or reward in respect of any contract with the Council
 - b. Commits an offence under the Bribery Act 2010, or
 - c. Commits any of the offences listed in regulation 57(1) of the PCR 2015 or regulation 38(8) of CCR 2016.
- 20.2. In the event that anyone buying or managing a contract on behalf of the Council becomes aware of a supplier's involvement in fraudulent or corrupt activity, they must report this to the Head of Commercial and seek advice from the Council's Legal Team.

- 20.3. Officers must comply with the Council's [Code of Conduct](#), [Anti-Fraud and Corruption Strategy](#) and [Anti-Bribery Policy](#). Officers must not invite or accept any gift or reward in respect of the award or performance of a contract. Gifts and hospitality must be recorded in line with guidance set out on the intranet.
- 20.4. Officers must also comply with the requirement to make declarations of interest within the procurement process to ensure any actual or perceived conflicts can be appropriately managed.
- 20.5. Declarations of interest should be made through the annual declaration of interest process and prior to the commencement of any procurement exercise that an individual is to be involved with.

21. Document Retention

- 21.1. The retention of procurement and contractual information is prescribed in the Limitation Act 1980 and the PCR 2015. In summary:
- a. Contracts executed under hand (retained for 6 years after last action on a contract).
 - b. Contracts executed under seal as Deeds (retained for 12 years after last action on a contract).
 - c. Sufficient documentation to justify decisions taken in all stages of the procurement procedure including tender documents for unsuccessful bidders as required by PCR 2015 Reg 84
 - d. Records created by contract management meetings for contracts executed under hand (retained for the life of the contract and 6 years thereafter)
- 21.2. Records created by contract management meetings for contracts executed under seal as Deeds (retained for the life of the contract and 12 years thereafter). Additional document retention requirements are outlined and updated from time-to-time in guidance that can be found on the Council's intranet and must be complied with.

Part C: Requirements for Quotation or Tendering Procedures

22. Engaging the Commercial Team

- 22.1. Officers must engage the Commercial Team and Legal Team in any procurement exceeding a total aggregate contract value above the PCR 2015 threshold for services.
- 22.2. The Commercial Team and Legal Team should be notified of any upcoming procurement exceeding a total aggregate contract value above the PCR 2015 threshold for services at the earliest opportunity in order to plan resources and update the Contract Pipeline.
- 22.3. Officers must contact the Commercial Team and Legal Team for advice and support on any procurement with a total aggregate contract value less than the PCR 2015 threshold for services if they are concerned about the risk or complexity of the procurement or their ability to carry out the procurement. The teams will determine the appropriate level of involvement from them, and any external support required depending on the complexity of the procurement and the commercial acumen and experience of the team requesting the support.

23. Requirement to Advertise

- 23.1. Contracts which are equal to or exceed the Regulatory Thresholds set out in the PCR 2015 or other applicable procurement legislation must be advertised on the Find a Tender Service (FTS) by publishing a contract notice or, where advised by the Commercial Team, a Prior Information Notice (PIN), as defined in the regulations, can be used as a call for competition.
- 23.2. All contracts which are advertised on FTS must also be advertised on Contracts Finder within 24 hours of the time that the Council becomes entitled to post it, that is after either it appears on FTS, or where it has not appeared, but 48 hours have elapsed from the time the FTS has confirmed receipt of the notice to the Council.
- 23.3. All procurement documentation, including the contract terms, must be available from the time the contract notice is published on FTS if required by the chosen regulatory procedure.
- 23.4. All contracts above the Regulatory Thresholds must also be advertised through the Council's tendering portal where interested parties must be able to electronically access all procurement documentation.
- 23.5. It is a requirement that all contract opportunities above the Regulatory Thresholds for advertising are advertised on Contracts Finder.
- 23.6. Each contract opportunity with a total aggregate contract value estimated to be above the applicable PCR 2015 threshold for goods, services or works must be advertised on the Council's tendering portal or another secure electronic system, and Contracts Finder.
- 23.7. Each contract opportunity with a total aggregate contract value below the applicable PCR 2015 can be advertised on the Council's tendering portal if it is deemed beneficial, however, support must be sought from the Commercial Team to do this.
- 23.8. Each contract opportunity with a total aggregate contract value estimated to be at or above the applicable threshold for goods, services or works to be advertised on Contracts Finder must be advertised on the Council's tendering portal and Contracts Finder if Officers are choosing to run an open competitive tender process.
- 23.9. The Commercial Team is responsible for ensuring all contract notices and publications of contract opportunities above the Regulatory Thresholds are published in accordance with SCM. Below this threshold, it is the responsibility of the Service to ensure the rules are adhered to.
- 23.10. Any form of advertisement must state the place where interested providers may obtain the procurement documents and the deadline for receipt of submissions.

24. Use of Selection Questionnaires (SQs)

- 24.1. Officers must use the Council's standard and most up-to-date [Selection Questionnaire \(SQ\)](#) and adhere to regulatory requirements around such selection procedures for all procurements of contracts that are estimated to exceed the relevant Regulatory Thresholds unless suppliers have already been pre-qualified through an alternative sourcing route (e.g. framework or DPS).
- 24.2. This pre-qualification of suppliers enables the Council to test the suitability of suppliers bidding for Council contracts, through applying minimum standards of technical and

professional ability and financial and economic standing that prospective suppliers should meet.

24.3. However, all the methods and criteria for assessing the suitability of suppliers must be transparent, proportionate, objective, and non-discriminatory.

24.4. Officers must not use an SQ stage (or pre-qualification stage) for any contract with a value below the Regulatory Thresholds, regardless of whether it is for goods, services or works. However, for works contracts valued between the goods and services Regulatory Threshold and the works Regulatory Threshold, the Council may use a pre-qualification stage using a PAS91 Questionnaire.

25. Request for Quotations

25.1. Officers must ensure that all quotations from potential suppliers are provided against the same requirement and are requested/submitted within the same window of opportunity. If the requirement is clarified or changed through the process, all invited organisations must have the opportunity to quote against that revised requirement.

25.2. Officers are required to seek the number of quotations stipulated in the summary table in section 10. These quotations must be competitive.

25.3. For audit purposes, Officers must also ensure that an electronic record of all quotations received is retained in line with the Council's record retention policy.

25.4. If Officers receive a lower number of quotes back from suppliers than they are required to seek according to the appropriate procurement procedure defined in Section 10, they are not required to seek further quotes unless it is necessary to fulfill the need and achieve value for money.

25.5. Officers are required to use their own judgement to determine if a quote reflects value for money. However, if they feel unable to confidently do this, they must seek advice from the Commercial Team.

26. Invitations to Tender

26.1. The Officer responsible must issue Invitations to Tender and tendering instructions to every supplier who is or has been:

- a. invited to tender following a selection process
- b. listed on the relevant Framework, Framework lot or DPS and who is capable and willing to tender
- c. requested the supply of tender documents under an open tender

26.2. All Invitations to Tender must specify the goods, services or works that are required, together with the form of contract that will apply. All suppliers invited to tender must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis. All Invitations to tender shall also include (subject to any additional requirements under the PCR 2015 or other applicable procurement regulations):

- a. A specification that fully describes the Council's requirements
- b. A requirement for tenderers to declare that the tender content, price or any other figure or particulars concerning the tender have not been disclosed by the tenderer

to any other party (except where such a disclosure is made in confidence for a necessary purpose)

- c. A requirement for tenderers to fully complete all tender documents.
- d. Notification that tenders are submitted to the Council on the basis that they are prepared at the tenderer's expense and reserve the right for the Council to decide not to proceed to award without incurring any contractual liability and without becoming liable to reimburse any bidder costs or expenses
- e. A description of the award procedure and evaluation methodology
- f. The form of contract that the supplier will need to agree to
- g. The deadline for any questions asked during the tender
- h. The deadline for tender receipt

26.3. The Officer responsible must advise every supplier in writing submitting a tender that:

- a. no extension of time will be allowed for the receipt of any tender, unless at the discretion of the Council
- b. tenders received after the date and time specified for receipt may be rejected.
- c. any departure from the Tendering Instructions may lead to the tender being rejected
- d. the Council does not bind themselves to accept any tender or to accept any tender in full.
- e. the tender documents must be in electronic format.
- f. the tenderers signed form of tender cannot be different in detail to that provided as part of the e-sourcing process unless it includes changes to tender documents that were made by the Officer responsible for the procurement.

26.4. The Officer responsible must check that every tender sum has been calculated by reference to the minimum specification required and stipulated in the tender. If they discover any departure from the specification, they can, subject to what is stated in the procurement documentation, treat it as grounds for disregarding the tender. The Officer must also check that every tender sum is stated net of VAT or any other Tax or Duty.

27. Forms of Contract

27.1. Officers must issue an appropriate form of contract that suppliers will be required to agree to if they are awarded the contract. The Council has a set of Standard Terms and Conditions that must be applied to all contracts unless one of the following reasons is present:

- a. The requirements of the contract are judged to carry a level of risk and complexity that requires bespoke terms and conditions
- b. The contract is for an internal framework or DPS that will require bespoke terms and conditions to be agreed as a part of it being established
- c. It is deemed to be more appropriate for the supplier's terms and conditions to be applied to the procurement given the nature of the requirement or the market sector
- d. Another form of contract is applicable and more appropriate for this procurement

27.2. Officers must follow guidance provided in the Standard Terms and Conditions to ensure they include all mandatory clauses. Where any clauses need to be amended, or any of the above reasons for deviation apply, Officers must seek advice from the Commercial Team and Legal Team before following any alternative approach. The Commercial Team may request further approval from Legal Services.

27.3. If bespoke or alternative Terms and Conditions will be used, Officers must seek legal advice from the Legal Team

28. Submission, Receipt and Opening of Tenders

28.1. Every tender over the PCR 2015 thresholds must be received by a secure method using either the Council's tendering portal or another secure electronic system appropriate for the procurement.

28.2. Suppliers or providers who have expressed interest in a tender must be given an adequate period in which to prepare and submit a tender, consistent with the complexity of the contract requirement. The PCR 2015 includes specified tendering time periods that apply.

28.3. Officers must notify all suppliers of the correct tender return instructions, including the date, time, and place (i.e., the details of the Council's e-sourcing system).

28.4. In exceptional circumstances, the deadline for receipt of tenders may be extended with the agreement of the procurement lead officer, if the extension of time will not disadvantage a tenderer.

28.5. No extension to the deadline can be given once the seal has been broken on the Council's tendering portal.

28.6. All tenders received via the Council's tendering portal must be opened by those specified as responsible on the system. All tenders must be opened at the same time.

28.7. No person can be involved in the opening process who:

- a. Has not completed the Council's e-learning on procurement and contracting
- b. Has any pecuniary interest in any supplier used by the Council
- c. Is serving a probationary period
- d. Is the subject of disciplinary proceedings
- e. Has any outstanding dispute with the Council, or
- f. Has tendered their resignation

28.8. Any tender that does not comply with the Council's requirement as set out in the tender invitation should normally be excluded from consideration, with the circumstances recorded on the Council's tendering portal. Officers may, however, seek the agreement of the procurement lead officer to amend the requirements in appropriate circumstances. Any relaxation of the requirements must be disclosed when seeking approval required for acceptance of a tender.

28.9. If a request is made to accept a late tender due to technical issues or circumstances that could not have been foreseen, Officers should ensure that any additional time granted is minimal and does not allow for covert amendments or additions to tender content.

28.10. Any late tenders that are not accepted, and any marked tenders, must not be opened until the award to the successful supplier has been made.

29. Post-Selection Questionnaire (SQ) and Tender Clarifications

29.1. Officers must maintain a written record and clear audit trail of all post-SQ and tender clarifications detailing all contact with the tenderer, including the clarification

requested and the response provided. All communications must be recorded via the Council's tendering portal or another secure electronic system (all post-SQ and tender clarifications must be available for audit purposes).

29.2. Confirmation must be provided in the Award Report that paperwork submitted as a part of the SQ for due diligence has been checked and approved in line with the Council's requirements for due diligence outlined in guidance available on the intranet.

30. Evaluation

30.1. Tenders are to be evaluated based on the identification of the 'Most Economically Advantageous Tender' (MEAT).

30.2. An evaluation based on MEAT may consider both price and quality and does not require the tender to be awarded to the lowest priced bid alone.

30.3. Evaluation methodology must be designed to accurately determine the correct balance between price and quality, in consultation with the Commercial Team.

30.4. Officers should be aware of any additional policies related to social value and sustainability in tender evaluations and apply these as required where linked to the subject matter of the contract.

30.5. Officer responsible must ensure that a moderator is assigned to confirm the final scoring and to mediate any differences between the evaluation panel.

30.6. The evaluation panel must include at least two scorers and they must understand the purpose of the procurement, the requirements of the contract and the evaluation criteria.

30.7. Each evaluator and moderator must complete a conflicts of interest form, disclosing any interest that may raise questions of impartiality. It must be recorded how identified conflicts will be mitigated.

31. Contract Award, Agreement and Signature

31.1. Contracts must not be awarded where the Finance Officer has raised significant concerns regarding financial information provided as part of the tender process.

31.2. All transactions must fall within the powers delegated to Officers or have been approved by a decision or resolution (in accordance with the Council's Constitution) of an authorised Cabinet Member, the Cabinet, the Leader of the Council, or one of its committees or sub-committees.

31.3. Before notifying suppliers of a contract award, Officers must complete an Award Report and have this approved by the relevant authority as stipulated in the Scheme of Delegation.

31.4. The Award Report should:

- a. Be 'complete' in its own right, allowing the reader to understand the process and the decision. Reference should be made to any additional information available in the contract file.
- b. Show the recommendation and authorisation process with appropriate signatures.

- 31.5. Where a contract for a consultant (as defined in section 16) is estimated to cost £50,000 or more the decision to award the contract must be made in consultation with the relevant Cabinet Member.
- 31.6. The successful supplier/s must be notified in writing of the contract award through the Council's tendering portal or another secure electronic system and in accordance with the PCR 2015 or other procurement regulations (where applicable).
- 31.7. Where the award is for neither the original offer nor for all parts of the offer the written acceptance must be explicit as to what is being accepted.
- 31.8. Officers should notify all unsuccessful suppliers of the contract award in writing through the Council's tendering portal.
- 31.9. The agreement will generate rights and obligations on each party. To be legal, a contract must fulfil the following requirements:
- a. There must be 'offer and acceptance' (i.e., one party has made an offer that has been accepted by the other)
 - b. It must be the intention of each party to be legally bound.
 - c. There must be valuable consideration on each side (for example, one party may deliver, or undertake to deliver services for which the other party will pay)
 - d. The parties must have the legal capacity to enter the contract
 - e. The contract must be legal, and
 - f. The contract must not be procured by force, coercion, or undue influence, nor must it rest on fraud or misrepresentation
- 31.10. All contracts shall be entered into on behalf of and in the name of "The Kent County Council," this being the name of the Council prescribed by Section 2 of the Local Government Act 1972. Contracts cannot be entered into by committees, directorates, Members or Officers because they are not the correct legal entity for contracting purposes.
- 31.11. No contract, agreement or other document shall be signed or sealed unless it gives effect to:
- a. A decision or resolution of the Leader, the Cabinet, an authorised Cabinet Member or one of its committees or sub-committees; or
 - b. A decision by an officer exercising delegated power
- 31.12. Officers must ensure the contract is signed or sealed in accordance with the Constitution.
- 31.13. Legal advice must be taken where clarity is required over the correct form of execution required.

32. Contract Tiering and Management Responsibility

- 32.1. Senior Officers (Heads of Service and above) are ultimately responsible for the effective management of contracts within their area in line with guidance issued by the Commercial Team.
- 32.2. All contract management activities should be delivered by either a dedicated contract manager or by someone with that responsibility as part of a wider role.

- 32.3. The named contract manager must assess the level of risk of their contract by completing a tiering exercise using the tiering tool and guidance made available by the Commercial Team on the Council's intranet. The classification assigned to the contract following the tiering exercise must be recorded on the Council's contract management system.
- 32.4. The Commercial Team will take a commercial lead on all high-risk contracts identified through the tiering exercise, working alongside the named contract managers within Services and a named legal advisor.
- 32.5. The Head of Commercial is responsible for ensuring that training is available to support contract managers across KCC regardless of the tier of the contract they are managing. Senior Officers (Heads of Service and above) are responsible for ensuring that those managing contracts within their area are appropriately trained.

33. Contract Award Notices

- 33.1. For all contracts over the Regulatory Thresholds, a full contract award notice must be published by the Commercial Team to the FTS no later than 30 days after the contract award date and to Contracts Finder no later than 90 days after the contract award date (this includes call-offs from a DPS or Framework).
- 33.2. There is no requirement to publish contract award notices to FTS for call-off contracts from a framework agreement but there is a requirement to publish a contract award notice to Contracts Finder within 90 days of the contract award date where the value of the call-off contract is above £30,000 including VAT.
- 33.3. For all other contracts under the Regulatory Thresholds but above £30,000 including VAT, a simplified contract award notice must be published on Contracts Finder (again including all call-off contracts from framework agreements and DPS's) no later than 90 days after the award of a contract.

34. Contract Modifications, Extensions and Novations

- 34.1. Contracts that have been originally advertised with extension options can be extended subject to the acceptance required in the summary table included within Section 10.
- 34.2. In some circumstances proposed variations to contracts may trigger procurement or legal risks and advice must be sought from the Legal Team where this is the case.
- 34.3. For contracts over the Regulatory Thresholds, Officers must obtain agreement in line with the Scheme of Delegation before any modifications are made (whether in terms of value, duration, scope or otherwise).
- 34.4. All amendments must then be recorded in writing, signed or sealed appropriately, and retained.
- 34.5. Legal advice must be taken where clarity is required over the correct form of execution required.
- 34.6. In addition to any legal requirements, extensions or modifications may only be made if the value of the extension or modification added to the value of the original contract does not exceed the authorisation threshold in the summary table in section 10.

- 34.7. The extension or modification must have an approved budget allocation for it to be made.
- 34.8. Guidance issued by the Commercial Team on the Council's intranet outlines the circumstances under which contract extensions and modifications are permitted under the law.
- 34.9. Where a contractor sells, merges, or transfers their business to another organisation, the existing contract/s that the Council has with that contractor should be novated where that is determined to be acceptable to the Council. The Commercial Team and Legal Services must be consulted with to review the existing contract and the requested novation for Officers to determine its acceptability to the Council. Finance must also be consulted with to ensure that the proposed new organisation will be financially robust.

35. Disposing of Surplus Goods, Materials or Assets

- 35.1. Disposal of surplus goods, materials, or assets (including recycling of any goods, materials, or assets that have a scrap value), must follow the processes and controls defined in guidance on the Council's intranet. This is to ensure that the Council receives proper reimbursement, where appropriate, and that disposal is cost effective.
- 35.2. However, advice must always be sought from Finance when making valuations for such surplus goods, materials, or assets, and determining the correct process to follow. Infrastructure should also be consulted in the case of the disposal of buildings or land.

36. Waivers

- 36.1. Where the application of SCM prevents or inhibits the delivery or continuity of a Service, Officers may seek a waiver to deviate from SCM to the extent that they are internal Council made rules.
- 36.2. A waiver must be sought for any proposed procurement or contractual action which is not compliant with SCM. However, a waiver cannot be given if it would contravene the PCR 2015 or any other applicable legislation.
- 36.3. Officers must obtain approval for a waiver from the Head of Commercial using the pro-forma available on the Council's intranet. The request should identify the requirement that is subject to the request and the reason for which the waiver is sought, including justification and risk.
- 36.4. For waivers of SCM in relation to contracts with a value of £1m (excl. VAT) or more, the Head of Commercial will also seek approval from the Section 151 Officer and Monitoring Officer.
- 36.5. A waiver will not be granted retrospectively. This will be viewed as non-compliance with SCM and, as with all examples of non-compliance with SCM, will be reported to the Monitoring Officer and the Governance and Audit Committee.
- 36.6. The Commercial Team will maintain a log of all waivers sought, rejected and authorised.

37. Emergency Purchases

- 37.1. An emergency purchase that contravenes SCM is only allowed where there is an imminent risk to life or property or where there is a need to secure Council property or assets (for example, where there has been a break-in or equipment failure, such as a flood).
- 37.2. An emergency purchase above the Regulatory Thresholds must be compliant with Regulation 32 of PCR 2015 or another exemption set out in the PCR 2015 or other applicable procurement regulations.
- 37.3. Officers can use their Purchase Card, within their allocated limits, to pay in these situations. If the supplier does not accept Purchase Cards, then Officers may give a verbal order to proceed and then raise a purchase order the following working day. The Commercial Team must be notified of any emergency purchases on that following working day.
- 37.4. For the avoidance of doubt, the above sections 37.1 and 37.2 do not apply to those purchases made outside of the hours of 09:00 to 17:00 by emergency duty and social care teams.
- 37.5. Issues arising with contracts leading to a requirement for urgent mitigating actions are not necessarily considered Emergency Purchases. These should be dealt with as a part of risk mitigation within the contract management process.
- 37.6. Any emergency purchases made must be reported the relevant Head of Service and Service Director who will be responsible for reporting this to the Section 151 Officer.

38. Purchase Orders

- 38.1. Once the right supplier has been found in line with the processes required by SCM, Officers must not make verbal commitments but raise a Purchase Order (via iProcurement or an equivalent service-specific system). This must be approved in accordance with the Council's Financial Regulations and Scheme of Delegation before it is sent to the supplier, and before any goods or services have been received.

39. Subsidies

- 39.1. Officers must engage with the legal team for advice prior to proceeding with any subsidy and must inform the Monitoring Officer of all subsidies. All subsidies must be carried out in line with the Subsidy Control Act 2022 and where necessary a notice must be published to the National Subsidy Database. Notices will be published by the Legal Team and so Officers must ensure they provide all necessary data.

Appendix 1: Definitions

Spending the Council's Money – the Council's mandatory rules and processes for spending money on behalf of the Council

Non-compliance – purposefully or unknowingly breaching any of the rules or responsibilities stated in SCM

Procurement - the act of engaging and contracting with a third party to source or deliver goods, services and works projects on behalf of the Council

Sourcing – the act of obtaining goods, services and works through procurement or other applicable activities such as using existing contracts or frameworks

Statutory guidance – sets out what the Council must to do to comply with the law

Non-statutory guidance – sets out what the Council can and should do to implement best practice procedures

Delegated responsibility – responsibility for authorising or carrying out Council activities that has been bestowed upon an individual or team from the Executive power

Supplier – any individual, group or organisation that is contracted to supply or deliver goods, services and works on behalf of the Council

Key Supplier – any individual, group or organisation that delivers contracts on behalf of the Council that are deemed to be strategically important which may be defined by contract tiering or any Council strategy

Value for money – most advantageous combination of cost and quality that is affordable for the Council and will fulfill the requirement suitably

Probity – having strong moral principles, honesty and decency

Contract tiering – applying a rating to contracts based on their perceived value, risk and complexity which may be used to determine appropriate contract management measures

Contract variation – making an amendment to a contract as defined in PCR 2015

Contract extension – extending the duration of a contract as allowed and defined under the terms of that contract and PCR 2015

Contract novation – transferring the rights and obligations of one party under a contract to a third party

Framework agreement – an agreement between one of more contracting authorities and one of more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period

Dynamic Purchasing System – an electronic commercial purchasing tool for commonly used purchases the characteristics of which, as generally available on the market, meet their requirements and under which new suppliers are able to join at any time, subject to the rules in Regulation 34 of the PCR 2015.

Contract Pipeline – a forward look of potential commercial activity for the Council

Total Aggregate Contract Value - the estimated total aggregate value payable in pounds sterling exclusive of Value Added Tax (VAT) over the entire contract period, including any extensions of the contract

Waiver - a request to deviate from the rules of SCM

Subsidy - A subsidy or government incentive is a form of financial aid or support extended to an economic sector generally with the aim of promoting economic and social policy



Kent County Council Spending the Council's Money

The Council's Rules for Procurement and
Spending Activity



PART A: INTRODUCTION	3
1. PURPOSE	3
2. FORMAL STATUS OF SCM	3
3. KEY PRINCIPLES.....	3
4. COMPLIANCE	4
5. SCOPE	4
6. THE ROLE OF BUYING ON BEHALF OF THE COUNCIL	5
7. RESPONSIBILITIES AND ACCOUNTABILITIES OF THE WIDER COUNCIL	6
8. CONTRACT PIPELINE.....	<u>108</u>
9. APPROVALS FOR CONTRACTING ACTIVITY	<u>119</u>
PART B: REQUIREMENTS FOR SOURCING GOODS, SERVICES AND WORKS.....	<u>1210</u>
10. PROCEDURES FOR PROCUREMENT BY AGGREGATE CONTRACT VALUE	<u>1210</u>
11. CALCULATING THE AGGREGATE CONTRACT VALUE.....	<u>1411</u>
12. PROCUREMENT BUSINESS CASES.....	<u>1411</u>
13. USING EXISTING CONTRACTUAL ARRANGEMENTS.....	<u>1411</u>
14. FRAMEWORK AGREEMENTS AND DYNAMIC PURCHASING SYSTEMS (DPS)	<u>1411</u>
15. CONCESSION CONTRACTS	<u>1512</u>
16. TEMPORARY STAFF, CONTRACTORS, AND CONSULTANTS	<u>1512</u>
17. COLLABORATION WITH OTHER PUBLIC BODIES.....	<u>1613</u>
18. LIABILITY AND SECURITY	<u>1613</u>
19. FINANCIAL SECURITY.....	<u>1613</u>
20. FRAUD, BRIBERY AND CORRUPTION	<u>1714</u>
21. DOCUMENT RETENTION	<u>1814</u>
PART C: REQUIREMENTS FOR QUOTATION OR TENDERING PROCEDURES	<u>1815</u>
22. ENGAGING THE PROCUREMENT SUPPORTING TEAM.....	<u>1815</u>
23. REQUIREMENT TO ADVERTISE.....	<u>1815</u>
24. USE OF SELECTION QUESTIONNAIRES (SQs)	<u>1916</u>
25. REQUEST FOR QUOTATIONS	<u>2016</u>
26. INVITATIONS TO TENDER.....	<u>2016</u>
27. FORMS OF CONTRACT	<u>2117</u>
28. SUBMISSION, RECEIPT AND OPENING OF TENDERS.....	<u>2118</u>
29. POST-SELECTION QUESTIONNAIRE (SQ) AND TENDER CLARIFICATIONS.....	<u>2219</u>
30. EVALUATION	<u>2219</u>
31. CONTRACT AWARD, AGREEMENT AND SIGNATURE	<u>2319</u>
32. CONTRACT TIERING AND MANAGEMENT RESPONSIBILITY.....	<u>2420</u>
33. CONTRACT AWARD NOTICES.....	<u>2521</u>
34. CONTRACT MODIFICATIONS, EXTENSIONS AND NOVATIONS	<u>2521</u>
35. DISPOSING OF SURPLUS GOODS, MATERIALS OR ASSETS.....	<u>2522</u>
36. WAIVERS.....	<u>2622</u>
37. EMERGENCY PURCHASES	<u>2623</u>
38. PURCHASE ORDERS	<u>2723</u>
APPENDIX 1: DEFINITIONS	<u>2723</u>

Part A: Introduction

1. Purpose

- 1.1. This document, 'Spending the Council's Money' is referred to hereafter as 'SCM'. SCM is the mandatory rules and processes that must be followed and complied with when spending money on behalf of Kent County Council ("the Council"). The purpose of SCM is to ensure that prior to any expenditure being incurred that there is proper consideration of the process, and that any procurement or contracting is carried out in a fair, open, and transparent way such that the outcome will represent value for money to the Council and the county's residents.
- 1.2. It is important to understand that whilst SCM is an internal Council document it does seek to incorporate and embed procedures across the Council to also ensure compliance with external obligations placed upon the Council, including those found in relevant procurement legislation and both statutory and non-statutory guidance. Non-compliance with SCM would therefore not only be a breach an internal Council set of rules but could result in the Council acting unlawfully in terms of procurement legislation and guidance.

2. Formal Status of SCM

- 2.1. SCM is referenced in KCC's Contracts and Tenders Standing Orders ('the Orders'), which are written into the Constitution and made under Section 135 of the Local Government Act 1972.
- 2.2. The Corporate Director for Finance, as the Council's Section 151 Officer, is the custodian of SCM. However, the Section 151 Officer may delegate the responsibility for keeping SCM under review and up to date to the [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~individual responsible for Procurement activity~~ within the Council. Where the law is changed in a way that affects SCM, then those with delegated responsibility will issue a bulletin and the change must be observed until these documents have been revised to reflect the changes. Where there is a difference between current legislation governing procurement, contracting and public expenditure, and SCM, the legislation prevails.

3. Key Principles

- 3.1. SCM is underpinned by the following key principles:
 - a. To ensure that there is accountability for the Council's external spending.
 - b. To ensure that those spending money for or on behalf of the Council act in the best interests of the Council and with high standards of probity.
 - c. To manage the Council's exposure to financial and legal risk
 - d. To ensure that the Council meets its statutory duty to deliver best value for money and creates healthy competition and markets for the goods, services, and works purchased.
 - e. To be transparent to our residents about how the Council spend their money.
 - f. To ensure that public money is spent legally and fairly.
 - g. To support the Council to achieve its corporate aims, including supporting our sustainability and social value objectives, delivery in line with public sector equality duty, and

encouraging the growth of local businesses, Small and Medium Enterprises (SMEs) and Voluntary, Community, and Social Enterprises (VCSEs).

4. Compliance

4.1. SCM applies to all Members and Officers and those working for, or on behalf of, the council.

That means:

- a. Individuals, permanent or temporary, and whether via a contract of employment or engaged through an agency or otherwise as a contractor or consultant.
- b. Schools and business/trading units.
- c. Third parties undertaking procurements specifically on the Council's behalf.

4.1.4.2. Anyone who buys goods, services or works on behalf of the Council, including Members, Officers, temporary staff, contractors, and consultants, must always comply with SCM.

4.2.4.3. Potential Any breaches of SCM must will be reported to the Monitoring Officer, who will report them to Internal Audit and the Governance and Audit Cabinet Committee as the parties responsible for monitoring and oversight of the Council's compliance with SCM.

4.4. Those found to be in breach of SCM will be subject to investigation and which will lead to proportionate action being taken which may include potentially disciplinary action in line with the Council's relevant Code of Conduct.

4.5. All such individuals who are buying on behalf of the Council must follow the Council's policies, as amended from time to time, particularly those relevant to SCM that are listed below:

- a. Contracts and Tenders Standing Orders
- b. Financial Regulations.
- c. Scheme of Delegation
- d. Code of Conduct (i.e., the 'Kent Code')
- e. Property Management Protocol
- f. Corporate Grants Procedure
- g. Anti-Bribery Policy
- h. Anti-Fraud and Corruption Strategy
- i. Whistle Blowing Policy and Procedure

4.6. The regulations by which public procurement is governed in the UK must also be followed, including the following regulations as amended from time to time:

- a. The Public Contracts Regulations (PCR) 2015
- b. The Utilities Contracts Regulations (UCR) 2016
- c. The Concession Contracts Regulations (CCR) 2016
- d. The Defence and Security Public Contracts Regulations (DSPCR) 2011
- e. The Public Services (Social Value) Act 2012
- f. Local Government Act 1999 (LGA 1999)

4.7. The Council must also comply with any statutory guidance issued in connection with the above regulations, as such guidance is amended from time to time.

5. Scope

5.1. Apart from the exceptions listed below, SCM covers all Council spend with external suppliers regardless of how they are funded, or which systems are used to place orders with suppliers. This includes services sourced from other local authorities or public bodies under the relevant legislation.

~~5.2.~~ There are circumstances when exemptions exist under the procurement regime and/or where the Council's internal rules may not apply to the requirement you are seeking to commission (see table below). Early engagement with Commercial and Legal colleagues should be undertaken when scoping to ensure that the correct procedures are followed. [Exclusion from compliance with SCM does not negate the need to consider the most appropriate route forward to achieve value for money.](#) ~~Where there is doubt, commercial and legal advice must be taken before any award of contracts.~~

Exclusion	Relevant Policy/Law
Contracts for the acquisition or lease of land and/or real estate	KCC Property Management Protocol Section 123 of the Local Government Act
Contracts for permanent or fixed-term employment (not including agency staff, contractors and consultants)	HR/Recruitment Policies
Non-trade mandatory payments to third parties, such as insurance claims, pension payments, payments to public bodies	These are not subject to competition due to their nature
A declared emergency authorised by the Emergency Planning Officer	The Civil Contingencies Act 2004
Awarding of Grants where this is not an extension of funding for current contracted services	Corporate Grants Procedure
Loans and investments	KCC Financial Regulations and Treasury Management Strategy
Placement of a child with Special Educational Needs where already directed following statutory assessment	Children and Families Act 2014 and ESFA guidance 2019-20 para 86
Direct payments to customers following care assessment (for example, payments under Self-Directed Support or Individual Budgets)	Section 12 of The Care Act 2014

6. The Role of Buying on Behalf of the Council

6.1. Anyone who buys on behalf of the Council is responsible for:

- a. Complying with SCM and all policies and regulations listed in [4.56-2](#) and [4.66-3](#)
- b. Ensuring that adequate consideration has been taken to determine if procurement is the correct approach to delivering required provisions
- c. Acting with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements
- d. Purchasing from existing contracts and, internal and external framework agreements in the first instance wherever they are appropriate for the requirement in question
- e. Ensuring there is adequate budget available for any purchase
- f. Raising a properly completed purchase order and ensuring it is approved *before* the requirements are delivered to the Council, regardless of which finance system is used

- g. Ensuring specifications are drafted to meet the identified needs and requirements and that proper consideration is given to equality and diversity, data and privacy, sustainability and social value
- h. Engaging with the procurement supporting team as early as possible to obtain advice, guidance and support and where they are required to in accordance with the summary table within section 10 of SCM9
- i. Ensuring the total aggregate contract value is calculated in accordance with Section 11 of SCM
- j. Undertaking contract tiering to assess the level of risk associated with the contracts to be managed
- k. Following the guidance set out by the procurement supporting team around buying on behalf of the Council and the management of contracts in accordance with their value, risk, and complexity
- l. Ensuring that where required, a commercial case is developed that is efficient and suitable for the purchase and market concerned, considering any other relevant sourcing options with assistance from the procurement supporting team and, the Finance and the Legal Team
- m. Planning an appropriate, proportionate timetable for any procurement or sourcing exercise
- n. Ensuring that any TUPE and pensions related issues are properly considered prior to inviting tenders or quotations with legal advice sought where appropriate
- o. Ensuring that there is appropriate insurance cover in place for any awarded contract in accordance with Council guidance
- p. Ensuring that accurate contract information is maintained, and Ensuring that for all contracts with a total aggregate contract value of £25,000 or more (excluding VAT), the procurement supporting team are provided with accurate contract information in order to create a record on the Council's contract management system
- q. Ensuring that for all contracts with a total aggregate contract value of £25,000 or more (excluding VAT) information on the Council's contract management system remains up to date with changes throughout the lifetime of the contract
- r. Determining and following the required governance route and obtaining all necessary approvals for the procurement and, where required, decisions in contract management
- s. Ensuring that appropriate legal is sought where required in accordance with Section 10 of SCM and where required for contract variations, extensions and novations.
- t. Ensuring that HR is consulted, and the appropriate approval obtained for requirements of temporary staff, contractors, or consultants outside the agreed corporate contract with Connect2Kent (a trading subsidiary of Commercial Services Ltd.)
- u. Having proper regard for all necessary legal, financial, and professional advice received
- v. Maintaining a full record and audit trail of all procurement activity, including decisions made, and communications with suppliers
- w. Ensuring the fraud, bribery and corruption risks have been appropriately considered, seeking specialist advice from Internal Audit and Counter Fraud
- x. Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer and Internal Audit

6.2. Contracts are to be managed day-to-day by a named Officer within Services, who will be either a dedicated contract manager or an Officer who has those responsibilities as part of a broader role (the only exception to this requirement for a named contract manager being for those contracts valued below £25,000). The procurement supporting team will provide the commercial lead to support the contract manager on all high-risk contracts identified through the Council's contract tiering model.

