



AGENDA

POLICY AND RESOURCES CABINET COMMITTEE

Wednesday, 13 March 2024, at 10.00 am Ask for: **Katy Reynolds**
Council Chamber, Sessions House, County Telephone: **03000 422252**
Hall, Maidstone

Membership (17)

Conservative (12): Mr D L Brazier (Chairman), Mr M Dendor (Vice-Chairman),
Mr P V Barrington-King, Mr P Bartlett, Mr T Bond, Mr N J D Chard,
Mr P C Cooper, Mr J P McInroy, Mr H Rayner, Mr T L Shonk and
Mr M Whiting

Labour (2): Ms M Dawkins and Dr L Sullivan

Liberal Democrat (1): Mr A J Hook

Green and
Independent (2): Rich Lehmann and Mr P Stepto

UNRESTRICTED ITEMS

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

- 1 Introduction/Webcast announcement
- 2 Apologies and Substitutes
- 3 Declarations of Interest by Members in items on the Agenda
- 4 Minutes of the meeting held on 17 January 2024 (Pages 1 - 8)
- 5 Risk Management: Chief Executive and Deputy Chief Executive Departments
(Pages 9 - 48)
- 6 Facilities Management Bi-Annual Update (Pages 49 - 64)
- 7 Work Programme (Pages 65 - 70)

8 Future Meeting Dates

To note that meetings of the Policy and Resources Cabinet Committee will take place on the following dates:

15 May 2024 at 10.00am
10 July 2024 at 2.00 pm
10 September 2024 at 10.00am
27 November 2024 at 10.00am
15 January 2025 at 10.00am
5 March 2025 at 10.00am
8 July 2025 at 10.00am

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

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

9 Cyber Security Annual Report (Pages 71 - 98)

Ben Watts,
General Counsel
03000 416814

Tuesday, 5 March 2024

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

MINUTES of a meeting of the Policy and Resources Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 17 January 2024

PRESENT: Mr D L Brazier (Chairman), Mr M Dendor (Vice-Chairman), Mr P V Barrington-King, Mr P Bartlett, Mr T Bond, Mr N J D Chard, Mr A J Hook, Rich Lehmann, Mr J P McInroy, Mr H Rayner, Mr R J Thomas, Mr P Stepto, Dr L Sullivan, Mr M Whiting and Mr T L Shonk

ALSO PRESENT: Mr P Oakford

IN ATTENDANCE: Mrs A Beer (Deputy Chief Executive), Mrs R Spore (Director of Infrastructure), Mr B Watts (General Counsel), Mr D Whittle (Director of Strategy, Policy, Relationships and Corporate Assurance), Ms L Gannon (Director of Technology), Mr J Betts (Finance Consultant), Miss K Reynolds (Democratic Services Officer), Wagner (Interim Chief Analyst) and Mr T Woolmer (Policy & Partnerships Adviser - Kent Public Services)

UNRESTRICTED ITEMS**181. Apologies and Substitutes**

(Item 2)

Apologies for absence had been received from Ms Dawkins for whom Ms Meade was present as substitute. It was noted that Mr Trevor Shonk had replaced Mr Tom Cannon on the Committee.

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

(Item 3)

There were no declarations of interest.

183. Minutes of the meeting held on 22 November 2023

(Item 4)

RESOLVED that the minutes of the meeting held on 22 November 2023 are correctly recorded and that they be signed by the Chairman as a correct record.

184. Draft Ten Year Capital Programme, Revenue Budget 2023-24 and Medium Term Financial Plan 2023-26

(Item 5)

Mr Dave Shipton was in attendance for this item.

1. Mr Oakford introduced the report which set out the updated and balanced draft revenue budget 2024-25 and MTFP 2024-27, proposed capital programme 2024-34, and draft Treasury Management Strategy. Mr Oakford highlighted

the high-level differences which had been made to the initial report considered by the Committee in November 2023. Members were told that the main changes between the initial and revised Draft Budget 2024-25 could be found in Table 6. It was said that the draft revenue budget 2024-25 was balanced, however, there were still significant savings to be identified for 2025-26 and it was anticipated that there would continue to be a draw down on reserves in the second year of the Medium-Term Financial Plan 2024-27.

2. Mr Dave Shipton told Members that the Provisional Local Government Finance Settlement 2024-25 announcement had been received on 18 December 2023. This confirmed that the Government had extended the flexibility to use capital receipts, to fund the revenue costs of reducing costs and improving efficiency, to March 2030. There was a further consultation on the permitted usages of capital receipts. The final settlement was expected to be announced before the Parliamentary recess on 9 February 2024 and Mr Shipton was hopeful that this could be included in the final draft revenue budget 2024-25 to be considered at County Council on 19 February 2024.
3. In response to questions and comments from Members it was said that:
 - a) KCC only retained 9% of the total business rate yield in the county. It was said that the Council was not exposed to volatility of business rates to the same extent as district councils which retained 40%. The business rate baseline contained in the Settlement was uplifted by inflation each year. It was also confirmed that KCC operated a business rate pool with a number of district councils which enabled the pool to bear some of the risk of changes to business rates.
 - b) Regarding the saving proposal to 'End Select Committees and Short Focused Inquiries' as outlined in Appendix G, Mr Jeffrey confirmed that the Governance Working Party were looking at the potential for different working arrangements for Cabinet Committees, Select Committees, and task and finish groups within the current budgetary constraints. Members were told that there was no intention for the Governance Working Party to look at the work of the Civic Office, however, it was expected that there would be impact in this area in terms of the movement of staffing arrangements.
 - c) Mr Oakford confirmed that the Executive were strategically considering ways to tackle demand for Council services. This included a review of the ways in which statutory services were being delivered and a critical evaluation of discretionary services offered by KCC. It was said that the Council was continuing to lobby Government and local Members of Parliament for greater funding.
 - d) There was no prescribed formula for establishing best value, as this was based on the consideration of economy, effectiveness and efficiency judgements. However, Mr Whittle confirmed that a report on the internal use of return-on-investment calculations could be circulated to the Committee outside of the meeting.
4. RESOLVED:
 - a) To note the updated revenue budget and MTFP, draft capital strategy and programme, and draft Treasury Management Strategy

- b) There were no proposed changes to the relevant sections of the budget related to the Committee's portfolio area which were to be considered before the draft is finalised by Cabinet on 25th January 2024 and presented to Full County Council on 19th February 2024 for decision.

Dr Sullivan, Mr Hook and Ms Meade requested that their vote against the recommendation be noted.

185. Implementation of the Armed Forces Covenant in Kent

(Item 6)

Mr Gary Cooke, Mr Oliver Richardson, Canon Peter Bruinvels CC and Mr Tim Woolmer were in attendance for this item.

1. Mr Oliver Richardson and Canon Peter Bruinvels CC introduced the report which provided a briefing on KCC's work to support Kent's Armed Forces community, and summarised key achievements since the last report to the Committee and the oral presentation to Full Council in 2023. The success of the HMS Kent Freedom Debate and Freedom March was highlighted, and it was said that HMS Kent was expected to return to Kent in 2024. Members were told that KCC had received notification that it had successfully retained its MoD Employer Recognition Scheme Gold Award following a rigorous re-validation process. It was said that ongoing work was being undertaken to ensure that KCC meets the needs of the armed forces community. This work involved staff training on armed forces awareness. Mr Richardson thanked the Chairman of KCC for his advice, assistance and support of the events hosted.
2. The Chairman of the Council paid tribute to Canon Peter Bruinvels CC and his work to assist KCC retain its MoD Employer Recognition Scheme Gold Award.
3. In response to questions and comments from Members it was said that:
 - a) The Royal British Legion Industries provided housing and care for veterans and their families; however, some veterans were intentionally homeless. Canon Peter Bruinvels CC told Members that various avenues had been introduced to support the mental health of the Armed Forces Community, including the Forces Connect app.
 - b) A larger cohort of Gurkha children had arrived with special educational needs in the most recent deployment. There was specific support available for the Gurkha & Nepalese population and their families.
 - c) The regular awareness training provided for front line staff, senior officers and elected Members was well attended. This training was also provided to NHS staff. However, Canon Peter Bruinvels CC emphasised the importance of ensuring that a greater number of Adult Social Care staff attend the awareness sessions.
4. RESOLVED to:
 - a) Note all that is being done to deliver the Armed Forces Covenant in Kent and agree to priorities going forward including promoting Kent County Council's status as a lead MoD Employers Recognition Gold Award Holder; and