6.7. Roles and Responsibilities Responsibilities and Accountabilities of the Wider Council

~~6.1. SCM applies to all Members and Officers and those working for, or on behalf of, the council. That means:~~

- ~~a. Individuals, permanent or temporary, and whether via a contract of employment or engaged through an agency or otherwise as a contractor or consultant.~~
- ~~b. Schools and business/trading units.~~
- ~~c. Third parties either public or private sector, undertaking procurements specifically on the Council's behalf.~~

~~6.2. All of the above are required to comply with SCM. All such individuals who are buying on behalf of the Council must follow the Council's policies, particularly those relevant to SCM that are listed below:~~

- ~~a. Contracts and Tenders Standing Orders~~
- ~~b. Financial Regulations.~~
- ~~c. Scheme of Delegation~~
- ~~d. Code of Conduct (i.e., the 'Kent Code')~~
- ~~e. Property Management Protocol~~
- ~~f. Corporate Grants Procedure~~
- ~~g. Anti-Bribery Policy~~
- ~~h. Anti-Fraud and Corruption Strategy~~

~~6.3. The regulations by which public procurement is governed in the UK must also be followed, including the following regulations as amended from time to time:~~

- ~~a. The Public Contracts Regulations (PCR) 2015~~
- ~~b. The Utilities Contracts Regulations (UCR) 2016~~
- ~~c. The Concession Contracts Regulations (CCR) 2016~~
- ~~d. The Defence and Security Public Contracts Regulations (DSPCR) 2011~~
- ~~e. The Public Services (Social Value) Act 2012~~
- ~~f. Local Government Act 1999 (LGA 1999)~~

~~6.4. The Council must also comply with any statutory guidance issued in connection with the above regulations, as such guidance is amended from time to time.~~

~~6.5-7.1. Members of the Council are responsible and accountable for:~~

- ~~a. Approving relevant financial expenditure to be incurred through contracting where the Constitution would require a Key Decision or Significant Decision of the Executive~~
- ~~b.a. Taking relevant decisions around financial expenditure made through contracting in line with the Scheme of Delegation~~
- a. Providing direction on procurement activity to ensure it aligns with the Council's strategies in order to meet the needs of constituents`

7.2. Executive Members of the Council are responsible and accountable for:

- a. Approving relevant financial expenditure to be incurred through contracting where the Constitution would require a Key Decision or Significant Decision of the Executive
- b. Taking relevant decisions around financial expenditure made through contracting in line with the Scheme of Delegation

6.6-7.3. The Section 151 Officer is responsible for:

- a. Ensuring, in liaison with the Monitoring Officer, that the appropriate requirements are in place in this document and other relevant policies to govern financial expenditure made through contracting with external parties
- b. Ensuring the correct financial processes and systems are in place to manage financial expenditure made through contracting with external parties
- c. Delegating appropriate responsibility for managing financial expenditure made through procurement to the [insert role for individual responsible for the Council's procurement activity] and the procurement supporting team
- ~~e.d.~~ Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer

6.7.7.4. The Monitoring Officer is responsible for:

- a. Determining and maintaining, in liaison with the Section 151 Officer, the appropriate systems for monitoring and reporting on non-compliance with SCM.
- b. To report non-compliance with SCM to Internal Audit and Governance and Audit Committee
- c. Enabling the provision of appropriate legal advice to the Council and the management of legal risk

6.8.7.5. Internal Audit and Counter Fraud are responsible for:

- a. Providing independent assurance that the procurement rules have been followed through risk-based auditing
- b. Providing support and advice on conducting fraud risk/impact assessments where required
- c. Recording and reporting on financial irregularities within contracting activity undertaken

6.9.7.6. Corporate Directors, Directors, and/or Heads of Service (as applicable under the Council's Scheme of Delegation) are specifically responsible for:

- a. Providing strategic direction for all procurement undertaken in their area of responsibility
- ~~a.b.~~ Ensuring that adequate consideration has been taken to determine if procurement is the correct approach to delivering required provisions
- ~~b.c.~~ Ensuring all procurement and decision-making adheres to the Scheme of Delegation
- ~~e.d.~~ Obtaining the necessary internal governance, whether by way of a Leader and/or Cabinet Member decision as, required by the Council's Constitution Scheme of Delegation bearing in mind the total aggregate contract value, before undertaking any procurement and contracting activity
- ~~d.e.~~ Engaging with the procurement supporting team, ensuring they are notified in advance of all proposed contracts with a total estimated aggregate value of £100,000 or more (excluding VAT), to support the development of the Contract Pipeline and to enable the commissioning of appropriate legal advice to ensure to ensure compliance with SCM
- ~~e.f.~~ Ensuring their Officers undertake contract tiering to assess the level of risk associated with contracts to be managed (both as part of developing the Contract Pipeline and prior to contract award)
- g. Nominating appropriately skilled and qualified Officers to undertake procurement and contract management activity, where this takes place within their area of responsibility
- y. Ensuring their staff act with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements
- ~~f.h.~~
- ~~g.i.~~ Ensuring all sourcing decisions ultimately represent value for money and are within the budgetary limits that have been approved
- j. Ensuring their Officers engage with the procurement supporting team before procuring any contract with a total aggregate contract value of £100,000 or more (excluding VAT) in order for them to provide advice on the most appropriate sourcing route where required

- h.k. [Ensuring their Officers seek appropriate legal advice in accordance with Section 10 of SCM where required for contract variations, extensions and novations to determine the level of legal advice required to mitigate legal risk](#)
- i.l. Providing for appropriate and effective management of all contracts under their area of responsibility and managing relationships with key suppliers identified
- j.m. Ensuring sufficient funds are available for relevant procurement and contracting activity and allocating appropriate funds within their budget
- k.n. To ensure the fraud, bribery and corruption risks have been appropriately considered, seeking specialist advice from Internal Audit and Counter Fraud
- l.o. To report any non-compliance with SCM [or relevant legislation](#) to the Monitoring Officer and Internal Audit

6.10.7.7. The procurement supporting team is responsible for:

- a. Working closely with Officers, Senior Officers (Heads of Service and above), and Finance to agree and deliver a Contract Pipeline that will be authorised by the Procurement Board
- b. Providing expert category and market knowledge to help Services within the Council find the right suppliers in the right way and at the right time, irrespective of the contract value
- c. Providing advice and guidance, and support to procure where it is deemed necessary, to Services where the total estimated aggregate value of the contract resulting from sourcing activity will be £25,000 to £100,000 [\(excluding VAT\)](#)
- d. Leading on all procurements where the estimated total aggregate contract value of the contract resulting from the procurement exercise will exceed £100,000 [\(excluding VAT\)](#)
- a. [Ensuring that there is early engagement with the Council's legal team on any planned procurement activity in the Contract Pipeline so that appropriate legal support can be provided or commissioned to support the procurement activity](#)
- e.b. [where required by SCM](#)
- c. Ensuring efficient and effective purchasing and procurement practices are in place
- d. [Acting with probity at all stages of procurement activity and have due regard to any conflicts of interest that could influence the outcome of procurements](#)
- f.e.
- g.f. Maintaining guidance in relation to buying on behalf of the Council and the management of contracts, according to the value, risk, and complexity of the contract
- h.g. Taking a lead on all high-risk procurements (identified through the Council's contract tiering model), working alongside named contract managers within Services and named legal advisors
- i.h. Taking a commercial lead on contract extensions, variations and novations where it is deemed necessary, ensuring that legal advice is taken promptly [where required by SCM](#)
- j.i. Taking a commercial lead in developing strategic relationships with key suppliers (identified through supplier segmentation), working alongside Senior Officers (Heads of Service and above) within Services
- k.j. Embedding sustainability and social value objectives across the Council's supply chain
- l.k. Ensuring transparency over contracts, and contract opportunities, including making sure that there is an appropriate audit trail maintained for all procurement and contracting activity
- l. Ensuring that all contracts with a total lifetime contract value at or above the Public Contract Regulations 2015 requirement for advertising opportunities on Contracts Finder, have a record created on the Council's contract management system
- m. [Reporting any non-compliance with SCM or relevant legislation to the Monitoring Officer](#)

~~6.11.1.1. Anyone who buys on behalf of the Council is responsible for:~~

- ~~d.a. Complying with SCM and all policies and regulations listed in 6.2 and 6.3~~
- ~~e.a. Purchasing from existing contracts and, internal and external framework agreements in the first instance wherever they are appropriate for the requirement in question~~

- ~~f.a. Ensuring there is adequate budget available for any purchase~~
- ~~g.a. Raising a properly completed purchase order and ensuring it is approved before the requirements are delivered to the Council, regardless of which finance system is used~~
- ~~h.a. Ensuring specifications are drafted to meet the identified needs and requirements and that proper consider is given to equality and diversity, data and privacy, sustainability and social value~~
- ~~i.a. Engaging with the procurement supporting team as early as possible to obtain advice, guidance and support and where they are required to in accordance with the summary table within section 9~~
- ~~j.a. Undertaking contract tiering to assess the level of risk associated with the contracts to be managed~~
- ~~k.a. Following the guidance set out by the procurement supporting team around buying on behalf of the Council and the management of contracts in accordance with their value, risk, and complexity~~
- ~~l.a. Ensuring that where required, a commercial case is developed that is efficient and suitable for the purchase and market concerned, considering any other relevant sourcing options with assistance from the procurement supporting team and, the Finance and the Legal Team~~
- ~~m.a. Planning an appropriate, proportionate timetable for any procurement or sourcing exercise~~
- ~~n.a. Ensuring that any TUPE and pensions related issues are properly considered prior to inviting tenders or quotations with legal advice sought where appropriate~~
- ~~o.a. Ensuring that there is appropriate insurance cover in place for any awarded contract in accordance with Council guidance~~
- ~~p.a. Ensuring that for all contracts with a total aggregate contract value of £25,000 or more, the procurement supporting team are provided with accurate contract information in order to create a record on the Council's contract management system~~
- ~~q.a. Ensuring that for all contracts with a total aggregate contract value of £25,000 or more information on the Council's contract management system remains up to date with changes throughout the lifetime of the contract~~
- ~~r.a. Determining and following the required governance route and obtaining all necessary approvals for the procurement and, where required, decisions in contract management~~
- ~~s.a. Ensuring that appropriate legal is sought where required~~
- ~~t.a. Ensuring that HR is consulted, and the appropriate approval obtained for requirements of temporary staff, contractors, or consultants outside the agreed corporate contract with Connect2Kent (a trading subsidiary of Commercial Services Ltd.)~~
- ~~u.a. Having proper regard for all necessary legal, financial, and professional advice received~~
- ~~v.a. Maintaining a full record and audit trail of all procurement activity, including decisions made, and communications with suppliers~~
- ~~w.a. Ensuring the fraud, bribery and corruption risks have been appropriately considered, seeking specialist advice from Internal Audit and Counter Fraud~~
- ~~x.a. Reporting any non compliance with SCM or relevant legislation to the Monitoring Officer and Internal Audit~~

~~6.12.1.1. Contracts are to be managed day to day by a named Officer within Services, who will be either a dedicated contract manager or an Officer who has these responsibilities as part of a broader role (the only exception to this requirement for a named contract manager being for those contracts valued below £25,000). The procurement supporting team will provide the commercial lead to support the contract manager on all high risk contracts identified through the Council's contract tiering model.~~

7.8. Contract Pipeline

7.1.8.1. To enable the Council to maintain an accurate oversight of procurement activity across the full range of Council Services, the [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~individual with delegated responsibility for the Council's procurement activity~~ is responsible for the development of the Contract Pipeline in liaison with Corporate Directors. This is to identify the following:

- a. For each directorate, all contracts held with an aggregate value of £100,000 or more [\(excluding VAT\)](#), and which are due to be procured, extended, renewed, or replaced in the coming 18 months
- b. The aggregate contract value across the life of each contract
- c. The tier (risk level) of the contract
- d. The procurement activity required
- e. Likely legal advice that will be required, in consultation with the Council's Legal Team
- f. The expected start date for the commencement of the contract or extension
- g. Whether there is an option to extend the existing contract or not
- h. The expected start date of any new contract or extension
- i. Whether the cost will be met from capital, revenue, or a combination

7.2.8.2. The Contract Pipeline must be developed and agreed during the business planning cycle by the Procurement Board before it is then submitted to the Corporate Management Team (CMT) for approval.

7.3.8.3. Where the aggregate contract value is projected to be exceeded by 5% or more than the value stated within the Contract Pipeline that has been approved by the CMT, the Procurement Board must be consulted with and, where required, approve that change in contract value in line with the summary table below and the contract award must be put on hold pending that approval.

7.4.8.4. If the need arises during the year for procurement activity on contracts at or above the threshold of £100k [\(excluding VAT\)](#), which have not been pre-approved through the Contract Pipeline, then approval to procure must be sought by the Director of the Service concerned, before any procurement activity may begin, in line with the below:

£1m and above (excluding VAT)	Director of the relevant Service, The Procurement Board, S151 Officer, and the CMT
£100,000 - £1m (excluding VAT)	Director of the relevant Service and The Procurement Board, in consultation with the S151 Officer

8.9. Approvals for Contracting Activity

8.1.9.1. Officers must ensure they seek approval for all contracting activity and decisions in line with the Constitution, the Scheme of Delegation and the requirements outlined in section [109](#) of SCM.

Part B: Requirements for Sourcing Goods, Services and Works

9.10. Procedures for Procurement by Aggregate Contract Value

Aggregate Contract Value (exclusive of VAT)	Procurement Method	Who is authorised to carry out the procurement?	Must the contract be formally advertised?	Who must approve the contract award?	Who signs the contract on the Council's behalf?	Is a contract award notice needed?	Where should the contract details be maintained?	Must there be a named contract manager?	Applicable Contract Terms/Legal Advice Required
Up to £24,999.99	Minimum of one written quote (Unless using another compliant route such as a framework)	Any Officer	No	Budget holder	Not required (need fulfilled via approval of Purchase Order)	No	Locally within the Service	If necessary due to the nature of the contract	Use of up to date templates or automated document production technology depending on the nature of the requirement.
£25,000 - £99,999.99 PCR 2015 for Services	Minimum of three quotes (Unless using another compliant route such as a framework)	Any Officer, following consultation with the procurement supporting team and Legal Team, if required	Only needs to be advertised on the Council's tendering portal if Officers have chosen to undertake an open competitive tender	Budget holder can approve up to £50k Head of Service (or delegated manager) can approve up to £100,000 Service Director may approve up to £500k and a CMT Director up to £1m	Senior Commercial Officer or Head of Service	Yes, on Contracts Finder	On the Council's Contract Management System	Yes, within the Service	Use of up to date templates or automated document production technology depending on the nature of the requirement, seeking advice at the earliest instance from the Legal Team if required.
Page 56 £100,000 PCR 2015 for Services - £999,999 and above	For goods and services up to the PCR 2015 thresholds, a competitive, advertised tendering process must be used. For goods and services above the PCR 2015 thresholds, a fully PCR compliant tendering procedure must be used. For health, educational, cultural, and social care-related services above the Regulatory Thresholds and eligible under the Light Touch Regime, a tendering process permitted under that regime can be followed. For works procurements, a quotation procedure can be used up to £1,000,000 with a minimum of 3 quotations required. For works procurements above £1,000,000, a fully PCR compliant tendering procedure must be used.	The procurement supporting team will lead the procurement (where the contract has been included on the approved Contract Pipeline, otherwise approval for the procurement activity must be sought in line with section 8.7)	Yes, must be published via Contracts Finder, and the Council's tendering portal. Above the Regulatory Thresholds, must also be published on and the Find a Tender Service. (Unless route to market is via a framework or direct award which requires no advertisement.)	Service Director may approve up to £500k and a CMT Director up to £1m Above £1m approval must be sought from The Leader, Cabinet or Cabinet Member. The Leader, Cabinet, and Cabinet Member have no limit on the value of contracts they can award. Where the contract value is projected to exceed the value in the approved Contract Pipeline by 5% or more, Finance Business Partners must be consulted prior to the award.	Up to £500k, the Service Director and Category Manager. Over £500k, up to £1m, the CMT Director with [insert role for individual responsible for the Council's procurement activity] the officer delegated responsibility for the Council's procurement activity. Above £1m, the CMT Director and the officer delegated responsibility for the Council's procurement activity with Leader, Cabinet, or Cabinet Member approval to award and express authorisation of the Monitoring Officer to sign or seal.	Yes, on Contracts Finder and the Find a Tender Service (FTS) Yes, on Contracts Finder and, above the Regulatory Thresholds, the Find a Tender Service (FTS).	On the Council's Contract Management System	Yes, within the Service.	Contact the Council's Legal Team. Advice must be sought at the earliest possible stage Use of up to date templates or automated document production technology depending on the nature of the requirement, seeking advice at the earliest instance from the Legal Team.
	£1m and over	For goods, services and works above the PCR 2015 thresholds, a fully PCR-compliant tendering procedure must be used. For health, educational, cultural, and social care-related services above the Regulatory Thresholds and eligible under the Light Touch Regime, a tendering process permitted under that regime can be followed. For works procurements under the PCR 2015 thresholds, a quotation procedure can be used with a minimum of 3 quotations required. For works procurements above the PCR 2015 thresholds, a fully PCR compliant tendering procedure must be used.	The procurement supporting team will lead the procurement (where the contract has been included on the approved Contract Pipeline, otherwise approval for the procurement activity must be sought in line with section 7)	Yes, must be published via Contracts Finder and the Council's tendering portal. Above the Regulatory Thresholds, must also be published on the Find a Tender Service.	The Leader, Cabinet or Cabinet Member. The Leader, Cabinet, and Cabinet Member have no limit on the value of contracts they can award. However, where the contract value is projected to exceed the value in the approved Contract Pipeline by 5% or more, the S151 Officer must approve	The CMT Director and the officer delegated responsibility for the Council's procurement activity with Leader, Cabinet, or Cabinet Member approval to award and express authorisation of the Monitoring Officer to sign or seal.	Yes, on Contracts Finder and the Find a Tender Service (FTS) when total aggregate contract value is above regulatory thresholds	On the Council's Contract Management System	Yes, within the Service

				the award prior to approval via the Scheme of Delegation.					
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10.11. Calculating the Aggregate Contract Value

- 10.1.11.1.** Aggregate contract value must be calculated in accordance with the applicable legislation but broadly speaking this means the estimated total aggregate value payable in pounds sterling exclusive of Value Added Tax (VAT) over the entire contract period, including any extensions of the contract.
- 10.2.11.2.** Officers must make effort to calculate an accurate estimated contract value over the contract period to ensure that the appropriate procurement route is taken that adheres to SCM and legislation.
- 10.3.11.3.** Contracts must not be artificially underestimated or disaggregated into two or more separate contracts with the intention of avoiding the application of SCM or legislation.
- 10.4.11.4.** In the case of framework agreements or Dynamic Purchasing Systems (DPS's) the contract value must be calculated to include the total estimated value, net of VAT, of all the contracts envisaged to be awarded for the total term of the framework agreement or the DPS.

11.12. Procurement Business Cases

- 12.1.** [All procurements under PCR 2015 for services should complete a business case using the Council's Low Value Procurement Business Case template.](#)
- 11.1.12.2.** All procurements [with a total aggregate contract value above £100,000 PCR 2015 threshold for services](#) must have a completed a Commercial Case as part of a wider business case using the Council's High Value Procurement Business Case template.

12.13. Using Existing Contractual Arrangements

- 12.1.13.1.** Prior to proceeding with any new procurement and contracting process, Officers must determine whether the identified need can instead be met through contracting with the Council's Local Authority Trading Companies (LATC's), utilising other existing Council contracts, or by calling off of a framework agreement or DPS that has been established or recommended by the procurement supporting team as a compliant route to market.
- 12.2.13.2.** Only where it is determined that the identified need cannot be met through such arrangements as outline in [132.1, or such arrangements will not deliver best value](#) can Officers proceed with any new procurement and contracting process.

13.14. Framework Agreements and Dynamic Purchasing Systems (DPS)

- 14.1.** All requirements to set up new frameworks or DPS' to be managed by the Council must be referred to the procurement supporting team, who will make the appropriate arrangements.
- 13.1.14.2.** [Any framework or DPS that is developed by the Council must include contract terms that allow the arrangements to be reviewed at trigger points to ensure they continue to reflect best value for money](#)

~~13.2.14.3.~~ Where the Council accesses an existing framework agreement or DPS, the Framework Agreement or DPS terms and conditions of contract must be used, amended as appropriate as permitted by the framework agreement or DPS.

~~13.3.14.4.~~ Before accessing existing frameworks established by third parties, due diligence checks must be carried out, including taking relevant legal advice, to demonstrate that the Council can lawfully access the identified framework agreement or DPS and that the call off contract terms are fit for purpose and provide value for money.

~~13.4.14.5.~~ Call-offs from a framework or DPS will be via a direct award process or a further competition.

~~13.5.14.6.~~ A direct award may be made from a framework or DPS where they:

- a. Set out the terms governing the provision of the goods, services, or works and they do not require amendment or supplementary terms and conditions.
- b. The criterion for direct award is clear and unambiguous in the contract arrangements.
- c. Value for money can be demonstrated through the direct award (for example, the supplier provides the most economically advantageous solution for the need).
- d. An assessment has been made to ensure it meets the needs in terms of innovative solutions and also represents value for money, taking into account the cost of procurement.

~~13.6.14.7.~~ A call to further competition can be made under the terms of the framework or DPS. All suppliers on the framework or DPS must be invited to quote against the requirement where required in accordance with the framework mechanisms provided.

~~13.7.14.8.~~ Awards under a framework or DPS at or above the Public Contract Regulations 2015 threshold for publishing must be published on Contracts Finder.

~~13.8.14.9.~~ Advice must be sought from the procurement supporting team and the Legal Team for any proposed variations to the framework or DPS contract terms.

~~14.15.~~ Concession Contracts

~~14.1.15.1.~~ Concession contracts are contracts under which the Council outsources works or services to a contractor or provider, or makes available an asset, which the contractor or provider then has the right to commercially exploit to recoup its investment and make a return. The key feature is that the contractor/provider bears the operating risk of the arrangement and so has no guarantee of recouping its investment or operating costs. Concession contracts must meet certain criteria to be considered to be a concession: and advice must be sought from the procurement supporting team and Legal Team.

~~15.16.~~ Temporary Staff, Contractors, and Consultants

~~15.1.16.1.~~ A Consultant is a person (not an employee), agency, or firm engaged for a limited period of time on a project or requirement specific basis to carry out a specific task or set of tasks which meet a desired set of outputs or outcomes. A consultant provides subject matter expertise, support, and/or experience to the Council either because it does not possess the skills or resources in-house or requires an independent evaluation/assessment to be made.

~~15.2.16.2.~~ This definition excludes:

- a. Agency staff, interim, or role-specific duties which should be sourced through the Council's corporate contract with Connect2Kent
- b. Routine services, e.g., maintenance, cleaning, and security
- c. Professional services, e.g., architects, structural engineers, forensic archaeologists, specialist social care support, training etc.

~~15.3.16.3.~~ No temporary worker, contractor, or Consultant may be procured or engaged outside of the corporate contract with Connect2Kent without the prior approval from a HR Business Partner.

~~15.4.16.4.~~ Where it is agreed that a temporary worker, contractor or Consultant may be sourced outside of the corporate contract, and their aggregate value is estimated to be £25,000 or more, competition is to be sought in the same manner as would be required for any procurement of the same value following the requirements outlined in the summary table under section [109](#). However, the approval to award the contract must come from the relevant Cabinet Member, regardless of value.

16.17. Collaboration with Other Public Bodies

~~16.1.17.1.~~ The Council may enter into collaborative agreements for the procurement of goods, services, and works with other public bodies or Central Purchasing Bodies where this offers best value for money for Kent residents. However, where this is proposed, advice must be sought from the [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~individual with delegated responsibility for the Council's procurement activity~~ in conjunction with the Section 151 Officer and the Monitoring Officer before entering into such arrangements.

17.18. Liability and Security

~~17.1.18.1.~~ To protect the Council, insurance is required where the Council purchases goods, services, or works provided by a supplier. The minimal levels of insurance cover for Public Liability Insurance, Employers' Liability Insurance, Professional Indemnity (Negligence) Insurance and other relevant insurances are set out in guidance on the Council's intranet. Advice should be obtained from the Insurance Team in accordance with Council guidance.

~~17.2.18.2.~~ In some instances where the contract value, risk, or scope may be particularly high, additional insurance cover may be required. Equally, where some contracts may be suitable for micro businesses, lower levels of insurance may be considered. However, in these instances, advice should be sought from the relevant officer within the Insurance Team.

~~17.3.18.3.~~ Where the Council is providing goods, services, or works to another organisation (that is not a part of the Council), Services must not arrange their own insurance policies and should contact the Insurance Team in the first instance who arrange cover on behalf of the Council.

18.19. Financial Security

~~18.1.19.1.~~ For all procurements above £100k, the procurement supporting team should determine if a supplier requires additional financial checks based on the perceived financial risk. If required, the procurement supporting team and Finance must confirm

that suppliers are financially robust both prior to contract award and during the life of the contract.

~~18.2.~~19.2. Advice should be obtained from the Legal team and Finance team if there are concerns about financial stability prior to contract award and through the duration of the contract to enable steps to be taken to mitigate risk.

~~18.3.~~19.3. Tender documents must include a statement asserting that, where requested, suppliers need to provide security for performance and outline the level of security needed, the financial checks to be applied on tenders, how financial suitability will be assessed, and any checks that will be required during the life of the contract.

~~18.4.~~19.4. Where either the total aggregate value of the contract exceeds £1m within twelve months, or there is doubt as to the financial credibility of a supplier, but the Council has decided to accept the level of risk, then additional forms of security to a level determined by Finance may be required, for example:

- a. A Parent Company, Ultimate Company, or Holding Company guarantee, where the financial standing of those companies proves acceptable
- b. A Director's Guarantee or Personal Guarantee, where finances prove acceptable
- c. A Performance Bond, retained funds, or cash deposit
- d. Any other security (such as escrow arrangements), which has been determined to be appropriate by Finance

~~18.5.~~19.5. Advice from the Legal Team should be taken on all forms of guarantee, bond or security being used.

19.20. Fraud, Bribery and Corruption

~~19.1.~~20.1. Every contract shall include provision for termination of that contract (and recovery of losses) where the supplier, their employees, or anyone acting on the supplier's behalf:

- a. ~~Corruptly~~ Offers, gives, or agrees to give anyone an inducement or reward in respect of any contract with the Council
- b. Commits an offence under the Bribery Act 2010, or
- c. Commits any of the offences listed in regulation 57(1) of the PCR 2015 or regulation 38(8) of CCR 2016.

~~19.2.~~20.2. In the event that anyone buying or managing a contract on behalf of the Council becomes aware of a supplier's involvement in fraudulent or corrupt activity, they must report this to the [insert role for individual responsible for the Council's procurement activity] and seek advice from the Council's Legal Team.

~~19.3.~~20.3. Officers must comply with the Council's Code of Conduct, Anti-Fraud and Corruption Strategy and Anti-Bribery Policy. Officers must not invite or accept any gift or reward in respect of the award or performance of a contract. Gifts and hospitality must be recorded in line with guidance set out on the intranet.

~~19.4.~~20.4. Officers must also comply with the requirement to make declarations of interest within the procurement process to ensure any actual or perceived conflicts can be appropriately managed.

~~19.5.20.5.~~ Declarations of interest should be made through the annual declaration of interest process and during any procurement exercise that an individual is involved with.

20.21. Document Retention

~~20.1.21.1.~~ The retention of procurement and contractual information is prescribed in the Limitation Act 1980 and the PCR 2015. In summary:

- a. Contracts executed under hand (retained for 6 years after last action on a contract).
- b. Contracts executed under seal as Deeds (retained for 12 years after last action on a contract).
- c. Tender documents for unsuccessful bidders (retained for two years after award)
- d. Records created by contract management meetings for contracts executed under hand (retained for the life of the contract and 6 years thereafter)

~~20.2.21.2.~~ Records created by contract management meetings for contracts executed under seal as Deeds (retained for the life of the contract and 12 years thereafter). Additional document retention requirements are outlined and updated from time-to-time in guidance that can be found on the Council's intranet and must be complied with.

Part C: Requirements for Quotation or Tendering Procedures

21.22. Engaging the Procurement Supporting Team

~~21.1.22.1.~~ Officers must engage the procurement supporting team and Legal Team in any procurements exceeding a total aggregate contract value of £100,000.

~~21.2.22.2.~~ The procurement supporting team should be notified of any upcoming procurements exceeding a total aggregate contract value of £100,000 at the earliest opportunity in order to plan resource and update the Contract Pipeline.

~~21.3.22.3.~~ Officers must contact the procurement supporting team and Legal Team for advice and support on procurements less than £100,000 in total aggregate contract value if they are concerned about the risk or complexity of the procurement or their ability to carry out the procurement. The teams will determine the appropriate level of involvement from them, and any external support required depending on the complexity of the procurement and the commercial acumen and experience of the team requesting the support.

22.23. Requirement to Advertise

~~22.1.23.1.~~ Contracts which are equal to or exceed the Regulatory Thresholds set out in the PCR 2015 must be advertised on the Find a Tender Service (FTS) by publishing a contract notice or, where advised by the procurement supporting team, a Prior Information Notice (PIN), as defined in the regulations, can be used as a call for competition.

~~22.2.23.2.~~ All contracts which are advertised on FTS must also be advertised on Contracts Finder within 24 hours of the time that the Council becomes entitled to post it, that is after either it appears on FTS, or where it has not appeared but 48 hours have elapsed from the time the FTS has confirmed receipt of the notice to the Council.

~~22.3.~~23.3. All procurement documentation, including the contract terms must be available from the time the contract notice is published on FTS if required by the chosen regulatory procedure.

~~22.4.~~23.4. All contracts above the Regulatory Thresholds must also be advertised through the Council's tendering portal where interested parties must be able to electronically access all procurement documentation.

~~22.5.~~23.5. It is a requirement that all contract opportunities above the Regulatory Thresholds for advertising are advertised on Contracts Finder.

23.6. Contract opportunities with a total aggregate contract value estimated to be ~~£100,000 or more~~above PCR 2015 for services must be advertised on the Council's tendering portal or another secure electronic system, and Contracts Finder.

~~22.6.~~23.7. Contract opportunities with a total aggregate contact value below PCR 2015 can be advertised on the Council's tendering portal if it is deemed beneficial however, support must be sought from the procurement supporting team to do this.

~~22.7.~~23.8. Contract opportunities with a total aggregate contract value estimated to be at or above the Public Contract Regulations 2015 requirement for contracts to be advertised on Contracts Finder must be advertised on the Council's tendering portal and Contracts Finder if Officers are choosing to run an open competitive tender process.

~~22.8.~~23.9. The procurement supporting team is responsible for ensuring all contract notices and publications of contract opportunities above the Regulatory Thresholds are published in accordance with SCM. Below this threshold, it is the responsibility of the Service to ensure the rules are adhered to.

~~22.9.~~23.10. Any other form of advertisement must state the place where interested providers may obtain the procurement documents and the deadline for receipt of submissions.

~~23.~~24. **Use of Selection Questionnaires (SQs)**

~~23.1.~~24.1. Officers must use the Council's standard Selection Questionnaire (SQ) and adhere to regulatory requirements around such selection procedures for all procurements of contracts that are estimated to exceed the relevant Regulatory Thresholds unless suppliers have already been pre-qualified through an alternative sourcing route (e.g. framework or DPS).

~~23.2.~~24.2. This pre-qualification of suppliers enables the Council to test the suitability of suppliers bidding for Council contracts, through applying minimum standards of experience and economic standing that prospective suppliers should meet.

~~23.3.~~24.3. However, all the methods and criteria for assessing the suitability of suppliers must be transparent, objective, and non-discriminatory.

~~23.4.~~24.4. Officers must not use an SQ (or pre-qualification stage) for any contract with a value below the Regulatory Thresholds, regardless of whether it is for goods, services or works. However, for works contracts valued between the goods and services Regulatory Threshold and the works Regulatory Threshold, the Council may use a PAS91 Questionnaire.

24-25. Request for Quotations

24.1-25.1. Officers must ensure that all quotations from potential suppliers are provided against the same requirement and are requested/submitted within the same window of opportunity. If the requirement is clarified or changed through the process, all invited organisations must have the opportunity to quote against that revised requirement.

24.2-25.2. Officers are required to seek the number of quotations stipulated in the summary table in section [109](#). These quotations must be competitive. For audit purposes, Officers must also ensure that an electronic record of all quotations received is retained in line with the Council's record retention policy.

25.3. If Officers receive a lower number of quotes back from suppliers than they ~~are~~ required to seek according to the appropriate procurement procedure defined in Section [109](#), they are not required to seek further quotes unless it is necessary to fulfill the need and achieve value for money.

Officers are required to use their own judgement to determine if a quote reflects value for money. However, if they feel unable to confidently do this, they must seek advice from the procurement supporting team.

25-26. Invitations to Tender

25.1-26.1. The Officer responsible must issue Invitations to Tender and tendering instructions to every supplier who is or has been:

- a. invited to tender following a selection process
- b. listed on the relevant Framework, Framework lot or DPS and who is capable and willing to tender
- c. requested the supply of tender documents under an open tender

25.2-26.2. All Invitations to Tender must specify the goods, service or works that are required, together with the form of contract that will apply. All suppliers invited to tender must be issued with the same information at the same time and subject to the same conditions. Any supplementary information must be given on the same basis. All Invitations to tender shall also include:

- a. A specification that fully describes the Council's requirements
- b. A requirement for tenderers to declare that the tender content, price or any other figure or particulars concerning the tender have not been disclosed by the tenderer to any other party (except where such a disclosure is made in confidence for a necessary purpose)
- c. A requirement for tenderers to fully complete all tender documents.
- d. Notification that tenders are submitted to the Council on the basis that they are prepared at the tenderer's expense and reserve the right for the Council to decide not to proceed to award without becoming liable to reimburse such bidder costs
- e. A description of the award procedure and evaluation methodology
- f. The form of contract that the supplier will need to agree to
- g. The deadline for any questions asked during the tender
- h. The deadline for tender receipt

25.3-26.3. The Officer responsible must advise every supplier submitting a tender that:

- a. no extension of time will be allowed for the receipt of any tender, unless at the discretion of the Council

- b. tenders received after the date and time specified for receipt may be rejected.
- c. any departure from the Tendering Instructions may lead to the tender being rejected
- d. the Council does not bind themselves to accept any tender or to accept any tender in full.
- e. the tender documents must be in electronic format.
- f. the tenderers signed form of tender cannot be different in detail to that provided as part of the e-sourcing process unless it includes changes to tender documents that were made by the Officer responsible for the procurement.

~~25.4.26.4.~~ The Officer responsible must check that every tender sum has been calculated by reference to the minimum specification required and stipulated in the tender. If they discover any departure from the specification, they can treat it as grounds for disregarding the tender. The Officer must also check that every tender sum is stated net of VAT or any other Tax or Duty.

26.27. Forms of Contract

~~26.1.27.1.~~ Officers must issue an appropriate form of contract that suppliers will be required to agree to if they are awarded the contract. The Council has a set of Standard Terms and Conditions that must be applied to all contracts unless one of the following reasons is present:

- a. The requirements of the contract are judged to carry a level of risk and complexity that requires bespoke terms and conditions
- b. The contract is for an internal framework or DPS that will require bespoke terms and conditions to be agreed as a part of it being established
- c. It is deemed to be more appropriate for the supplier's terms and conditions to be applied to the procurement given the nature of the requirement or the market sector
- d. Another form of contract is applicable and more appropriate for this procurement

~~26.2.27.2.~~ Officers must follow guidance provided in the Standard Terms and Conditions to ensure they include all mandatory clauses. Where any clauses need to be amended, or any of the above reasons for deviation apply, Officers must seek advice from the procurement supporting team and Legal Team before following any alternative approach. The procurement supporting team may request further approval from Legal Services.

~~26.3.27.3.~~ If bespoke or alternative Terms and Conditions will be used, Officers must seek legal advice from the Legal Team

27.28. Submission, Receipt and Opening of Tenders

~~27.1.28.1.~~ Every tender over £100k must be received by a secure method using either the Council's tendering portal or another secure electronic system appropriate for the procurement.

~~27.2.28.2.~~ Suppliers or providers who have expressed interest in a tender must be given an adequate period in which to prepare and submit a tender, consistent with the complexity of the contract requirement. PCR 2015 includes specified tendering time periods that apply.

~~27.3.28.3.~~ Officers must notify all suppliers of the correct tender return instructions, including the date, time, and place (i.e., the details of the Council's e-sourcing system).

~~27.4.~~28.4. In exceptional circumstances, the deadline for receipt of tenders may be extended with the agreement of the procurement lead officer, if the extension of time will not disadvantage a tenderer.

~~27.5.~~28.5. No extension to the deadline can be given once the seal has been broken on the Council's tendering portal.

~~27.6.~~28.6. All tenders received via the Council's tendering portal must be opened by those specified as responsible on the system. All tenders must be opened at the same time.

~~27.7.~~28.7. No person can be involved in the opening process who:

- a. Has not completed the Council's e-learning on procurement and contracting
- b. Has any pecuniary interest in any supplier used by the Council
- c. Is serving a probationary period
- d. Is the subject of disciplinary proceedings
- e. Has any outstanding dispute with the Council, or
- f. Has tendered their resignation

~~27.8.~~28.8. Any tender that does not comply with the Council's requirement as set out in the tender invitation, should normally be excluded from consideration, with the circumstances recorded on the Council's tendering portal. Officers may, however, seek the agreement of the procurement lead officer to amend the requirements in appropriate circumstances. Any relaxation of the requirements must be disclosed when seeking approval required for acceptance of a tender.

~~27.9.~~28.9. If a request is made to accept a late tender due to technical issues or circumstances that could not have been foreseen, Officers should ensure that any additional time granted is minimal and does not allow for covert amendments or additions to tender content.

~~27.10.~~28.10. Any late tenders that are not accepted, and any marked tenders, must not be opened until award to the successful supplier has been made.

~~28.~~29. **Post-Selection Questionnaire (SQ) and Tender Clarifications**

~~28.1.~~29.1. Officers must maintain a written record and clear audit trail of all post-SQ and tender clarifications detailing all contact with the tenderer, including the clarification requested and the response provided. All communications must be recorded via the Council's tendering portal or another secure electronic system (all post-SQ and tender clarifications must be available for audit purposes).

~~28.2.~~29.2. Confirmation must be provided in the Award Report that paperwork submitted as a part of the SQ for due diligence has been checked and approved in line with the Council's requirements for due diligence outlined in guidance available on the intranet.

~~29.~~30. **Evaluation**

~~29.1.~~30.1. Tenders are to be evaluated based on the identification of the 'Most Economically Advantageous Tender' (MEAT) or lowest price.

~~29.2.~~30.2. The MEAT considers both price and quality and does not require the tender to be awarded to the lowest priced bid.

~~29.3.30.3.~~ Evaluation methodology must be designed to accurately determine the correct balance between price and quality, in consultation with the procurement supporting team.

~~29.4.30.4.~~ Officers should be aware of any additional policies related social value and sustainability in tender evaluations and apply these as required.

~~29.5.30.5.~~ Officer responsible must ensure that a moderator is assigned to confirm the final scoring and to mediate any differences between the evaluation panel.

~~29.6.30.6.~~ The evaluation panel must include at least two scorers and they must understand the purpose of the procurement, the requirements of the contract and the evaluation criteria.

~~29.7.30.7.~~ Each evaluator and moderator must complete a conflicts of interest form, disclosing any interest that may raise questions of impartiality. It must be recorded how identified conflicts will be mitigated.

~~30.31.~~ Contract Award, Agreement and Signature

~~30.1.31.1.~~ Contracts must not be awarded where the Finance Officer has raised significant concerns regarding financial information provided as part of the tender process.

~~30.2.31.2.~~ All transactions must fall within the powers delegated to Officers or have been approved by a decision or resolution (in accordance with the Council's Constitution) of an authorised Cabinet Member, the Cabinet, the Leader of the Council, or one of its committees or sub-committees.

~~30.3.31.3.~~ Before notifying suppliers of a contract award, Officers must complete an Award Report and have this approved by the relevant authority as stipulated in the Scheme of Delegation.

~~30.4.31.4.~~ The Award Report should:

- a. Be 'complete' in its own right, allowing the reader to understand the process and the decision. Reference should be made to any additional information available in the contract file.
- b. Show the recommendation and authorisation process with appropriate signatures.

~~30.5.31.5.~~ Where a contract for a consultant (as defined in section 15) is estimated to cost £25,000 or more the Award Report must be forwarded to the relevant Cabinet Member for approval.

~~30.6.31.6.~~ The successful supplier/s must be notified in writing of the contract award through the Council's tendering portal or another secure electronic system.

~~30.7.31.7.~~ Where the award is for neither the original offer nor for all parts of the offer the written acceptance must be explicit as to what is being accepted.

~~30.8.31.8.~~ Officers should notify all unsuccessful suppliers of the contract award in writing through the Council's tendering portal.

~~30.9.31.9.~~ The agreement will generate rights and obligations on each party. To be legal, a contract must fulfil the following requirements:

- a. There must be 'offer and acceptance' (i.e., one party has made an offer that has been accepted by the other)
- b. It must be the intention of each party to be legally bound.
- c. There must be valuable consideration on each side (for example, one party may deliver, or undertake to deliver services for which the other party will pay)
- d. The parties must have the legal capacity to enter the contract
- e. The contract must be legal, and
- f. The contract must not be procured by force, coercion, or undue influence, nor must it rest on fraud or misrepresentation

~~30.10-31.10.~~ All contracts shall be entered into on behalf of and in the name of "The Kent County Council," this being the name of the Council prescribed by Section 2 of the Local Government Act 1972. Contracts cannot be entered into by committees, directorates, Members or Officers because they are not the correct legal entity for contracting purposes.

~~30.11-31.11.~~ No contract, agreement or other document shall be signed or sealed unless it gives effect to:

- a. A decision or resolution of the Leader, the Cabinet, an authorised Cabinet Member or one of its committees or sub-committees; or
- b. A decision by an officer exercising delegated power

~~30.12-31.12.~~ Officers must ensure the contract is signed or sealed in accordance with the Constitution.

~~30.13-31.13.~~ Legal advice must be taken where clarity is required over the correct form of execution required.

31.32. Contract Tiering and Management Responsibility

~~31.1-32.1.~~ Senior Officers (Heads of Service and above) are ultimately responsible for the effective management of contracts within their area in line with guidance issued by the procurement supporting team.

~~31.2-32.2.~~ All contract management activities should be delivered by either a dedicated contract manager or by someone with that responsibility as part of a wider role.

~~31.3-32.3.~~ The named contract manager must assess the level of risk of their contract by completing a tiering exercise using the tiering tool and guidance made available by the procurement supporting team on the Council's intranet. The classification assigned to the contract following the tiering exercise must be recorded on the Council's contract management system.

~~31.4-32.4.~~ The procurement supporting team will take a commercial lead on all high-risk contracts identified through the tiering exercise, working alongside the named contract managers within Services and a named legal advisor.

~~31.5-32.5.~~ The [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~individual with delegated responsibility for the Council's procurement activity~~ is responsible for ensuring that training is available to support contract managers across KCC regardless of the tier of the contract they are managing. Senior Officers (Heads of Service and above) are responsible for ensuring that those managing contracts within their area are appropriately trained.

32-33. Contract Award Notices

~~32-1-33.1.~~ For all contracts over the Regulatory Thresholds, a full contract award notice must be published by the procurement supporting team to Contracts Finder and the FTS no later than 90 days after the award of a contract (this includes call-offs from framework agreements and DPS's).

~~32-2-33.2.~~ For all other contracts under the Regulatory Thresholds but above £24,999.99, a simplified contract award notice must be published on Contracts Finder (again including all call-off contracts from framework agreements and DPS's) no later than 90 days after the award of a contract.

33-34. Contract Modifications, Extensions and Novations

~~33-1-34.1.~~ Contracts that have been originally advertised with extension options can be extended subject to the acceptance required in the summary table included within Section [109](#).

~~33-2-34.2.~~ In some circumstances proposed variations to contracts may trigger procurement or legal risks and advice must be sought from the Legal Team where this is the case.

~~33-3-34.3.~~ For contracts over the Regulatory Thresholds, Officers must obtain agreement in line with the Scheme of Delegation before any modifications are made (whether in terms of value, duration, scope or otherwise).

~~33-4-34.4.~~ All amendments must then be recorded in writing, signed or sealed appropriately, and retained.

~~33-5-34.5.~~ Legal advice must be taken where clarity is required over the correct form of execution required.

~~33-6-34.6.~~ In addition to any legal requirements, extensions or modifications may only be made if the value of the extension or modification added to the value of original contract does not exceed the authorisation threshold in the summary table in section [109](#).

~~33-7-34.7.~~ The extension or modification must have an approved budget allocation for it to be made.

~~33-8-34.8.~~ Guidance issued by the procurement supporting team on the Council's intranet outlines the circumstances under which contract extensions and modifications are permitted under the law.

~~33-9-34.9.~~ Where a contractor sells, merges, or transfers their business to another organisation, the existing contract/s that the Council has with that contractor should be novated where that is determined to be acceptable to the Council. The procurement supporting team and Legal Services must be consulted with to review the existing contract and requested novation for Officers to determine the acceptability to the Council. Finance must also be consulted with to ensure that the proposed new organisation will be financially robust.

34-35. Disposing of Surplus Goods, Materials or Assets

~~34.1~~35.1. Disposal of surplus goods, materials, or assets (including recycling of any goods, materials, or assets that have a scrap value), must follow the processes and controls defined in guidance on the Council's intranet. This is to ensure that the Council receives proper reimbursement, where appropriate, and that disposal is cost effective.

~~34.2~~35.2. However, advice must always be sought from Finance when making valuations for such surplus goods, materials, or assets, and determining the correct process to follow. Infrastructure should also be consulted in the case of the disposal of buildings or land.

35-36. Waivers

~~35.1~~36.1. Where the application of SCM prevents or inhibits the delivery or continuity of a Service, Officers may seek a waiver to deviate from SCM to the extent that they are internal Council made rules.

~~35.2~~36.2. A waiver must be sought for any proposed procurement or contractual action which is not compliant with SCM. However, a waiver cannot be given if it would contravene the PCR 2015 or any other applicable legislation.

~~35.3~~36.3. Officers must obtain approval for a waiver from [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~the individual with delegated responsibility for the Council's procurement activity~~ using the pro-forma available on the Council's intranet. The request should identify the requirement that is subject to the request and the reason for which the waiver is sought, including justification and risk.

~~35.4~~36.4. For waivers of SCM in relation to contracts with a value of £1m or more, [\[insert role for individual responsible for the Council's procurement activity\]](#) ~~the individual with delegated responsibility for the Council's procurement activity~~ will also seek approval from the Section 151 Officer and Monitoring Officer.

~~35.5~~36.5. A waiver ~~cannot~~will not be granted retrospectively. This will be viewed as non-compliance with SCM and, as with all examples of non-compliance with SCM, will be reported to the Monitoring Officer and the Governance and Audit ~~Cabinet~~ Committee.

~~35.6~~36.6. The procurement supporting team will maintain a log of all waivers sought, rejected and authorised.