- b) Continue to support the Armed Forces Covenant across the county and to endorse the Council's commitment to this work by engaging locally in Covenant efforts and related events.

186. Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department

(Item 7)

1. Mr Matt Wagner and Mr Peter Oakford introduced the item which detailed the performance against targets set for Key Performance Indicators (KPIs) for the Chief Executive's Department (CED) and Deputy Chief Executive's Department (DCED). 18 of the 27 KPIs achieved target for the latest month and were RAG (Red/Amber/Green) rated Green, three were below target but did achieve the floor standard (Amber), and six did not achieve the floor standard (Red).
2. In response to questions and comments from Members it was said that:
 - a) Detailed information regarding the factors driving the underperformance of 'GL02: Freedom of Information (FOI) / Environmental Information Regulation (EIR) requests completed within 20 working days' would be provided in the Member briefing. It was confirmed that this would include further details of how policy changes and key decisions lead to increased activity in this area.
 - b) The Clerk would circulate the 'KCC Annual Customer Feedback Report 2022/23' to the Policy and Resources Cabinet Committee. The report would provide a summary of the compliments, comments and complaints recorded by the Council and highlight the key changes this year that drove complaints in a number of areas.
 - c) Mr John Betts would provide further information to Members outside of the meeting regarding the ongoing action in relation to the four large invoices (totalling £1.25m) which drove the increase in 'FN06: Percentage of sundry debt due to KCC outstanding over 6 months old'.
3. RESOLVED to note the performance position for the Chief Executive's Department and Deputy Chief Executive's Department.

187. 23/00119 - Kent Public Service Network (KPSN)

(Item 8)

1. Mr Oakford and Ms Lisa Gannon introduced the report which updated Members on the status of the re-procurement of the Kent Public Service Network (KPSN) contract agreement with Daisy Udata Communications Ltd (DUCL), which was due to expire in August 2024. It was said that the contract had delivered substantial cost savings where partners had a simple route to market for their ongoing evolving requirements, taking advantage of the aggregated buying power and access to preferential rates that KPSN provides.
2. In response to questions and comments from Members it was said that:
 - a) The schools' market had become significantly more competitive over recent years and academies often opted to use one supplier across the

- whole of the academy. There were 275 schools on the shared public service network which was lower than historic numbers.
- b) Funding was built into the contract agreement to upgrade any circuit where poor performance was experienced, to maintain the required capacity as partners' requirements flex and additional sites join the network.
3. RESOLVED to endorse the proposed decision to:
- a) Approve the award of a contract for the provision of network and telecommunication connectivity services for a period of 4 years, from 8 August 2024 to 7 August 2028, with the option for a contract extension of a further 3 years, from 8 August 2028 to 7 August 2031, which will continue to be managed by the Kent Public Services Network Partnership.
 - b) Delegate authority to the Director of Technology to finalise terms of and award contracts to the successful provider and to approve, in consultation with the Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, the exercise of any extensions permitted within the agreed contacts; and
 - c) Delegate authority to the Director of Technology to take other relevant actions, including but not limited to entering into contracts and other legal agreements, as required to implement the decision.