36-37. Emergency Purchases

~~36.1~~37.1. An emergency purchase that contravenes SCM is only allowed where there is an imminent risk to life or property or where there is a need to secure Council property or assets (for example, where there has been a break-in or equipment failure, such as a flood).

~~36.2~~37.2. An emergency purchase above the regulatory thresholds must be compliant with regulation 32 of PCR 2015.

~~36.3~~37.3. Officers can use their Purchase Card, within their allocated limits, to pay in these situations. If the supplier does not accept Purchase Cards, then Officers may give a verbal order to proceed and then raise a purchase order the following working day. The procurement supporting team must be notified of any emergency purchases on that following working day.

~~36.4.~~37.4. For the avoidance of doubt, the above sections ~~376.1~~ and ~~376.2~~ do not apply to those purchases made outside of the hours of 09:00 to 17:00 by emergency duty and social care teams.

37.5. Issues arising with contracts leading to a requirement for urgent mitigating actions are not necessarily considered Emergency Purchases. These should be dealt with as a part of risk mitigation within the contract management process.

~~36.5.~~37.6. Any emergency purchases made must be reported the relevant Head of Service and Service Director who will be responsible for reporting this to the Section 151 Officer.

37.38. Purchase Orders

~~37.1.~~38.1. Once the right supplier has been found in line with the processes required by SCM, Officers must not make verbal commitments but raise a Purchase Order (via iProcurement or an equivalent service-specific system). This must be approved in accordance with the Council's Financial Regulations and Scheme of Delegation before it is sent to the supplier, and before any goods or services have been received.

(Standards and Legal Team to work together to insert an additional section on subsidies and state aid)

Appendix 1: Definitions

Spending the Council's Money – the Council's mandatory rules and processes for spending money on behalf of the Council

Non-compliance – purposefully or unknowingly breaching any of the rules or responsibilities stated in SCM

Procurement - the act of engaging and contracting with a third party to source or deliver goods, services and works projects on behalf of the Council

Sourcing – the act of obtaining goods, services and works through procurement or other applicable activities such as using existing contracts or frameworks

Statutory guidance – sets out what the Council must to do to comply with the law

Non-statutory guidance – sets out what the Council can and should do to implement best practice procedures

Delegated responsibility – responsibility for authorising or carrying out Council activities that has been bestowed upon an individual or team from the Executive power

Supplier – any individual, group or organisation that is contracted to supply or deliver goods, services and works on behalf of the Council

Key Supplier – any individual, group or organisation that delivers contracts on behalf of the Council that are deemed to be strategically important which may be defined by contract tiering or any Council strategy

Value for money – most advantageous combination of cost and quality that is affordable for the Council and will fulfill the requirement suitably

Probity – having strong moral principles, honesty and decency

Contract tiering – applying a rating to contracts based on their perceived value, risk and complexity which may be used to determine appropriate contract management measures

Contract variation – making an amendment to a contract as defined in PCR 2015

Contract extension – extending the duration of a contract as allowed and defined under the terms of that contract and PCR 2015

Contract novation – transferring the rights and obligations of one party under a contract to a third party

Framework agreement – an agreement between one of more contracting authorities and one of more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period

Dynamic Purchasing System – a tool similar to a framework agreement, but new suppliers are able to join at any time

Contract Pipeline – a forward look of potential commercial activity for the Council

Total Aggregate Contract Value - the estimated total aggregate value payable in pounds sterling exclusive of Value Added Tax (VAT) over the entire contract period, including any extensions of the contract

Waiver - a request to deviate from the rules of SCM

Annex 1 - Basis for Proposed Changes to Procurement Thresholds

1 Current Thresholds

The current thresholds that determine the procedures that KCC Officers follow when conducting a procurement are the KCC thresholds set by the Council and the Public Contract Regulations 2015 thresholds set by Central Government. The current KCC procurement thresholds are set out below:

Value (excl. VAT)	Procedure
Under £8,000	A minimum of one written quotation that reflects value for money
£8,000 - £49,999.99	A minimum of three written quotations that reflect value for money
£50,000 – PCR Thresholds	A full competitive tender advertised on the Kent Business Portal

2 Public Contract Regulations 2015 Thresholds

The Public Contract Regulations 2015 (PCR 2015) govern public procurement in the UK. The regulations have a separate set of thresholds from KCC's own thresholds and any procurements that exceed these thresholds are required to follow a regulated procurement procedure that determines elements such as the way procurements are advertised and evaluated. The current PCR 2015 thresholds are set out below:

Procurement Type	Value Threshold (incl. VAT)
Supplies and Services	£213,477
Works	£5,336,937
Light Touch Regime for Services	£663,540

3 Key Considerations in Determining the New KCC Procurement Thresholds.

- The Bank of England estimates that prices (CPI) have increased by 42% since 2010 when KCC's current thresholds were published. This means our thresholds have become unintentionally stricter over time relative to the price of goods and services in the UK. The new thresholds should reflect the changes in the economy and will account for inflationary pressures.
- Any threshold changes must take account of resource requirements across the Council. This is particularly relevant in the Commercial and Procurement Team where support is provided to other Council teams for conducting procurements depending on the value of the project.
- Quotation processes, both advertised and non-advertised, are less resource intensive than advertised tender processes. Non-advertised quotation processes are the least resource intensive but are less likely to create the same level of competition as advertised processes. In addition to this, due diligence such as financial checks are less likely to be conducted following a non-advertised quotation process.
- Any threshold changes must consider the Council's appetite to increase risk from allowing operational teams more freedom and responsibility to conduct procurement processes with reduced procedures.

4 Review of UK Local Authority Thresholds

In order to develop a greater picture of the application of procurement thresholds, this section summarises research conducted into other UK local authorities including the other Local Authorities in Kent. We focused on Councils in the South of the UK as they are more likely to have similar characteristics to KCC. Annual spending for County and Unitary Council's has also been provided so that we are able to compare the relative size of the Councils to KCC. The research was slightly limited by the availability of information on local authority thresholds via internet sources and from the Central Buying Consortium group.

Council	Annual Spending (2020/21)	Thresholds Breakdown
Kent County Council	£2 billion	<p>Up to £8000 - One quote that reflects best value</p> <p>£8000 - £49,999.99- Three quotes that reflect best value</p> <p>£50,000 – PCR 2015 Threshold- Full advertised tender process advertised on e-sourcing portal.</p>
Medway Council (Unitary)	Not available	<p>Up to £5000 - One quote</p> <p>£5000 - £100,000- Three quotes via an RFQ</p> <p>£100,000 – PCR Thresholds- Full advertised tender process using the Council's e-sourcing portal</p>
East Sussex County Council	£729 million	<p>Up to £24,999 - One quote that reflects best value</p> <p>£25,000 - £189,329 (PCR threshold for services in 2020)- Minimum two quotes but three preferred, advertised through contracts finder</p> <p>Over £189,329 - Services must follow PCR compliant route but works can use quotation process up to Works PCR threshold.</p>
West Sussex County Council	£1.2 billion	<p>Up to £5000- One quote that reflects best value</p> <p>£5000 - £100,000- Three quotes via an RFQ</p> <p>£100,000 – PCR Thresholds - Full advertised tender process using the Council's e-sourcing portal</p>
Oxfordshire County Council	£795.2 million	<p>Up to £25,000- One quote that reflects best value</p> <p>£25,000 - £75,000 - Minimum three quotes engaging procurement and legal teams</p> <p>£75,000 – PCR Thresholds - Full advertised tender process using the Council's e-sourcing portal</p>

Hertfordshire County Council	£1.57 billion	<p>Up to £5000- One quote</p> <p>£5001 - £10,000- At least two written quotes</p> <p>£10,001 - £100,000- At least three written quotes</p> <p>£100,001 – PCR Thresholds - Full advertised tender process (at least three tenders)</p>
Central Bedfordshire Council (Unitary)	£450 million	<p>Up to £2000- One quote that reflects best value</p> <p>£2000 - £60,000 - Minimum three quotes engaging the procurement team</p> <p>£60,000 – PCR Thresholds - Full advertised tender process</p>
Buckinghamshire Council (Unitary)	£927.5 million	<p>Up to £25,000 - One quote</p> <p>£25,000 – PCR 2015 (Goods and Services)- At least three written quotes that reflect best value</p> <p>£25,000 – PCR 2015 (Works)- At least four written tenders</p>
Hampshire County Council	£1.85 billion	<p>Up to £1000 - One quote</p> <p>£1001 - £177,000 - At least three written quotes</p> <p>£177,000 – PCR Thresholds - Full advertised tender process</p>
Suffolk County Council	£853.6 million	<p>Up to £25,000 - One quote that reflects best value</p> <p>£25,000 - £50,000 (Goods and Services) - Minimum three, preferably five quotes</p> <p>£25,000 - £150,000 (Works) -Minimum three, preferably five quotes</p> <p>£50,000 or £150,000 – PCR Thresholds Full advertised tender process</p>
Dorset Council (Unitary)	£710 million	<p>Up to £50,000 - One quote</p> <p>£50,000 - £99,999 - Three quotations using e-sourcing portal where possible</p> <p>£100,000 – PCR Thresholds - Full competitive tender using e-sourcing portal</p>
West Northamptonshire and North Northamptonshire Councils (Unitary)	No data	<p>Up to £5000 - One quote</p> <p>£5000 - £25,000 – Three quotes</p> <p>£25,000 - PCR Thresholds- Three quotes via an RFQ</p>

Kent Local Authority	Thresholds Breakdown
Sevenoaks District Council	<p>Up to £10,000 – One written quote</p> <p>£10,000 - £74,999 – Three written quotes</p> <p>£75,000 – PCR Thresholds- Competitive tender procedure (at least 3)</p>
Swale Borough Council	<p>Up to £30,000 – One written quote</p> <p>£30,000 - £120,000 – Advertised RFQ</p> <p>£120,000 – PCR Thresholds – Competitive tender procedure</p>
Folkestone and Hythe District Council	<p>Up to £10,000 – Direct award</p> <p>£10,000 - £100,000 – Three written quotes</p> <p>£100,000 – PCR Thresholds – Competitive tender procedure</p>
Tonbridge and Malling Borough Council	<p>Up to £5000 – One written quote</p> <p>£5000 - £100,000 – Three written quotes</p> <p>£100,000 – PCR Thresholds - Competitive tender procedure (at least 3)</p>
Dartford Borough Council	<p>Up to £500 – No formal quotes required</p> <p>£500 - £25000 – One written quote</p> <p>£25,000 - £50,000 – Three written quotes</p> <p>£50,000 – PCR Thresholds – Competitive tender procedure</p>
Canterbury City Council	<p>Up to £25,000 – One written quote</p> <p>£25,000 - £100,000 – Three written quotes</p> <p>£100,000 – PCR Thresholds – Competitive tender procedure</p>
Thanet District Council	<p>Up to £10,000 – One written quote</p> <p>£10,000 - £100,000 – Three written quotes</p> <p>£100,000 – PCR Thresholds – Competitive tender procedure</p>
Gravesham Borough Council	<p>Up to £25,000 – One written quote</p> <p>£25,000 – PCR Thresholds - Three written quotes</p>
Ashford Borough Council	<p>Up to £25,000 – One written quote</p> <p>£25,000 – PCR Thresholds – Three written quotes</p>
Tunbridge Wells Borough Council	<p>Up to £15,000 – Two written quotes</p>

	<p>£15,000 - £99,999 – Three written quotes</p> <p>£100,000 – PCR Thresholds – Competitive tender procedure</p>
Maidstone Borough Council	<p>Up to £10,000 – One written quote</p> <p>£10,000 - £74,999 – Three written quotes</p> <p>£75,000 – PCR Thresholds - Competitive tender procedure</p>

5 Analysis Findings

From the data above, it can be clearly concluded that KCC's procurement thresholds are stricter than most other local authorities analysed in this review. The majority of local authorities studied allow quotations to be used for procurements of at least £100,000 compared to up to £49,999.99 for KCC; although, practice differs as to whether these quotation processes need to be advertised or not. Some local authorities allow the use of a quotation process all the way up to the Public Contract Regulations 2015 thresholds.

The lower threshold requiring only one quote varies significantly amongst local authorities from £1,000 to £30,000 but all have this as an option. KCC appears to be mid-range, although is the only Council using £8,000 as this threshold. We can assume that the Councils who have applied the upper value of £25,000 have done so in line with the national requirement to publish opportunities over £25,000 on contracts finder.

KCC also has the highest annual spend of the Councils in this review. Due to higher spend and stricter thresholds, it would be reasonable to assume that KCC is likely to be using greater resources to conduct its procurement activities than other local authorities. The closest comparison of annual spend can be made between KCC and Hampshire County Council who allow a quotation process to be used up to a value of £177,000 (PCR thresholds for 2022 less VAT). As mentioned earlier, quotation processes are usually much less resource intensive than full advertised tender processes.

6 Data Analysis of Current KCC Procurements and Impacts on Resource:

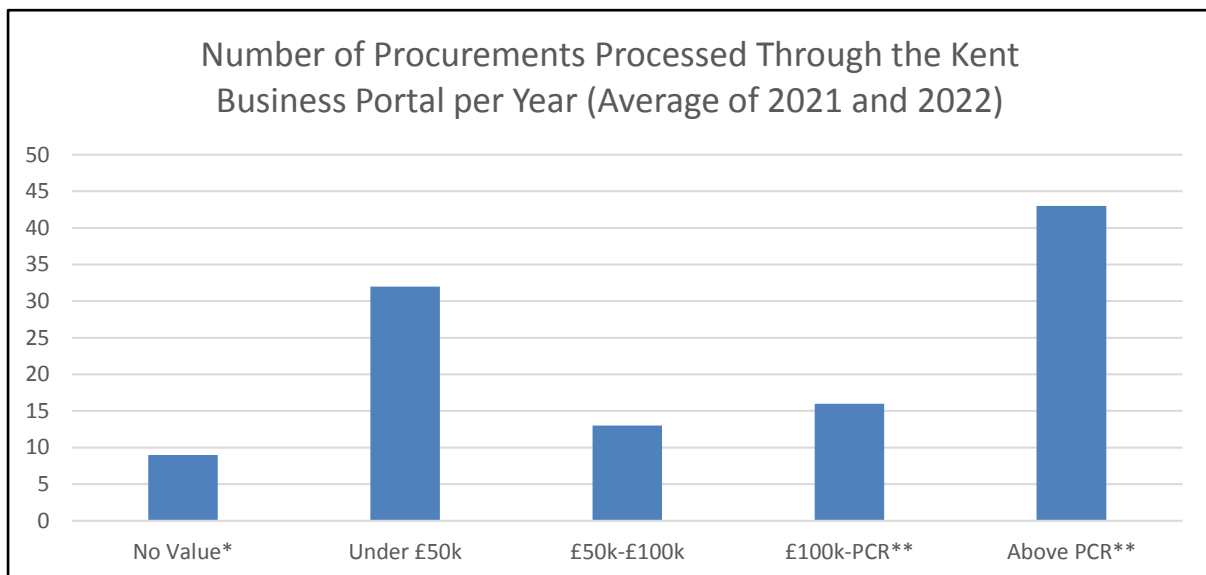
In order to understand how a change in thresholds might impact the number of procurements KCC conducts within each bracket, we have analysed the number of contracts that were let through the Kent Business Portal per year under different value thresholds. The data shows all procurements that have been carried out by Strategic Commissioning. Unfortunately, there are limitations to the usefulness of this data as many procurements that happen across the Council do not go through Strategic Commissioning and therefore are not run through the Kent Business Portal. It is difficult to estimate how many procurement processes this might be and what thresholds they would have been under.

However, with these considerations in mind, we have taken an average of the number of procurements that fell under each threshold in 2021 and 2022. This enables us to estimate the number of procurements that are likely to take place in a normal year for the Council. The data is shown below in table and bar chart form.

Value Thresholds	Number of Procurements Processed Through the Kent Business Portal per Year (Ave 21/22)
No Value*	9
Under £50k	32
£50k-£100k	13
£100k-PCR**	16
Above PCR**	43

*No Value means that the procurement was not given a value on the portal, and we were unable to retrieve the information needed to determine the value.

**PCR is the current Procurement Contracts Regulation threshold



The data shows that if we increased the threshold for conducting a quotation process to £100,000, the number of projects that will require a full advertised tender to be supported by a commissioning team could fall by around thirteen per year. This equates to a reduction of around 10-15% of procurements requiring a full tender. If we increased the threshold to the PCR 2015 threshold for services, the number of projects that will require a full advertised tender to be supported by a commissioning team could fall by around thirty-nine per year. This equates to a reduction of around 35% of procurements requiring a full tender.

Both threshold changes will reduce the pressure on teams across Strategic Commissioning to support lower value tenders and increase the number of quotation processes that can be conducted by operational teams with minimal support. However, there are limitations to this assumption as Officers may still choose to conduct a low value tender where they do not have to due to complex requirements or potential benefits from increasing competition.

In addition to this, these changes are likely to ease pressure on the Indirect Procurement Team as they often support and carry our quotation procedures where Officers approach

them for help. The Commercial Indirect team launched a new £25k process in September 2022 to ensure that all procurement processes over £30k (inc. VAT) have a published Contract Award Notice as required by legislation. Data from this process indicates that the Commercial Team have supported on around 160 Contract Award Notices for purchases of up to £100k or more across the Council since September 2022.

The data supports the argument that increasing the threshold below which Officers can undertake a quotation process is likely to reduce resource strain on Strategic Commissioning allowing focus on higher value complex procurement process. It will also reduce resource used across the organisation on full advertised tender processes for low value and complexity procurements, where a quotation process could be used instead. This will be underpinned by extensive guidance and templates which will assist officers in being able to carry out their roles effectively and ensuring best value.

7 Proposed Threshold Change:

The proposed new thresholds are detailed below:

Up to £25,000 – Minimum of one quote that reflects value for money

£25,000 – PCR Threshold – Minimum of three quotes that reflect value for money

PCR Threshold – £1,000,000 – Full competitive tender advertised through the Kent Business Portal (in line with regulatory procedures where required) excluding Works procurements for which a competitive quotation procedure is authorised up to £1,000,000.

£1,000,000+ - Full competitive tender advertised through the Kent Business Portal for all procurements (in line with regulatory procedures where required).

Increasing the one quote procedure threshold from £8000 to £25,000 minimises the resource required for the lowest value and complexity sourcing requirements. This will reduce the time spent on low value procurements across the organisation. To reduce risk, the Commissioning Standards team can produce guidance on ensuring quotations are good value for money.

Increasing the three quotes procedure threshold from £50,000 to PCR Threshold more closely reflects the practices of our local authority neighbours and reflects the changes in prices since these thresholds were set in 2010. By allowing quotation procedures up to PCR Threshold we reduce the resource used where the value and complexity of the procurement does not necessarily reflect the cost of the resource required to run a tender process. This will free up current resource in The Commercial Team to focus on more strategic, complex procurements.

Finally, adding an additional threshold for Works procurements, allowing competitive quotation procedures up to £1,000,000 reduces the resource requirement for these procurements in line with the flexibility allowed under the Public Contract Regulations 2015.

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Management Action Report – Home to School Transport Audit Report – May 2023

Introduction and Background

During the meeting of the 16 March 2023, the Governance and Audit Committee requested that a more narrative style report be provided to update Members on the progress of management actions following the Internal Audit review report into SEND transport failures in February 2022. It was acknowledged that there was considerable overlap between key actions and so this report groups them into themes to allow for a more focussed update.

Transport teams across both CYPE and GET continue to express sincere apologies to the families affected by these failures and have invested considerable efforts to improve the resiliency and quality of the services they offer. There remains significant focus on ensuring that avoidable issues do not occur again.

Members and families can take additional assurance from the fact that the failures identified in Internal Audit's report released on 29 September 2022 referred specifically to a one off, large scale project to retender the entire Kent SEN transport network in one phase. Regrettably the range of "business-as-usual" practices that occur regularly between Transport Eligibility in CYPE and Client Transport in GET were not able, at the time, to mitigate against the issues. However, this ongoing working relationship is best evidenced in two ways:

1. By 1 September 2022, one month before the delivery of Internal Audit's review report, the collective efforts of both teams ensured that 98.93% of the 1,954 on-time SEN applications and other adjustments for the new academic year's school transport were delivered within published deadlines. Of the remaining 21 pupils, delays resulting from the absence of the relevant data from SEN departments impacted on the deadlines rather than activity undertaken by either of the transport teams. Appropriate transport was provided to each of these children, which complied with the requirements detailed in statutory guidance. This workload encompassed direct activity with 34.01% of the 5745 eligible pupils in September 2022 who required transport within KCC provided vehicles.
2. Appendix A shows the volume and quality of work that has been delivered during the remainder of this current 22/23 academic year. This also helps evidence the strong grasp that both teams have on providing the most cost effective transport currently available to the very large numbers of pupils across the county. KCC now provides direct transport to over 6000 pupils with SEN, with approximately a further 1000 pupils in school-led transport pilots and through Personal Transport Budgets. Of note is the activity of the Members of KCC's Transport Regulation Committee Appeals Panel who hear around 100-150 appeals each year. This indicates the relatively low levels of dissatisfaction across the system, at around 2%.

The impact and outcomes of the work could not have been achieved so quickly after February 2022 and before the delivery of Internal Audit's findings, had pre-existing processes and management been of an unacceptably low standard. This, in addition to the examples of further improvements below, help show how both teams have worked collectively to fulfil their duties, with a clear understanding of their individual remits and responsibilities to the SEN children of Kent. It is fully accepted that Governance matters relating to the strategic relationship between CYPE as the budget holders and GET as the delivery agent of SEND transport did not function as they should have done in regard to the re-tendering process, and the development of a memorandum of understanding between the two directorates is underway which will set out this relationship out clearly.

Appendix B which was provided to Mr Webb following his request at the 16 March 2023 G&A Committee into the impact of lost learning on the affected group of pupils through an analysis of pupil attendance data. We trust that Members will find this information helpful to fully understand the scope and number of pupils affected, alongside a clearer timeline of how long it took for issues to be resolved.

In the same G&A Committee meeting, Mr Simon Jones provided members with verbal assurance that a single re-tendering of the entire SEN transport network will not be attempted again. This is the single most direct action possible to ensure the February 2022 failures are not repeated. February 2022 was the first time such a large scale project was attempted and it is fully recognised that this work exceeded the working capacity of a team which was already implementing and managing live transport for the entire county, and that it should not have been undertaken as Business as Usual activity but rather as a new project with the associated governance and risk management around it.

Members should note that given the volume of journeys now being delivered daily, it will not be possible to maintain an effective and efficient transport network without additional assistance including a digital journey planning tool. GET and CYPE will be taking proposals to 18 May 2023 Strategic Reset Programme Board for the funding of additional IT solutions to support smaller scale, more targeted efficiency projects.

While the work detailed above shows how both teams make child-centred decisions when providing transport support, consideration must also be given to the size and requirements of the collective cohort. KCC has a duty to balance the needs of the individual with our ability to ensure all 7039 pupils can get to school in a safe way, ready to learn. This must be achieved in a sustainable way that can continue to grow as necessary to fulfil demand.

Impact and Management Action response

As outlined above, individual Actions from the Management Response plan have been combined into themes to allow for a more holistic update on progress within the teams. Action reference numbers have been included to allow easy reference back to the plan.

Monitoring and quality assurance

Action Reference:

All: 17,31,44

Joint CYPE/GET: 1,16,25,33,38,39,42,43

CYPE Lead: 15,34,37

GET Lead: 35,36

To mitigate risk identified prior to February 2022, a Home to School Transport Board had been established which first met in January 2022 to ensure all elements of the cross-directorate transport portfolio are monitored and managed. Regular membership includes Transport Eligibility Head of Service, Public Transport Head of Service, Director of Education and SEN, CYPE Finance Partner, Cabinet Member and Deputy Cabinet Member - Education & SEN and Cabinet Member - Highways & Transport. Meetings are held monthly and chaired by the Cabinet Member for Education and SEN. All monitoring and quality assurance activity now feeds into this board, including pre-existing regular inter-team and project meeting structures. The Board has a Terms of Reference to ensure expectations are understood by all participants.

Fortnightly "Sit Reps" (see Appendix A) are completed by the Client Transport Team and circulated to all levels of CYPE and GET management structures and relevant Cabinet members. These updates include both quantitative and qualitative information on delivered transport and identifies immediate risks and corresponding plans for mitigation.

Existing Risk Registers for both directorates have been fully reviewed with key business partners following issues in February 2022 and were strengthened where necessary. Risk Registers and Management Performance packs continue to be reviewed regularly through existing Directorate DMTs and DivMTs. In addition, oversight of the entire risk profile forms a regular agenda item at the Home to School Transport Board.

Both Transport Eligibility (CYPE) and Client Transport (GET) completed full reviews of staff training and procedural documentation to ensure key areas of responsibility and transition are understood. However, as highlighted above "business-as-usual" activity had already benefited from extensive development in recent years. Some examples of recent improvements in this area, developed in conjunction with Kent PACT include:

- Improvements to SEN processes to ensure communication around Final EHCPs includes new advice on transport application process.
- Children at "all-through" schools are now pre-assessed via KCC/school data exchanges. Those that retained eligibility were told their transport entitlement will remain with no need to apply. Those whose entitlement likely to change were directly contacted to ensure they understood the need to apply.
- All other pupils proactively contacted and reminded to apply.

- Ongoing project work driven by Transport Eligibility has increased SEN completion for the Transport Information Form used to assess eligibility from 34% in 2020 to 95% in 2022/23.
- A full redesign of mainstream assessment processes in 2022/23 which significantly reduced the workload associated with this cohort. This provided staff with more time to prioritise the inherently more complex applications for SEN pupils. These processes have been further refined for the 2023/24 transition.
- The development of a SEN “Pupil Passport” (Appendix C) that promotes and supports good, regular communication between parents and transport providers. This provides a framework to ensure that the individual needs of each child are clearly understood and will be piloted during the preparations for forthcoming academic year.
- A schedule of cross-team, in-person working arrangements has been implemented to provide staff from both GET and CYPE with a better understanding of each team’s responsibilities and to promote clearer communication at all levels. Staff from both directorates now work directly together on a regular basis.
- Reminder to all relevant staff of Data Protection Impact Assessment responsibilities, including revision of available training.
- A revised code of conduct has produced and is now available online with specific information for families and pupils regarding services.
- The Client Team has seen an injection of 4 new members of staff to assist in the day to day delivery of the service.
- Further capacity has been created in the Client Transport Team to focus on responding to parents via generic mailboxes as well supporting overall team administration functions. This is designed to reduce the level of repeat contact and lower the level of complaints from service users.
- Market capacity remains at a premium as highlighted within Sitreps to senior officers, however tenders to the commercial market and engagement with suppliers will see further capacity created to meet the unprecedented demand for transport.
- Work is in progress to develop more information for families from Client Transport to explain how the service is delivered and “what you can expect”. This workstream is being developed in conjunction with Kent PACT to ensure it is child centred.
- Process mapping is being developed with continuous improvement team and Kent PACT to again improve the understanding of how applications are managed by the Council for Transport across both CYPE and GET.
- Contracts cancelled by transport operators plays a significant part of the Client Transport Team daily operations. Processes have been changed to ensure such cancellations are reviewed within 48 hours of receiving such requests to ensure service continuation. This in turn means service users receive notification earlier of who their new transport operator will be.

- A range of other activities are underway as part our wider improvement development plan that can be seen within Appendix D, SEN Transport Development progress logs.

CYPE initiated a dedicated project team in November 2022 to develop an SEN place planning sufficiency process which mirrors the pre-existing mainstream Kent Commissioning Plan (KCP). It is due for consultation at the end of Summer. This will include consideration of ways to increase SEN capacity in local areas, to reduce the need for lengthy travel for pupils wherever possible.

In the event future projects are required by either CYPE or GET, internal PMO support will be consulted with before alternatives are considered. All relevant work to include engagement with the Strategic Reset Programme, including the implementation of software supported implementation improvements detailed above.

Parental Engagement

Action Reference:

Joint CYPE/GET/GLD: 2,3

CYPE Lead: 7

GET Lead: N/A

Kent PACT representatives met with Cabinet Member for Education and SEN and Director of Education to review working relationships. This led to agreement that CYPE would work with PACT to implement a Transport Stakeholders Group to provide a more diverse voice to support transport developments. The group is to include parental, school, LA and provider voices. Internal personnel changes within Kent PACT have resulted in a temporary pause in the development of this working group, with discussions to be reimplemented now that new PACT leads are in post.

CYPE are undertaking a full review and have delivered a public consultation of transport policies, including eligibility criteria and a proposed framework for all future retendering requirements to ensure proper inclusion of parent/carer/child voice. The consultation closed on 25 March 2023, with consideration of the findings by CYPE Cabinet Committee scheduled for July 2023.

CYPE initiated a soft launch of the SEN Enquiry Hub in April 2023, which forms a part of the wider SEN Transformation Project and will provide SEN families with more timely information on a range of SEN processes.

Following the transition of the SEN Phase Transfer processes to Fair Access in January 2023, development work for next year's process now includes improvements in the availability of transport related information at the point parents select their child's school preference. Officers are investigating how they can best advise parents of their child's nearest school for transport purposes at the start of the application process, alongside additional transport related advice, to ensure parents are fully supported when making decisions and can understand the extent of their

legal entitlement to free transport. Historically, transport discussions were not initiated until school placements were finalised.

Both CYPE and GET now routinely work with Resident Experience key partners and Kent PACT to ensure parental communications are clear, timely and helpful.

Governance

Action Reference:

Joint GLD/CYPE/GET: 10

Joint CYPE/GET:1,13,25,39,43

GLD Lead: 4,5,6,8,9,11,12,18,19,20,21,22,23,26,27,28,29,30,32,40,41

CYPE Lead: N/A

GET Lead: N/A

GET and CYPE are working in conjunction with partners in Commissioning to review officer governance, accountabilities and delivery of cross directorate working. While initial consideration was given to the implementation of a Service Level Agreement, the need to include input from SEN and Finance has led to Commissioning suggesting that a Memorandum of Understanding is a more appropriate way to define these areas across multiple Services and Directorates. The review action can be considered complete as a clear pathway has been identified.

Due to the complexity of the interactions between these four services, in addition to inviting GLD's input, it is expected that delivery of a finalised MOU will take between 6 to 9 months. However, key learning will be implemented as areas of improvement are identified, ensuring that weaknesses continue to be reduced throughout that timeframe.

CYPE produced a detailed response to Internal Audit's findings which can form the basis of further review when work in this area begins. Jonathan Idle advised on 16 March 2023 that a summary of Internal Audit's further work in this area will be reported in either May or July 2023 G&A Committee.

Finance

Action Reference:

Joint CYPE/GET/GLD: 44

Joint CYPE/GET: 14,24

Finance partners attend monthly School Transport Board meetings to ensure strategic oversight of annual costs.

An additional formalised meeting programme to discuss costs, issues and other elements has been in place since early 2021 and informs agenda items for the School Transport Board. These meetings involve the Public Transport business

team, Transport Eligibility, CYPE finance business partner and finance support team. Monthly meetings include a detailed analysis of key cost drivers and forecasts for the annual year.

Finance has been identified as a key service in the forthcoming Memorandum of Understanding between CYPE and GET to ensure that realistic budgets can be set, taking into account evidence based analysis of cost drivers including EHCP demand and inflationary pressures. This will confirm the way in which the operations will be managed, with work being done to identify accountabilities and responsibilities relating to the cross-directorate environment as well as within directorate teams working in this space.

While the remit of the Internal Audit report did not include management of pressures to school transport budgets, Members have separately been advised of project work related to the formalisation and acceleration of school led transport initiatives and the implementation of software supported implementation processes. CYPE and GET are working in conjunction with GLD to ensure these projects are implemented in line with formal governance procedures and established project management methodologies. These initiatives will be discussed in greater detail at relevant Cabinet Committee meetings.

Appendices

Appendix A – Example of latest fortnightly SEN Transport Sit Rep

Appendix B – Analysis of impact of lost learning for pupils affected in February 2022

Appendix C – SEN Travel Passport

Appendix D – SEN development log

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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Briefing: The impact of transport capacity on the attendance of pupils with EHCPs during term 4 2022

To properly identify the potential impact of lost learning for pupils affected by the well-publicised failings for SEN school transport in February 2022, it is important to first establish the number of pupils for whom transport was not made available by the start of the term. The retendering process included 5284 pupils out of a total eligible cohort of 5672, who were advised that details of alternative transport would be provided to them by 11 February, which coincided with the last day of term.

During emergency discussions organised by then Cabinet Member for Education and Skills – Shellina Prendergast on the morning of 14 February 2022 (the first day of the half term break), Public Transport were tasked with identifying the total number of pupils for whom this deadline was missed. By that afternoon, spreadsheets detailing 1390 pupils (24.5% of the total cohort) were shared with all key parties. Schools with impacted children were contacted and advised to consider the provision of distance learning options. Following intensive efforts by transport staff, this number was reduced to 591 (10.4%) by 18 February, the last working day before the start of the new term. Work continued over the weekend and by the close of the first day of term Monday 21st, 300 (5.3%) remained unallocated to alternative transport.

By the end of the first week of term 150 pupils (2.6%) remained without transport. As a result of the need for repeated tendering exercises to identify providers, the last pupil to be provided transport was finalised at the end of the third week of term.

While this remained a wholly unacceptable situation, it should be noted that the number of pupils who had the potential to miss schooling is therefore much lower than may have been expected following the significant number of pupils that whose transport had not been resolved by the earlier public deadline. While it is likely that the 1090 pupils who secured transport during the half term break were affected by the short timescales that were made available to them to acclimatise to new providers, it is not possible to analyse any impact on attendance using the available data. While Public Transport and Transport Eligibility received a significant number of complaints related to delayed transport, between 50-60 (0.88-1.05%) requests concerned what parents considered to be inappropriate transport arrangements following the retender. Each case was manually reviewed and adjustments were made where necessary to bring transport offers in line with statutory expectations. Members can therefore be assured that mitigating actions kept this overall impact to a minimum.

In order to reduce the number of pupils who missed out on education, affected parents were contacted at the start of half term and advised that if they were in a position to make their own transport arrangements, KCC would provide them a full refund of costs incurred. Transport staff rang every Kent special school at the start of term to collect information on which pupils were unable to attend school as a direct result of missing transport arrangements. A webform was circulated to all mainstream schools to collect the same information. This exercise identified 30 children from special schools and 8 from mainstream who were unable to get to school via alternative means. While this number is not definitive, it provides further

evidence to suggest that the overall number of pupils who missed out on direct education was much lower than expected.

Of those pupil for whom alternative arrangements were not possible, it has been identified that they had the potential to lose between 1 and 15 school days. Working on the principle of an average 190 day academic year, this means affected pupils could have lost between 0.53% to 7.89% potential learning time, not accounting for distance learning opportunities that were provided by their educational establishment.

KCC provided all schools with advice to ensure that pupils who could not get to school were recorded as authorised absences under the appropriate attendance code. This allows Officers to consider the impact on attendance over the period. Whilst there was impact on an individual basis for pupils, there has been no disproportionate effect on overall attendance levels for this group of students. In fact, in comparison to the previous years' figures, where absence rates had increased due to the effects of the pandemic, overall attendance levels of students with an Education Health Care Plan have been relatively unaffected. For example, in comparison to 2020/21 figures, there was only a slight increase in total absence (1.5%) and persistent absence (1.6%) for students with an EHCP in 2021/22. Whereas, there was a greater increase in these figures for students without a SEN diagnosis with a 3.3% increase in total absence and 11% increase in persistent absence. For students with an SEN diagnosis, but without an EHCP, there was an increase of 4% in total absence and 14% in persistent absence.

While it is highly likely that a limited number of pupils experienced an unacceptable level of disruption to their education for up to three weeks at the start of the February 2022 term, there is no evidence to suggest a widespread negative impact on the SEN cohort. No pupil should have experienced significant lost learning as a result of the challenges in securing sufficient transport capacity. It should be highlighted that before the retendering exercise, a rolling cohort of between 200 to 350 pupils who were identified as eligible could not be provided the transport they were entitled to within expected timescales as a result of insufficient capacity in the transport network. The retendering exercise ensured these pupils were provided transport and unlocked capacity for an additional 700-800 pupils for the remainder of that academic year. As EHCP numbers continue to increase, it is imperative that KCC invest in initiatives to identify sufficient capacity to meet demand and make best use of available resources, to ensure future potential for lost learning is minimised.



My TRANSPORT NEEDS

I usually travel to and from school in a car taxi minibus

I need to use a ramp/lift into the vehicle Yes No

I need wheelchair supports Yes No

I use a car seat/harness Yes No

I need other safety equipment Yes No

Details:

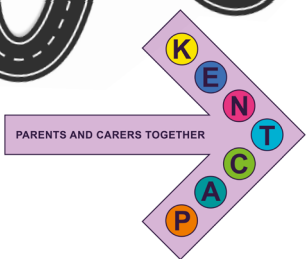
My driver's name is _____

My escort's name is _____

THANK YOU FOR READING AND KEEPING **My Travel Passport** IN A SAFE PLACE. MY PARENTS OR CARERS WILL KEEP **My Travel Passport** UPDATED.

My passport was originally created on _____ (date)

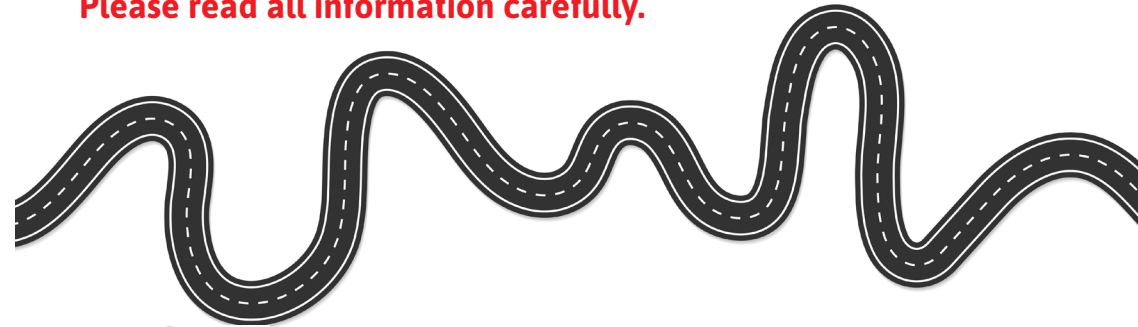
Updated on _____ (date)



My Travel Passport

This is **My Travel Passport**, with everything you need to know about how to support **ME** on my journey to and from school.

Please read all information carefully.



My PERSONAL DETAILS

My name is: _____

I prefer to be called: _____

My date of birth is: _____

My home address is: _____

My home phone number is: _____

My parents'/carers' phone number is: _____

My parents'/carers' email is: _____

In an EMERGENCY please call: _____

I go to _____ School / College

I am in year _____ Sixth form College



ABOUT ME

My health needs Yes No

I have Epilepsy Yes No

I require rescue medication Yes No

If applicable, please ensure staff are trained to administer medication.