188. Update on New Asset Management Strategy Development

(Item 9)

1. Mr Peter Oakford and Ms Rebecca Spore introduced the paper which provided an update on the proposal for the development of the new 2024 - 2030 Asset Management Strategy. It was emphasised that the Council was not in a position to gift property, as it was reliant on the sale of assets and securing capital receipts to deliver building maintenance and the Revenue Budget 2024-25.
2. In response to questions and comments from Members it was said that:
 - a) There may be some limited exceptions to the Strategy, including an ongoing review into alternative arrangements for the ownership and/or financial responsibility as was set out in the current consultation regarding windmills.
 - b) The proposal to update the description of the 'Sustainability' draft aim to: "Properties are assets, and each has potential to provide economic and environmental sustainability for the budget and the communities we serve" would be considered. The suggestion that the 'Optimisation' aim description include reference to 'long-term' best value would be discussed further.
 - c) The continued community use of any disposed asset would be considered as part of the Executive Decision Making process as set out in the Council's freehold disposal policy.
3. RESOLVED to note the development of the proposal for the new 2024-2030 Asset Management Strategy and comment on the draft Aims and Approaches set out in this report.

Dr Sullivan and Mr Hook requested that their vote against the recommendation be noted.

189. 23/00097 - Kent and Medway Domestic Abuse Strategy

(Item 10)

Mr Roger Gough, Ms Akua Agyepong, Ms Florah Shiringo and Ms Serine Annan-Veitch were in attendance for this item.

1. Mr Roger Gough, Ms Akua Agyepong, Ms Florah Shiringo and Ms Serine Annan-Veitch introduced the report which was accompanied by a presentation. It was said that domestic abuse work in KCC had historically been managed by Adult Social Care, however, this was now a cross-directorate area of work with involvement of staff in Children, Young People and Education (CYPE) and Public Health. The strategy had been updated following an eleven-week consultation and significant informal consultation had been undertaken. The changes included the emphasis on evidence-based decisions. An annual progress report would be developed so that Members could monitor the work undertaken to meet the strategy commitments.
2. Officers responded to questions and comments from Members including the following:
 - a) Members welcomed the Strategy and congratulated the team on their work to reflect the consultation responses in the updated document. However, concerns were raised regarding the education provision for children who have fled abuse. Officers confirmed that the Strategy recognised the importance of schools in supporting children and young people, and that further work was being undertaken with a virtual school to provide an enhanced offer. This would be reflected in the delivery plan.
 - b) In response to queries raised on the longer-term support offer for those who have experienced abusive behaviour, it was confirmed that the complexities of this area of work were recognised, and that the Strategy aimed to ensure that ongoing support was provided to these individuals. It was emphasised that the safe accommodation support service commissioned in Kent was part of a wider partnership response to domestic abuse.
 - c) Members said that quantitative measurements of activity within this strategy would be useful for the Committee's assurance.
3. RESOLVED to endorse the proposed decision to:
 - a) adopt the Kent and Medway Domestic Abuse Partnership Strategy 2024 – 2029 on behalf of Kent County Council.
 - b) delegate authority to the Corporate Director of Adult Social Care and Health in consultation with the Corporate Director of Children, Young People and Education, to refresh and/or make revisions with the Kent and Medway Domestic Abuse Executive Group as appropriate during the lifetime of the strategy.
 - c) delegate authority to the Corporate Director of Adult Social Care and Health in consultation with the Corporate Director of Children, Young People and Education to take relevant actions, including but not limited to

finalising the terms of, and entering into required contract or other legal agreements, as necessary to implement the decision.

190. 23/00120 - Digital Strategy 2024 - 27

(Item 11)

Mr Dave Lindsay was in attendance for this item.