My MEDICATION AND INSTRUCTIONS

I am carrying: _____

I have a visual impairment. Yes No

Support me by: _____

I have a hearing impairment. Yes No

Support me by: _____

I have problems with my mobility. Yes No

Support me by: _____

I use a wheelchair. Yes No

Support me by: _____

I use a walker/rollator. Yes No

Support me by: _____

I use a car seat or harness. Yes No

Support me by: _____



I need help using a seatbelt. Yes No

Support me by: _____

I have sensory processing difficulties. Yes No

Things I find overwhelming are:
loud noise smells bright lights busy places touch

Support me by: _____

I like people to talk to me while I travel to school Yes No

Support me by: _____

I communicate by Makaton PECS Speech

Own gestures communication aids

Support me by: _____

I like to listen to the radio or music while travelling to and from school. Yes No

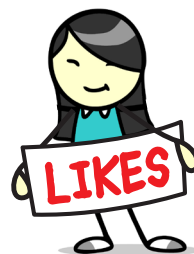
Support me by: _____

I find it difficult to sit next to other passengers. Yes No

Support me by: _____

Everyone can get upset sometimes. To help me feel better and calm down, support me by: _____

I usually travel with my school bag lunch box other: _____



No	Area for improvement or review	Progress to date	Risk, issues and constraints	Mitigation	Date reviewed	Target date	Completion date	Status (RAG)
1	Website content (code of conduct)	Revised document and published on Kent.gov.uk.	None identified.		06/03/23	01/04/23	06/03/23	
1	Website content (process mapping for public)	Process map drafted and sent to PACT for review.	No risks as deemed service improvement. Constraints are engaging with PACT in light of email from Sue McGibbon regarding ongoing relationship with PACT. Require input from parents view to seek confirmation it is beneficial, may impact delivery date but does not affect service operation.	Await Sue McGibbon discussion on 13th April 2023 with PACT before proceeding.	31/03/23	01/06/23	N/A	
1	Website content and layout	None until process map concluded.	As per entry above, seeking clarity.	As above, seeking clarity.	31/03/23	01/09/23	N/A	
2	Comms: parent info sheet	Drafted and sent to client team, KSENT and PACT for review.	Risk: May not capture necessary information or to complex but no risk to service delivery. Constraint: awaiting feedback from PACT due to concerns raised above.	Seek feedback from all groups to ensure it captures relevant info. Await results from Sue McGibbons discussions with KENT PACT. Meeting scheduled for 20th April 2023 to discuss with PACT trustees.	18/04/23	01/06/23	N/A	
3	Comms: letters to service users	None until travel passport and what you can expect document to be completed.	No risks. May need to wait for comms to agree content due to other workload pressures in their team. Cannot start until entry above is complete.	Early engagement with comms	31/03/23	01/09/23	N/A	
4	Comms: notification of service change due to notice issued by operator	Addressed by changing practice within team by actioning within two days of receiving notice. This avoids repeated comms and reduces parent concern.	None identified.	Not applicable	24/01/23	01/03/23	24/01/23	
5	Service improvement: Travel passport	Draft produced by CYPE. Awaiting confirmation from HTST board and seeking further feedback from teams and schools.	Risks: how the information will be managed and kept safe. Does not impact service delivery so risk is low. No other issues or constraints.	Seek agreement from data protection team and undertake risk assessment before going live.	31/03/23	01/06/23	N/A	
6	Service improvement: operator awareness sessions held by schools	Seeking updates from KSENT group to gain buy into concept. Some schools have already agreed but awaiting final sign off before agreeing content and scope of sessions to be delivered.	Risks: not all schools wish to deliver the awareness sessions. Time for schools to prepare and deliver the training. Would only cover Kent Special schools, those pupils travelling outside of Kent would not experience the benefit of the session. Constraints are for all KSENT schools to agree to deliver the sessions, have to wait for their KSENT meetings.	Review status with schools and demonstrate the benefits of delivering such sessions for their students to improve long term attainment, and reduce the volume of transport related enquiries received by schools and KCC.	31/03/23	31/12/23	N/A	
7	Service improvement: TSO planning tool	Draft papers to CMT and technology boards. Awaiting decision from senior leaders.	Risks: if not implemented it may impact the integrity of the transport network due to manual planning being required. Constraints are seeking agreement from CMT- new date to discuss at Strategic reset board 20th April 23.	No mitigation.	18.04.2023	N/A	N/A	
8	Service improvement: creating additional capacity to meet demand	Tenders released to seek capacity for September 2023. Results returned and further discussions being held with transport operators who submitted proposals.	Risks: No responses to tender due to national driver shortage.	Early sending of tenders to enable commercial market to prepare for future transport activities.	18/04/23	01/07/23	N/A	
8	Service improvement: creating additional capacity to meet demand	CYPE exploring commissioning schools to deliver services.	Risks: TBC by CYPE.	TBC by CYPE	TBC by CYPE	TBC by CYPE	TBC by CYPE	TBC by CYPE
9	Process improvement (internal): procurement process/ evaluations	None	Risks: corporate tool that all services use for procurement but it does not meet service need. Continues to hinder teams ability to process proposals from operators. Constraints: lack of resource in commissioning to support workstream.	Not yet identified.	31/03/23	01/01/24	N/A	
10	Service improvement: Clients with complex needs and medical needs	Initial meetings held with NHS to develop a governance framework. Paper written and drafted for HTST board.	Risks: Lack of engagement and supported from NHS to support transport requirements. Resources from the commercial market to deliver services. Constraints: time for NHS and KCC to contribute sufficient resources.	Seek agreement from HTST board to proceed with developing a commissioning plan. To address what resources are needed and costs involved. Seek availability from commercial sector to deliver training for transport operators- to be supported by NHS.	27/03/23	01/01/24	N/A	
11	Service improvement: improving service from commercial sector	Attended operator induction session held by PT business manager. Reviewing content of info shared with operators.	No risks, issues or constraints	Not applicable	28/03/23	01/01/24	N/A	

PACT 30/03/23

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By: Jonathan Idle – Head of Internal Audit

To: Governance and Audit Committee – 18 May 2023

Subject: **INTERNAL AUDIT PROGRESS REPORT**

Classification: Unrestricted

Summary:

This Progress Report details summaries of completed Audit reports for the period January to May 2023.

Recommendation:

The Governance and Audit Committee note the Internal Audit Progress Report for the period January to May 2023.

FOR ASSURANCE

1. Introduction

- 1.1 Public Sector Internal Audit Standards (PSIAS) require that periodic reports on the work of Internal Audit should be prepared and submitted to those charged with governance.
- 1.2 This Progress Report provides the Governance and Audit Committee with an accumulative summary view of the work undertaken by Internal Audit for the period January to May 2023 together with the resulting conclusions, where appropriate.

2. Recommendation

- 2.1 Members are requested to note the Internal Audit Progress Report for the period January to May 2023.

3. Background Documents

Internal Audit Progress Report.

Jonathan Idle, Head of Internal Audit

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T: 03000 417840

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INTERNAL AUDIT PROGRESS REPORT
GOVERNANCE AND AUDIT COMMITTEE
18 May 2023

1. Introduction

The role of the Internal Audit function is to provide Members and Management with independent assurance that the control, risk and governance framework in place within the Council is effective and supports the Council in the achievement of its objectives. The work of the Internal Audit team should be targeted towards those areas within the Council that are most at risk of impacting on the Council's ability to achieve its objectives.

Upon completion of an audit, an assurance opinion is given on the effectiveness of the controls in place. The results of the entire programme of work are then summarised in an opinion in the Annual Internal Audit Report on the effectiveness of internal control within the organisation.

This activity report provides Members of the Governance and Audit Committee and Management with 15 summaries of completed work between January and May 2023.

2. Key Messages

- 15 audits have been finalised in the period reported. **Appendix A**
- 3 of the 15 audits for the period received Limited Assurance. **Appendix A**
- 27 of 46 audits from the 2022/23 rolling Audit Plan are either in planning, fieldwork or reporting stage. **Appendix B**
- 70 grants have been certified since 01 April 2022. **Appendix C**

3. Resources

In accordance with the Public Sector Internal Audit Standards, Members need to be appraised of relevant matters relating to the resourcing of the Internal Audit function. The key updates are as follows:

- Permanent recruitment for the vacant Audit Manager posts have been recruited to successfully.
- Permanent recruitment for vacant Principal Auditor posts has been completed.
- Recruitment to Senior Auditor positions has been completed.
- There have been a number of challenges with the recruitment of additional temporary contract audit resources to support Audit delivery for the remainder of 2022/23
- A number of issues relating to the resourcing of the Internal Audit service are currently being addressed and will be reported back to members at a subsequent Committee.

4. 2022/23 Internal Audit Plan

This report also provides an update on the work completed between January and May 2023 against the original 2022/23 Audit Plan. The audit summaries are provided at [Appendix A](#). A summary is provided on current progress against the 2022/23 Audit Plan.

Status	Number of Audits	%
Not yet started	0	0
Planning	5	11
Fieldwork	14	30
Ongoing	3	7
Draft Report	2	4
Final Report	18	39
On Hold	4	9
Total	46	

[Appendix B](#) sets out progress against the Rolling 2022-23 Audit Plan alongside where audit coverage aligns against the [8 Pillars of Corporate Health](#) utilised for Annual Audit Opinion.

Corporate Governance	Risk Management	Financial Control / VFM	Change Management & Programme / Projects
Commissioning, Procurement & Partnerships	Information Technology & Information Security	Asset Management	Counter Fraud

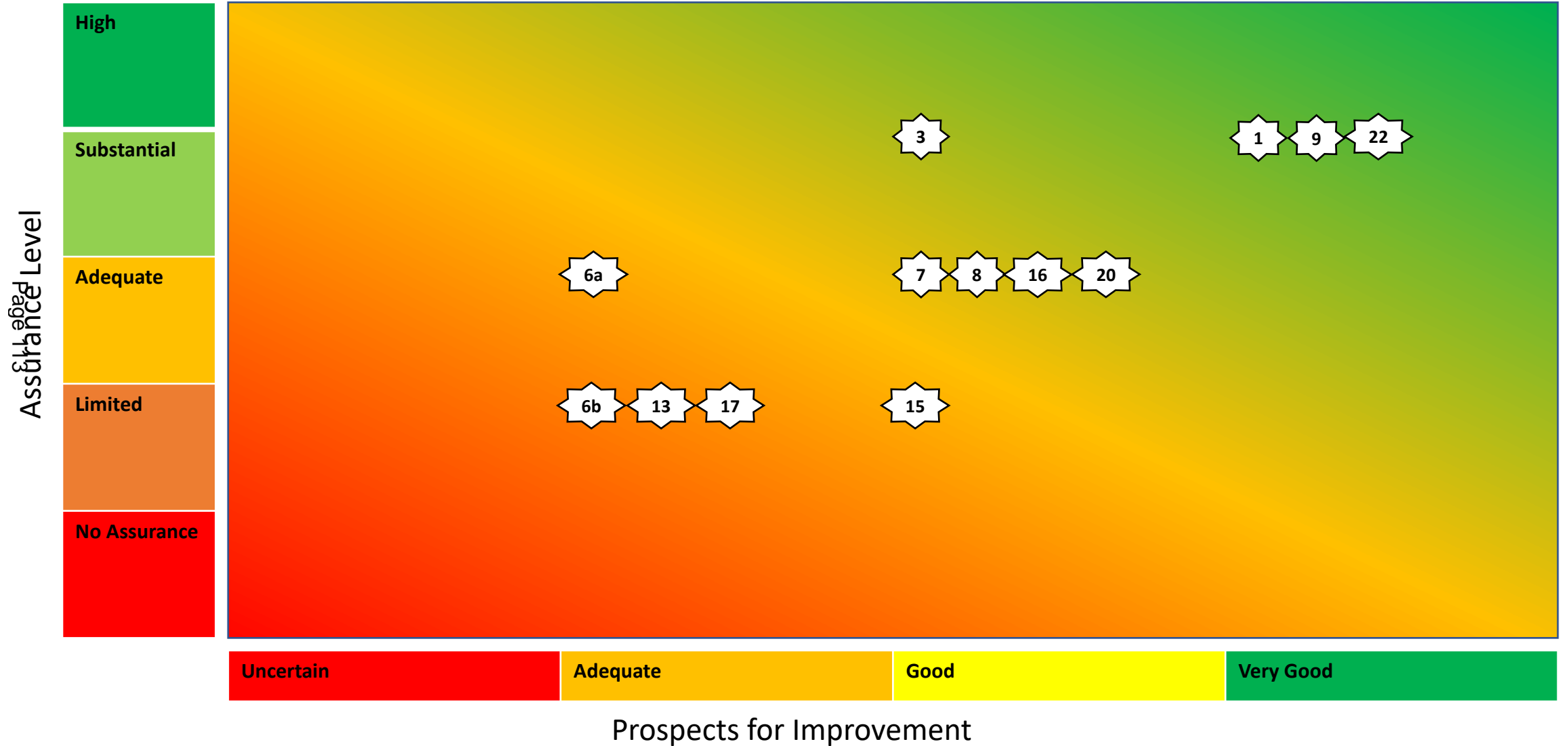
Table 1 – Summary of Audits by Committee Meeting

Governance & Audit Committee – 18 May 2023			
No	Audit	Opinion	Prospects for Improvement
8	ICT03-2023 – Information Technology Risk Management	ADEQUATE	GOOD
9	RB06-2023 – Recruitment & Retention of Experienced Social Workers (CYPE)	SUBSTANTIAL	VERY GOOD
10	RB18-2023 – Estates Change Programme (Sessions House)	N/A	N/A
11	CA06-2023 – Information Governance – Role of the Information Asset Owner	N/A	N/A
12	CR04-2023 – Enterprise Business Capabilities (Oracle) EXEMPT	N/A	N/A
13	RB07-2023 – Climate Change	LIMITED	ADEQUATE
14	CR03-2023 – Preparedness for CQC Inspection (ASCH)	N/A	N/A
15	RB03-2023 – Individual Contracts with Care Providers	LIMITED	GOOD
16	CA04-2023 – Health and Safety	ADEQUATE	GOOD
17	CS01-2023 – Budget Savings	LIMITED	ADEQUATE
18	CS02-2023 – Imprest Accounts Follow-up	N/A	N/A
19	CS03-2023 – Purchase Cards (DRAFT)	ADEQUATE	TBC
20	CS04-2023 – Pension Scheme Admin	ADEQUATE	GOOD
21	RB33-2023 – Public Health (Grant Certification)	N/A	N/A
22	RB32-2023 – Data Security Toolkit (DRAFT)	SUBSTANTIAL	VERY GOOD

Table 2 – Summary of Audits by Committee Meeting

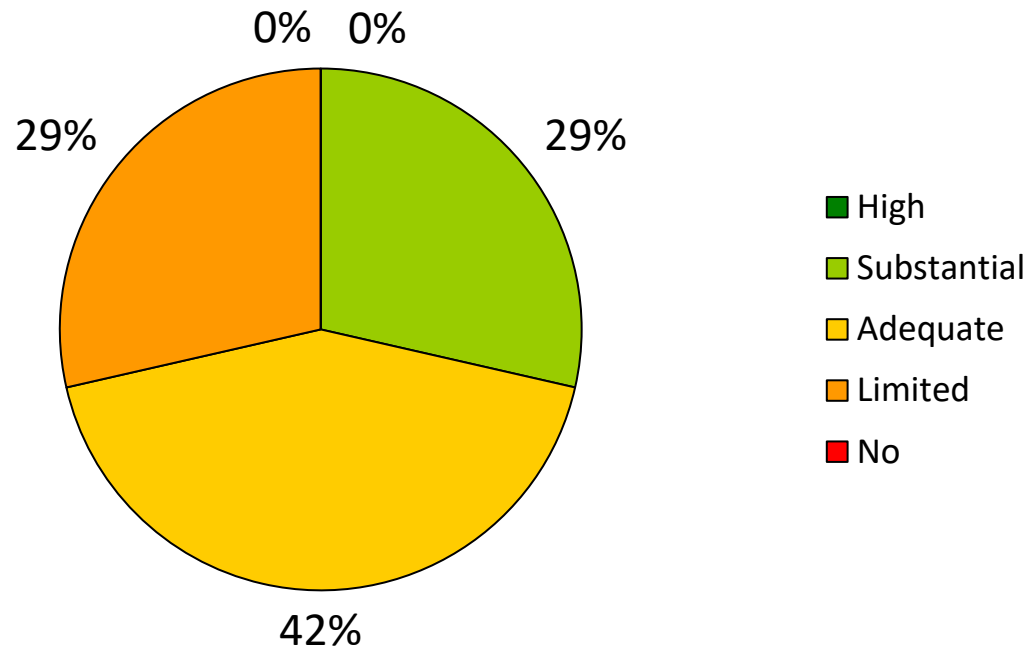
Governance & Audit Committee – 26 January 2023			
No	Audit	Opinion	Prospects for Improvement
1	CS01-2022 CIPFA Financial Management Code – Part 2	SUBSTANTIAL	VERY GOOD
2	RB29-2022 Inland Border Posts / Decision Making and Financial Management	N/A	N/A
3	RB02-2023 Talent Management	SUBSTANTIAL	GOOD
4	RB10-2023 Modern Slavery	N/A	N/A
5	CA02-2023 Assurance Mapping (1) – Simultaneous Response, Recovery & Resilience (EXEMPT)	N/A	N/A
6a	CA01-2023 Annual Governance Statement - PROCESS	ADEQUATE	ADEQUATE
6b	CA01-2023 Annual Governance Statement - RETURNS	LIMITED	ADEQUATE
7	RB01-2023 Data Mapping	ADEQUATE	GOOD

2022/23 Audit Assurance Levels and Prospects for Improvement of Audits



2022/23 Audit Assurance Levels and Prospects for Improvement of Audits

Assurance Levels 2022/23



Assurance Level	No	%
High	0	0%
Substantial	4	29%
Adequate	6	42%
Limited	4	29%
No	0	0%

Prospects for Improvement	No	%
Very Good	3	25%
Good	6	50%
Adequate	3	25%
Uncertain	0	0%

5. Grant Certification Work

The independent certification work assists the Council in the ongoing receipt of funding from various Government Departments. Internal Audit's work on grant certification provides an essential service for the Council. Although it is not audit opinion work, the Audit team's schedule of grant certifications is an ongoing commitment of Internal Audit resources which requires adherence to strict timescales for the certification of claims submitted.

In **2022-23**, the Team has, to date, audited and certified 46 Interreg grant claims with a value of **€3,734,378**. Additional On the Spot (enhanced re-audit) for 12 grant projects have been completed with a further 1 On the Spot check currently in progress.

The Audit team also provide a service to certify Interreg grant claims for external clients with 5 claims and 1 On The Spot having been certified to date in 2022-23.

The Joint Secretariat (JS) are responsible for ensuring that all project claims made from the European Regional Development Fund are approved following strict adherence to the rules set. One of the KCC claims for the Experience project was recently subjected to an audit by the JS and feedback provided advised that the claim was found to have been of a very high standard, supported by all required evidence with no certification errors identified.

Grant work is also completed by the Internal Audit team in respect of validating expenditure of various UK Government Grants awarded for activities such as Public Health, Highways, Environment, Travel Demand Management and Bus Service Operators Grant.

Details of all certifications for **2022-23** can be seen at **Appendix C**.

6. Under the Spotlight!



With each Progress report, Internal Audit turns the spotlight on the audit reviews, providing the Governance and Audit Committee with a summary of the objectives of the review, the key findings, conclusions and recommendations; thereby giving the Committee the opportunity to explore the areas further, should it wish to do so.

In this period, the following report summaries are provided at **Appendix A** for the Committee’s information and discussion.

Audit Definitions are provided at **Appendix D**

(A) Adult Social Care and Health	(B) Children, Young People and Education
A1. CR03-2023 – Adult Social Care Reform – Preparation for the CQC Inspection A2. RB03-2023 – Individual (Indi) Contracts with Care Providers A3. RB33-2023 – Public Health (Grant Certifications)	B1. RB06-2023 – Recruitment & Retention of Experienced Social Workers (CYPE)
(C) Growth, Environment and Transport Cross Directorate	(D) Chief Executive
C1. RB07-2023 – Climate change – KCC,s Net Zero Action Plan	D1. CA06-2023 – Information Governance – Role of the Information Asset Owner D2. CS04-2023 - Pension Scheme Admin D3. CS02-2023 - Imprest Accounts Follow-up D4. CS03-2023 - Purchase Cards (DRAFT) D5. CS01-2023 - Budget Savings D6. RB32-2023 - Data Protection Security Toolkit (DRAFT)
(E) Deputy Chief Executive	(E) Cross Directorate
E1. ICT03-2023 – Information Technology Risk Management E2. RB19-2023 – Estates Change Programme – Sessions House E3. CR04-2023 - Enterprise Business Capabilities (Oracle) E4. CA04-2023 - Health & Safety	

A1. CR03-2023 – Adult Social Care Reform – Preparation for the CQC Inspection

Audit Opinion	Advisory
Prospects for Improvement	N/A

In September 2021, the Government set out its new plan for Adult Social Care Reform in England. This covers a 10-year national programme which includes the intention to reintroduce an assurance process of local authorities' adult social care functions by the Care Quality Commission (CQC), as well as introducing a power for the Secretary of State to intervene where, following assessment, it is considered that a local authority is failing to meet their duties. It is anticipated that the CQC assessments will begin in April 2023, although it is not yet known when the Kent assessment will be undertaken.

The Health and Care Act 2022 gave the CQC new regulatory powers to undertake independent assessment of local authorities' delivery of regulated care functions set out in Part 1 of the Care Act 2014. The functions to be assessed will be specified in new regulations which are anticipated to be laid before parliament in early 2023.

A local authority assessment framework has been developed for providers, local authorities and integrated care systems. The single assessment framework is based on a set of quality statements that are arranged under topic areas and describe what good care looks like.

The framework:

- sets out clearly what people should expect a good service or system to look like
- places people's experiences of care at the heart of our judgements
- ensures that gathering and responding to feedback is central to our expectations of providers, local authorities and integrated care systems

Conclusions

Internal Audit performed a review of the self-assessment and worked alongside the service to provide assurance on the robustness of this process and the conclusions drawn. Internal Audit provided an evidenced based position statement which provided a benchmark as to current position compared to the framework.

Internal Audit conclude that whilst significant progress has been made in preparation for the CQC inspection; gaps identified include:

- Lived experience.
- Showcasing of best practice.
- Feedback from providers.
- Carers & care receivers.
- Monitoring information to demonstrate where KCC are now and where KCC want to be.

The gaps have been accepted and an Action plan is being prepared.

A2. RB03-2023 – Individual (Indi) Contracts with Care Providers

Audit Opinion	Limited
Prospects for Improvement	Good

Key Strengths

Set-up, Registration & Amendment of Indi Providers

- Prior to the engagement of an Indi contract provider, referrals are sent out daily to framework providers.

Monitoring and Management of Indi Contracts

- Commissioning hold a Quality In Care (QiC) log which is used to record sanctions / issues where notification is received.
- Evidence of authorisation of all 30 Indi contracts tested had been consistently provided by a member of the Commissioning Team.
- KCC are proactive in working with providers to prevent hand-back of contracts. Unfortunately, once KCC has been notified of potential hand back it is often too late to resolve any issues which have come to light. The most common reason for hand back is lack of provider capacity.

Areas for Development

Set-up, Registration & Amendment of Indi Providers

- Limited due diligence checks are undertaken prior to setting up a contract with an Indi contract provider. These checks are currently limited to ensuring the provider is registered with the CQC, and noting the rating achieved at the last inspection. **Issue 1 (High)**.
- There are ongoing issues with the accuracy and completeness of the SharePoint Indi contract referral forms which increases the risk of fraud and error. **Issue 2 (Medium)**.
- Of the 30 contracts tested, only 4 out of 30 contracts had been returned as signed by the provider (13%). **Issue 3 (High)**.
- Provider amendments are not consistently subject to adequate validation checks increasing the risk of fraud and error. **Issue 4. (Medium)**.

Monitoring and Management of Indi Contracts

- There is a lack of ownership of the monitoring of Indi contracts and consequently no monitoring is performed. KCC is only made aware of things going wrong when a complaint is received. This is a lost opportunity to put things right before it gets to this stage. **Issue 5 (High)**.
- There is an absence of a dashboard of reliable data and spend analysis. **Issue 5 (High)**.
- Value for money is rarely achieved or monitored on Indi contract procurement. **Issue 6 (High)**.
- There is little incentive for providers to join the Framework as fees tend to be higher for Indi contracts. The general consensus from staff interviewed was that the Framework is not working. **Issue 6 (High)**.
- Due to the government initiative to reduce bed blocking, KCC has inherited a large number of costly NHS sourced care providers which have not been vetted or checked. **Issue 6 (High)**.

A2. RB03-2023 – Individual (Indi) Contracts with Care Providers

Prospects for Improvement

Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:

- This audit was included in the 2022-23 audit plan due to the known challenges and issues of managing and working with the social care market including the high vacancy rate and the sustainability of the existing supply chain.
- A comprehensive management response has been received which addresses all the issues raised in this report.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	4	4	NA
Medium Risk	2	2	NA
Low Risk	0	0	NA

A.3 RB33-2023 – Public Health (Grant Certifications)

Audit Opinion	Advisory
Prospects for Improvement	N/A

Section 31 Local Authority Grants - Inpatient Detoxification Grant Scheme 2022-2023: No 31/6186

Financial Year Period 1 April 2022 – 31st March 2023

Testing and findings

Total spent up to 31st March 2023 = £183,873.78

Total value of tested expenditure was £183,873.78 – 100% of total Revenue grant received.

Total amount forecast / committed	Total amount of sampled transactions	% Coverage	Number of transactions reviewed	Audit findings
£183,876.00	£183,873.78	100%	8	All transactions were reviewed by Internal Audit; substantiated by evidence and in compliance with the grant conditions

Internal Audit checks completed on transactions were as follows –

- Paid in Oracle in the period.
- Supporting evidence available
- Evidence matches amount paid and description of payment.
- Relates to revenue expenditure re Inpatient Detoxification grant, and therefore eligible under the grant conditions.

Conclusion

In our opinion, having carried out appropriate investigations and checks Internal Audit confirm that the conditions applied to the Inpatient Detoxification grant have been complied with.

Recommendation:

The grant declaration to be signed and submitted Corporate Director of Finance (Section 151 Officer) and the Office for Health Improvement & Disparities by 21st April 2023

A.3 RB33-2023 – Public Health (Grant Certifications)

Section 31 Local Authority grants for additional drug treatment crime and harm reduction activity in 2022/23: Supplementary Substance Misuse Treatment & Recovery Grant 2022-2023: No 31/6169

Financial Year Period 1 April 2022 – 31st March 2023

Testing and findings

Total spent up to 31st March 2023 = £1,098,862.19

Total value of tested expenditure was £732,136.42 – 66% of total Revenue grant received.

Total amount forecast / committed	Total amount of sampled transactions	% Coverage	Number of transactions reviewed	Audit findings
£1,101,719.00	£732,136.42	66%	26	All transactions were reviewed by Internal Audit; substantiated by evidence and in compliance with the grant conditions

Checks completed on transactions were as follows –

- Paid in Oracle in the period.
- Supporting evidence available
- Evidence matches amount paid and description of payment.
- Relates to revenue expenditure re Supplementary Substance Misuse Treatment & Recovery Housing Support grant, and therefore eligible under the conditions.

Conclusion

In our opinion, having carried out appropriate investigations and checks Internal Audit confirm that the conditions applied to the Supplementary Substance Misuse Treatment & Recovery grant have been complied with.

Recommendation:

The grant declaration to be signed and submitted Corporate Director of Finance (Section 151 Officer) and the Office for Health Improvement & Disparities by 21st April 2023

B1. RB06-2023 – Recruitment & Retention of Experienced Social Workers (CYPE)

Audit Opinion	Substantial
Prospects for Improvement	Very Good

Key Strengths

- KCC is an active participant of the Association of the Directors of Children’s Social Care (ADCS) Workforce Development Group. The aim of the group is to share issues, challenges and solutions to recruitment issues and actively lobby government over the use of agency social workers.
- The Children’s Social Worker Recruitment and Retention Action Plan is discussed at the Resources Group 6-weekly meeting. The plan is well-defined and contains key metrics and milestones. Clear governance and reporting arrangements are in place and the group is well-represented.
- The KCC website promotes the Social Worker Academy and the training & development offer raising the profile of KCC. There are testimonies from experienced social workers to give potential applicants an idea of what it is like to work as a social worker for KCC.
- A Memo of Understanding between southeast and southern Councils including Medway means that agency rates are capped, and gazumping prevented.
- A risk owner has been assigned against 'Difficulty in Recruiting and Retaining Experienced Social Workers' this risk is being actively monitored and reviewed. There is clear engagement with the Corporate Risk Team.
- There is comprehensive recruitment guidance for managers on KNET.
- In October 2022, a new Joiner survey was issued to all new members of staff who onboarded with KCC from July 2021 to June 2022. The survey was sent to 1384 employees and 502 responses were received. Feedback on the recruitment process was positive.
- Organisational Development have just launched new recruitment and selection programme to fit the new culture, promote required attributes and the need to be innovative.

- KCC offers numerous recruitment and retention payments to attract and retain social work staff including; market premium payment, retention payment, golden hello for experienced staff, car allowance and successful completion of studies. KCC has a comprehensive training package for social workers that capitalises on staff development. In addition, statutory and mandatory training that helps to ensure that staff are compliant with their statutory duties.
- KCC has a Practice Development Team dedicated to improving practice and looks at how the people of Kent have benefited from that intervention.
- The Kent Academy for the Children’s and Adult’s workforce is a dedicated platform for social care training and development opportunities – a one stop shop for professional development which includes the latest resources, research, and training.
- KCC are working with the University of Kent who will be interviewing all social workers who qualified between 3-5 years ago to obtain feedback regarding their role. Interviews are scheduled to take place in March 2023.
- Organisational Development are running a pilot with CYPE on exit interviews. The aim is that by the end of February 2023, KCC will be able to identify themes in terms of why staff are leaving and put in place an action plan to address, If the pilot is a success this will then be rolled out across the whole organisation to see what the themes are to ensure consistency of processes.
- A working group has been set up to look at how KCC can manage caseloads more effectively.
- The Children Outcome Analysis was introduced 18-months ago. The aim is to go into each district once a month and observe practice; look at case files, observe meetings, attend conferences and go out on visits. Part of this is having conversations with team managers about what is working in their district. This provides an opportunity to feedback. Have devised an action plan alongside each service manager.
- In addition to the annual staff survey, an annual social work survey is performed.
- HR are currently performing a benchmarking exercise against other local authorities. It is anticipated that a report will be available by the end of January 2023.

B1. RB06-2023 – Recruitment & Retention of Experienced Social Workers (CYPE)

Areas for Development

- The health and wellbeing support offered to social workers has not been tailored in recognition of the nature of the work they perform. Any support provided tends to be at a team level. **Issue 1 (Medium)**

Prospects for Improvement

Our overall opinion of **Very Good** for Prospects for Improvement is based on the following factors:

- The recruitment and retention of experienced social workers is a national issue. There are a large number of challenges that KCC is proactively trying to address. The key factors are rates of pay, work related pressure / stress and caseloads. Whilst caseloads are being reviewed, it is unclear what KCC's attitude is in respect of increasing rates of pay. There is a heavy reliance on locums/agency workers.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	NA
Medium Risk	1	1	NA
Low Risk	0	0	NA

C1. RB07-2023 – Climate Change – KCC’s Net Zero Action Plan

Audit Opinion	Limited
Prospects for Improvement	Adequate

Key Strengths

- The Net Zero 2030 target is based on forecasting carried out by Laser Energy who are experts in the field.
- Laser Energy use a consistent methodology to update and validate emissions data every quarter.
- The 2030 Net Zero Target and Action Plan was a key decision approved by the Cabinet Member in September 2020.
- The Greenhouse Gas (GHG) emissions KPI is reported to the Environment and Transport Cabinet Committee (ETCC) and Cabinet quarterly as expected.
- This KPI is Specific, Measurable, Attainable, Relevant and Time-bound (SMART) as well as aligning with KCC's data quality policy criteria.
- Business Mileage data is consistently monitored and reported to the relevant Directorate Management Team (DMT).
- Each Service has an Environmental Specification which shows how the department will contribute to the Net Zero 2030 target.
- Other factors impacting carbon emissions that the department is responsible for, in addition to mileage will be added to these specifications, monitored and reported going forward.
- Refresh work is underway to review the forecast, assumptions, re-profile emissions, review costs and horizon scan for innovative actions.

Areas for Development

- The current cost of the Net Zero 2030 Plan has not been fully estimated, spend to date has not been monitored and, therefore, the amount of funding required to achieve the Plan is not yet known. **Issue 1 (High)**
- It is anticipated that the current approach for securing external funding will not be sufficient to fund the full cost of the Plan. **Issue 1 (High)**
- The governance, reporting and decision-making structure for the Net Zero 2030 Plan is unclear, which compromises the effectiveness of the Environment Board. **Issue 2 (High)**
- Accountable officers will be nominated to deliver each of the Net Zero actions but there is no mechanism to ensure that this role becomes a priority and an integral part of their job. **Issue 3 (High)**
- Actions do not have timetables, so it is not possible to objectively monitor whether individual actions are progressing at a sufficient pace to achieve the 2030 target. **Issue 3 (High)**
- Net Zero actions do not have plans detailing how their action will be delivered, including clear criteria to evaluate whether actions have been implemented as intended. **Issue 3 (High)**
- There will be a requirement to off-set the gap between the remaining level of emissions, after all actions have been completed, and the Net Zero target. This is not currently being monitored or reported and nor is the evolving cost of off-setting. **Issue 4 (Medium)**
- There is no risk or issues register for the Net Zero 2030 Plan. There is also the lack of an articulated risk appetite for the Plan. **Issue 5 (Medium)**
- The Service Level Agreement with Laser has not been updated to include the 6 monthly review work that is required to update the annual greenhouse emission target for the KPI. **Issue 6 (Low)**
- An Equalities Impact Assessment (EQiA) has been completed on the Net Zero target by 2030 but there has not been an evaluation of which of the Net Zero 2030 Plan’s actions should also have an EQiA. **Issue 7 (Low)**

C1. RB07-2023 – Climate Change – KCC’s Net Zero Action Plan

Prospects for Improvement

Our overall opinion of **Adequate** for Prospects for Improvement is based on the following factors:

- Officers are mindful of the Net Zero 2030 Plan challenges and believe the Plan will return on its investment, but ‘buy in’ is required from the Council to put this strategy into action.
- External factors, predominately funding, may inhibit delivery of actions and the achievement of the Net Zero Plan.
- Officers are motivated to build the governance, monitoring and the co-ordination of the delivery of the Plan.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	3	3	NA
Medium Risk	2	2	NA
Low Risk	2	2	NA

D1. CA06-2023 – Information Governance – Role of the Information Asset Owner

Audit Opinion	Advisory
Prospects for Improvement	N/A

As part of the 2022/23 Audit Plan, it was agreed that Internal Audit would review one of several potential areas of the Council’s information governance arrangements. In subsequent discussions with the Council’s Data Protection Officer, the focus of the review was narrowed to the role of Information Asset Owners (IAOs) and the extent that the appointed officers understood the role.

Internal Audit planned to review the level of assurance that KCC’s IAOs, who are Corporate Directors, have that their Directorates meet or exceed the Government’s mandatory minimum measures for handling personal data. However, once fieldwork commenced, Internal Audit found that the role of IAOs within KCC’s information governance arrangements diverged from the Government’s guidance. On review, the Head of Internal Audit agreed to report how the IAO role within KCC differs from the Government’s guidance and Internal Audit’s observations about how the role has been interpreted by post holders.

Conclusions

KCC’s suite of information governance policies and procedures declare that the IAO is a mandated role. This statement is cross referenced to the Government’s data handling guidelines. These guidelines include the Government’s mandatory minimum measures for handling personal data and relevant IAO responsibilities. However, the responsibilities of KCC’s IAOs, which are not clearly defined, are not consistent with the Government’s guidelines. The current review of KCC’s information governance policies is a timely opportunity to consider how IAO responsibilities are documented.

Within the Council, many of the IAO responsibilities under the Government’s mandatory minimum measures sit with other parties. These include the Corporate Information Governance Group (CIGG) and the Information Governance Cross Directorate Working Group, as well as individual officers. There is, however, some ambiguity across the policies regarding where responsibility for some data handling activity sits. Furthermore, there is no individual or body within the Council that has responsibility for ensuring that the Council meets the Government’s mandatory minimum data handling measures.

KCC’s IAOs have different approaches to leading and fostering a culture that values, protects and uses information for the public good. They are involved in the production of Data Protection Impact Assessments, but some acknowledge that the process in their respective Directorates could be improved. Other data handling responsibilities tend to be delegated and the degree of IAO oversight varies across Directorates.

D2. CS04-2023 – Pension Scheme Admin

Audit Opinion	Adequate
Prospects for Improvement	Good

Key Strengths

- The Fund's policies are being reviewed and where gaps are identified, new policies are drafted and presented to the Pension Fund Committee.
- Work has been undertaken to implement the recommendations made following a review by a consulting firm of the fund's governance. 139 recommendations were made and as at March 2023, 116 recommendations have been implemented or are in progress.
- The workload of the team and level of resource has been reviewed with additional roles being created to increase the capacity of the team.
- Ways of working are continuously reviewed in order to improve efficiency. Since 1 November 2022, the way work is allocated to the team was changed so that all administration teams spend a minimum of one month on a given subject area. Previously, teams only spent one week on a given subject area before moving on. This new arrangement allows team members to become more experienced in each area as they spend more time processing each case type. Furthermore, postage tasks are to be outsourced to increase capacity for casework, and bulk processing of certain tasks is to be introduced to reduce processing times.
- Pension administration information provided to Committees has been improved with Key Performance Indicators (KPIs) being reported to the Pension Board and Pension Fund Committee since November 2022 and December 2022 respectively. KPIs were previously not reported to either forum

Areas for Development

- There are processes in place for the production and despatch of Annual Benefit statements and Annual Allowances. However, work needs to be undertaken to ensure regulations are not breached and where breaches occur, the Pension Fund Committee and Pension Board should be informed. **Issue 1 (High)**.
- Data for the McCloud data remedy project is yet to be collected and gaps in member data identified through a data quality review carried out by a consulting firm in October 2022 have not yet been addressed. **Issue 2 (High)**.

- The Pension Board only met once in the 12 months to 31 January 2023. The LGPS requires pension funds to operate a Local Pension Board. **Issue 3 (Medium)**.
- The KPIs reported do not have any comparators and are not benchmarked against other local authorities to assess how well the KCC pension administration team is doing. In addition, there is a backlog of cases, with the time taken to process leavers and transfers out running into years in some instances. **Issue 4 (Medium)**.
- There is no set timeframe for scheme employers to provide leaver information and in some cases, scheme employers take over a year to notify the pension administration team of members leaving. **Issue 5 (Medium)**.
- Improvements to housekeeping are required to ensure staff have access to up to date information and supporting documentation can be located easily. **Issue 6 (Low)**.
- The pension administration team does not proactively contact members who are owed deferred refunds. They wait to hear from the member and interest is added to the amount due when it is paid later. **Issue 7 (Low)**.

Prospects for Improvement

Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:

- As described above, in addition to established practices and processes there a number of initiatives that are underway and imminent.
- Management have engaged positively with the audit and developed appropriate actions to address the issues identified.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	2	2	NA
Medium Risk	3	3	NA
Low Risk	2	2	NA

D3. CS02-2023 – Imprest Accounts Follow-up

Audit Opinion	N/A
Prospects for Improvement	N/A

As part of the 2022/23 Audit Plan, Internal Audit undertook a review of Imprest accounts.

The aim of the audit was to provide assurance that adequate progress has been made against issues raised from the previous audit reported in January 2020 where it received “No Assurance”.

Internal Audit has also agreed to undertake some embedded assurance work on the Cashless project within CYPE though work from this is not included within this report.

	No. of Issues Raised from Original Report	Implemented	Issue Open and Agreed Actions	Risk Accepted
High	4	2	2	NA
Medium	3	0	3	NA
Low	0	0	NA	NA

Key Findings From Follow-up

The follow-up work has identified that of the seven previous issues being reviewed, two are now considered closed and five remain open. Though a number of issues remain open good progress has been made to address and a few resulting actions are required to be in a position to mark these as implemented. The issues which have been agreed to close are as follows:

Issue 2 - Payments

Issue 4 - Inappropriate use of Imprest Accounts

The following issues are considered to be in progress and will be followed up in six months' time:

Issue 1 - Central Log and Imprest Holder Oversight

Issue 3 - Security

Issue 5 - Imprest Training

Issue 6 - Cash Counts & Reconciliation

Issue 7 - Imprest Limits

Issue Status

Issue	Risk Rating	Status
1 - Central Log and Imprest Holder Oversight	High	In Progress
2 – Payments	High	Implemented
3 – Security	High	In Progress
4 – Inappropriate use of Imprest Accounts	High	Implemented
5 – Imprest Training	Medium	In Progress
6 - Cash Counts and Reconciliations	Medium	In Progress
7 – Imprest Limits	Medium	In Progress

D4. CS03-2023 – Purchase Cards *DRAFT*

Audit Opinion

Adequate

Prospects for Improvement

Good

Key Strengths

- There is an up-to-date Purchase Card Policy in place that details terms of use and the consequences of breaches to the Policy.
- The Purchase Card Policy has been reviewed within the last year and is held accessibly for card holders.
- There is a Card Holder Register spreadsheet held with limited access for security that includes all the necessary information on the card holders including transaction limits and cash withdrawal facility etc.
- On an annual basis, the Control Team complete a data cleanse of the Card Holder Register to update the list of old and inactive purchase cards on the spreadsheet.
- The Control Team monitor unapproved transactions through an extraction report and assign this card as 'On Hold' if it has passed 30 days without approval, this is listed in the Card Holder Register for documentation.
- The Control Team have sufficient controls in place surrounding the monitoring of dormant and inactive Purchase Card accounts to reduce the number of unnecessary card holders.
- All Purchase Card transaction limits are being reviewed by the Control Team to ensure that any temporary increase in limit thresholds is reduced to their original appropriate transaction limit, and ensuring that those listed in the register align with NatWest's record.
- The Control Team are currently working through a 2 year backdated leavers report to update the Purchase Card register with any ex-employees that may have previously not been removed and that the assigned card has been cancelled.

Areas for Development

- The Purchase Card procedure states that there should be management consideration on assigning a new purchase card and if it is necessary, there was no evidence of this consideration able to be provided for a sample of card holders.
- From a sample of 25, it was identified that no card holders had completed all the compliance documents as specified by KCC Purchase Card Procedures. **Issue 1 (High)**.
- Sample testing identified 72% of the sample transactions did not have a valid VAT receipt, due to this audit are unable to identify if VAT should be claimed back from the expenditure. **Issue 2 (Medium)**.
- Approved transactions claimed VAT when there was no listed VAT on the receipt to claim, as well as this approved transactions with VAT listed on the receipt was not claimed back **Issue 2 (Medium)**.
- Expenditure is not approved on Intellilink within 30 days for many transactions as shown in data analytics, therefore the balance is paid and cleared by KCC for the expenditure before many of the transactions have been approved. **Issue 3 (Medium)**.
- The Card Holder Register when sample tested and compared with Oracle employee information found 2 employees as active card holders that were listed on Oracle as ex-employees **Issue 4 (Medium)**. Although as listed in key strengths the Control Team are updating the card holders using a backdated HR Leavers report to remove and follow up any ex-employees and their purchase card.
- Transaction testing identified one instance of splitting transactions, this card holder withdrew £800 in two separate transactions to stay below their £500 transaction limit. Issue 5 (**Low**).

D4. CS03-2023 – Purchase Cards *DRAFT*

Prospects for Improvement

Our overall opinion of TBC for Prospects for Improvement is based on the following factors:

Summary of Management Responses

Management responses are due 15th May 2023.

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	1		NA
Medium Risk	3		NA
Low Risk	1		NA

D5. CS01-2023 – Budget Savings

Audit Opinion	Limited
Prospects for Improvement	Adequate

As part of the 22/23 Audit Plan, Internal Audit were requested to undertake a review of the annual budget savings plan for 22/23. The aim of the audit was to provide assurance that there are adequate and effective controls in place to help ensure the delivery of the budget savings and income plan.