1. Mr Oakford and Mr Dave Lindsay introduced the report which summarises the reasons and approach taken for developing KCC's Digital Strategy 2024-2027. It was said that while the Council had made substantial investments into its technology, there had been a fragmented approach to digital transformation across the organisation. This strategy aimed to coordinate the digital transformation activity and provide a blueprint linking all strategies that contain a digital element. It was highlighted that the strategy had been coproduced with staff: over 2,700 staff across the Council were invited to contribute to its development.
2. In response to questions and comments from Members it was said that:
 - a) The Vice Chair of the Local Government Association's (LGA) Improvement and Innovation Board had highly commended the proposed approach contained within the Digital Strategy 2024-2027. It had been suggested, however, that further information be provided as to how KCC would tackle digital exclusion as part of this transformation activity.
 - b) Whilst the Digital Strategy 2024-2027 was an internal strategy which outlined the plans to bring about Digital Transformation *within* KCC, Mr Lindsay confirmed that there was ongoing work with the Digital Inclusion Team to maximise accessibility. Additionally, it was said that the Digital Kent team, established in 2021 as part of the Helping Hands scheme, were managing several projects, initiatives and schemes to improve digital inclusion and capability. Further information could be found online at: <https://www.digitalkent.uk/>.
 - c) The KCC Artificial Intelligence (AI) Policy, previously noted by the Committee in September 2023, set out initial parameters for staff when embarking on any internal or external activity that would utilise AI. This policy supplemented existing KCC policies, and any use of such technology would be carefully considered.
3. RESOLVED to endorse the proposed decision to adopt the Kent County Council Digital Strategy 2024-2027.

191. Work Programme

(Item 12)

RESOLVED to consider and note the planned work programme for 2024.

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From: Roger Gough, Leader of the Council
Amanda Beer, Chief Executive Officer

To: Policy & Resources Cabinet Committee – 13th March 2024

Subject: **Risk Management: Chief Executive and Deputy Chief Executive Departments**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: None

Electoral Division: All

Summary: This paper presents the strategic risks relating to the Chief Executive and Deputy Chief Executive Departments, in addition to the risks featuring on the Corporate Risk Register that fall within the relevant Cabinet portfolios.

Recommendation(s):

The Cabinet Committee is asked to consider and comment on the risks presented.

1. Introduction

- 1.1 Risk management is a key element of the Council's Internal Control Framework and the requirement to maintain risk registers ensures that potential risks that may prevent the Authority from achieving its objectives are identified and controlled. The process of developing the registers is therefore important in underpinning service delivery planning, performance management and operating standards. Risks outlined in risk registers are taken into account in the development of the Internal Audit programme for the year.
- 1.2 Directorate risks are reported to Cabinet Committees annually and contain strategic or cross-cutting risks that potentially affect several functions across the Chief Executive and Deputy Chief Executive Departments, and often have wider potential interdependencies with other services across the Council and external parties.
- 1.3 Chief Executive and Deputy Chief Executive Department Directors also lead or coordinate mitigating actions in conjunction with other Directors across the organisation to manage risks featuring on the Corporate Risk Register. The Directors in the Chief Executive and Deputy Chief Executive Departments are designated 'Risk

Owners' (along with the rest of the Corporate Management Team (CMT)) for several corporate risks.

- 1.4 The majority of these risks, or at least aspects of them, will have been discussed in depth at relevant Cabinet Committee(s) throughout the year, demonstrating that risk considerations are embedded within core business.
- 1.5 A standard reporting format is used to facilitate the gathering of consistent risk information and a 5x5 matrix is used to rank the scale of risk in terms of likelihood of occurrence and impact. Firstly, the current level of risk is assessed, taking into account any controls already in place to mitigate the risk. If the current level of risk is deemed unacceptable, a 'target' risk level is set and further mitigating actions introduced, with the aim of reducing the risk to a tolerable and realistic level. If the current level of risk is acceptable, the target risk level will match the current rating.
- 1.6 The numeric score in itself is less significant than its importance in enabling categorisation of risks and prioritisation of any management action. Further information on KCC risk management methodologies can be found in the risk management guide on the 'KNet' intranet [site](#).
- 1.7 The Corporate Risk Register has grown significantly over the past few years given the challenging environment in which the Council is operating. With an increasing number of risks and the majority of them still rated as High, it is important to review the criteria for what risks appear on the corporate risk register, and perhaps more importantly, the criteria for risks to come off the register (for example risks that are deemed to be at their "target" residual level and not rated as High). This approach was endorsed by Cabinet in January 2024 and further detail will be presented to Governance & Audit Committee in May 2024 for review.