Key Strengths

- There were budget discussions with the Corporate Management Team, Corporate Board, and the Cabinet in the period September 2021 to January 2022, giving Senior Management and members the opportunity to question and challenge the savings and income proposals. There is regular monitoring and reporting to Senior Management and Members of progress against the income and savings plan.
- Monitoring reports set out the key risks and issues, as well as the savings and income plans that are at most risk of non-delivery.
- Internal Audit were informed that additional savings proposals are identified throughout the year to mitigate those which prove not to be achievable.
- The Council carried out the necessary consultation where there is a statutory requirement to do so.

Areas for Development

- There is increasing risk around the Council's ability to achieve the savings it needs to deliver its Medium Term Financial Plan (MTFP). The majority of undelivered savings and income for 2022-23 will be rolled forward to the next year, with a significant proportion being written back as undeliverable. However, this creates additional pressures for future budgets and there is increasing risk around the Council's ability to achieve the savings it needs to deliver its MTFP.

Issue 1 (High)

- The process to assess and challenge the veracity of initial savings proposals was not robust from the outset. For 6 out of the 10 sampled savings and income proposals for 22/23 (totalling £9.8m), there was no clear/ detailed business case available setting out how they would be delivered and the potential deliverability risks and Implications. **Issue 2 (High)**

Prospects for Improvement

Our overall opinion of **Adequate** for Prospects for Improvement is based on the following factors:

- The scale of the savings requirements is increasing which increases deliverability risk.
- A significant proportion of savings target is not being delivered within the specific financial year, which increases the deliverability risk in future year(s).
- The introduction of the Chief Executive function provides the opportunity for Finance to more effectively oversee and challenge the savings and income proposals developed by the Directorates.
- The budget setting process is being brought forward for next year, commencing in April 2023, with the intention of publishing the initial draft budget by the end of October. This will result in more time to develop robust business cases and fully understand and consider mitigation to the risks of not delivering savings.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	2	2	NA
Medium Risk	0	0	NA
Low Risk	0	0	NA

Audit Opinion	Substantial
Prospects for Improvement	Very Good

Key Strengths

- The Council has an information Governance Framework in place.
- A revised Data Protection Impact Assessment (DPIA) Application and revised guidance has been introduced and communicated to staff.
- Completed and approved DPIA's are in place for 'high risk' processing activities.
- Procedures ensure that the General Data Protection Regulation (GDPR) principles and appropriate technical and organisational measures are built by default into the organisation's processing activities and business practices.
- The organisation has implemented data protection into wider business processes, strategies, and vision statements to build in data protection to the heart of its organisation.
- Data security and data protection is included in the induction process mandatory training, and compliance is monitored.
- Training needs are analysed, and ad-hoc training provided where necessary.
- The Disaster Recovery Plans are tested.
- Hard copies of business continuity and disaster recovery plans are maintained and restricted to appropriate personnel involved in the event of an incident.
- There is a defined Patch Management Policy which sets out the Council's approach to patch management and patching compliance is monitored.
- There is a Password Policy, authentication controls, and guidance given to users regarding security threats.

Areas for Development

- Job descriptions of senior commissioning and procurement officers to include the review of contracts for supplier model terms, privacy terms, and compliance with Article 28 of GDPR, and the Data Protection Act. **See Issue 1 (Medium)**
- Logging data security improvements, for promulgation of best practice, and target dates on action plans for closer monitoring. **See Issue 2 (Low)**

- Categorising data security incidents and root cause analysis. **See Issue 3 (Low)**
- Several minor issues were observed within the policies and procedures. **See Issue 4 (Low)**
- A SharePoint / Teams site, for collation of the evidence of compliance may benefit the Council. **See Issue 5 (Low)**
- Recovery Time Objectives (RTO's) and Recovery Point Objectives (RPO's) are incomplete; this was a previous finding raised in Internal Audit report: IT Data Security Audit for DSP Toolkit; Final report issued in August 2022.

Prospects for Improvement

Internal Audit's overall opinion of **Very Good** for Prospects for Improvement is based on the following factors:

- The Council has an Information Governance Framework in place, with Members of the two Governance groups meeting regularly to monitor actions and to improve data security across the Directorates.
- The percentage of staff completing their Information Governance training has increased over the previous year.
- The DPIA newly improved tools and controls are set to increase Data Protection knowledge and compliance.

Summary of Management Responses

Management responses are due 17th May 2023

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0		NA
Medium Risk	1		NA
Low Risk	4	0	NA

E1. ICT01-2023 – Information Technology Risk Management

Audit Opinion	Adequate
Prospects for Improvement	Good

Key Strengths

- Key roles and responsibilities for managing IT risks and controls have been allocated.
- Risk identification is undertaken at different management levels of the IT division.
- There are risk registers at the corporate, divisional and service level for recording IT risks.
- Staff and/or Management within the IT division conduct external research, knowledge sharing, and horizon scanning for new and emerging IT risks and threats.
- IT risks have been assessed as high, medium or low using the same risk scoring matrix set out in the Council's risk management policy.
- There is a balanced approach to treating risks. Management is not planning to take material/significant actions to treat IT risks with a very low inherent risk score.
- IT risks are reviewed on a regular basis (at least quarterly).

Areas for Development

- Internal Audit identified instances where mitigating controls/actions developed by Management have yet to be fully implemented. **Issue 1 (High)**.
- Risks raised in the Technology risk register should be put through the existing Management review process in a more timely manner. **Issue 2 (Medium)**.
- The Technology division has not yet defined its risk appetite. As a result, Internal Audit is unable to provide assurance that existing IT risks are being managed within the service's risk appetite. **Issue 3 (Medium)**.

Prospects for Improvement

Our overall opinion of Good for Prospects for Improvement is based on the following factors:

- Refining the process for identifying, assessing, and escalating IT risks will help to ensure that Management within the Technology Division challenge and scrutinise key IT risks in a timely manner.
- Management within the Technology Division has agreed to clarify the risk appetite for the Technology division.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	1	1	NA
Medium Risk	2	2	NA
Low Risk	0	0	NA

E2. RB19-2023 – Estates Change Programme – SHQ Programme

Audit Opinion	Advisory
Prospects for Improvement	N/A

As part of the 2022/23 Audit Plan, it was agreed that Internal Audit would provide an ongoing and independent review of the Strategic Headquarters Programme (SHQ Programme). This Programme is part of the wider Future Assets Programme, which is one of the 11 programmes incorporated into the Council's Strategic Reset Programme (SRP).

The SHQ Programme is part of the SRP Programme. As such, the SHQ Programme should be subject to the governance procedures set out in the SRP Handbook.

Relevant details are:

Role of the SRP Board

- o The SRP Board is the final decision-making forum on programme resources, mitigations, escalations, and actions for programmes exceeding agreed tolerances.
- o The SRP Board will take a collective judgement on appropriate escalation of any significant political risks or major changes to scope of the programme to the Strategic Delivery Board.
- o Unless a formal decision, requiring member involvement, is needed, the final place for a decision to be made is at the SRP Board. The SRP Board holds the line on decisions made.

Role of the Senior Responsible Officer (SRO)

- o The SRO approves the monthly report submitted to the SRP Team, including escalations and risks.
- o The SRO's role includes:
 - Being accountable for programme/project delivery and project governance.
 - Ownership of the programme's/project's Strategic Outline Case and any further business case development.
 - Ensuring the project meets its outcomes and objectives.
 - Overseeing and driving benefits realisation - ensuring the required benefits are delivered.
- o The Corporate Assurance and Risk Team can provide support to SROs on [business case] development and provide a Delivery Confidence review/note.

While Internal Audit has not seen evidence of agreed tolerances for the SHQ Programme, the scale of the changes to the Programme's objectives and outcomes flowing from the cancellation of the August 2021 preferred option were considerable and beyond any reasonable tolerances. On this basis and if the above procedure had been applied, the decision should have been escalated in October / November 2022 to the SRP Board as the final decision-making forum. Internal Audit understands that the SRP Board will have an opportunity to discuss the options on 02 March 2023.

E2. RB19-2023 – Estates Change Programme – SHQ Programme

Conclusions

The changes to the SHQ Programme and to its objectives were not reviewed and approved by the SRP Board. The SHQ Programme is part of the SRP. Under the SRP governance procedures, these changes to the SHQ Programme should have been referred to the SRP Board.

When development of the August 2021 preferred option was stopped, the objectives of the SHQ Programme were not reviewed, revised, and agreed. The options that emerged, while all addressing the capital cost constraint, did not evolve to reflect other distinguishing key success criteria. Consequently, it is difficult to compare the four options against one another because they deliver different sets of outcomes which are not easily grounded against commonly understood and agreed objectives.

The Council's Project and Programme Management Toolkit does not include express guidance to SROs and their teams about what they need to do if a project or programme needs to go back a stage or two due to a significant change to the original business case/ objectives.

Objectives for the revised SHQ Programme are not set against the objectives in Framing Kent's Future.

E4. CA05-2023 – Health & Safety

Audit Opinion	Adequate
Prospects for Improvement	Good

Key Strengths

- There is a written policy for health and safety, signed by the nominated Cabinet Member and the Corporate Management Team (CMT), and published to officers.
- There is a wide range of training available so that officers have the necessary training, skills, knowledge and experience to fulfil their health and safety responsibilities.
- Key roles and responsibilities for all aspects of health and safety have been defined and allocated. A member of the CMT has been given overall responsibility for implementing the health and safety policy.
- The Council has a health and safety team who provide specialist advice and guidance throughout the Council on matters relating to health and safety.
- Members of the Council's CMT (through the health and safety group meetings) are involved in regular discussions and decisions of health and safety matters.
- Trade union safety representatives are regularly consulted and invited to Health and Safety Committee meetings to represent the workforce in the decision-making process.
- The Health and Safety Team maintain an improvement plan to continuously improve the management of health and safety.

Areas for Development

- Safety inspections records are not being uploaded on to the Council's property document system (K2) for retention. **Issue 1 (Low)**
- There are at least 190 sites (including schools) with overdue/incomplete remedial works from statutory inspections. **Issue 2 (Medium)**
- Uptake of the basic health and safety training is low. Only 15% of new starters complete the introduction to health and safety training course. **Issue 3 (Medium)**
- Several health and safety guidance documents within the H&S manual are out of date and overdue for review. **Issue 4 (Medium)**

- Internal Audit identified instances where recommended actions to help prevent reoccurrence of a safety incident/accident had not been implemented as at the time of our testing. **Issue 5 (Medium)**
- Regular (at least annual) reporting of health and safety performance to Senior Management is required. Annual reporting to Elected Member(s) will help to keep Members informed and provide an opportunity for Members to scrutinise and challenge performance and the management of health and safety. **Issue 6 (Medium)**

Prospects for Improvement

Our overall opinion of **Good** for Prospects for Improvement is based on the following factors:

- A health and safety improvement plan is in place and is a working document so there is commitment to continuously improve the management of health and safety.
- Since the completion of our fieldwork, work is in progress to clear the backlog of remedial works from statutory inspections.
- Proposed automation if implemented will help to improve the effectiveness and efficiency of the health and safety investigation and follow-up process.

Summary of Management Responses

	No. of Issues Raised	Mgt Action Plan Developed	Risk Accepted & No Action Proposed
High Risk	0	0	NA
Medium Risk	5	5	NA
Low Risk	1	1	NA

Appendix B - 2022/23 Internal Audit Plan Status

Ref	Audit	Status	Assurance	Prospects for Improvement	Committee
CA01-2023	Annual Governance Statement - Process	Final Report	ADEQUATE	ADEQUATE	January 2023
CA01-2023	Annual Governance Statement - Returns	Final Report	LIMITED	ADEQUATE	January 2023
CA02-2023	Assurance Mapping - Simultaneous Response, Recovery & Resilience	Final Report	N/A	N/A	January 2023
CA03-2023	Informal Governance	On Hold			
CA04-2023	Decision Making	Fieldwork			
CA05-2023	Health & Safety	Final Report	ADEQUATE	GOOD	May 2023
CA06-2023	Information Governance	Final Report	N/A	N/A	May 2023
CA07-2023	Procurement	Fieldwork			
CA08-2023	Risk Management	Fieldwork			
CA09-2023	Assurance Mapping - Fraud & Error	Fieldwork			
CA10-2023	LATCO Governance Arrangements	Fieldwork			
CR01-2023	Inflation	On Hold			
CR02-2023	Operating Standards	On Hold			
CR03-2023	Preparedness for CQC Inspection-ASCH	Final Report	N/A	N/A	May 2023
CR04-2023	Enterprise Business Capabilities (Oracle)	Final Report	N/A	N/A	May 2023
CS01-2023	Budget Savings	Final Report	LIMITED	ADEQAUTE	May 2023
CS02-2023	Imprest Accounts Follow-up	Final Report	N/A	N/A	May 2023
CS03-2023	Purchase Cards	Draft Report	ADEQUATE	TBC	May 2023
CS04-2023	Pension Scheme Admin	Final Report	ADEQUATE	GOOD	May 2023
CS05-2023	Social Care Debt Recovery	Fieldwork			

Ref	Audit	Status	Assurance	Prospects for Improvement	Committee
RB01-2023	Data Mapping	Final Report	ADEQUATE	GOOD	January 2023
RB02-2023	Talent Management	Final Report	SUBSTANTIAL	GOOD	January 2023
RB03-2023	Individual Contracts with Care Providers	Final Report	LIMITED	GOOD	May 2023
RB04-2023	Making a Difference Every Day (MADE)	Ongoing	N/A	N/A	
RB05-2023	Change for Kent Children	Ongoing	N/A	N/A	January 2023
RB06-2023	Recruitment & Retention of Social Care Workers (CYPE)	Final Report	SUBSTANTIAL	VERY GOOD	May 2023
RB07-2023	Climate Change	Final Report	LIMITED	ADEQUATE	May 2023
RB08-2023	Highways Term Maintenance Contract	Ongoing	N/A	N/A	
RB09-2023	Estate Management / Maintenance	Planning			
RB10-2023	Modern Slavery	Final Report	N/A	N/A	January 2023
RB14-2023	Provider Invoicing (Follow Up)	Fieldwork			
RB15-2023	Engagement of Consultants	Fieldwork			
RB16-2023	Data Quality - LAS system - Risk of Overpayments	Fieldwork			
RB17-2023	Compliance with Financial Regulations - ASCH and GET	Planning			
RB19-2023	Estates Change Programme (Sessions House)	Final Report	N/A	N/A	May 2023
RB21-2023	Contract Extensions	Planning			
RB22-2023	Records Management (Follow-up)	Fieldwork			
RB24-2023	Property Disposals	Planning			
RB26-2023	United Kingdom Resettlement Scheme	On Hold			
RB29-2023	Unregulated Care Placements	Planning			
RB32-2023	Data Security Toolkit	Draft Report	SUBSTANTIAL	VERY GOOD	May 2023

Ref	Audit	Status	Assurance	Prospects for Improvement	Committee
ICT01-2023	Cyber Security Patch Management	Fieldwork			
ICT02-2023	Data Centre outage Lessons Learned Review	Fieldwork			
ICT03-2023	Information Technology Risk Management	Final Report	ADEQUATE	GOOD	May 2023
ICT04-2023	Disaster Recovery	Fieldwork			
ICT05-2023	Payment Card Industry Data Security Standards (PCI DSS)	Fieldwork			

8 Pillars of Corporate Health

Corporate Governance	Risk Management
<p>Decision Making United Kingdom Resettlement Scheme LATCO Governance Arrangements Climate Change Annual Governance Statement</p>	<p>Risk Management Disaster Recovery Health & Safety Information Technology Risk Management Preparedness for CQC Inspection (ASCH) Assurance Map – Simultaneous Response</p>
Financial Control / VFM	Change Management / Programme/ Projects
<p>Budget Savings Purchase Cards Data Quality – Lifespan Pathway Liquidlogic Adult System – Risk of Overpayments Compliance with Financial Regulations (ASCH & GET) School Placements to Independent / Specialist Schools (CYPE) Unregulated Care Placements (CYPE) Imprest Accounts Follow-up Pension Scheme Admin Social Care Debt Recovery Provider Invoicing (Follow Up)</p>	<p>Making a Difference Everyday (MADE) Change for Kent Children Highways Term Maintenance Contract Enterprise Business Capabilities (Oracle) Estates Change Programme (Sessions House)</p>
Commissioning, Procurement & Partnerships	Information Technology & Information Security
<p>Public Health Provider Failure / Capacity (ASCH) Engagement of Consultants Contract Extensions Public Health Grants – Drugs & Alcohol Procurement</p>	<p>Records Management (Follow Up) Payment Card Industry Data Security Standards (PCI DSS) Cyber Security Patch Management Data Centre Outage Lessons Learned Review Data Security Protection Toolkit</p>
Asset Management	Counter Fraud
<p>Workforce Planning (ASCH) Estates Change Programme (Sessions House) Property / Asset Disposals Modern Slavery Talent Management Recruitment and Retention of Experienced Social Workers (CYPE)</p>	

Appendix C – Grant Certification

Grant	Description	Current Status
EU Interreg - Aspire	A holistic approach to lowering obesity and unemployment rates in identified communities where the two issues are common and definitively linked.	2 claims completed and 1 On the Spot
EU Interreg - BHC21	A tribute to the development of more efficient and effective vocational training services for low skilled people and develop a generic 21st century training model to reduce unemployment rates amongst the engineering and manufacturing sector.	3 claims completed
EU Interreg – Blueprint	Upskill 18 social enterprises to training 2000 disadvantaged individuals with the skills they require to secure new jobs linked to circular economy growth (increased recycling, reverse logistics and secondary markets).	2 claims completed and 1 On the Spot
EU Interreg – BoostforHealth	Supporting Kent-based Life Sciences companies with internationalisation and in particular market entry in mainland Europe.	1 claim completed
EU Interreg – C5A	Aims to deliver a whole system approach to water and flood risk management in response to current and future risks from climate change.	1 claim completed
EU Interreg – C-CARE	To deliver a range of activities linked to Covid-19 response including: - A technology resilience voucher scheme for businesses (ED) - A green recovery voucher scheme for businesses (Environment Team) .	2 claims completed
EU Interreg – Connected Communities	To develop co-ordinated and integrated services for older people that help make communities more resilient and take early action to prevent or delay the need for long term care.	2 claims completed and 1 On the Spot
EU Interreg – Cool Towns	Spatial adaptation for heat resilience in small and medium sized cities to minimise the heat related effects of climate change.	2 claims completed
EU Interreg – DWELL	Empowerment programme enabling patients with type 2 diabetes to access tailored support giving them mechanisms to control their condition and improve their wellbeing.	2 claims completed
EU Interreg - Empower Care	To create resilient communities and reduce individual frailty and loneliness, addressing issues facing the care of our aging population.	3 claims completed and 1 On the Spot
EU Interreg - Ensure	Making use of the community peer to peer support, which will allow societies to become proactive in addressing circumstances which create vulnerability across Kent.	3 claims completed and 1 On the Spot
EU Interreg - Experience	To provide the tools and infrastructure to capitalise on the emerging trend for personalised and local tourism experiences which provide reasons to visit at any time of the year.	2 claims completed and 1 On the Spot

Grant	Description	Current Status
EU Interreg - H20	Overcoming barriers to integrated water and ecosystem management in lowland areas adapting to climate change.	2 claim completed
EU Interreg – IMPULSE2	Support innovation in order to address the economic and societal issues facing the FCE. This project aims to support 100 SMEs in the Life Sciences & Nutrition sector to increase innovation capacity and export sales potential.	2 claim completed and 1 On the Spot
EU Interreg - Inn2Power	Supporting Kent based companies in the offshore wind sector with internationalisation & market entry in mainland Europe.	1 claim completed
EU Interreg - PATH2	Enabling women, families, and healthcare professionals to prevent, diagnose and successfully manage mild and moderate perinatal mental health issues.	3 claim completed and 1 On the Spot
EU Interreg - Prowater	Contributing to climate adaptation by restoring the water storage of the landscape via ecosystem-based adaptation measures.	2 claim completed and 1 On the Spot
EU Interreg - SHIFT	Engaging with people over 45 years of age to develop a tailored sexual health and wellbeing model.	3 claim completed
EU Interreg - SIE	Evaluating and improving business support services for small and medium-sized enterprises (SMEs) in Kent, specifically related to exporting and internationalisation.	1 claim completed
EU Interreg – Step by Step	Seeking to increase the impact of the internationally evidenced men's sheds programme, in particular 'Shedders' employment & health outcomes.	1 claim completed
EU Interreg - TICC	A four-year social innovation research project aiming to transform the delivery of community care, guided by the principals of Buurtzorg.	2 claim completed
EU Interreg - Upcycle your Waste	The programme will run over three years and aims to support SMEs in reducing their running costs by handling and transforming their waste into new resources for the community.	1 claim completed
EU Interreg - USAC	Develop new sustainable tourism initiatives that celebrate and protect the natural and cultural assets of the Kent Downs Area of Outstanding Natural Beauty (AONB), while benefiting the local economy.	2 claim completed and 1 On the Spot
Department for Health	Public Health Universal Drug Treatment Grant 21/22 (£701k)	Complete
Department for Health	Contain Outbreak Management Fund (COMF) (£54.4m)	Complete

Grant	Description	Current Status
Department for Education	Local Transport Authority COVID-19 Bus Services Support Grant (CBSSG) and Local Transport Authority COVID-19 Bus Services Support Restart Grant (CBSSG Restart) (£6.2m total)	Complete
Department for Transport	Ashford Sevington IBF (Formerly MOJO) site funding - Tranche 8 (£8.6m)	Complete
Department for Transport	Dover Inland Border Facility (£9.1m)	Complete
Department for Transport	LEVI Fund – Local Electric Vehicle Infrastructure Funding 2022/23 (Capital Fund - £12.1m; Capability Fund - £940,400)	Complete
Sport England	Sport England 21/22 (£1.6m)	Complete
Department for Levelling Up, Housing & Communities	Community Renewal Fund (CRF) (£6.7 million)	Complete
Office for Health Improvement & Disparities	SSMTRG - Supplementary Substance Misuse Treatment and Recovery 2022-23 (1.1 million)	Complete
Office for Health Improvement & Disparities	IPD Grant - Local Government Act 2003: Section 31 Local Authority Grant for Inpatient Detoxification treatment 2022-23 (£167K)	Complete
Office for Health Improvement & Disparities	SSMTR - Housing Support Fund 2022/23 (£1.8m)	Complete
Office for Health Improvement & Disparities	OHID- Healthy Weight Grant - Supporting underserved groups or building capacity within Tier 2 Healthy Weight Services (£757K)	Complete
Office for Health Improvement & Disparities	RSDATG - Rough Sleeper Drug and Alcohol Treatment Grant 22-23 (£416K)	Complete
Department for Environment, Food & Rural Affairs (DEFRA)	Biodiversity Net Gain	Complete
Department for Digital Culture, Media & Sport	Create Growth Programme (£1.275m) (3 Year Programme) – 2022/23	Complete
Department of Culture, Media & Creative Industries	Turner ACE	In Progress

Appendix D - Definitions

Audit Opinion

<p>High</p>	<p>Internal control, Governance and the management of risk are at a high standard. The arrangements to secure governance, risk management and internal controls are extremely well designed and applied effectively.</p> <p>Processes are robust and well-established. There is a sound system of control operating effectively and consistently applied to achieve service/system objectives.</p> <p>There are examples of best practice. No significant weaknesses have been identified.</p>	<p>Limited</p>	<p>Internal Control, Governance and the management of risk are inadequate and result in an unacceptable level of residual risk. Effective controls are not in place to meet all the system/service objectives and/or controls are not being consistently applied.</p> <p>Certain weaknesses require immediate management attention as there is a high risk that objectives are not achieved.</p>
<p>Substantial</p>	<p>Internal Control, Governance and management of risk are sound overall. The arrangements to secure governance, risk management and internal controls are largely suitably designed and applied effectively.</p> <p>Whilst there is a largely sound system of controls there are few matters requiring attention. These do not have a significant impact on residual risk exposure but need to be addressed within a reasonable timescale.</p>	<p>No Assurance</p>	<p>Internal Control, Governance and management of risk is poor. For many risk areas there are significant gaps in the procedures and controls. Due to the absence of effective controls and procedures no reliance can be placed on their operation.</p> <p>Immediate action is required to address the whole control framework before serious issues are realised in this area with high impact on residual risk exposure until resolved</p>
<p>Adequate</p>	<p>Internal control, Governance and management of risk is adequate overall however, there were areas of concern identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk.</p> <p>There are some significant matters that require management attention with moderate impact on residual risk exposure until resolved.</p>		

Prospects for Improvement		Issue Risk Ratings	
Very Good	There are strong building blocks in place for future improvement with clear leadership, direction of travel and capacity. External factors, where relevant, support achievement of objectives.	High	There is a gap in the control framework or a failure of existing internal controls that results in a significant risk that service or system objectives will not be achieved.
Good	There are satisfactory building blocks in place for future improvement with reasonable leadership, direction of travel and capacity in place. External factors, where relevant, do not impede achievement of objectives.	Medium	There are weaknesses in internal control arrangements which lead to a moderate risk of non-achievement of service or system objectives.
Adequate	Building blocks for future improvement could be enhanced, with areas for improvement identified in leadership, direction of travel and/or capacity. External factors, where relevant, may not support achievement of objectives	Low	There is scope to improve the quality and/or efficiency of the control framework, although the risk to overall service or system objectives is low.
Uncertain	Building blocks for future improvement are unclear, with concerns identified during the audit around leadership, direction of travel and/or capacity. External factors, where relevant, impede achievement of objectives.		

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By: James Flannery – Counter Fraud Manager

To: Governance and Audit Committee – 18th May 2023

Subject: **COUNTER FRAUD UPDATE**

Classification: Unrestricted

Summary:

This report details:

- The Counter Fraud activity undertaken for period April 2022 to March 2023, including reported fraud and irregularities.
- An update on the Counter Fraud Action Plan for 2022/23 covering reactive and pro-active activity.
- The proposed Counter Fraud Action Plan for 2023/24.

Recommendations:

The Governance and Audit Committee are asked to;

- Note the Counter Fraud Update report for 2022/23.
 - Note the progress of the Counter Fraud Action Plan for 2022/23.
 - To review, comment on and approve the Counter Fraud Action Plan for 2023/24.
-

Irregularity Referrals – 01 April 2022 to 31 March 2023

- 1.1 There were a further 109 referrals received for the reporting period 01 January 2023 to 31 March 2023 bringing the total of 353 referrals reported to the Counter Fraud Team to date in the financial year. The distribution and characteristics of the irregularities reported to date are shown in the graphs in **Appendix A**.
- 1.2 Actual losses (fraud & error) for the period 01 January 2023 to 31 March 2023 are £50,516. All amounts are subject to recovery for the full amount due. This accounts for an actual loss of £517,449 for the 2022/23 financial year.
- 1.3 The principal losses were:
 - £27,900 due to a duplicate payment being made for a residential college.
 - £12,703 (six referrals) are due to salary overpayments due to late notification by management in ending employment.
 - £5,773 was due to reported misuse within direct payments.
 - £3,660 was due to a false representation within the Holiday and Food Programme.
- 1.4 Prevented total losses for 01 January 2023 to 31 March are £13,765 of which £13,224 is due to the removal of blue badges from being misused. Referral rates are just at a manageable level based on the resources available, although some lower-level risk referrals have not been progressed for formal investigation due to other higher risk cases taking priority.
- 1.5 Additionally, following the receipt of a number of allegations, a significant investigation into a historic loan made by the Council has been concluded. This will necessitate further work by the Council and will be further discussed in private session at this Committee.

Cyber enabled crime - Schools

- 1.6 Although no losses have been reported, the Counter Fraud Team have been notified of several hacks of school staff email accounts. These have occurred when staff have interacted with a spoofed email. Advice has been provided to the schools that have been impact on how to react and report these instances.
- 1.7 Additionally, alerts have been issued reminding schools of this risk and where they can source free cyber security training. Intelligence from these instances are also being shared with KCC's ICT Compliance and Risk teams.

Direct Payments

- 1.8 In 2022/23, there have been 30 referrals received relating to direct payment misuse, 11 being reported between January 2023 and March 2023. Three have been logged as a financial recovery only and one passed for management to address and there are seven under investigation.
- 1.9 An investigation into one direct payment misuse identified issues following the commissioning of the care management of clients to an outsourced charity. The investigation identified that following the direct payment review where misuse was identified there was:
 - No escalation process in place between the charity and KCC to resolve misuse.
 - No policy or procedure within the charity or clear roles and responsibilities in order to resolve direct payment misuse.
 - No clear process within KCC to progress a reclaim of misuse.
- 1.10 A management letter was issued in November 2022, internal Audit and Counter Fraud have received satisfactory management responses from Adult Social Care and Strategic Commissioning to address the issues, however the management actions to address the first two issues are yet to be implemented.

Blue Badges

- 1.11 Proactive and reactive work continues to address the risk of blue badge misuse across Kent. During this period, there has been one enforcement day completed within Thanet District Council. A press release was issued to raised awareness and the consequences of misusing blue badges.
- 1.12 Positive feedback was received from Thanet District Council Civil Enforcement Officers on the pre-training and delivery of the enforcement day to help them continue to enforce the blue badge scheme. A total of 62 badges were inspected, where genuine badge holders welcomed the checking and validating of badges. Two cases, where cancelled badges were being used, have been referred for further investigation.
- 1.13 The Counter Fraud Team has received 227 blue badge referrals in the 2022/ 23 financial year. A total of 59 referrals have been received for the reporting period (January 2023 to March 23), with 24 resulting in warning letters, eight being closed due to insufficient evidence, 18 closed due to being low risk and insufficient resources, four cases closed with no further action (these are due to the referral relating to the use of an expired badge), one case referred to a partner agency, four open for further investigation. One has received a simple caution for an offence of misuse.
- 1.14 Of the 59 referred cases, 34 have also received a Penalty Charge Notice. Six simple cautions have been issued for offences under the Fraud Act/ Road Traffic Act within this reporting period bringing the total number issued to 14 for 2022-23. Additionally, there are two cases progressing to prosecution.

1.15 Referral rates from District/ Borough Councils continued to be mixed across the county, work continues to support parking teams in conducting effective enforcement action. Further enforcement days are being planned.

Table 1: Blue badge referrals by district/ borough council

Parking Enforcement Area	Referral numbers – Apr 22 to Mar 23	Parking Enforcement Area	Referral numbers – Apr 22 to Mar 23
Ashford BC	82	Maidstone BC	3
Canterbury CC	39	Sevenoaks DC	0
Dartford BC	5	Swale BC	11
Dover DC	7	Thanet DC	6
Folkestone & Hythe BC	2	Tonbridge and Malling BC	7
Gravesham	46	Tunbridge Wells BC	3

No Recourse to Public Funds

1.16 The Counter Fraud Team supports the CYPE Directorate in conducting verification checks on those seeking support due to being destitute and having children. During 2022/23, the Counter Fraud Team have received 12 referrals, with seven of these being received in this reporting period.

1.17 The Counter Fraud Team are monitoring referral rates and working with CYPE to ensure that relevant information is captured at point of contact, the process is as efficient as possible and resources are in place to meet any increase in demand.

National Fraud Initiative

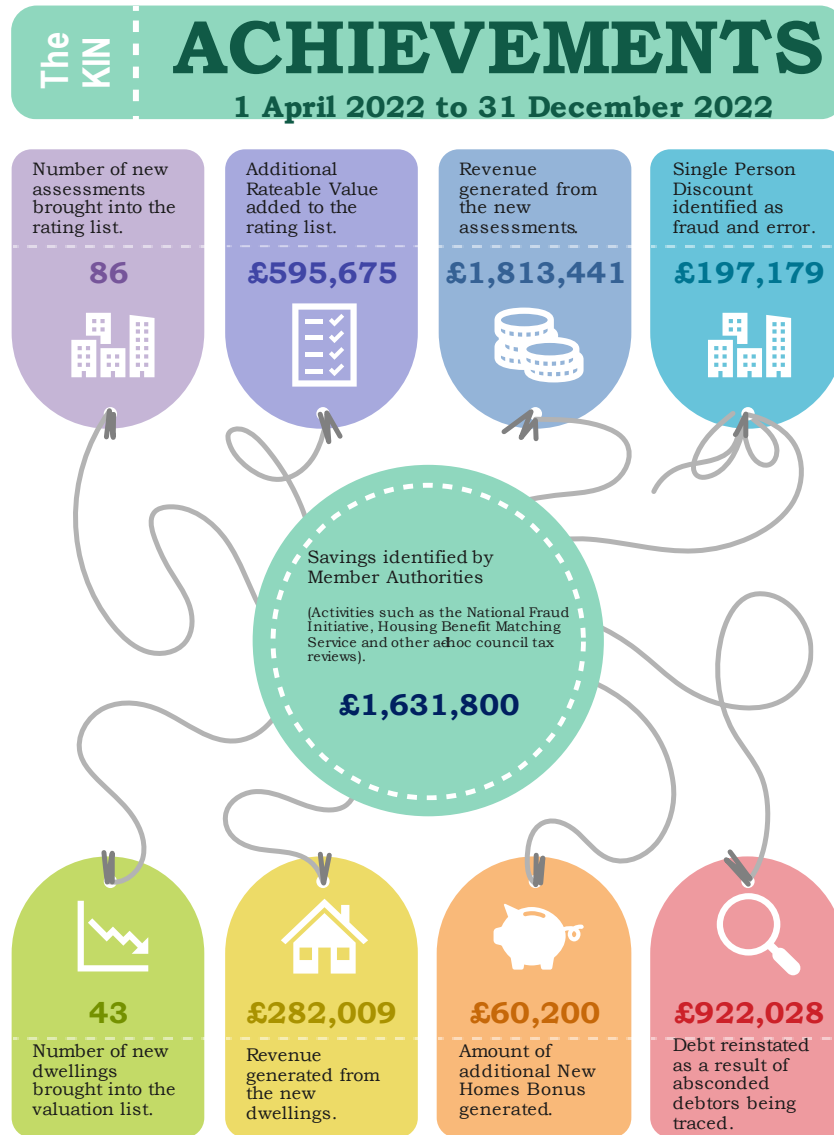
1.18 The matches for the biennial National Fraud Initiative exercise have been released. **Appendix B** provides details of types of reports released and number of matches. This shows a considerable number (30,002) of matches to be cleared.

1.19 Work is underway in engaging with the relevant teams to review the reports and individual matches. Report 172.2 Concessionary Fare to Deceased (DWP mortality data) has already been cleared. This match cancels an active Concessionary Bus Pass due to the pass holder being deceased. The Cabinet Office has recorded a cost avoidance figure (based on the Cabinet Officer criteria) of £124,062.

1.20 Historically, there has been a number of false positives in the data matching (a false positive is where the conditions of the match has been met but due to data quality the condition is not realised). These are most common within the creditor data that has been received. Sample testing will determine the value of progressing of these matches against the resources needed to clear them.

Kent Intelligence Network (KIN)

1.21 The KIN continues to provide valuable support to the District/Borough Councils and the outcomes for the period 1 April 2022 to 31 December 2022, set out below, show the results and financial returns achieved.



1.22 86 commercial properties have been identified that were previously missing from the rating list. These properties have now been brought into the list by the Valuation Office Agency and consequently, the businesses occupying these properties are now liable for business rates.

1.23 The additional business rates revenue generated from the identification of these missing properties up to 31 December 2022 is £1,724,909 (£1,813,441 including Medway), of which broadly 9% (£155,241) comes to KCC, is a combination of the following:

- The total amount of business rates billed for both the current financial year and previous financial years of £936,021 (£986,689 including Medway); and
- A 'future loss prevention' provision of 3 years of £788,888 (£826,752 including Medway). This represents the amount of additional income that would have been lost if the respective properties

had not been identified by the KIN.

- 1.24 It is also pertinent to highlight that as at 31 December 2022, there were 72 cases with the Valuation Agency awaiting assessment/valuation, none of which are included in the figures stated above, and a further 147 cases which are currently under investigation by billing authorities.
- 1.25 The KIN also helps to identify dwellings missing from the valuation list and so far, 43 dwellings have been identified.
- 1.26 The additional council tax revenue generated from the identification of these missing properties is £277,534 (£282,009 including Medway), of which broadly 73% (£202,599) comes to KCC, is a combination of the following:
- The total amount of council tax billed for both the current financial year and previous financial years of £70,678 (£71,805 including Medway); and
 - A 'future loss prevention' provision of 3 years of £206,856 (£210,204). This represents the amount of additional income that would have been lost if the respective dwellings had not been identified by the KIN.
- 1.27 It is also pertinent to highlight that as at 31 December 2022, there were 16 cases with the Valuation Agency awaiting assessment/valuation, none of which are included in the figures stated above, and a further 22 cases which are currently under investigation by billing authorities.
- 1.28 Dwellings added to the valuation list also help to generate additional New Homes Bonus (NHB) for both Districts/Boroughs and KCC. It is estimated that the 42 dwellings identified (43 dwellings including Medway) will generate £58,800 in NHB (£60,200 including Medway), of which 20% (£11,760) comes to KCC.
- 1.29 It should be noted, however, that the value of NHB for each new dwelling identified has been reduced for this year from £5,600 to £1,400. This is to reflect the fact that the NHB scheme has been wound down over previous years and to acknowledge that the future of the NHB remains uncertain.
- 1.30 In respect of the £922,028 that has been traced from absconded council tax debtors, this will generate additional income for KCC, depending on the amount that is collected. Even if a bad debt provision of 30% is applied to the amount of debt brought back into recovery, KCC would broadly receive 73% of £645,419 and this would amount to £471,155.
- 1.31 In total, the financial benefit to KCC from the initiatives and successes detailed above amounts to £840,755.

Counter Fraud Pro-Active Work

- 1.32 The Counter Fraud Pro-Active Work delivered for period January 2023 to March 2023 includes:
- Blue Badge enforcement awareness to Thanet District Council
 - Fraud and Error awareness to the Integrated Children's Service Business Support Team
 - Developing a joint working protocol with the NHS Counter Fraud function delivered by TIAA
 - Fraud and bribery risk updates to Infrastructure
 - Fraud risk assessment for the Food and Holiday programme
 - Reviewing internal referral processes to support No recourse to Public Fund assessments
 - Attendance at GET & CYPE DMT meetings to raise awareness of fraud and error trends
 - Supporting the Serious and Organised Crime co-ordinator within ASCH
 - Attendance at the Kent Fraud Panel meetings to share and disseminate knowledge on latest threats
 - Fraud awareness sessions to management teams across Commercial Services Group.

1.33 Updates to the 2022/23 Counter Fraud Action Plan can be found at **Appendix C**. The balance between pro-active and re-active work continues to be a challenge within resource levels. The Counter Fraud Team continues to challenge and support management in managing their fraud and error risks.

Counter Fraud Action Plan 2023/24

1.34 The proposed Counter Fraud Action Plan for 2023/ 24 can be found at **Appendix D**. The Counter Fraud Plan is to support the Anti-Fraud and Corruption Strategy, in that the plan delivers the Govern, Acknowledge, Prevent, Pursue and Protect themes.

Counter Fraud Resources

1.35 The team comprises; 1FTE Counter Fraud Manager, 3FTE Counter Fraud Specialists, 2FTE Counter Fraud Technician, 0.8FTE Intelligence Officer and 1FTE Intelligence Assistant. These resources are there to support not only KCC but as part of our shared services with Tonbridge and Malling Council, as well as our external clients.

1.36 The recruitment exercise for the Intelligence Assistant has been successful. One of the Counter Fraud Specialists has resigned and therefore there is a recruitment exercise underway.

Conclusions

1.37 Delivery of pro-active awareness sessions are continuing with good feedback being received on their impact and value. Reactive work is being managed, to a degree, within current resources, with several complex cases being progressed alongside the high-volume low complex cases.