2. Corporate risks led by the Chief Executive and Deputy Chief Executive Departments.

- 2.1 There is continued uncertainty in the local government operating environment with the Council facing issues relating to the cost-of-living crisis, economic volatility, workforce shortages and cost inflation all of which impact financial sustainability.
- 2.2 There are nine corporate risks of particular relevance to this Committee. A summary, including changes over the past year, are outlined below, with more detail of the risks and their mitigations contained in appendix 1.

Risk Reference	Risk Description	Current Score	Target Score
CRR0009	Future financial operating environment for Local Government.	High (25)	High (16)
<p>The risk focuses on the Council’s ability to operate effectively within an extraordinarily challenging external environment and uncertainty around sufficiency of the council’s core spending power when faced with service demand and other pressures. The risk rating has been at the maximum rating of 25 since September 2023. Despite the increased pressures reported to Government, the overall settlement is significantly less than spending growth pressures and therefore will require significant savings in 2024/25. There is an expectation from Government that Councils consider using reserves to sustain services.</p> <p>The Council’s budget was approved at County Council on 19th February 2024, although the significant financial risks were noted and debated. Delivery plans have been developed to support major savings.</p>			
Risk Reference	Risk Description	Current Score	Target Score
CRR0014	Cyber and Information Security Resilience	High (20)	High (20)
<p>This risk focuses on cyber and information security threats and has been updated to reference the potential for this to arise within the Council’s supply chain by way of supplier system breaches or vulnerabilities within purchased equipment.</p> <p>Cyber standards and risk assessments have been incorporated into the central ICT commissioning framework.</p> <p>The risk is at its target rating and remains a high rated risk. The risk rating reflects constantly evolving threats that require controls to remain effective and fit-for-purpose to protect the Council from threats to its information security.</p>			
CRR0039	Information Governance	Medium (15)	Medium (9)
<p>This risk is focused on the obligations of the Council to meet requirements of the UK General Data Protection Regulations (GDPR) and ensuring that the appropriate processes, procedures and behaviours are embedded to meet requirements.</p> <p>The risk rating reflects the Information Commissioner’s Office (ICO) approach to public sector enforcement with fines issued in only in the most serious of cases.</p> <p>The Council seeks to improve its approach to mitigate information governance risks and has implemented automated processes to improve efficiency and data capture for future analysis and feedback to services. There are further improvements actions identified within the 2023/24 Annual Governance Statement action plan, including an information governance improvement plan for each directorate.</p>			

CRR0045	Maintaining effective governance and decision making in a challenging financial and operating environment	High (20)	Medium (10)
<p>This risk focuses on the need for effective governance and decision making as well as robust internal control mechanisms to support timely and challenging policy decisions. Recent examples from other local authorities have shown the impact that ineffective decision making can have on financial resilience. Following a significant finding in relation to governance in the 2021/22 External Auditor report, the auditors completed an assessment of governance arrangements culminating in 22 recommendations of improvements reported in October 2023. This report was also referenced in the External Auditors Annual Report 2022/23 where a further significant weaknesses in relation to governance was identified and two key recommendations and one improvement recommendations have been made. Improvement actions have been identified within the 2022/23 Annual Governance Statement report, and implementation of those actions will be monitored by the Annual Governance Statement action plan.</p>			
CRR0049	Fraud and Error	Medium (10)	Low (5)
<p>This risk acknowledges the inherent risk of fraud and/or error that exists within any organisation and the need for the council, like all public bodies, to be attuned to the risks facing their organisations and the public sector. The risks are heightened by the cost-of-living crisis. The Counter Fraud team recently reported that cyber enabled fraud continued to be a risk for all organisations.</p> <p>The direction of travel for this risk has remained static, and the Counter Fraud team have been delivering several fraud awareness sessions and are part of the Serious and Organised Crime cross directorate working group.</p>			
CRR0053	Capital Programme Affordability	High (25)	High (16)
<p>This risk is focused on the affordability of the capital programme, and the uncertainty surrounding grant funding for capital expenditure, with particular concern relating to impacts on our ability to meet operational requirements and/or statutory duties and invest in infrastructure. The major risks and issues associated with the capital programme have been discussed as part of the budget process.</p>			
CRR0058	Capacity and capability of the workforce	High (16)	Medium (12)
<p>KCC is experiencing increasing demand for services due to whole system pressures which is placing strain on the existing capacity of the workforce. Risks relating to the workforce equate to a third of all risks being monitored by the Council As well as national skills shortages in key areas, attracting suitably qualified, skilled and experienced staff, and retaining them to ensure sufficient capacity and capabilities to deliver services continues to be reported as a challenge across directorates. As a result of the complexity and volatility of issues being faced in the organisation capacity within the management, and leadership teams is stretched.</p>			