Recommendations

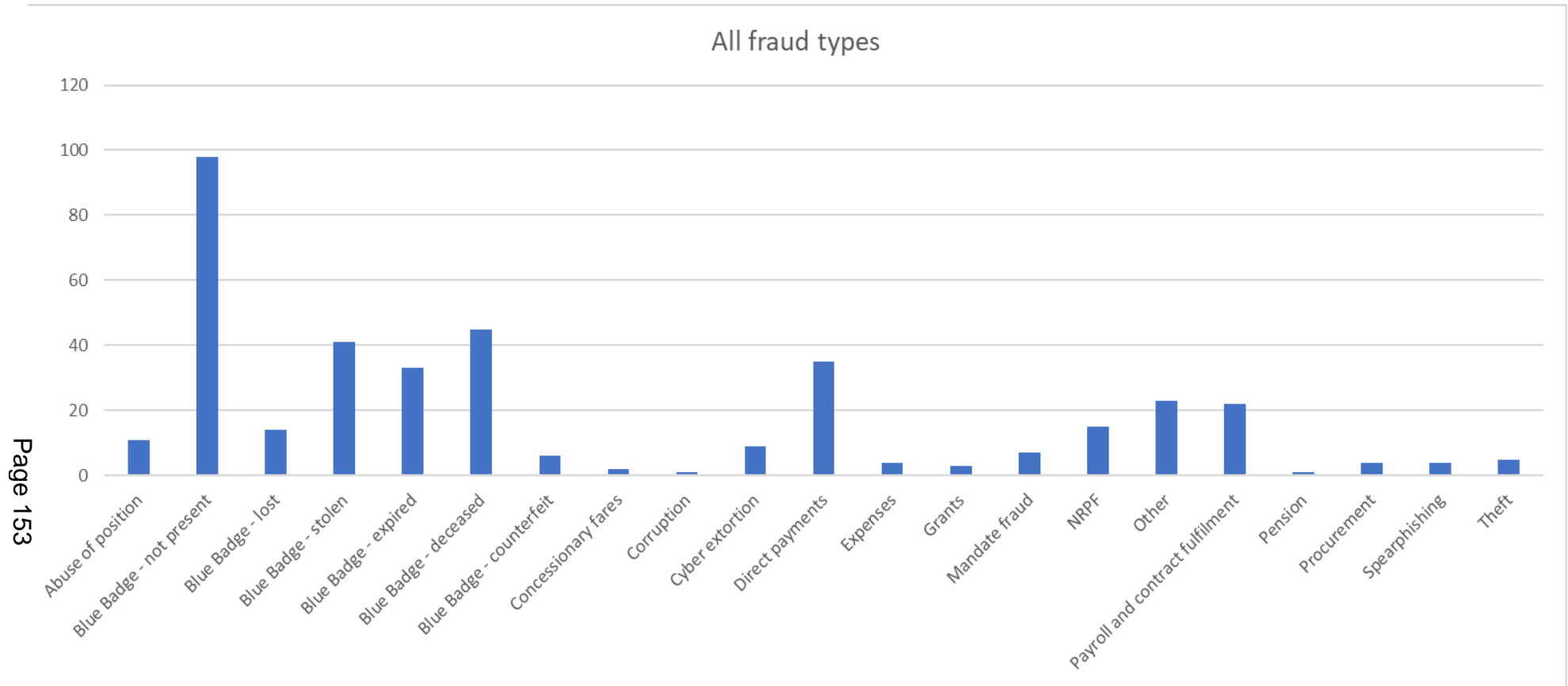
1.38 The Governance and Audit Committee are asked to:

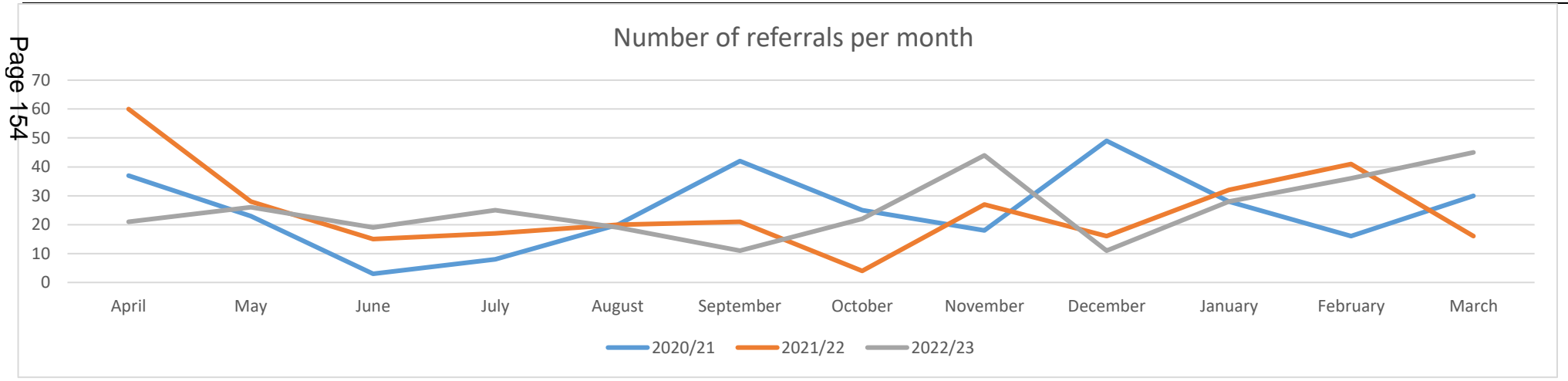
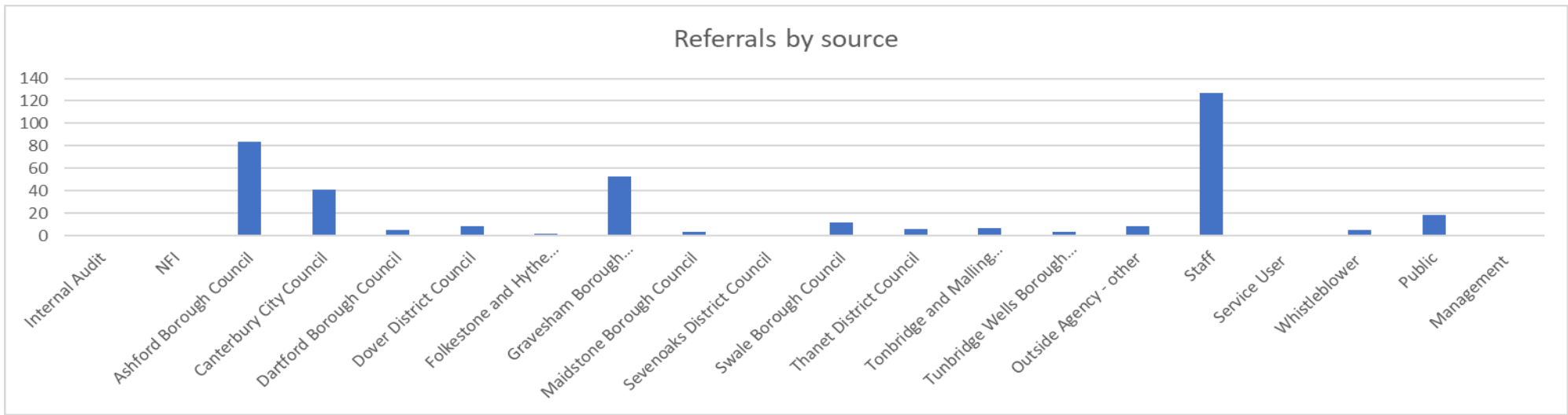
- Note the Counter Fraud Update report for 2022/23.
- Note the progress of the Counter Fraud Action Plan for 2022/23.
- To review, comment on and approve the Counter Fraud Action Plan for 2023/24.

James Flannery, Counter Fraud Manager

May 2023

Appendix A: Fraud and Irregularity referrals – Graphs





Report Title	Description of match	No of matches
Pension/ Pension Gratuity/ Deferred Pension to DWP Deceased (52, 53)	The purpose of the match is to identify instances where an occupational pensioner has died but the pension is still being paid	388
Pension to Payroll (54,55,78)	To identify pensioners who may have gone back into employment that could result in an abatement of their pension	436
Payroll to Payroll (65,66, 67.2,68.1)	To identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time	87
Payroll to Creditors (80, 81)	The match identifies instances where an employee and creditor are linked by the same bank account or the same address to identify employees with interests in companies with which your organisation is trading	195
Blue Badge to Blue Badge (170, 170.1, 172.7, 172.8, 172.9)	The purpose of this match is to identify people who may have committed fraud by obtaining more than one blue badge	1,303
Blue Badge to DWP Deceased (170.1)	Individuals who have a blue badge have been matched to deceased records. This will identify cases where a permit holder has died, but the local authority may not have been notified	2,887
Blue Badge to Amberhill data (303, 304)	Identity fraud happens when fraudsters use a false identity or somebody else's identity details to support their criminal and deceptive activities	2
Concessionary Travel Passes to DWP Deceased (172.2)	Individuals who have a concessionary travel pass have been matched to deceased records. This will identify cases where a permit holder has died, but the local authority may not have been notified	5,286
Concessionary Travel Passes to Amberhill Data (306, 307)	Identity fraud happens when fraudsters use a false identity or somebody else's identity details to support their criminal and deceptive activities	2
Duplicate Creditors by creditor reference (700)	Duplicates identified in this match suggest poor creditor management as the system has permitted a creditor reference to be used more than once	27
Duplicate Creditors by creditor reference, name,	Duplicates identified in this match suggest poor creditor management as the system has permitted a creditor reference to be used more than once	1,200

address, account number (701, 702, 703, 707)		
Duplicate records by amount and creditor reference (708)	This match highlights possible duplicate payments in excess of £1,000 that may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff	17,374
VAT overpaid (709)	This report identifies instances where VAT may have been overpaid	190
Duplicate records – creditors (711, 712, 713)	This match highlights possible duplicate payments for the same goods/services but to creditors with different reference numbers, which may have arisen as a result of poor controls or fraudulent activity by suppliers and/or staff	483
Procurement – Payroll to Companies House (Director)	To identify potential undeclared interests that have given a pecuniary advantage	142

Appendix C: Counter Fraud Plan 2022/23

Ref	Risk Area	Activity	Update
CF-KCC01-23	Payroll, Pension, Blue Badge, Concessionary fares, Trade Creditors	Progression of NFI Data Matches – Full submission due in Q3	Data received – outturn being worked on.
CF-KCC02-23	Corporate Fraud	Policy, Strategy and Risk Review	Reviews of directorate risk levels is underway to inform what risks will be escalated from service risk registers to the corporate risk registers.
CF-KCC03-23	Corporate Fraud	Kent Intelligence Network	Out turn for 22/23 reported above. Work on the Digital Economy Act Business Case continues, this is to support matching data between district/ borough councils and Kent County Council to make the financial assessment for adult social care more effective and efficient.
CF-KCC04-23	All risk areas to support the prevention and detection of fraud and corruption	Relationship Management Strategy for Stakeholders - Including Fraud, Bribery and Risk Assessments – new Initiatives, policies and strategies. Enhanced vetting of senior officers. Kent Fraud Panel Fighting Fraud and Corruption Locally	Enhance vetting checks being completed for senior officers. Fraud awareness sessions delivered to: County Safeguarding Leads Chief Accountants Team Financial Analysis and Support Team Finance Operations Management Team Finance Business Partners Review of policy and application process within the Gypsy and Traveller service Fraud, Bribery and Corruption awareness to the Gypsy and Traveller service Fraud awareness to CSG Management Teams. Fraud and Error awareness to the Integrated Children's Service Business Support Team Developing a joint working protocol with the NHS Counter Fraud function delivered by TIAA Fraud and bribery risk updates to Infrastructure Fraud risk assessment for the Food and Holiday programme GET & CYPE DMT meetings to raise awareness of fraud and error trends Supporting the Serious and Organised Crime co-ordinator within ASCH Attendance at the Kent Fraud Panel meetings to share and disseminate knowledge on latest threats
CF-KCC05-23	All fraud risk areas faced by schools to support the prevention and detection of fraud	Pro-active Fraud Exercise - Schools	Awareness sessions delivered to: 150 School Governors 14 Senior Leaders
CF-KCC06-23	Blue Badge fraud risk	Pro-active Fraud Exercise - Blue Badges Enforcement Days and liaison with Parking Managers	Enforcement days – 4 completed
CF-KCC07-23	Social Care fraud risks - ASCH & CYPE	Review of Financial Abuse Tool Kit	Completed and issued to business to adopt.
CF-KCC08-23	Procurement fraud risks	Pro-active Fraud Exercise - Commissioning	In progress – Task and Finish group attendance to support ASCH in supported living contracts.

CF-KCC09-23	Social Care Fraud Risks - CYPE & ASCH	To deliver fraud culture work/ awareness sessions across both CYPE and ASCH	Providing Counter Fraud Support to County Safeguarding Strategic Group and operational support on financial abuse referrals.
CF-KCC10-23	Counter Fraud Profession	Professional standards	On going
CF-KCC11-23	All risk areas to support the prevention and detection of fraud and corruption	Supporting Audit on specific audits where there is a fraud risk, through planning, fieldwork and reporting stages as required.	Ongoing – All received engagement plans reviewed and advice provided to auditors on relevant fraud risks.
CF-KCC12-23	All fraud risk areas	Reactive Investigations	50 Ongoing referrals and investigations
CF-KCC13-23	No Recourse to Public Funds	Review of Counter Fraud referral processes	Referral forms updated and available to CYPE to use, work on front end data capture continues.
CF-KCC14-23	All risk areas to support the prevention and detection of fraud and corruption	Fraud Awareness – Review and update of e-Learning on Delta, fraud awareness week.	In progress – Video software purchased and content development in progress

Appendix D – Counter Fraud Action Plan – 2023/24

Ref	Strategy link	Risk Area	Activity	Description
CFT-01	Govern	Corporate Fraud	Policy, Strategy and Risk Review	Review each policy bi-annually, presented to CMT & G&A and once agreed to be communicated across KCC management via Kmail for managers. Expected policies to be reviewed: Anti Fraud and Corruption Strategy Anti Bribery Policy Anti Money Laundering Policy Financial Regulations Spending the Councils Money To review any other policy that may have an inherent fraud, bribery & corruption risk
CFT-02	Govern	All risk areas to support the prevention and detection of fraud and corruption	Relationship Management Strategy for Senior Stakeholders - Including Fraud, Bribery and Risk Assessments.	Ensure that the culture which is supported by Corporate Management Team and Governance and Audit Committee is embedded throughout the organisation through Counter Fraud attendance at relevant meetings and focus groups.
CFT-03	Prevent	All fraud risk areas faced by schools to support the prevention and detection of fraud	Proactive Fraud Exercise - Schools	Create and deliver a communication strategy to provide Fraud awareness sessions to school finance staff, senior leaders and governors. Including existing and emerging risks. As well as providing ad-hoc advice
CFT-04	Prevent	Blue Badge fraud risk	Proactive Fraud Exercise - Blue Badges	Provide regular communication to parking managers to inform them of latest guidance, what's working well what needs improving, including the issuing of a quarterly newsletter. Provide enforcement awareness sessions to district CEOs.
CFT-05	Prevent	Social Care fraud risks - ASCH	Financial Abuse Review	To progress a review of the approach taken by ASCH safeguarding on addressing financial abuse against vulnerable adults.
CFT-06	Prevent	Fraud Risks – ASCH	To deliver fraud culture work/ awareness sessions ASCH	To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.

CFT-07	Prevent	Fraud Risks - CYPE	To deliver fraud culture work/ awareness sessions CYPE	To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.
CFT-08	Prevent	Fraud Risks - GET	To deliver fraud culture work/ awareness sessions across GET	To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.
CFT-09	Prevent	Fraud Risks - CED/ DECD	To deliver fraud culture work/ awareness sessions across CED/ DECD	To create and deliver a communication and engagement strategy that meets the need of the Services in addressing fraud/ financial crime risks.
CFT-10	Prevent	No Recourse to Public Funds	review of CF Process	To review the guidance, forms and controls in place to enable effective assessments of someone's destitution. Review NRPF Applications where these financial checks are required.
CFT-11	Prevent	All risk areas to support the prevention and detection of fraud and corruption	Fraud Awareness	Agile awareness sessions to be delivered in conjunction with emerging risks
CFT-12	Pursue	Payroll Pension Blue Badge Concessionary fares Trade Creditors	Progression of NFI Data Matches	Coordinate the Council's and its LATCO's participation in the National Fraud Initiative, including the monitoring of matches being completed by the relevant team.
CFT-13	Pursue	Corporate Fraud	Kent Intelligence Network	Actively participate in the Kent Intelligence Network and develop data matching proposals to increase detection of fraud at KCC and across Kent authorities.
CFT-14	Protect	Counter Fraud Profession	Professional standards	Engagement with the Cabinet Office on the Counter Fraud Profession

CFT-15	Protect	All risk areas to support the prevention and detection of fraud and corruption	Supporting Audit on specific audits where there is a fraud risk, through planning, fieldwork and reporting stages as required.	Provide advice and support on key fraud controls in specific audits.
CFT-16	Acknowledge	All fraud risk areas	Reactive Investigations	To manage and complete investigations into the financial irregularities reported to Internal Audit & Counter Fraud. Including criminal, civil and where needed disciplinary investigations. Providing management with any areas of improvements needed to reduce the risk of fraud or error occurring again.
CFT-17	Acknowledge	All fraud risk areas	Data Analytics	Providing advice/ guidance and data analytical support in order to identify fraud and error occurring.

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From: Roger Gough, Leader of the Council
David Cockburn, Chief Executive Officer

To: Governance and Audit Committee – 18th May 2023

Subject: **CORPORATE RISK REGISTER**

Classification: Unrestricted

Summary: Governance & Audit Committee receives the Corporate Risk Register twice each year for assurance purposes.

FOR ASSURANCE

1. Background

- 1.1 The Corporate Risk Register is regularly reviewed and updated to reflect any significant new risks or changes in risk exposure that arise due to internal or external events; and to track progress against mitigating actions.
- 1.2 There is still a challenging backdrop of continued uncertainty in the local government operating environment, with the Council facing implications relating to geo-political factors, the cost-of-living crisis, broader economic volatility, workforce shortages and cost inflation.

2. Corporate Risk Register summary

- 2.1 The Corporate Risk Register was last presented to Governance & Audit Committee for assurance in July 2022. Since that time, Cabinet received an update on the register in January 2023. The main changes reported at that time were as follows:
 - 2.1.2 CRR0039: The risk rating was to reflect the Information Commissioner's Office (ICO) revised approach to public sector enforcement, which focuses on increased use of the ICO's wider powers, including warnings, reprimands and enforcement notices, with fines issued in only in the most serious of cases. This does not negate the need for the Authority to continue its rigorous efforts to mitigate information governance risks, including automating processes where appropriate.
 - 2.1.3 CRR0058 – The previous risk relating to hybrid working was closed and replaced by a risk that focuses more specifically on workforce recruitment and

retention in relation to key roles across KCC. Notable consequences include workforce capacity challenges. The risk is rated as High.

- 2.1.4 CRR0045 – Maintaining effective governance and decision making in a challenging financial and operating environment for local government. The risk level was increased to reflect both the increasingly challenging financial environment and the subsequent pressure it puts on decision-making. The risk is to be reviewed to consider any broader areas of relevance arising from the Council’s Annual Governance Statement.
- 2.1.5 CRR0014 Cyber and Information Security – The target residual rating for the risk was raised to match the current level of 20, reflecting that despite continuing improvements to the council’s security environment, the risk level will remain high due to constantly evolving threats that require controls to remain effective and fit-for-purpose. The risk reflects controls of a technical nature as well as those that provide training and awareness raising of cyber threats for our workforce.
- 2.1.6 CRR0055 – Impacts of the ‘People at the Heart of Care’ Social Care Reform White Paper was added earlier in 2022, but as the key reforms were delayed as part of the Autumn Statement, the corporate risk was withdrawn and will be reassessed pending further information on their implementation. However, one area of reform still progressing is the Care Quality Commission (CQC) Assurance Framework. Discussions are taking place with the Corporate Director for ASCH and CMT as to how this risk should be fed into the corporate profile.

2.2 There have been changes to the ratings of two corporate risks since the register was reported to Cabinet in January 2023:

2.2.1 CRR0050 Preparedness and response to Chemical, Biological, Radiological, Nuclear and Explosive (CBRNE) incidents, communicable diseases, and incidents with a public health implication. The risk has been in the context of Coronavirus response and recovery. Monitoring of the position continues and as a result of a reduction in the prevalence of covid-19 cases in Kent and nationally, the relatively low severity of infections, and the effectiveness of the national vaccine programme the risk rating has been reduced to a medium rated risk.

2.2.2 The rating for CRR0004 Simultaneous Emergency Response and Resilience was raised to High when the Authority was under significant strain dealing with Covid-19 response and recovery, incidents relating to the borders in Kent and severe weather risks. Over the past 2-3 years in particular, the Authority has become accustomed to effectively managing simultaneous events and

incidents with its partners and therefore the risk rating has been reduced to Medium.

- 2.3 In addition to the Council's medium term financial and operating environment risk (CRR0009), there is a more specific risk being drafted relating to the potential for significant adverse variances to the latest agreed budget, reflecting the challenges of carrying forward an overspend from 2022-23 into the current financial year and the extremely challenging level of savings requiring delivery, as well as the need to resist spending growth and cost pressures.
- 2.4 CRR0054 Supply Chain and Market Factors has so far been focused on organisation-wide approaches to commissioning, including standards and procurement regulations. However, supply chain and market factors are relevant to a significant number of existing corporate risks e.g., CRR0015 regarding the care market, CRR0053 relating to the capital programme and CR0057 relating to Home To School Transport, and it could be argued that these risks are best managed in their relevant contexts. Therefore, Corporate Board's view is being sought as to whether this risk is removed from the Corporate Risk Register, with the potential to revisit this position once KCC's new commissioning model has been finalised.
- 2.5 The Council's Risk Management Policy & Strategy states, "*Corporate Risks are subject to "deep dive" reviews by Corporate Board and the Governance & Audit Committee, with those responsible for the management of risks present, at an appropriate frequency, depending on the nature of the risk.*" Therefore, the Committee may wish to consider whether any corporate risks require more in-depth review for assurance purposes.
- 2.6 The Corporate Risk Register is attached in appendix 1, along with headline details of directorate risks at appendix 2.

3. Cabinet Committee Summary

- 3.1 Corporate risks are divided and presented to the relevant cabinet committees annually, along with summaries of the latest positions for directorate risks and a few headline risk areas from divisional registers. This provides an opportunity for Members to scrutinise the key risks with the relevant Cabinet Member and Corporate Director present. The reports covered the latest position with the corporate risks, how they were evolving and key mitigations.
- 3.2 Members at each committee took the opportunity to ask several questions of Cabinet Members, Corporate Directors and other lead officers. The two most common themes across the committees were cyber security and workforce issues, including recruitment and retention. The cyber risk is acknowledged as a continually evolving picture, with the need to keep controls relevant and be mindful of cyber security issues in the supply chain. A detailed report on cyber risk was presented to the Policy & Resources Cabinet Committee in March.

4. Managing Risk in the Current Context

- 4.1 One common theme arising was the need to regularly prioritise and reprioritise given the increasingly challenging risk environment. This applies to the corporate risk profile, with the majority of corporate risks rated as high, and is very much a live conversation with the Corporate Management Team to develop a deeper understanding of the drivers of each risk, the proximity of potential impacts, and the effective prioritisation and sequencing of mitigations, within resourcing constraints.
- 4.2 The fact that a number of our corporate risks are systemic and complex in nature, and not entirely within our gift to control or manage, is demonstrated by the 'target' residual risk ratings that are listed against each risk. The majority of them are medium or high ratings, which is indicative of the fact that even with further mitigation, the Council will have to accept holding significant levels of risk going forward.

5. Timescales to Target Residual levels of risk

- 5.1 Approximate timescales for the management of risks to "target" residual risk ratings are now integrated into summary profile of the register as well as being listed against each risk. The baseline for the timescales is summer 2022 unless otherwise stated. Risk Owners for the corporate risks are regularly asked to review these timescales. Any changes will be reported back to this Committee.

6. Monitoring and Review

- 6.1 The risks within the Corporate Risk Register, their current risk level and progress against mitigating actions are reported to Cabinet quarterly via the KCC Quarterly Performance Report.

7. Recommendation

- 7.1 The Governance and Audit Committee is asked to:
- a) NOTE the report for assurance.

Report Author:

Mark Scrivener, Corporate Risk Manager

Email: mark.scrivener@kent.gov.uk

Relevant Director

David Whittle, Director of Strategy, Policy, Relationships and Corporate Assurance

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KCC Corporate Risk Register

For presentation to Governance & Audit Committee 18/05/2023

Corporate Risk Register - Summary Risk Profile

Low = 1-6
Medium = 8-15
High =16-25

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since July 2022	Timescale to Target (baseline summer 2022 unless otherwise stated).
CRR0001	Safeguarding – protecting vulnerable children	Medium (15)	Medium (15)	↔	At Target
CRR0002	Safeguarding – protecting adults at risk	High (20)	Medium (15)	↔	1-2 Years
CRR0003	Securing resources to aid economic recovery and enabling infrastructure	High (25)	High (16)	↔	3+ Years
CRR0004	Simultaneous Emergency Response and Resilience	Medium (15)	Medium (15)	↓	At Target
CRR0009	Future financial and operating environment for local government	High (20)	High (16)	↔	1-2 Years
CRR0014	Cyber and information security resilience	High (20)	High (20)	↔	At Target
CRR0015	Managing and working with the social care market	High (25)	Medium (15)	↔	3+ Years
CRR0039	Information Governance	Medium (15)	Medium (9)	↓	1-2 Years
CRR0042	Border fluidity, infrastructure, and regulatory arrangements	High (25)	High (16)	↔	1-2 Years
CRR0045	Maintaining effective governance and decision making in a challenging financial and operating environment for local government	Medium (15)	Low (5)	↑	TBC

CRR0049	Fraud and Error	High (10)	Low (5)	↓	Within 1 Year
CRR0050	CBRNE incidents, communicable diseases and incidents with a public health implication – KCC response to and recovery from the impacts of the Covid-19 public health emergency	Medium (15)	Medium (15)	↓	At Target
CRR0052	Impacts of Climate Change on KCC Services	High (25)	High (16)	↔	3+ Years
CRR0053	Capital Programme affordability (impacts on performance and statutory duties)	High (25)	High (16)	↔	3+ Years
CRR0056	SEND Delivery Improvement and High Needs Funding shortfall	High (25)	High (16)	Merged risk	3+ Years
CRR0057	Home To School Transport Pressures	High (16)	Medium (12)	New Risk	1-2 Years
CRR0058	Recruitment and Retention of the workforce	High (16)	Medium (9)	New Risk	1-2 Years

*Each risk is allocated a unique code, which is retained even if a risk is transferred off the Corporate Register. Therefore, there will be some 'gaps' between risk IDs.

** Risk rating to be reviewed after local government finance settlement is confirmed.

NB: Current & Target risk ratings: The 'current' risk rating refers to the current level of risk taking into account any mitigating controls already in place. The 'target residual' rating represents what is deemed to be a realistic level of risk to be achieved once any additional actions have been put in place. On some occasions the aim will be to contain risk at current level.

Likelihood & Impact Scales					
Likelihood	Very Unlikely (1)	Unlikely (2)	Possible (3)	Likely (4)	Very Likely (5)
Impact	Minor (1)	Moderate (2)	Significant (3)	Serious (4)	Major (5)

Risk ID	CRR0001	Risk Title	Safeguarding – protecting vulnerable children			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
The Council must fulfil its statutory obligations to effectively safeguard vulnerable children in a complex and challenging environment.	Failure to fulfil statutory safeguarding obligations.	Incident of serious harm or death of a vulnerable child.	Sarah Hammond, Corporate Director	Possible (3)	Major (5)	
In addition, the Counter Terrorism and Security Act 2015 sets out the Government’s “Prevent Duty” and requires the Local Authority to act to prevent people from being drawn into terrorism, with a focus on the need to safeguard children at risk of radicalisation.	Failure to meet the requirements of the “Prevent Duty” placed on Local Authorities.	Serious impact on vulnerable people.	Children, Young People and Education (CYPE)			
	Safeguarding risks are not identified to / by KCC in a timely fashion.	Impact on ability to recruit the quality of staff critical to service delivery.		Target Residual Likelihood	Target Residual Impact	
	Spike(s) in demand impact on robustness of controls	Serious operational and financial consequences.	Responsible Cabinet Member(s):	Possible (3)	Major (5)	
		Attract possible intervention from a national regulator for failure to discharge corporate and executive responsibilities.	On behalf of Cabinet:			Timescale to Target
During Lockdown some children were absent from school and some partners were less visible, undertaking fewer home visits to vulnerable children, increasing demand on statutory children’s services. As a result, there has been an increase in the risk to children under 5. This has introduced uncertain impacts for children’s mental health and resilience and the potential for latent demand to build. We are starting to see more complex demand within the system as a result of a more complex working environment. There is also an			Sue Chandler, Integrated Children’s Services			At target
			Rory Love, Education and Skills			
			Mike Hill (Lead Member for PREVENT)			

impact on absentee and non-attendance levels within schools.	
Control Title	Control Owner
Active strategy in place to attract, recruit and retain social workers through a variety of routes with particular emphasis on experienced social workers.	Kevin Kasaven, Director of County Services / Paul Royel, Director of HR and OD
Kent Safeguarding Children Multi Agency Partnership (KSCMP) arrangements in place, replacing the previous Kent Safeguarding Children Board. Includes, a Scrutiny and Assurance Framework, which is working with partners to address service visibility and demand issues.	Sarah Hammond, Corporate Director (CYPE) / David Whittle, Director SPRCA
Children's Assurance Board established to give assurance to the rest of the council, including safeguarding arrangements. Includes review of qualitative audit information and triangulates with quantitative picture	Sarah Hammond, Corporate Director (CYPE)
Consistent scrutiny and performance monitoring through Divisional Management Team, "Performance, Challenge and support" meetings and audit activity.	Kevin Kasaven, Director of County Services
Multi agency Crime and Sexual Exploitation Panel (MACSE) provides a strategic, county wide, cross agency response to CSE	Sarah Hammond, Corporate Director (CYPE)
A revised Elective Home Education policy approved that includes interaction with children where there are welfare concerns and where other agencies have been involved with the family. Awareness raising taking place with other practitioners.	Craig Chapman, Head of Fair Access / Christine McInnes, Director of Education
Introduction and appointment of independent scrutineer as part of multi-agency safeguarding children arrangements	David Whittle, Director SPRCA
Communities of Practice introduced during the Covid-19 pandemic, offering support for practitioners, with over 100 practitioners attending weekly	Kevin Kasaven, Director of County Services
Multi-function officer group helping to define key steps and approach to aid any future inquiries or investigations that may arise relating to alleged historical abuse	Kevin Kasaven, Director of County Services –
Safeguarding and Quality Assurance Unit conducts audits, reviews of practice, identifies themes and patterns for accountable managers to respond and provides challenge.	Kevin Kasaven, Director of County Services –
Multi Agency Public Protection arrangements (MAPPA) in place	Kevin Kasaven, Director of County Services
Kent & Medway Prevent Duty Delivery Board (chaired by KCC) oversees the activity of the Kent and Medway	Richard Smith, Corporate Director ASCH

Channel Panel, co ordinating Prevent activity across the County and reporting to other relevant strategic bodies in the county (including reporting route to the Kent Safeguarding Children Multi Agency Partnership). Currently chaired by KCC's Director of Adult Social Care and Health 2023.	
Manageable caseloads per social worker and robust caseload monitoring. Social work vacancies monitored with action taken to address as required.	Sarah Hammond, Corporate Director Children, Young People and Education (CYPE)
'Deep Dive' activity undertaken to investigate vacancy rates for staff that reflects factors such as maternity leave	Sarah Hammond, Corporate Director Children, Young People and Education (CYPE)
Integrated practice model	Kevin Kasaven, Director of County Services / Stuart Collins, Director Operational Integrated Services
Extensive staff training - Quality Assurance Framework has been rolled out and Integrated Children's Services team has received mandatory training related to this	Kevin Kasaven, Director of County Services –/ Stuart Collins, Director Operational Integrated Childrens Services
Kent and Medway Channel Panel (early intervention mechanism providing tailored support to people who have been identified as at risk of being radicalised) in place.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
Joint Exploitation Group (Kent & Medway) children and adults focuses on PREVENT, gangs, Modern Slavery, human trafficking and online safeguarding matters. Reports to Kent and Medway Adults Safeguarding Board and KSCMP.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
KCC cross directorate PREVENT group meets regularly and ensures the PREVENT duty is embedded across the organisation. Regular updates are provided to the Corporate Management Team. PREVENT training strategy in place and regularly reviewed.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
The annual assurance statement is a self-declaration approved by the Chief Executive / Head of Paid Service which captures the Authority's compliance with the requirements of the Counter Terrorism Act. Actions identified within the annual assurance statement are transferred to the Kent and Medway Action Plan. Kent and Medway Board for PREVENT have oversight of action progress.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC)

Semi-regional PREVENT model of delivery across Kent & Medway developed	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC)	
Adolescent risk management process agreed, and approach signed off.	Stuart Collins, Director Operational Integrated Children's Services	
Kent and Medway Gangs Strategy outlines the multi-agency approach to ending the criminal exploitation of vulnerable children and adults by gangs	Stuart Collins, Director Operational Integrated Children's Services	
Education Safeguarding Team in place as part of the contract with The Education People	Christine McInnes, Director of Education and SEND	
"Section 11" audit conducted periodically to provide assurance that relevant agencies and individuals are cooperating to safeguard children and promote their welfare, with feedback and follow up. .	Jennifer Maiden-Brooks, Systems Improvement Manager, Kent Safeguarding Children Multi-Agency Partnership	
Children's Services have been externally verified and rated as 'outstanding' by Ofsted in May 2022, offering external assurance that mechanisms in place have been robust.	Sarah Hammond, Corporate Director, Children, Young People and Education (CYPE)	
Action Title	Action Owner	Planned Completion Date
Recommendations from recent Independent Local Authority Children's inspection to improve SMART planning and reduce drift in progressing children's plans. Framework for a Child in Need (CIN) implemented and panel being implemented across the districts. The framework allows staff to better understand the experience of CIN which over the process of around 5 weeks would allow management oversight of all CIN creating clearer throughput of work.	Leemya McKeown Interim Assistant Director – Professional Standards and Quality Assurance	July 2023
Revitalise current process for managing frequent placement moves to include developing a flow chart and placement stability tool to identify placement fragility and provide the right support at the right time to avoid placement breakdown.	Leemya McKeown Interim Assistant Director – Professional Standards and Quality Assurance	June 2023

Examples of Committee reports of relevance to this risk since November 2022:

Health Overview & Scrutiny Committee 28 March 2023	Item 4 – Child and Adolescent Mental Health Services (CAMHS) tier 4 position https://democracy.kent.gov.uk/documents/g9052/Public%20reports%20pack%2028th-Mar-2023%2010.00%20Health%20Overview%20and%20Scrutiny%20Committee.pdf?T=10
Kent Community Safety Partnership 21 March 2023	Item D2 – Kent and Medway PREVENT Duty Board Update (Restricted) https://democracy.kent.gov.uk/documents/g9145/Public%20reports%20pack%2021st-Mar-2023%2010.00%20Kent%20Community%20Safety%20Partnership.pdf?T=10
CYPE Cabinet Committee 17 January 2023	Item 8 – Kent Safeguarding Children Multi- Agency Partnership Annual Report https://democracy.kent.gov.uk/documents/g9101/Public%20reports%20pack%2017th-Jan-2023%2010.00%20Childrens%20Young%20People%20and%20Education%20Cabinet%20Committee.pdf?T=10

Risk ID	CRR0002	Risk Title	Safeguarding – protecting adults at risk			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
The Council must fulfil its statutory obligations to effectively safeguard vulnerable adults, in a complex and challenging environment e.g., challenges relating to demand for services and consistent quality of care in the provider market.	Failure to fulfil statutory obligations.	Incident of serious harm or death of a vulnerable adult.	Richard Smith Corporate Director Adult Social Care and Health (ASCH)	Likely (4)	Major (5)	
The change from 'safeguarding alerts' to 'safeguarding enquiries' has led to a significant increase in the number of safeguarding concerns received. There has also been an increase in domestic abuse referrals.	Failure to meet the requirements of the "Prevent Duty" placed on Local Authorities.	Serious impact on vulnerable people.		Target Residual Likelihood	Target Residual Impact	
The Covid-19 pandemic and the associated 'lockdown' measures raised concerns of increases in hidden harm, self-harm and neglect resulting in impacted demand profiles.	Safeguarding risks are not identified to / by KCC in a timely fashion.	Serious impact on ability to recruit the quality of staff critical to service delivery.	Responsible Cabinet Member(s):	Possible (3)	Major (5)	
Social care services have made substantial adaptations to service delivery across the system.	Spike(s) in demand impact on quality of controls	Serious operational and financial consequences.	Clair Bell, Adult Social Care and Public Health			Timescale to Target
In addition, the Counter Terrorism and Security Act 2015 sets out the Government's "Prevent Duty" and requires the Local Authority		Attract possible intervention from a national regulator for failure to discharge corporate and executive responsibilities.	Mike Hill (Lead Member for PREVENT)			1-2 years

to act to prevent vulnerable people from being drawn into terrorism.	
Control Title	Control Owner
Locality Commissioners and operations teams regularly meet with Care Quality Commission to share intelligence	Simon Mitchell, Strategic Commissioning
Regular liaison between Director Adult Social Care and the Director of Care Quality Commission	Richard Smith, Corporate Director ASCH
Strategic Safeguarding and Quality Assurance team in adult social care and health leads on a strategic framework for policy, service development, strategic safeguarding and quality assurance	Sarah Denson, Assistant Director
Kent and Medway Prevent Duty Delivery Board (chaired by KCC) oversees the activity of the Kent and Medway Channel Panel, co-ordinating Prevent activity across the County and reporting to other relevant strategic bodies in the county. Currently chaired by KCC's Director of Adult Social Care and Health until end of 2023.	Richard Smith, Corporate Director ASCH
KCC is a partner in multi-agency public protection arrangements (MAPPA) for managing sexual and violent offenders, a mechanism through which agencies can better discharge their statutory responsibilities and protect the public in a coordinated manner.	Richard Smith, Corporate Director ASCH
KCC contributes to the Multi-agency risk assessment conference (MARAC) process, which allows for the best possible safety planning for victims of domestic abuse who are considered to be at high risk of experiencing further significant harm/injury.	Jim Beale Assistant Director
KCC Safeguarding Competency Framework in place, including Mental Capacity Act requirements.	Sarah Denson, Assistant Director – Principal Social Worker
KCC Safeguarding Competency Framework reviewed to ensure currency and look for areas for improvement.	Sarah Denson, Assistant Director
KCC is a member of the Kent & Medway Safeguarding Adults Board – a statutory service which exists to make sure that all member agencies are working together to help Kent and Medway's adults safe from harm and protect their rights. The Board has an independent Chair and its work carried out by a number of working groups.	Sarah Denson, Assistant Director / David Whittle Director SPRCA

Kent and Medway Channel Panel (early intervention mechanism providing tailored support to people who have been identified as at risk of being drawn into terrorism) in place.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
PREVENT training strategy in place and regularly reviewed.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
Semi-regional PREVENT model of delivery across Kent and Medway developed.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
KCC cross-directorate PREVENT group meets regularly and ensures the PREVENT duty is embedded across the organisation. Regular updates are provided to the Corporate Management Team.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
Joint Exploitation Group (Kent & Medway) focuses on PREVENT agenda, gangs, modern slavery, human trafficking and online safeguarding matters reports to Adults Safeguarding Board and Children's Partnership.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
The annual assurance statement is a self-declaration approved by the Head of Paid Service which captures the Authority's compliance with the requirements of the Counter Terrorism Act. Actions identified within the annual assurance statement are transferred to the Kent and Medway Action Plan. Kent and Medway Board for PREVENT have oversight of action progress.	Nick Wilkinson, Assistant Director Contest and Serious Organised Crime (SOC),
Quarterly safeguarding report brings together key information to enable scrutiny and performance monitoring for management teams and the Cabinet Member.	ASCH Divisional Directors
Safeguarding operating model aligns multidisciplinary safeguarding teams to the locality model	Sarah Denson, Assistant Director
Quality Assurance Framework in place	Sarah Denson, Assistant Director
Practice Framework in place	Sarah Denson, Assistant Director
Programme of training events to support practitioners to develop knowledge and skills as part of continuing professional development. Manager training commenced July 2022.	Sarah Denson, Assistant Director
Quality Assurance Board oversees quality of practice, meets on a quarterly basis.	Sarah Denson, Assistant Director

Programme of training events to support practitioners to develop knowledge and skills as part of continuing professional development.	Sarah Denson, Assistant Director–	
Performance improvement plan monitors safeguarding activity and supports managers to identify safeguarding concerns for closure	Sarah Denson, Assistant Director	
KCC is a partner in multi-agency public protection arrangements (MAPPA) for managing sexual and violent offenders. Sarah Denson is first point of contact for Level 3 meetings which occur on a fortnightly basis	Sarah Denson, Assistant Director	
Additional safeguarding training has been commissioned and is available to support the transition/embedding in localities	Sarah Denson, Assistant Director	
Weekly briefings have been delivered over the month of April for Community Managers and Senior Practitioners	Sarah Denson, Assistant Director	
Engagement with Health via the Integrated Care Board, Health and Quality Meetings, and Area Directors attend Health Care Partnership meetings	Sarah Denson Assistant Director and all ASCH Assistant Directors	
Strong relationships with the Local Resilience Forum	Sarah Denson, Assistant Director	
Strategic Safeguarding Reviews are undertaken by the Strategic Safeguarding Unit. Learning from reviews are communicated and where relevant action plans are put in place and monitored for completion. Key messages are shared with SMT	Sarah Denson, Assistant Director	
Corporate and operational risk is regularly discussed at both SMT and DMT. Risks are escalated as required	Richard Smith – Corporate Director ASCH	
Local partnership meeting (Alliance) with on a quarterly basis where issues around provision and safeguarding are shared	Alyson Wagget – Assistant Director	
Countywide Autism and Learning Disability Partnership Leadership Meeting features safeguarding as an agenda item.	Alyson Wagget – Assistant Director	
Action Title	Action Owner	Planned Completion Date
KCC Safeguarding Competency Framework in place, including Mental Capacity Act requirements. Reviewing both frameworks in order to amalgamate and potentially have one all-encompassing framework.	Sarah Denson, Assistant Director– Principal Social Worker	October 2023
Briefing being provided in relation to Government’s decision to suspend Liberty Protection Safeguards changes.	Maureen Stirrup, Head of Deprivation of Liberty Standards	May 2023

Examples of Committee reports of relevance to this risk since November 2022:

<p>Kent Community Safety Partnership 21 March 2023</p>	<p>Item B3 – Multi-Agency Risk Assessment Conference (MARAC) Update</p> <p>https://democracy.kent.gov.uk/documents/g9145/Public%20reports%20pack%2021st-Mar-2023%2010.00%20Kent%20Community%20Safety%20Partnership.pdf?T=10</p>
<p>Kent Community Safety Partnership 21 March 2023</p>	<p>Item D2 – Kent and Medway PREVENT Duty Board Update (Restricted)</p> <p>https://democracy.kent.gov.uk/documents/g9145/Public%20reports%20pack%2021st-Mar-2023%2010.00%20Kent%20Community%20Safety%20Partnership.pdf?T=10</p>
<p>Kent Community Safety Partnership 21 March 2023</p>	<p>Item D3 – Kent and Medway Joint Exploitation Group Update</p> <p>https://democracy.kent.gov.uk/documents/g9145/Public%20reports%20pack%2021st-Mar-2023%2010.00%20Kent%20Community%20Safety%20Partnership.pdf?T=10</p>
<p>Adult Social Care Cabinet Committee 18 January 2023</p>	<p>Item 7 – Kent and Medway Safeguarding Adults Board Annual Report April 2021 – March 2022</p> <p>https://democracy.kent.gov.uk/documents/g9064/Public%20reports%20pack%2018th-Jan-2023%2014.00%20Adult%20Social%20Care%20Cabinet%20Committee.pdf?T=10</p>
<p>Adult Social Care Cabinet Committee 17 November 2022</p>	<p>Item 9 – Deprivation of Liberty Safeguards & Liberty Protection Safeguards</p> <p>https://democracy.kent.gov.uk/documents/g9063/Public%20reports%20pack%2017th-Nov-2022%2014.00%20Adult%20Social%20Care%20Cabinet%20Committee.pdf?T=10</p>

Risk ID	CRR0003	Risk Title	Securing resources to aid economic recovery and enabling infrastructure			
Source / Cause of Risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>The economy in Kent & Medway has been impacted by the Covid pandemic, inflation and other world events, and the impacts could be disproportionate across the county (e.g., in coastal areas). To gain an understanding of the implications, an impact assessment has been conducted, which has led to the preparation of an Economic Strategy, which aims to act as a stimulus for improvement.</p> <p>The Council actively seeks to secure the resources/funding necessary to provide the infrastructure required to support growth, which often need to be bid for in very tight timescales and are increasingly subject to the drive to deliver economic impact, housing and employment outputs.</p> <p>At a local level there is often a significant gap between the overall costs of the infrastructure required and the Council's ability to secure sufficient funds through the current funding systems, including Section106 contributions, Community</p>	<p>The inability to secure sufficient funding, including contributions from development, to deliver the infrastructure necessary to support growth may require gap funding in order for KCC to fulfil its statutory duties.</p> <p>Deferral of developer contributions and / or elongated planning consents leads to delayed or compromised infrastructure.</p> <p>Whilst future details and guidance are awaited regarding the new Levelling Up and Regeneration Bill from Central Government, this presents significant financial risk dependent upon emerging policy.</p>	<p>Key opportunities for growth missed.</p> <p>The Council finds it increasingly difficult to fund services and match-fund infrastructure across Kent and fully mitigate the overall impact of housing growth on KCC services and, therefore communities.</p> <p>Kent becomes a less attractive location for inward investment and business.</p> <p>Our ability to deliver an enabling infrastructure becomes constrained.</p> <p>Reputational risk associated with delayed delivery of infrastructure required.</p> <p>Additional revenue costs incurred due to infrastructure delays and operational costs increasing.</p>	<p>Simon Jones, Corporate Director Growth, Environment and Transport (GET)</p> <p>Responsible Cabinet Member(s): On behalf of Cabinet:</p> <p>Derek Murphy Economic Development</p>	<p>V. Likely (5)</p> <p>Target Residual Likelihood Likely (4)</p>	<p>Major (5)</p> <p>Target Residual Impact Serious (4)</p> <p>Timescale to Target 3+ years</p>	

<p>Infrastructure Levy and other growth levers.</p> <p>The recent Levelling Up and Regeneration Bill introduces proposals to totally replace the existing 106 / CIL system with a new Infrastructure Levy. This may result in Local Planning Authorities as the Charging Authorities.</p>	
Control Title	Control Owner
Multi-agency Kent and Medway Employment Task Force has been established.	David Smith, Head of Business and Enterprise (KCC lead)
Specific business support packages, including the Kent & Medway Business Fund, Economic Recovery and Resilience Plan, Arts Investment Fund etc.	David Smith, Head of Business and Enterprise (KCC lead)
Single Monitoring System (SMS) is used to track individual s106 planning obligations from the Council's initial request for developer contributions through the issue of invoice for payment.	Nigel Smith, Head of Development / Stephanie Holt-Castle, Director Growth and Communities.
Strong engagement of private sector through Kent and Medway Economic Partnership (KMEP), Business Advisory Board and Kent Developer Group	David Smith, Head of Business and Enterprise (KCC lead)
Teams across the Growth, Environment and Transport directorate work with each individual District on composition of local infrastructure plans including priorities for the CIL and Section 106 contributions, to articulate needs for the demands on services.	Nigel Smith, Head of Development (GET) / Stephanie Holt-Castle, Director Growth and Communities.
Government consultations on proposals for reform of the planning system in England considered and responded to.	Tom Marchant, Head of Strategic Planning and Policy

Monitoring of socio-economic data and trends and development of responses to changed economic trends.	David Smith, Head of Business and Enterprise.	
Responses are made to emerging Government Strategies	Stephanie Holt-Castle, Director of Growth and Communities	
Growth and Infrastructure Framework for Kent and Medway published, setting out the infrastructure needed to deliver planned growth.	Stephanie Holt-Castle, Director, Growth & Communities	
Action Title	Action Owner	Planned Completion Date
Kent Design Guide to be published – will influence and provide people with expectations and standards that we expect.	Simon Jones, Corporate Director GET	December 2023
Developer Contributions Guide update – will influence and provide people with expectations and standards that we expect.	Simon Jones, Corporate Director GET	July 2023
Producing Local Transport Plan 5 and approval by County Council (draft plan for consultation)	Lee Burchill, Local Growth Fund Programme Manager	September 2023 (review)
Develop a Kent and Medway Economic Framework which states the priority activities and projects that are required to support economic growth and the economic infrastructure that is required; and will contain a funding/resources model for delivering change.	David Smith, Head of Business and Enterprise (KCC lead)	June 2023
Identify the various funding opportunities available and develop a funding framework for accessing the right investment, for the right project, at the right time.	Stephanie Holt-Castle, Director of Growth and Communities (KCC lead)	October 2023 (review)
Development of Kent and Medway Infrastructure Mapping Platform (IMP) – a digital tool consolidating and publishing key local growth and infrastructure data used to coordinate the planning and delivery of ‘good growth’	Tom Marchant, Head of Strategic Planning and Policy	September 2023 (review)
Development of the Kent and Medway Infrastructure Proposition – an infrastructure plan for the county	Tom Marchant, Head of Strategic Planning and Policy	December 2023 (review)

Examples of Committee reports of relevance to this risk since November 2022:

<p>Environment and Transport Cabinet Committee 19 January 2023</p>	<p>Item 9 – 22/00111 Folkestone A brighter future Levelling Up Fund Round 2 Bid https://democracy.kent.gov.uk/documents/g9034/Public%20reports%20pack%2019th-Jan-2023%2010.00%20Environment%20Transport%20Cabinet%20Committee.pdf?T=10</p>
<p>Environment and Transport Cabinet Committee 19 January 2023</p>	<p>Item 13 – 22/00114 Transport for the South East (TfSE) Strategic Investment Plan https://democracy.kent.gov.uk/documents/g9034/Public%20reports%20pack%2019th-Jan-2023%2010.00%20Environment%20Transport%20Cabinet%20Committee.pdf?T=10</p>
<p>Growth, Economic Development and Communities Cabinet Committee 11 January 2023</p>	<p>Item 7 - Kent and Medway Business Fund Bi-Annual Monitoring Q2 https://democracy.kent.gov.uk/documents/b23512/Kent%20and%20Medway%20Business%20Fund%20Bi-Annual%20Monitoring%20Q2%202022-2023%20updated%2011th-Jan-2023%2010.00%20Grow.pdf?T=9</p>
<p>Cabinet 1 December 2022</p>	<p>Item 6 – Developer Contributions Guide https://democracy.kent.gov.uk/documents/g8992/Public%20reports%20pack%2001st-Dec-2022%2010.00%20Cabinet.pdf?T=10</p>
<p>Growth, Economic Development and Communities Cabinet Committee 22 November 2022</p>	<p>Item 9 - 22/0098 Further Investment of Getting Building Funding https://democracy.kent.gov.uk/documents/g9069/Public%20reports%20pack%2022nd-Nov-2022%2014.00%20Growth%20Economic%20Development%20and%20Communities%20Cabinet%20Commi.pdf?T=10</p>

Risk ID	CRR0004	Risk Title Simultaneous Emergency Response, Recovery and Resilience				
<p>Source / Cause of Risk</p> <p>The County Council, along with other Category 1 Responders, has a legal duty to undertake risk assessment and planning to reduce the likelihood and impact of major incidents and emergencies.</p> <p>This includes responses associated with the Government's Counter-terrorism Strategy (CONTEST).</p> <p>Ensuring that the Council works effectively with partners to plan for, respond to, and recover from, emergencies and service disruptions is becoming increasingly important informed by accelerating climate change linked severe weather impacts, national and international security threats, severe weather incidents, 'cyber attacks' and uncertainties around implications of the future UK/EU relationship.</p> <p>Geo-political events may impact national energy supplies which could result in power outages across the County.</p>	<p>Risk Event</p> <p>Potential for failure of relevant planning, response and recovery contingencies when confronted by the complexity and scale of multiple emergencies. Critical services could be unprepared or have ineffective emergency and business continuity plans which would inhibit their ability to cope with simultaneous emergencies.</p> <p>Disruption to supply chain could negatively impact corporate business continuity and effective response to incidents.</p> <p>Focus on post UK/EU transition contingency planning could impact corporate capacity to progress other aspects of emergencies and resilience agenda.</p> <p>Future wave(s) of pandemic / winter pressures /cost of living challenges could place additional strain on capacity and resource.</p>	<p>Consequence</p> <p>Potential increased harm or loss of life if response is not effective.</p> <p>Serious threat to delivery of critical services.</p> <p>Significant harm to the natural and built environment of Kent.</p> <p>Increased financial cost in terms of recovery and insurance costs.</p> <p>Damage and disruption to local businesses and the Kent economy.</p> <p>Potential for public unrest and reputational damage.</p> <p>Legal actions and intervention for failure to fulfill KCC's obligations under the Civil Contingencies Act and/or other associated legislation.</p>	<p>Risk Owner</p> <p>On behalf of CMT: Rebecca Spore, Director of Infrastructure</p> <p>Responsible Cabinet Member(s):</p> <p>On behalf of Cabinet: Mike Hill, Community & Regulatory Services</p>	<p>Current Likelihood</p> <p>Possible (3)</p> <p>Target Residual Likelihood</p> <p>Possible (3)</p>	<p>Current Impact</p> <p>Major (5)</p> <p>Target Residual Impact</p> <p>Major (5)</p> <p>Timescale to Target</p> <p>At Target</p>	

Control Title	Control Owner
Management of financial impact to include Bellwin scheme.	Cath Head, Head of Finance (Operations)
KCC contribute to Kent Resilience Forum planning as part of the Kent Resilience Team which is an integrated and co-located team to deliver enhanced emergency planning and business continuity in Kent.	Andy Jeffery, KCC Manager, Kent Resilience Team
On-going programme of review relating to ICT Disaster Recovery and Business Continuity arrangements. ICT resilience improvements are embedded as part of the ICT Transformation Programme.	Dave Lindsay, Interim Head of ICT Strategy and Commissioning
KCC contribute to local multi-agency flood response plans that are in place for each district/borough in Kent, in addition to overarching flood response plan for Kent.	Andy Jeffery, KCC Manager, Kent Resilience Team
Local procedures have been and are being continually reviewed and refined for occasions the national threat level increases to 'critical'. This includes an update of the Corporate Business Continuity Plan.	Tony Harwood, Resilience and Emergencies Manager
KCC maintains a Major Emergency Plan which is refreshed regularly.	Tony Harwood, Resilience and Emergencies Manager
Ensure business continuity governance arrangements focus on directorate issues and complement KCC's cross directorate resilience groups and forum.	Tony Harwood, Resilience and Emergencies Manager
Emergency planning training rolled out at strategic, tactical and operational levels. Resilience and Emergency Planning Service business plan in place.	Tony Harwood, Resilience and Emergencies Manager / Andy Jeffery
KCC and local Kent Resilience Forum partners have tested preparedness for chemical, biological, radiological, nuclear and explosives (CBRNE) incidents and communicable disease outbreaks in line with national requirements.	Tony Harwood, Resilience and Emergencies Manager / Anjan Ghosh, Director of Public Health / Andy Jeffery KCC Manager, Kent Resilience Team
Work programme implemented to deliver Kent County Council compliance with the Radiation (Emergency Preparedness and Public Information) Regulations 2019, including amendments to the Dungeness Offsite Emergency Plan	Tony Harwood, Resilience and Emergencies Manager

KCC Business Continuity Management Policy and overarching Business Continuity Plan in place, underpinned by business continuity plans at service level.	Rebecca Spore, Director Infrastructure
Legally required multi-agency Kent Resilience Forum in place, with work driven by risk and impact based on Kent's Community Risk Register. Includes sub-groups relating to Health and Severe Weather. KCC Strategic Prevent Lead is now chair of Kent Resilience Forum Delivery Board which reports into Kent Resilience Forum Executive Board.	Rebecca Spore, Director Infrastructure
KRF and KCC Command and Control structures planned and in place to deal with simultaneous events.	Rebecca Spore, Director Infrastructure
Kent & Medway Prevent Duty Delivery Board established (chaired by KCC) to oversee the activity of the Kent Channel Panel, co-ordinate Prevent activity across the County and report to other relevant strategic bodies in the county.	Richard Smith, Corporate Director ASCH
The Director of Public Health works through local resilience forums to ensure effective and tested plans are in place for the wider health sector to protect the local population from risks to public health.	Anjan Ghosh, Director of Public Health / Andy Jeffery, KCC Manager, Kent Resilience Team
Kent and Medway Channel Panel (early intervention mechanism providing tailored support to people who have been identified as at risk of being drawn into terrorism) established at district and borough level.	Nick Wilkinson, Prevent and Channel Strategic Manager
Ongoing development of a PREVENT counter-terrorism risk assessment.	Nick Wilkinson, Prevent and Channel Strategic Manager
The annual assurance statement is a self-declaration approved by the Chief Executive/Head of Paid Service which captures the Authority's compliance with the requirements of the Counter Terrorism Act. Actions identified within the annual assurance statement are transferred to the Kent and Medway Action Plan. Kent and Medway Board for PREVENT have oversight of action progress.	Nick Wilkinson, Prevent and Channel Strategic Manager
Implementation of Kent's Climate Adaption Action Plan	Stephanie Holt-Castle, Director of Growth and Communities
Ensure all 13 key Emergency Plans are regularly updated and validated with exercises. Giving consideration to risks on the KRF Community Risk Register.	Tony Harwood, Resilience and Emergencies Manager /
Ensure 24/7 Emergency Planning cover and response, including a 24/7 Duty Emergency Planning Officer (DEPO), Duty Director, and Recovery Director function, and fully equipped County emergency Centre	Tony Harwood, Resilience and Emergencies Manager /

(CEC).		
Maintain and support relevant KRF and KCC groups, including KCC Horizon Scanning Group, Cross Directorate Resilience Forum, and Directorate Resilience Groups.	Tony Harwood, Resilience and Emergencies Manager / Andy Jeffery	
Continued preparations for, and response to, implications of future UK/EU relationship in relation to border friction, regulatory change etc. (cross-reference to CRR0042)	Simon Jones, Corporate Director GET	
Coordination of KCC preparations for potential power outages across the County ensuring continuity of front-line services	Tony Harwood, Resilience and Emergencies Manager.	
Action Title	Action Owner	Planned Completion Date
Engaging with the independent review of the Kent Resilience Forum. Clarity required on KCC's role, contribution and responsibilities as a partner within the KRF	Rebecca Spore, Director Infrastructure	April 2023
Procure contract for resilient air wave radio communications which will function regardless of any wider loss of power	Tony Harwood, Resilience and Emergency Planning Manager	October 2023
Emergency planning team are supporting with establishing command and control hubs for multi-agency responses where there is existing contingency power supply by way of generators.	Tony Harwood, Resilience and Emergency Planning Manager	October 2023
Emergency Planning Team are leading on the identification and creation of operational hubs where contingency power exists in the form of generators. These hubs will be available for KCC to deliver operational activities should there be loss of power.	Tony Harwood, Resilience and Emergency Planning Manager	October 2023

Examples of Committee reports of relevance to this risk since November 2022:

<p>Kent Flood Risk Management Committee 21 March 2023</p>	<p>Item 8 – Introduction to the work of the KCC Sustainable Drainage Team and Schedule 3 of the Flood and Water Management Act</p> <p>https://democracy.kent.gov.uk/documents/g9130/Public%20reports%20pack%2021st-Mar-2023%2014.00%20Kent%20Flood%20Risk%20Management%20Committee.pdf?T=10</p>
<p>Kent Flood Risk Management Committee 21 March 2023</p>	<p>Item 9 – Environment Agency and Met Office Alerts and Warnings and KCC severe weather response activity.</p> <p>https://democracy.kent.gov.uk/documents/g9130/Public%20reports%20pack%2021st-Mar-2023%2014.00%20Kent%20Flood%20Risk%20Management%20Committee.pdf?T=10</p>

Risk ID	CRR0009	Risk Title	Future financial and operating environment for Local Government			
Source / Cause of risk	Risk Event	Consequence	Risk Owner (s)	Current Likelihood	Current Impact	
The Autumn Statement 2022 set out the Government's high level public plans to 2027-28. Detailed departmental plans (including local government) were set out up to 2024-25. This included additional grant announcements for social care and increased council tax referendum limits for 2023-24 and 2024-25. This included additional grant announcements for social care and increased council tax referendum limits for 2023-24 and 2024-25. The local government finance settlement announced in December 2022 provided detailed allocations for 2023-24 with guiding principles for the additional amounts available for social care in 2024-25.	Forecast budget monitoring 2022/23 showed a £60.9m overspend for the year as at quarter 2 with the risk that initially further monitoring forecasts could show an increase in subsequent quarters.	Unsustainable financial situation and potential drawdown from reserves, ultimately resulting in s114 notice.	On behalf of CMT: Zena Cooke, Corporate Director Finance (Section 151 Officer)	Likely (4)	Major (5)	
	Levels of spending and growth pressures across services outstrip the Council's core spending power, threatening the financial sustainability of KCC, its partners and service providers.	Failure to deliver statutory obligations and duties or achieve social value.		Target Residual Likelihood	Target Residual Impact	
	In order to set a balanced budget, the council is likely to have to continue to make significant year on year savings. Quality of KCC commissioned / delivered services suffers as financial situation continues to worsen.	Potential for partner or provider failure – including sufficiency gaps in provision.	Responsible Cabinet Member(s):	Likely (4)	Serious (4)	Timescale to Target 1-2 years
We know from the spending plans that any further growth in resources is likely to be limited and that further savings are likely to be required, although without detailed spending plans it is difficult to predict how significant these will be or how much of the	Continued delays and uncertainty surrounding review of local government funding impacts on KCC's	Reduction in resident satisfaction and reputational damage.	All Cabinet Members			
		Increased and unplanned pressure on resources.				
		Decline in performance.				
		Legal challenge resulting in reputational damage to the Council.				
		Impact on Council Tax.				

additional funding for 2023-24 and 2024/25 will be included in the baseline for future settlements.

The long-awaited Fair Funding review of local authority funding has been further delayed for at least two years (until 2025-26) as have the reforms to social care charging.

The overall settlement for 2023-24 was insufficient to fully fund forecast demand and cost growth pressures facing services across the council (even after additional funding for social care). The spending growth for 2023-24 was extraordinary in that it had to include the full year effect of forecast overspending from 2022-23 as well as forecast future price increases significantly above the government's target and forecast future demand. Savings rely on more significant policy decisions than previous budgets and increased income from other sources (including fees and charges and company dividends).

Uncertainty also applies to services funded via ring-fenced specific grants. Of particular concern is the special educational

medium term financial planning.

needs and disability (SEND) provision funded by the Dedicated Schools Grant (DSG). The high needs block of DSG has not kept pace with the substantial increase in demand for SEND (see CRR0056) resulting in deficit accruing on DSG spending. The Council is now part of the DfE Safety Valve programme and, as part of this, will need to bring High Needs spending back into balance over the medium term and contribute to repaying the historic deficit.

There are a number of geo-political uncertainties in the current environment which additionally impact on the financial and operating environment. As a result of economic uncertainty, there are inflation, interest rate and cost pressures that we need to manage, alongside decreased purchasing power.

Control Title

Processes in place for monitoring delivery of savings and challenging targets to bear down on future cost growth, as well as the budget as a whole.

Control Owner

Zena Cooke, Corporate Director Finance (Section 151 Officer)

Independent review of savings proposals and growth estimates	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Forecasts for future spending growth to be revised as necessary once estimates become more certain and only finalised in controllable budgets once uncertainties have been resolved.	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Regular analysis and refreshing of forecasts to maintain a level of understanding of volatility of demand and cost pressures, which feeds into the relevant areas of the MTFP and business planning process.	Richard Smith, Corporate Director ASCH / Sarah Hammond, Corporate Director CYPE / Simon Jones, Corporate Director GET
Robust budgeting and financial planning in place via Medium Term Financial Planning (MTFP) process, including stakeholder consultation.	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Financial analysis conducted after each Chancellor of the Exchequer Budget Statement to review potential implications for future local government settlements.	Dave Shipton, Head of Finance (Policy, Strategy and Planning)
Ensure evidence of any additional KCC spend required to cover impacts relating to new burdens imposed, e.g., EU exit, Supporting Families grant.	Dave Shipton, Head of Finance (Policy, Strategy and Planning)
Regular monitoring and oversight of progress against KCC's 'Safety Valve' agreement with the Department for Education (DfE)	Sarah Hammond, Corporate Director (CYPE) / Christine McInnes, Director of Education / Dave Shipton, Head of Finance (Policy, Strategy and Planning)
Engagement with County Councils Network, Society of County Treasurers and other local authorities and Government of potential opportunities and issues around devolution and public service reform	David Whittle, Director SPRCA
KCC Strategic Statement and Strategic Reset Framework developed, outlining how the Council will operate in future, taking into account medium term implications of the Covid-19 pandemic and the challenging	David Whittle, Director SPRCA / Amanda Beer, Deputy Chief

operating environment more broadly.	Executive	
KCC Quarterly Performance Report monitors key performance and activity information for KCC commissioned or delivered services. Regularly reported to Cabinet.	Rachel Kennard, Chief Analyst, KCC	
Ongoing monitoring and modelling of changes in supply and demand in order to inform strategies and service planning going forward.	Rachel Kennard, Chief Analyst, KCC	
Assessing impact and responding to Government plans with the potential for significant financial implications for the Council including adult and children's social care, changes to waste collection arrangements etc.	Richard Smith, Corporate Director ASCH / Sarah Hammond, Corporate Director CYPE / Simon Jones, Corporate Director GET / Zena Cooke, Corporate Director Finance	
Ongoing policy analysis of the devolution agenda and devolution deals agreed by the government	David Whittle Director SPRCA	
Regular review of HM Treasury forecasts and Government planned spending levels for local government	Zena Cooke, Corporate Director Finance	
Quarterly budget meetings between Cabinet Member for Finance and Corporate Director for Finance with Cabinet Members and Corporate Directors as relevant.	Zena Cooke, Corporate Director Finance (Section 151 Officer)	
Monthly budget reviews involving the Chief Executive Officer, section 151 Officer and Corporate Directors to scrutinise progress against agreed budget savings.	David Cockburn, Chief Executive Officer / Zena Cooke, Corporate Director Finance (Section 151 Officer)	
Action Title	Action Owner	Planned Completion Date
Outcomes Based Budgeting approach being developed to strengthen links between outcomes and funding within resource envelopes, using robust analysis and evidence that includes aligning performance and finance information. using robust analysis and evidence, with resource envelopes issued	Zena Cooke, Corporate Director Finance	April 2024 (review)

Robust plan for 2024/25 and medium term to be developed earlier in the planning cycle.

Zena Cooke, Corporate
Director Finance (Section 151
Officer)

November 2023

Examples of Committee reports of relevance to this risk since November 2022:

Cabinet 30 March 2023	Item 7 – Financial Monitoring Report https://democracy.kent.gov.uk/documents/g8995/Public%20reports%20pack%2030th-Mar-2023%2010.00%20Cabinet.pdf?T=10
County Council 9 February 2023	Item 6 – Capital Programme 2023_33 & Revenue Budget 23_24 https://democracy.kent.gov.uk/documents/g9026/Public%20reports%20pack%2009th-Feb-2023%2009.30%20County%20Council.pdf?T=10
Scrutiny Committee 25 January 2023	Item A6 - Draft 10 year Capital Programme, Revenue Budget 2023-24 and MTFP https://democracy.kent.gov.uk/documents/g9013/Public%20reports%20pack%2025th-Jan-2023%2014.00%20Scrutiny%20Committee.pdf?T=10
Cabinet 5 January 2023	Item 5 - Provisional Local Government Finance Settlement https://democracy.kent.gov.uk/documents/g8993/Public%20reports%20pack%2005th-Jan-2023%2010.00%20Cabinet.pdf?T=10

Risk ID	CRR0014	Risk Title	Cyber & Information Security Resilience			
Source / Cause of Risk	Risk Event	Consequence	Risk Owner(s)	Current Likelihood	Current Impact	
Malicious (intentional) actions against KCC from individuals, cyber criminals and state sponsored attacks.	Confidentiality, integrity and availability of data or systems is negatively impacted or compromised leading to loss of service, data breaches and other significant business interruptions.	Data Protection breach and consequent Information Commissioner's Office (ICO) sanction.	Lisa Gannon, Director of Technology	Likely (4)	Major (5)	
Human error leading to staff revealing information or taking actions which assist malicious actor in being able to affect systems or data, including responding to phishing emails and losing account credentials.		Damages claims. Reputational Damage. Potential significant impact on business interruption if systems require shutdown until magnitude of issue is investigated.	Ben Watts, General Counsel and KCC Data Protection Officer Paul Royel, Director HR/OD	Target Residual Likelihood Likely (4)	Target Residual Impact Major (5)	
Compromise of physical security controls and/or infrastructure including unauthorised access to data centres, network cables and natural disaster (flood, fires etc.)		Loss or corruption of data. Loss of key systems potentially impacting ability to deliver statutory services.	Responsible Cabinet Member(s): Peter Oakford, Finance, Corporate and Traded Services			Timescale to Target At Target
Supply chain compromise including vulnerabilities in purchased equipment and supplier system breaches.		Partners unable to discharge their duties.				
Gaps in existing resources and capabilities, including technological controls and resource challenges in provider's operational teams.		Complaints.	Shellina Prendergast Communication s and People			

Control Title	Control Owner
Multiple layers of logical, physical and administrative security controls Defence in depth is a key cyber security concept that the Authority adheres to, involving multiple layers of security control for protection from various threats.	James Church ICT Compliance & Risk Manager
Security engagement, training and awareness. Ongoing program of security engagement, training and awareness, upskilling staff to reduce human error. This includes communications, e-learning and training for staff.	James Church ICT Compliance & Risk Manager
Supply chain risk management Program of activities to reduce supply chain risk, including tracking supplier security assurances.	James Church ICT Compliance & Risk Manager
Investment in and implementation of new controls and technologies including capabilities of M365 E5 licenses. Cyber security threats are constantly evolving and therefore new tools and capabilities are required to keep up and mitigate the risk.	Dave Lindsay Interim Head of Technology, Commissioning and Strategy
Frequent security audits, penetration tests and compliance submissions External review of security posture provides validation that our controls work and are being managed effectively.	James Church ICT Compliance & Risk Manager
Internal assurance programme including audits, risk assessment and vulnerability management. Completion of internal audits and assurance audits to ensure cyber is being managed effectively. Continuing to action audit recommendations via the Consolidated Security Action Plan. Risk assessments completed on new implementations to ensure that cyber risks are highlighted and treated. Vulnerability management activities to identify and treat vulnerabilities in good time.	James Church ICT Compliance & Risk Manager
Data Protection and Information Governance training is mandatory and requires staff to refresh periodically. Progress rates monitored regularly.	Ben Watts, General Counsel and KCC Data Protection Officer / Paul Royel, Director HR/OD
Additional messages warning staff of cyber threats are being sent out regularly.	Diane Christie, Head of OD and Engagement
Messages to encourage increased awareness of information security amongst staff are communicated to align with key implementation milestones of the ICT Transformation Programme.	Diane Christie, Head of OD and Engagement

Action Title	Action Owner	Planned Completion Date
Cloud migration and reducing reliance on physical infrastructure. Activities to migrate away from physical infrastructure to the cloud which has increased resilience and stronger physical security controls.	Dave Lindsay Interim Head of Technology, Commissioning and Strategy	May 2023
Commissioning and procurement processes include cyber standards and requirements. Ensuring that new products and services are built with the Authority's minimum requirements for cyber security.	James Church, ICT Compliance and Risk Manager	June 2023

Risk ID	CRR0015	Risk Title	Managing and working with the social care market			
Source / Cause of Risk		Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
<p>The current social care system is under significant strain as a result of the increasing cost and complexity of demand for services and constrained local authority budgets.</p>		<p>Social Care market particularly domiciliary care is not sustainable.</p>	<p>Gaps in the care market for certain types of care or in geographical areas meaning difficulty in placing some service users.</p>	<p>Richard Smith, Corporate Director ASCH, in collaboration with Clare Maynard, Interim Strategic Commissioner</p>	<p>V. Likely (5)</p>	<p>Major (5)</p>
<p>A significant proportion of adult social care is commissioned out to the private and voluntary sectors. This offers value for money but also means that KCC is dependent on a buoyant market to achieve best value and give service users optimal choice and control.</p>		<p>Inability to obtain the right kind of provider supply at affordable prices.</p>	<p>Unable to offer care packages immediately leading to delays with discharging from Health Services</p>	<p>Responsible Cabinet Member(s): Clair Bell, Adult Social Care and Public Health</p>	<p>Target Residual Likelihood Possible (3)</p>	<p>Target Residual Impact Major (5)</p>
<p>The market has high vacancy levels, and high staff turnover rates. Factors such as the increase to the National Living Wage, inflationary pressures, mandated vaccinations, and a buoyant job market mean that the care market is under pressure to recruit and retain adequate numbers of staff.</p>		<p>Significant numbers of care home closures or service failures.</p>	<p>Reduction in quality of care provided due to workforce pressures.</p>			<p>Timescale to Target 3+ years</p>
<p>Recovery from the Covid-19 pandemic has added additional pressures, further threatening sustainability of the market.</p>		<p>Increases in hand backs of care.</p>	<p>Providers choose not to tender for services at Local Authority funding levels or accept service users with complex needs.</p>			

<p>Latent demand and a reduction in access to health care has led to an increase in clients presenting with more complex needs. There is increased demand for care and support, and pressures arising from hospital discharges.</p> <p>Increase in use of individual contracts for care and support in the home. Using more independent providers than framework providers. Over reliance on independent providers with significant increase in spend.</p>	
Control Title	Control Owner
KCC is part of local and regional Quality Surveillance Groups that systematically bring together the different parts of the health and care system to share information, identify and mitigate risks to quality, including those relating to care providers.	Simon Mitchell, Strategic Commissioning
New contracts commenced relating to Disability and Mental Health Residential Care services.	Simon Mitchell, Strategic Commissioning
Ongoing monitoring of Home Care market and market coverage. Commissioners and operational managers review the capacity of the Home Care market with a view to developing a strategy to ensure market coverage.	Paul Stephen, Senior Commissioning Manager
Ongoing Contract Monitoring, working in partnership with the Access to Resources team.	Clare Maynard, Interim Strategic Commissioner
Opportunities for joint commissioning and procurement in partnership with key agencies (i.e., Health) being regularly explored, including joint work regarding the provision of dementia nursing beds.	Clare Maynard, Interim Strategic Commissioner
Regular engagement with provider and trade organisations	Clare Maynard, Interim Strategic Commissioner

Older Persons Accommodation Strategy refreshed, which analyses demand and need and sets the future vision and direction for accommodation to support vulnerable Kent residents alongside the Adult Social Care Strategy - Your Life, Your Wellbeing	Richard Smith, Corporate Director ASCH
Ensuring contracts have indexation clauses built-in, managed through contract monitoring.	Michael Bridger, Commissioning Standards Manager
Analytics function utilises data to inform decision making before moving commissioning activity forward.	Matt Wagner, Interim Chief Analyst
Care in the Home Services refresh completed bringing Supported Living Services under the Care in the Home Umbrella.	Paul Stephen, Senior Commissioning Manager
Care and Support in the Home Services contract combines homecare and community based supporting independence services.	Paul Stephen, Senior Commissioning Manager
Analytical work is being conducted on assessments and reviews in adult social care to help inform key commissioning activity, including winter planning and impact of Covid.	Matt Wagner, Interim Chief Analyst
Daily risk assessment for people in the community awaiting packages of care and short-term bed provision for those at high risk.	Jim Beale, Assistant Director ASCH
Adult Social Care Pressures Plan 2022/23 - outlining the strategic and operational response to a range of factors including COVID-19, vacancies in the health and social care workforce, waiting lists for care and support, winter pressures and budgetary pressures.	Richard Smith, Corporate Director for Adult Social Care and Health
Community Support Market Position Statements to inform market shaping, oversight and sustainability are in place and regularly refreshed.	Clare Maynard, Interim Strategic Commissioner
Continue to work innovatively with partners, including health services, districts and boroughs, and providers to identify any efficiencies across the wider sector.	ASCH Divisional Directors
Contract for Discharge Services presented to Cabinet Committee and approved by the Cabinet Member.	Paul Stephen, Senior Commissioning Manager
Quarterly market pressure reports to ASCH DMT	Simon Mitchell, Strategic Commissioning

Pipeline prioritisation tool is in place for Strategic Commissioning projects, shared with DivMT and Director of Strategy Policy, Relationships and Corporate Assurance	Louise Merchant, Commissioning Standards Manager	
Analytics of the current market, and potential future market to ensure appropriate provision for regulated/unregulated care. Three sets of performance data to be triangulated (Analytic/Performance Data/Budget)	Simon Mitchell, Strategic Commissioning	
Key performance information in relation to strategic commissioning arrangements will be shared with the Corporate Management Team on a regular basis, commencing November 2022.	Clare Maynard, Interim Strategic Commissioner	
Development of micro providers market with partner Community Catalysts. Quarterly contract management reviews take place including focus on performance against targets (engagement and set up).	Paula Parker, Head of Portfolio Management, ASCH	
Action Title	Action Owner	Planned Completion Date
Conversations around recommissioning of care and support in the home framework and home care framework have commenced – options paper being drafted, including lessons learned.	Paul Stephen, Senior Commissioning Manager	April 2023 (Review)

Examples of Committee reports of relevance to this risk since November 2022:

Adult Social Care Cabinet Committee 15 March 2023	Item 11 - Revision of Rates Payable and Charges Levied for Adult Social Care Services in 2023-24 https://democracy.kent.gov.uk/documents/g9065/Public%20reports%20pack%2015th-Mar-2023%2014.00%20Adult%20Social%20Care%20Cabinet%20Committee.pdf?T=10
Health Overview and Scrutiny Committee 31 March 2023	Item 4 – Kent and Medway Integrated Care Strategy https://democracy.kent.gov.uk/documents/g9051/Agenda%20frontsheet%2031st-Jan-2023%2010.00%20Health%20Overview%20and%20Scrutiny%20Committee.pdf?T=0

Risk ID	CRR0039	Risk Title	Information Governance			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>The Council is required to maintain the confidentiality, integrity and proper use, including disposal of data under the Data Protection Act 2018, which is particularly challenging given the volume of information handled by the authority on a daily basis.</p> <p>The Council has regulatory obligations into the management of SAR/FOI/EIR requests.</p> <p>United Kingdom General Data Protection Regulations (UK GDPR) came into effect that have introduced significantly increased obligations on all data controllers, including the Council.</p> <p>The Covid-19 pandemic introduced new risks e.g., staff adapting to new ways of working and increasing information security threats.</p> <p>There is insufficient resource available to undertake comprehensive oversight / assurance activity that provides assurance on compliance with existing information governance standards.</p>	<p>Failure to embed the appropriate processes, procedures and behaviours to meet regulations.</p> <p>Failure to meet regulatory reporting deadlines.</p> <p>Information security incidents (caused by both human error and / or system compromise) resulting in loss of personal data or breach of privacy / confidentiality.</p> <p>Council accreditation for access to government and partner ICT data, systems and network is withdrawn.</p> <p>Cantium Business Solutions prioritises commercial work or does not undertake information governance compliance work in an appropriate and timely fashion.</p> <p>Providers processing KCC data fail to embed the appropriate processes and behaviours.</p>	<p>Information Commissioner's Office sanction (e.g., undertaking, assessment, improvement, enforcement or monetary penalty notice issued against the Authority).</p> <p>Increased risk of litigation.</p> <p>Reputational damage.</p>	<p>Ben Watts, General Counsel and Data Protection Officer in collaboration with David Whittle, Senior Information Risk Owner</p> <p>Responsible Cabinet Member(s):</p> <p>Roger Gough, Leader</p> <p>Shellina Prendergast Communications and People</p> <p>Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and</p>	<p>V. Likely (5)</p> <p>Target Residual Likelihood</p> <p>Possible (3)</p>	<p>Significant (3)</p> <p>Target Residual Impact</p> <p>Significant (3)</p> <p>Timescale to Target</p> <p>1-2 years</p>	

<p>There is a critical dependency on the Council's Local Authority Trading Companies (CBS) and other material third parties to support Information Governance compliance for the KCC systems and network.</p> <p>KCC services' requirement for non-standard systems creates vulnerabilities.</p>	<p>Traded Services</p>
<p>Control Title</p>	<p>Control Owner</p>
<p>Staff are required to complete mandatory training on Information Governance and Data Protection and refresh their knowledge every two years as a minimum.</p>	<p>Ben Watts, General Counsel and KCC Data Protection Officer / Paul Royel, Director HR and OD</p>
<p>Senior Information Risk Owner for the Council appointed with training and support to undertake the role.</p>	<p>David Whittle, Director SPRCA</p>
<p>ICT Commissioning function has necessary working/contractual relationship with the Cantium Business Solutions to require support on KCC ICT compliance and audit.</p>	<p>Dave Lindsay, Interim Head of ICT Commissioning and Strategy</p>
<p>Caldicott Guardian appointed with training and support to undertake the role.</p>	<p>Richard Smith, Corporate Director ASCH</p>
<p>A number of policies and procedures are in place including KCC Information Governance Policy; Information Governance Management Framework; Information Security Policy; Data Protection Policy; Freedom of Information Policy; and Environmental Information Regulations Policy all in place and reviewed regularly. Data Protection Officer in place to act as a designated contact with the ICO.</p>	<p>Ben Watts, General Counsel and KCC Data Protection Officer</p>
<p>Management Guide/operating modules on Information Governance in place, highlighting key policies and procedures.</p>	<p>Ben Watts, General Counsel and KCC Data Protection Officer</p>

Privacy notices as well as procedures/protocols for investigating and reporting data breaches reviewed and updated.	Caroline Dodge, Team Leader Information Resilience & Transparency	
Information Resilience and Transparency team in place, providing business information governance support.	Caroline Dodge, Team Leader Information Resilience & Transparency	
Cross Directorate Information Governance Working Group in place.	Michael Thomas-Sam, Strategic Business Adviser Social Care	
Corporate Information Governance Group established, chaired by the DPO and including the SIRO and Caldecott Guardian acting as a point of escalation for information governance issues and further escalation to the Corporate Management Team if required	Ben Watts, General Counsel and KCC Data Protection Officer	
Action Title	Action Owner	Planned Completion Date
Cloud migration and reducing reliance on physical infrastructure. Activities to migrate away from physical infrastructure to the cloud which has increased resilience and stronger physical security controls.	Dave Lindsay Interim Head of Technology, Commissioning and Strategy	May 2023
Data breach process to be enhanced by automated system, changes include auto reminders to services where further information is required. More data will be available on service performance in relation to breach management and also allow for timely escalation where appropriate	Ben Watts, General Counsel and KCC Data Protection Officer	June 2023
Working from Home Information Governance and Records Management audit implementation of recommendations	Ben Watts, General Counsel / David Whittle, Director SPRCA	June 2023
Each directorate is responsible for carrying out data mapping exercises to find out what personal data is held and to understand how the information flows through the organisation.	Michael Thomas-Sam, Chair of Cross-Directorate Information Governance Working Group	June 2023 (completion of updates in outstanding areas)
Paper to CMT regarding FOI statutory returns	Ben Watts, General Counsel and KCC Data Protection Officer	June 2023

Examples of Committee reports of relevance to this risk since November 2022:

Governance & Audit Committee 26 January 2023	Item 5 – Annual Governance Statement https://democracy.kent.gov.uk/documents/g9125/Public%20reports%20pack%2026th-Jan-2023%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10
Governance & Audit Committee 26 January 2023	Item 8 – External Audit Progress Report https://democracy.kent.gov.uk/documents/g9125/Public%20reports%20pack%2026th-Jan-2023%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10

Risk ID	CRR0042	Risk Title	Border fluidity, infrastructure and regulatory arrangements			
<p>Source / Cause of risk</p> <p>Changes at the UK border with Europe means additional controls now exist on the movement of goods and people between the UK and the EU.</p> <p>The UK Government and the EU have introduced new border controls and further changes are being introduced including the new Entry/Exit System (EES). KCC has been working with partners at a local and national level to assess potential implications for the county and prepare for various scenarios.</p> <p>KCC is reliant on coherent, coordinated governance and information across Government to aid the Local Authority and partners locally in planning their contingency arrangements and responding appropriately.</p>	<p>Risk Event</p> <p>That changes in border customs, checking and processing routinely disrupt local communities and both the strategic and local road networks.</p> <p>That the Government does not provide sufficient capital and revenue financial support to departments, agencies, local authorities and other infrastructure stakeholders necessary to address the necessary infrastructure, legislation and controls to ensure long term plan for frictionless border movements.</p>	<p>Consequence</p> <p>Significant slowdown in the existing flow of goods and people through the Kent Ports leads to long delays in accessing Dover Ports and Eurotunnel.</p> <p>Impacts on major traffic routes as a result of Operation Brock and other mitigations for port delays and the consequential increase in local and pan-Kent road journey times, impacting on local residents and businesses.</p> <p>Significant detrimental impact on county's economic competitiveness, attractiveness for inward investment and quality of life for Kent residents.</p> <p>Significant increase in imported goods subject to statutory checks by Trading Standards including consumer goods and animal</p>	<p>Risk Owner</p> <p>Simon Jones, Corporate Director GET</p> <p>Responsible Cabinet Member(s):</p> <p>David Brazier, Highways & Transport</p> <p>Mike Hill, Community & Regulatory Services</p>	<p>Current Likelihood</p> <p>Very Likely (5)</p> <p>Target Residual Likelihood</p> <p>Possible (4)</p>	<p>Current Impact</p> <p>Major (5)</p> <p>Target Residual Impact</p> <p>Serious (4)</p> <p>Timescale to Target</p> <p>1-2 years</p>	

	<p>feeds. Imported animals now subject to welfare checks at Border controls posts, breaches of welfare subject to investigation by Trading Standards. Shortages and delay may impact supply chains.</p>
Control Title	Control Owner
KCC engagement with and support for the Kent Resilience Forum	Lisa Guthrie, Head of Kent Resilience Team
Regular engagement with senior colleagues in relevant Government Departments.	Simon Jones, Corporate Director GET
Several training exercises have taken place to prepare for various scenarios.	Simon Jones, Corporate Director, GET / Tony Harwood, Resilience and Emergencies Manager
KCC involvement in Operation Fennel Strategic and Tactical Groups (multi-agency planning groups for potential disruption at Port of Dover and Eurotunnel).	Simon Jones, Corporate Director GET
Operation Fennel strategic plan in place.	Simon Jones, Corporate Director GET
KCC Cross Directorate Resilience Forum reviews latest situation regarding transition impacts.	Tony Harwood, Resilience and Emergencies Manager
KCC contribution to multi-agency communications in the 'response' phase, and leadership of communications in the 'planning' and 'recovery' phases.	Christina Starte, Head of Communications
KCC services are continually reviewing business continuity arrangements, taking potential scenarios into consideration (cross-reference to CRR0004), with co-ordination via Directorate Resilience Groups	Service Managers

KCC membership of the Delivery Models Operational Group and associated working groups such as Emergency Planning, Infrastructure etc.	Steve Rock, Head of Trading Standards	
Government funding to support improving access to the borders.	Simon Jones, Corporate Director GET	
Recruited additional staff for Port Team and animal health officers to provide capacity.	Steve Rock, Head of Trading Standards	
Action Title	Action Owner	Planned Completion Date
Working with Government to develop short, medium and long-term plans for border resilience looking at infrastructure and technological solutions.	Simon Jones, Corporate Director GET	July 2023 (review)
Preparation for impact of implementation of EES system.	Simon Jones, Corporate Director GET	November 2023

Risk ID CRR0045 Risk Title Maintaining effective governance and decision making in a challenging financial and operating environment for local government.					
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
<p>The continuation of a challenging financial and operating environment for Local Government (see risk CRR0009) will require difficult policy decisions to be made in a timely manner, which requires continued effective governance and decision making as well as robust internal control mechanisms. Examples from other local authorities has shown the impact that ineffective decision making can have on financial resilience. KCC's constitution explicitly references the demarcation of Member and Officer roles which consequently places dependency on the effectiveness of the member governance of the Council. Elected Members may require additional training and expertise to enable capability of effective challenge.</p>	<p>Members are unwilling or unable to agree necessary policy (service) decisions to deliver a legally balanced budget and sustainable medium-term financial plan (MFTP).</p>	<p>Decisions challenged under judicial review on the appropriateness of the decision-making within KCC.</p>	<p>David Cockburn, Chief Executive Officer</p>	<p>Possible (3)</p>	<p>Major (5)</p>
	<p>Members agree a budget requiring unrealistic and undeliverable efficiency savings leading to significant in-year overspends.</p>	<p>Monitoring Officer / Head of Paid Service statutory report to Council.</p>	<p>Zena Cooke, Corporate Director Finance (s151 Officer)</p>	<p>Target Residual Likelihood V. Unlikely (1)</p>	<p>Target Residual Impact Major (5)</p>
	<p>Statutory officers (S151, Monitoring Officer, Head of Paid Service) are required to use their powers to intervene or alert the Council to inappropriate/illegal decision-making.</p>	<p>Reputational damage to the Council.</p> <p>S114 Notice issued by the S151 Officer.</p>	<p>Ben Watts, General Counsel and Monitoring Officer</p>	<p>Responsible Cabinet Member(s): Roger Gough, Leader of the Council Peter Oakford, Deputy Leader and Cabinet Member for Corporate and</p>	<p>Timescale to Target TBC</p>

Traded Services	
Control Title	Control Owner
KCC's Strategic Statement agreed by County Council and published setting out objectives and priorities for the Council.	Roger Gough, Leader of the Council
Medium Term Financial Plan and Budget Book agreed by Full Council and support/briefings provided for all political groups by officers on budget development options.	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Effective internal audit arrangements in place and robust monitoring arrangements for the delivery of internal audit recommendations to Governance & Audit Committee	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Appropriately detailed and timely financial monitoring reports considered by Cabinet and Cabinet Committees	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Governance reviews from across the local government sector are analysed to identify any lessons learned and reported to relevant stakeholders, including Governance & Audit Committee.	Zena Cooke, Corporate Director Finance (Section 151 Officer)
Appropriate officer development and training programme in place and overseen by CMT.	Paul, Royel, Director HR and OD
Appropriate and effective corporate risk management procedures in place for the Council	David Whittle, Director SPRCA
Informal governance arrangements authorised by the KCC Constitution have been published on KNet as a practical guide for how officers work with elected Members to help them support effective decision making for our service users, residents and communities.	David Whittle, Director SPRCA
Operating standards for KCC officers that support KCC's constitution published on KNet, signposting officers to essential policy information and additional guidance on specific topics, to help officers discharge their responsibilities effectively.	David Whittle, Director SPRCA
Appropriate performance reporting of service and corporate performance to Cabinet, Cabinet Committee and Full Council	David Whittle, Director SPRCA
Key and significant decision-making process in place for Executive decisions and appropriately published Forward Plan of Executive Decisions	Ben Watts, General Counsel and KCC Data Protection

		Officer
Annual Governance Statement (AGS) arrangements in place with returns made across both senior and statutory officers.		Ben Watts, General Counsel and KCC Data Protection Officer
Democratic Services support effective Committee governance and scrutiny arrangements.		Ben Watts, General Counsel and KCC Data Protection Officer
Member and Officer codes of conduct in place and robustly monitored and enforced		Ben Watts, General Counsel and KCC Data Protection Officer
Member development and training programme in place and overseen by Selection and Member Services Committee		Ben Watts, General Counsel and KCC Data Protection Officer
Provision for Chief Officers to seek written direction from Executive Members within the KCC Constitution		Ben Watts, General Counsel and KCC Data Protection Officer
Action Title	Action Owner	Planned Completion Date
Review of KCC Informal Governance arrangements and Operating Standards	David Whittle, Director SPRCA	July 2023
Completion of the activities required, including the review of the Constitution, to ensure that the Chief Executive Officer (CEO) has a fit for purpose support and governance structure (as agreed by the County Council) to continue the effective discharge of duties.	David Cockburn, CEO / Ben Watts, General Counsel	September 2023

Examples of Committee reports of relevance to this risk since November 2022:

Cabinet 30 March 2023	Item 8 – Quarterly Performance Report https://democracy.kent.gov.uk/documents/g8995/Public%20reports%20pack%2030th-Mar-2023%2010.00%20Cabinet.pdf?T=10
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Governance & Audit Committee 16 March 2023	Item 4 - Review of the Terms of Reference for the Governance and Audit Committee https://democracy.kent.gov.uk/documents/g9126/Public%20reports%20pack%2016th-Mar-2023%2010.00%20Governance%20and%20Audit%20Committee.pdf?T=10
County Council 9 February 2023	Item 5 – Section 25 Assurance Statement https://democracy.kent.gov.uk/documents/g9026/Public%20reports%20pack%2009th-Feb-2023%2009.30%20County%20Council.pdf?T=10
Cabinet 26 January 2023	Item 7 – Strategic Reset Programme https://democracy.kent.gov.uk/documents/g8994/Public%20reports%20pack%2026th-Jan-2023%2010.00%20Cabinet.pdf?T=10
Governance & Audit Committee 26 January 2023	Item 5 – Annual Governance Statement https://democracy.kent.gov.uk/documents/g9125/Public%20reports%20pack%2026th-Jan-2023%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10
Governance & Audit Committee 26 January 2023	Item 11 - Review of the Risk Management Strategy Policy and Programme https://democracy.kent.gov.uk/documents/g9125/Public%20reports%20pack%2026th-Jan-2023%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10
Scrutiny Committee 7 December 2022	Item C4 - Scrutiny Committees role in relation to KCC's SEND provision https://democracy.kent.gov.uk/documents/g9012/Public%20reports%20pack%2007th-Dec-2022%2014.00%20Scrutiny%20Committee.pdf?T=10

Risk ID	CRR0049	Risk Title	Fraud and Error			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>As with any organisation, there is an inherent risk of fraud and/or error that must be acknowledged and proactively managed.</p> <p>The fraud threat posed during emergency situations is higher than at other times, and all public bodies should be attuned to the risks facing their organisations and the public sector. This is further impacted by inflation and the cost-of-living crisis.</p> <p>It is critical that management implements a sound system of internal control and always demonstrates commitment to it, and that investment in fraud prevention and detection technology and resource is sufficient.</p> <p>This includes ensuring that new emerging fraud/error issues are sufficiently risk assessed.</p>	<p>Failure to prevent or detect significant acts of fraud or error from internal or external sources, in that within any process or activity there are:</p> <ul style="list-style-type: none"> - false representations are made to make a gain or expose another to a loss. - failure to notify a change of circumstances to make a gain or expose another to a loss. - abuses their position, in which they are expected to safeguard to make a gain or expose another to a loss. <p>Given the size and complexity of KCC, with a significant number of payments going to a wide range of suppliers and other public bodies, whom have a legitimate need to amend their bank details, that this process is used to submit a fraudulent change of bank details (mandate fraud) to KCC in order to divert funds.</p>	<p>Financial loss leading to pressures on budgets that may impact the provision of services to service users and residents.</p> <p>Reputational damage, particularly if the public see others gaining services or money that are not entitled to, leading to resentment by the public against others.</p>	<p>On behalf of CMT:</p> <p>Zena Cooke, Corporate Director Finance (Section 151 Officer)</p> <p>Responsible Cabinet Member(s):</p> <p>Peter Oakford, Finance, Corporate and Traded Services</p>	<p>Very likely (5)</p> <p>Target Residual Likelihood</p> <p>Very likely (5)</p>	<p>Moderate (2)</p> <p>Target Residual Impact</p> <p>Minor (1)</p> <p>Timescale to Target</p> <p>Within 1 year</p>	

Control Title	Control Owner
KCC is part of the Kent Intelligence Network (KIN), a joint project between 12 district councils, Medway Council, Kent Fire & Rescue and Kent County Council which analyses and data matches financial and personal information to allow fraudulent activity in locally administered services to be detected more proactively within Kent.	Nick Scott, Operations Manager, Kent Intelligence Network / James Flannery, Counter-Fraud Manager KCC
Training and awareness raising is conducted periodically and is included in the Counter-Fraud action plan.	James Flannery, Counter-Fraud Manager
An agreed Memorandum of Understanding is in effect with partners (District Councils, Police and Fire Service) outlining the minimum standards expected to be applied by collection authorities (District Councils) to address fraud and error relating to council tax and business rates. Additional work jointly funded to identify and investigate high risk cases based on each authority's share of the tax base. This supports the work of the KIN.	Dave Shipton, Head of Finance (Policy, Strategy and Planning)
Internal Audit includes proactive fraud work in its annual audit plan, identifying potential areas where frauds could take place and checking for fraudulent activity.	Jonathan Idle, Head of Internal Audit
Whistleblowing Policy in place for the reporting of suspicions of fraud or financial irregularity	James Flannery, Counter-Fraud Manager
Preventing Bribery Policy in place, presenting a clear and precise framework to understand and implement the arrangements required to comply with the Bribery Act 2010.	James Flannery, Counter-Fraud Manager
Anti-fraud and corruption strategy in place and reviewed annually.	James Flannery, Counter-Fraud Manager
The Corporate Management Team is required to engage the Counter Fraud Team regarding all new policies, initiatives and strategies as per the anti-fraud and corruption strategy and have relevant fraud risk assessments and mitigating controls in place on specific fraud risks associated with their areas.	Corporate Management Team /
Systems of internal control which aim to prevent fraud and increase the likelihood of detection e.g. financial controls such as authorisation of payments and spend.	Corporate Management Team
Commissioning standards reviewed, including rules relating to "Spending the Council's Money", which have been clarified to ensure relevant controls are in place to mitigate e.g., declarations of interest for procurement fraud, authorisation levels etc.	Clare Maynard, Interim Strategic Commissioner / Zena Cooke, Corporate Director

	Finance
KCC Counter Fraud & Trading Standards are a member of the Kent Fraud Panel to help inform current fraud trends and emerging risks that may impact KCC and its residents.	James Flannery, Counter-Fraud Manager
Participate in the National Fraud Initiative exercise every two years to identify any fraud and error within key risk areas.	James Flannery, Counter-Fraud Manager
Counter Fraud Action plan in place to manage resources in conducting reactive and proactive work across KCC.	James Flannery, Counter-Fraud Manager
Process maps are in place to inform Control Team on the correct process to request a change of bank details.	Mark Sage, Corporate Accountant
Training of staff involved in the updating of bank details is in place to inform them of the agreed process.	Mark Sage, Corporate Accountant
Guidance is available on the Finance Page on KNet to inform those who receive change of bank details on the agreed process and this is communicated to payment, commissioning and contract management teams across KCC.	Mark Sage, Corporate Accountant
Mandate fraud risks are communicated as part of the fraud awareness sessions.	James Flannery, Counter-Fraud Manager
Any queries received on missing payments from suppliers is cross checked against recent change of bank requests to alert a possible mandate fraud.	Mark Sage, Corporate Accountant
Response Plan is in place within the Control Team to deal with any actual mandate frauds that have been identified.	Mark Sage, Corporate Accountant
Communication of mandate fraud / cyber security to KCC and supply chain.	Clare Maynard, Strategic Commissioner / James Flannery, Counter-Fraud Manager

Examples of Committee reports of relevance to this risk since November 2022:

Governance & Audit Committee 26 January 2023	Item 9 – Counter Fraud Update https://democracy.kent.gov.uk/documents/g9125/Public%20reports%20pack%2026th-Jan-2023%2014.00%20Governance%20and%20Audit%20Committee.pdf?T=10
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Risk ID	CRR0050	Risk Title	CBRNE incidents, communicable diseases and incidents with a public health implication			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>The Council, along with other Category 1 Responders in the County, has a legal duty to establish and deliver containment actions and contingency plans to reduce the likelihood, and impact, of high impact incidents and emergencies.</p> <p>The Director of Public Health has a legal duty to gain assurance from the National Health Service and UK Health Security Agency that plans are in place to mitigate risks to the health of the public including outbreaks of communicable diseases e.g., Pandemic Influenza, resurgence of Covid-19, and/or management of a potential twin-demic of seasonal flu and Covid-19.</p>	Insufficient capacity / resource to deliver response and recovery concurrently for a prolonged period, including potential future wave(s) of Covid-19.	<p>Potential increased harm or loss of life if response is not effective.</p> <p>Increased financial cost in terms of damage control and insurance costs.</p> <p>Adverse effect on local businesses and the Kent economy.</p> <p>Possible public unrest and significant reputational damage.</p> <p>Legal actions and intervention for failure to fulfil KCC's obligations under the Civil Contingencies Act or other associated legislation.</p>	<p>On behalf of CMT:</p> <p>Anjan Ghosh Director of Public Health</p> <p>Responsible Cabinet Member(s):</p> <p>Clair Bell, Adult Social Care and Public Health</p>	<p>Possible (3)</p> <p>Target Residual Likelihood</p> <p>Possible (3)</p>	<p>Major (5)</p> <p>Target Residual Impact</p> <p>Major (5)</p> <p>Timescale to Target</p> <p>At Target</p>	
Control Title			Control Owner			
Utilising data sets from ONS and UKHSA and local health partners to give a picture of Covid19 across Kent.			Anjan Ghosh, Director of Public Health			
<p>Director of Public Health now has oversight of the delivery of immunisation and vaccination programmes in Kent through the Health Protection Board</p> <p>Director of Public Health has regular teleconferences with the UK Health Security Agency UK Health Security</p>			Anjan Ghosh, Director of Public Health			

Agency office on the communication of infection control issues	
KCC and local Kent Resilience Forum partners have tested preparedness for chemical, biological, radiological, nuclear and explosives (CBRNE) incidents and communicable disease outbreaks in line with national requirements. The Director of Public Health has additionally sought and gained assurance from the local UK Health Security Agency office and the NHS on preparedness and maintaining business continuity.	Anjan Ghosh, Director of Public Health
The Director of Public Health works through local resilience fora to ensure effective and tested local outbreak management plans are in place for the wider health sector to protect the local population from risks to public health.	Anjan Ghosh, Director of Public Health
Multiple governance – e.g. Health Protection Board, Kent Pandemic Response Cell	Anjan Ghosh, Director of Public Health
Local Outbreak Management Plan published, building on existing health protection plans already in place between Kent County Council, Medway Council, UK Health Security Agency, the 12 Kent District and Borough Council Environmental Health Teams, the Kent Resilience Forum, Kent and Medway Integrated Care Board and other key partners	Anjan Ghosh, Director of Public Health
vaccination rollout for both covid and flu supported, including autumn booster with focus on vulnerable staff and clients	Anjan Ghosh, Director of Public Health
Floor standards with a number of triggers have been agreed with the Corporate Management Team for guidance to be issued to staff when triggers met.	Anjan Ghosh, Director of Public Health
If all triggers are breached at a local level, the matter will be escalated to CMT and Health Protection Board to consider reinstating Kent Resilience Forum command structures for non-pharmaceutical interventions and further measures contingent on central government guidance.	Anjan Ghosh, Director of Public Health
Public Health infection prevention and control nurse attends Kent and Medway Infection Control Committee	Ellen Schwartz Deputy Director of Public Health

Risk ID	CRR0052	Risk Title	Impacts of Climate Change on KCC services			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
Impacts of Climate Change, particularly in relation to extreme weather events on KCC and the services KCC provides or commissions.	Adverse impacts on KCC services – buildings (loss of stranded assets), staff (sickness and lower productivity), service users, and the public.	Sustained deterioration of public health and increasing health inequalities across the county.	On behalf of CMT:	Very Likely (5)	Major (5)	
		Economic impacts from asset destruction / deterioration, service disruption and recovery costs of extreme weather events.	Simon Jones Corporate Director, Growth Environment and Transport	Target Residual Likelihood Likely (4)	Target Residual Impact Serious (4)	
		Degradation and loss of Kent's key ecosystems, impacting the health and viability of our natural environment/protected areas and Kent's ability to effectively mitigate and adapt to climate change.	Responsible Cabinet Member Susan Carey Cabinet Member for Environment			Timescale to Target 3+ years
		Negative impact on Kent economy and wellbeing of Kent residents. Inability to keep public safe and moving around the network.				

Reputational damage due to customer dissatisfaction.		
Control Title	Control Owner	
Environmental risk to be built into project work.	Tom Marchant, Head of Strategic Planning and Policy	
Kent Environment Strategy – actions re emissions reduction, travel, air quality – outputs – link to Net Zero 2050	Helen Shulver, Interim Head of Sustainable Business and Communities	
Strategic Statement – Priority 3 re: Environment	Matt Smyth, Director of Environment and Waste	
ISO 14001 accreditation (the international standard for Environmental Management Systems) implemented and maintained	Matthew Williams, Sustainable Estates Programme Manager	
Estate rationalisation and building in additional measures to reduce emissions.	Rebecca Spore, Director of Infrastructure	
Action Title	Action Owner	Planned Completion Date
Adaptation Programme actions - Kent wide plan e.g. building differently, active travel, farming practices, flood management, partnership working – 2050 target.	Helen Shulver, Interim Head of Sustainable Business and Communities	September 2023 (review)

Risk ID	CRR0053	Risk Title	Capital Programme Affordability (impacts on performance and statutory duties)			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>The affordability of the capital programme presents a number of risks to specific programmes, including Highways, Schools and the KCC Estate more broadly.</p> <p>The uncertainty includes capital expenditure funded by grants, many of which are crucial to delivery of statutory services, Ongoing investment to maintain and modernise our assets competes with the priority to protect frontline services from effects of public sector funding restraint.</p> <p>There are a number of geo-political uncertainties in the current environment which additionally impact on the financial and operating environment.</p> <p>The construction industry is experiencing acute inflation pressures, long material lead time and sporadic material supply. Directly linked to material and labour shortages. Current inflationary pressures are impacting on the capital programme significantly.</p>	<p>Impact on ability to meet operational requirements and/or statutory duties.</p> <p>Inability to invest in new infrastructure.</p> <p>Inability to invest in new infrastructure.</p> <p>Increase in maintenance backlogs.</p> <p>Emergency works on essential sites are prioritised to avoid serious health and safety incidents, with knock-on impacts for non-priority sites.</p> <p>Reputational damage as a result of building closures or impacts on service delivery</p>	<p>Business interruption due to increasing level of reactive / emergency repairs, or parts of estate decommissioned (in whole or partially if deemed unsafe).</p> <p>Health and safety incidents (potentially serious) associated with asset degradation.</p> <p>Inability to meet statutory duties e.g., lack of appropriate school place provision. Non-priority sites may not be maintained to a sufficient standard and may not be safe and fit for purpose leading to building closures.</p> <p>Assets not maintained sufficiently now will require future additional spend to maintain with the possibility of reactive costs which may create a revenue pressure.</p>	<p>On behalf of CMT:</p> <p>Zena Cooke, Corporate Director Finance (Section 151 Officer)</p> <p>Responsible Cabinet Member(s):</p> <p>Peter Oakford</p> <p>Cabinet Member for Corporate and Traded Services</p>	<p>Very Likely (5)</p> <p>Target Residual Likelihood</p> <p>Likely (4)</p>	<p>Major (5)</p> <p>Target Residual Impact</p> <p>Serious (4)</p> <p>Timescale to Target</p> <p>3+ years</p>	

<p>Expectations of key stakeholders on capital spend.</p> <p>Risks associated with changes in legislation related to developer contributions. This could lead to a requirement for significant forward funding.</p> <p>The level of borrowing to fund the capital programme is not sustainable and the impact on the revenue budget is significant.</p>	<p>Delays result in additional inflationary costs.</p> <p>Funding annual rolling programmes from borrowing is unsustainable.</p>
Control Title	Control Owner
Asset safety factors associated with our assets are considered during the budget setting process.	Zena Cooke, Corporate Director Finance (Section 151 Officer)
An annual programme of planned preventative maintenance is undertaken at KCC sites by the relevant Facilities Management contract partners	Tony Carty, Head of Facilities Management
The most urgent works will be completed on the agreed prioritised sites	Jo Taylor, Head of Project Management, Property division
10-year capital programme published as part of the 23-33 capital programme. This identified projected costs for some of the rolling programmes and a separate section of potential stand-alone projects which are markers and will need to have a full business case and identified funding planned evaluated and agreed.	Cath Head, Head of Finance (Operations)
Infrastructure is working with Area Education Officers to communicate to schools regarding their obligations for maintenance and their responsibilities for repairs under financial thresholds	James Sanderson, Head of Property Operations
Health and Safety Team in place in advisory capacity to ensure compliance to Government and HSE and guidelines.	Maria Kelly – Interim Head of Health and Safety

Review of KCC estate – Future Assets Programme. Business cases for each of the three workstreams are being developed (Office Estate, Community Buildings, Specialist Assets) with associated consultations.	Rebecca Spore, Director of Infrastructure	
Lobbying central Government re capital grants relating to Highways.	Haroon Chughtai, Director Highways and Transportation	
Extensive lobbying of Government in relation to capital funding.	Zena Cooke, Corporate Director Finance	
Action Title	Action Owner	Planned Completion Date
External funding bid for 'priority school build programme' (DfE) has been submitted, awaiting confirmation of total funded costs.	James Sanderson, Head of Property Operations	June 2023 (review)
Identify alternative funding options for annual rolling programmes to reduce the reliance on borrowing.	Cath Head (Head of Finance Operations)	October 2023 (review)

Examples of Committee reports of relevance to this risk since November 2022:

County Council 8 March 2023	Item 13 – Capital Programme 2023_33 & Revenue Budget 23_24 https://democracy.kent.gov.uk/documents/g9026/Public%20reports%20pack%2009th-Feb-2023%2009.30%20County%20Council.pdf?T=10
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Risk ID	CRR0056	Risk Title Special Educational Needs and Disabilities (SEND) Delivery Improvement and High Needs Funding shortfall				
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
<p>The Kent local area inspection by Ofsted and the CQC for children with SEND took place in January 2019. This inspection found nine significant areas of weakness across the local area which resulted in a Written Statement of Action being issued.</p> <p>In September 2022, the Local Area was revisited by Inspectors from both Ofsted and the CQC, who found that the area had not made sufficient progress in addressing any of the significant weaknesses.</p> <p>In March 2023 an Improvement Notice was issued to KCC An Improvement Plan (Accelerated Progress Plan - APP) is required to be formalised by the Local Area against which Outcome and Impact based KPIs will be scrutinised and addressed.</p> <p>In addition, the demand for Special Educational Needs</p>	<p>Insufficient improvement in areas identified within Ofsted timescales and children with SEND do not meet sufficient progress within the available financial resource.</p> <p>Inability to manage within budget and reduce accumulated deficit on Dedicated Schools Grant reserve.</p>	<p>Adverse impact on outcomes for vulnerable young people.</p> <p>Dissatisfaction from families.</p> <p>Potential for legal action if statutory time limits or processes are not met.</p> <p>Continued funding of deficit on the DSG reserve by net surplus balances in other reserves becomes unsustainable, impacting on the financial resilience of the Council.</p> <p>Should the Secretary of State not be satisfied with the Council's progress at any stage, she may choose to invoke her statutory powers of intervention (s497A Education Act 1996) to direct the Council to take any further actions deemed necessary to secure the improvements required in SEND services.</p>	<p>Sarah Hammond, Corporate Director CYPE</p> <p>Responsible Cabinet Member(s): Rory Love, Education & Skills</p>	<p>Very Likely (5)</p> <p>Target Residual Likelihood Likely (4)</p>	<p>Major (5)</p> <p>Target Residual Impact Serious (4)</p> <p>Timescale to Target 3+ years</p>	

and Disability (SEND) support is rising and at a much faster rate than the school age population, and the Council's Dedicated Schools Grant (DSG) budget is overspending on the High Needs Block and has a forecast deficit of £147m on the DSG reserve for 31st March 2023.

The Council is now part of the DfE Safety Valve programme and as part of this, will need to bring High Needs spending back into balance over the medium term and contribute to repaying the historic deficit.

Corresponding pressure on some of KCC's non-DSG SEND related budgets e.g., SEN Home to School Transport, is also being experienced (see CRR0057).

Consequently, meeting the needs of children and young people with SEND within available resources is becoming ever more challenging.

The ability to forecast costs in future years is difficult.

Control Title	Control Owner
Continual lobbying of Government on two matters; increased funding in both the short and medium term, and structural changes to government policy to help reduce the demand i.e., via County Council Network, Association of Directors' of Children's Services. Includes provision of evidence of the impact of the High Needs pressures on the quality of education children receive, schools, other providers and the Local Authority.	Roger Gough, Leader of the Council / Rory Love, Cabinet Member, Education and Skills / Sarah Hammond, Corporate Director (CYPE)
KCC SEND Transformation Strategic Board in place, with responsibility for coordinating activity and tracking improvement progress, reporting into the partnership Strategic Improvement and Assurance Board.	Sarah Hammond, Corporate Director CYPE (KCC lead)
Local area SEND Strategy developed in collaboration with partners, which goes beyond the Written Statement of Action to enable sustained improvement and transform Kent's SEND offer.	Sarah Hammond, Corporate Director CYPE (KCC lead)
Independently chaired Strategic Improvement and Assurance Board established, including representation from the Local Authority (including Members and cross directorate colleagues), Health, Learning and Teaching settings, representatives of parents and carers, and where appropriate young people.	Sarah Hammond, Corporate Director CYPE (KCC lead)
Robust programme management in place, ensuring appropriate alignment between project workstreams and overall programme delivery arrangements.	Sarah Hammond, Corporate Director CYPE (KCC lead)
Kent and Medway Children and Young People's Programme Board joint governance mechanism with Health partners (sub-group of Integrated Care Board)	Sarah Hammond, Corporate Director CYPE (KCC lead and Chair of Board)
KCC has entered into a "Safety Valve" agreement with the Department for Education (DfE), enabling Kent County Council (KCC) to receive funding over a 5-year period to substantially fund the accumulated deficit on the Dedicated Schools Grant (DSG) High Needs Block (HNB). The agreement requires commitment to areas of review and improvement identified by Department for Education (DfE) to bring in year spend in line with the in-year budget by 2027/28. A financial contribution from the Council is also expected.	Zena Cooke, Corporate Director Finance / John Betts, Finance

Action Title	Action Owner	Planned Completion Date
The Council will produce for approval by the Department for Education (DfE) and NHS England (“NHSE”) an Improvement Plan (Accelerated Progress Plan) to deliver appropriate and sustainable improvement, covering the areas identified in the Ofsted and CQC revisit report of 9 November 2022, as well as recommendations made by the Department.	Sarah Hammond, Corporate Director CYPE / Christine McInnes, Director Education and SEND (KCC leads)	May 2023
County Approach to Inclusive Education (CATIE)– approach to reduce number of children requiring EHCPs and Special Schools by developing more inclusive mainstream schools across the County.	Christine McInnes, Director of Education	June 2023 (review)
SEND Improvement Programme, which includes delivery of requirements detailed in the Kent Accelerated Progress Plan, covering three key workstreams relating to: <ol style="list-style-type: none"> 1) Health related, Systems, Post-16 and Alternative Provisions 2) Inclusion, Early Years and Mainstream 3) Parental Engagement, SEN process and structure, and Communication Strategy 	Sarah Hammond, Corporate Director CYPE	May 2023 (review)
Implementation of SEND Inclusion workstream to better address the relationship between learner need, outcomes, provision and cost in addition to reviewing externally commissioned arrangements including independent providers, home tuition and therapy service, to ensure Value for Money.	Sarah Hammond, Corporate Director CYPE	June 2023 (review)

Examples of Committee reports of relevance to this risk since November 2022:

SEND Sub Committee 22 March 2023	Item 7 – SEND Transformation Progress Update https://democracy.kent.gov.uk/documents/g9287/Public%20reports%20pack%2022nd-Mar-2023%2014.00%20SEND%20Sub-Committee.pdf?T=10
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Risk ID	CRR0057	Risk Title	Home to School Transport pressures			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
Home to School transport is available for SEND children with specific criteria in place. This requires close collaboration between services across the Council to ensure children are assessed and contractual arrangements for transport are put in place and communicated in a timely manner. There are multiple points of governance across multiple business delivery points and multiple directorates.	Capacity risk of insufficient vehicles to take assessed children to school, along with lack of available drivers in driver/taxi sector.	Not meeting statutory duties or fulfilling parent / carer expectations regarding provision of appropriate access to education for all children.	Sarah Hammond, Corporate Director CYPE	Likely (4)	Serious (4)	
	Financial risk due to increased financial pressures and increased costs for service providers, with a forecast overspend in this financial year.	Implications on demand for school places.	Simon Jones, Corporate Director GET	Target Residual Likelihood	Target Residual Impact	
	Increased pressure on officer time in relation to demand for school places.	Reputational damage if children not provided with transport in sufficient timescales.		Possible (3)	Serious (4)	
	Reputational risk linked to insufficient communications and expectation management.		Responsible Cabinet Member(s):		Timescale to Target	
As children transition between schools, there are additional pressure points where schools and parents need to keep the Local Authority up to date of any changes to ensure the relevant teams are aware of new applicants and/or changes to current arrangements in sufficient time.			Rory Love, Education & Skills		1-2 years	
Early Help and Care Plan (EHCP) numbers are currently rising across Kent (link to			David Brazier, Highways and Transportation			

CRR0056), putting additional demand on resources and capacity in the market.		
Control Title	Control Owner	
Home to School Transport Board in place, chaired by Cabinet Member for Education and Skills.	Christine McInnes, Director of Education / Philip Lightowler, Transportation	
Increase in resource within the relevant teams.	Simon Jones. Corporate Director GET	
Ongoing identification work of all children with an EHCP, currently open to social work or early help, who have not applied for transport. The relevant social workers due to contact all parents to offer support.	Sarah Hammond, Corporate Director CYPE	
Action Title	Action Owner	Planned Completion Date
Implementation of management action plan coming out of Internal Audit Review of SEN Transport, overseen by Governance and Audit Committee	Sarah Hammond, Corporate Director CYPE Simon Jones, Corporate Director GET / Ben Watts, General Counsel	July 2023 (review)
Work to improve inclusion and for more children to be educated in their local school, including Accelerated Progress Plan and Safety Valve work (cross-reference to CRR0056).	Sarah Hammond, Corporate Director CYPE	October 2023 (review)
Review findings and respond to Home To School Transport Policy and Post 16 Transport Policy Statement consultations	Sarah Hammond, Corporate Director CYPE	September 2023
Automation of the process where possible, including consideration of implementation of Travel Service Optimiser (TSO)	Simon Jones. Corporate Director GET / Sarah Hammond, Corporate Director CYPE	July 2023 (review)

Examples of Committee reports of relevance to this risk since November 2022:

Governance & Audit Committee 16 March 2023	Item 10 - SEND Transport Review Management Response - Progress Update https://democracy.kent.gov.uk/documents/b23971/SEND%20Transport%20Review%20Management%20Response%20-%20Progress%20Update%2016th-Mar-2023%2010.00%20Governance%20and%20Aud.pdf?T=9
Scrutiny Committee 23 February 2023	Item C2 - Home to School Transport https://democracy.kent.gov.uk/documents/g9014/Public%20reports%20pack%2023rd-Feb-2023%2010.00%20Scrutiny%20Committee.pdf?T=10

Risk ID	CRR0058	Risk Title	Recruitment and retention of the workforce			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
Attracting, and retaining staff continues to be reported as a challenge across directorates.	Workforce capacity challenges - insufficient staff to meet service demands.	Impact on productivity	On behalf of CMT	Likely (4)	Serious (4)	
Risks relating to the workforce equate to a third of total risks being monitored by KCC.	Inability to progress service development.	Impact on performance and / or delivery of statutory functions.	Paul Royel – Director of HR OD	Target Residual Likelihood	Target Residual Impact	
Rolling turnover rate has increased to over 15% in the latter half of 2022, standing at 15.1% at end of January 2023, compared to 14.7% % in April 22 and 9% in March 2021. Turnover rates for Q1 and Q2 2022 were in line with comparator authorities in the sector.	Impact on budgets from use of agency staff/contractors to fill roles.	Lack of experienced staff with specialist skills	Responsible Cabinet Member(s):	Possible (3)	Significant (3)	
There is a need to ensure that a suitably qualified, skilled and experienced workforce is in place to deliver services.		Loss of corporate memory	Shellina Prendergast			Timescale to Target
National skills shortages in key areas, such as social work, Trading Standards, Coroners and technical roles for example surveyors and public health consultants are adding to difficulties with filling vacancies and increasing competition between employers.		Reliance on interim and agency staff	Communication s and People			1-2 years
		Low staff morale				
		Impact on delivery of projects to expected time scales.				
		Employer and Service Reputational damage				

<p>The proximity of Kent to London presents challenges regarding pay in some parts of the county.</p> <p>Buoyant market for the workforce opportunities to work remotely provide applicants with greater flexibility and choice of workplace.</p>	
Control Title	Control Owner
Regular engagement with recognised trades unions.	Paul Royel, Director HR and OD
People Strategy for 2022-2027 approved by Personnel Committee	Paul Royel, Director HR and OD
KCC's Organisation Design principles set out and periodically refreshed and monitored to ensure they remain fit for purpose.	Paul Royel, Director HR and OD
Promoting even more regular communications between managers and their teams while working remotely via "Good Conversations" tools etc.	Diane Christie, Head of OD and Engagement
KCC's values, behaviours and culture embedded by managers, linked to KCC Strategic Reset programme.	Diane Christie, Head of OD and Engagement
Workforce profile report for the Personnel Committee gives detailed analysis on staffing levels and provides comparator information on previous years – now being provided more regularly to Personnel Committee for Member oversight and scrutiny.	Paul Royel, Director HR and OD
Workforce planning and appropriate career development and succession planning mechanisms in place.	Paul Royel, Director HR and OD
Regular staff survey conducted, followed by facilitation of engagement and action plans with senior management. Includes predictive analytics to explore key drivers of intention to leave to enable appropriate responses to develop.	Diane Christie, Head of OD and Engagement

Targeted advice, support and interventions available via HR business partners for areas of particular recruitment / retention concern relating to key roles.		Paul Royel, Director HR and OD
Action Title	Action Owner	Planned Completion Date
Communication, implementation, and measurement of the impact of the People Strategy.	Paul Royel, Director HR and OD	June 2023 (First annual review)
Implementation of action plans arising from latest staff survey (conducted December 2022)	Corporate Management Team	June 2023

Examples of Committee reports of relevance to this risk since November 2022:

County Council 23 March 2023	Item 9 – Pay Policy Statement 2023-24 https://democracy.kent.gov.uk/documents/g9014/Public%20reports%20pack%2023rd-Feb-2023%2010.00%20Scrutiny%20Committee.pdf?T=10
Personnel Committee 8 March 2023	Item 4 – Workforce Profile Update https://democracy.kent.gov.uk/documents/g9020/Public%20reports%20pack%2008th-Mar-2023%2014.00%20Personnel%20Committee.pdf?T=10
Personnel Committee 8 March 2023	Item 6 – Staff Survey Results https://democracy.kent.gov.uk/documents/g9020/Public%20reports%20pack%2008th-Mar-2023%2014.00%20Personnel%20Committee.pdf?T=10

APPENDIX 2 - Directorate Risk Registers - Summary Risk Profiles May 2023

Risk No.	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since July 2022
Children, Young People and Education				
CY0030	Management of the CYPE Directorate in year budget	High (20)	Medium (12)	↔
CY0042	Home To School Transport	High (16)	Medium (12)	New Risk
CY0040	Availability of Specialist Providers for Disabled Children and Children with Complex Needs	High (16)	Medium (12)	↔
CY0038	Potential increase in NEETs following Covid-19	Medium (9)	Medium (9)	↓
CY0034	Business Continuity and Resilience	Medium (12)	Medium (8)	↔
CY0009	Children not in full time education not receiving a suitable education	Medium (12)	Low (6)	↔
CY0032	Information Governance	Medium (9)	Medium (9)	↓
CY0039	Performance of the Liberi and EHM business applications	Risk Closed		
Growth, Environment and Transport				
GT0004	Skills shortage and capacity issues	High (20)	Medium (12)	↔
GT0001	Health, Safety and Wellbeing considerations	High (20)	Medium (10)	↔
GT0020	Identification, planning and delivery of Medium-Term Financial Plan targets	High (16)	Low (4)	↑
GT0026	Net Zero and Sufficiency of Funding	High (16)	Medium (9)	↑
GT0025	Capital Investment and Asset Management	Medium (15)	Medium (9)	↔
GT0027	Provision of suitable ICT systems	Medium (12)	Medium (12)	↔
GT0003	Directorate preparedness for, management of and impact of severe weather incidents	Medium (12)	Medium (9)	↔

GT0021	Resources provided to the directorate	Medium (12)	Medium (9)	↔
GT0019	Delivery of in-year budget targets	Medium (12)	Medium (9)	↔
GT0024	Information Governance	Medium (12)	Low (6)	↔
GT0008	Ash Dieback	Risk delegated to divisional registers		
Chief Executive's and Deputy Chief Executive's Departments				
DCED0002	Bribery or corruption in the Department goes undiscovered or is discovered and material losses have been experienced, or reputational damage has occurred.	Low (4)	Low (4)	↔
DCED0003 and 0004	Two risks are being drafted to reflect internal and supplier resource capacity risks, subject to review by the Departmental Management Team			
Adult Social Care and Health				
AH0035	Culture change	High (20)	Medium (9)	↑
AH0005	Levels of spending and growth pressure across the service outstrip spending power.	High (16)	Medium (9)	↑
AH0033	Adult Social Care Workforce recruitment and retention	High (16)	Medium (9)	↑
AH0038	Information Governance	Medium (12)	Medium (9)	↔
AH0037	Information Asset Management	Medium (9)	Medium (9)	↓

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