Recently a suite of targeted management development activities has been released to the organisation to provide clarity and guidance for KCC managers on their responsibilities and accountabilities, including focus on key areas, such as digital, hybrid, equality, inclusiveness, and performance management. In addition, a Change Support Hub is now available which provides a suite of tools, knowledge, models, videos and change related resources to support leaders, managers, staff, and project delivery teams.

CRR0059	Significant failure to bring forecast budget overspend under control within budget level assumed	High (25)	Medium (9)
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The Council is under a legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities. The most significant overspends (and budgeted spending growth) in both 2022-23 and 2023-24 are in adult social care and children’s services. Urgent action is required to bring revenue spending down to a sustainable level, both within the current financial year and over the medium term (see risk CRR0009) to safeguard the council’s financial resilience and viability. The Council has set the budget recovery strategy – *Securing Kent’s Future* – to address the in-year and future years financial pressures the council is facing and the specific and broader action that can be taken to return the council to financial sustainability. Finance and performance monitoring progress reports are being considered at every Cabinet meeting to ensure the focus on *Securing Kent’s Future* remains until the council’s financial position is stabilised.

CRR0060	Reinforced Autoclaved Aerated Concrete	Medium (15)	Low (5)
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This risk is focused on the Council’s responsibilities for identification and management of RAAC in its estate. RAAC is a lightweight form of precast concrete, frequently used in public sector buildings in the UK from the mid-1960s to at least the mid-1980s. It is mainly found in roofs, although occasionally in floors and walls. It is less durable than traditional concrete and there have been problems as a result, which could have significant safety consequences. Kent Schools (Local Authority responsibility) were written to in relation to RAAC and Diocesan schools and Academies written to in relation to their responsibilities. Surveys have been completed for Kent Schools. In September 2023, the government committed to funding longer-term refurbishment or rebuilding projects to address the presence of RAAC in schools. Schools and colleges will either be offered capital grants to remove RAAC where works are typically smaller in scale, or schools will enter the School Rebuilding Programme where works to remove RAAC are extensive. Focus is now on completing surveys where required in the wider corporate estate. Lastly, the Council’s care providers have been written to regarding their contractual responsibilities for health and safety. Where providers identify RAAC they have been advised to contact their contract managers who will liaise with Health and Safety colleagues for advice and guidance.

3. Chief Executive and Deputy Chief Executive’s Departments risk profile

3.1 The Chief Executive’s and Deputy Chief Executive’s hold three risks on the departmental register

Risk No.*	Risk Title	Current Risk Rating	Target Risk Rating	Direction of Travel since April 2023
DCED0004	External supplier resource capacity	Medium (12)	Low (4)	↔
DCED0003	Departmental resource capacity	Medium (12)	Medium (9)	↔
DCED0002	Anti-bribery and corruption	Low (4)	Low (4)	↔

3.2 The risk register has been reviewed and amended during the year with quarterly reporting into the Departmental Management Team, with the most recent review and discussion in February 2024. There are no high rated risks, and one risk is at target level.

3.3 The direction of travel for the following risks has remained static since the risks were incepted in September 2023, however actions and controls have been revised during the year to further mitigate and reduce the risk:

- There has been a recent review and redesign of services within the Infrastructure division, and there are plans to review structure and resources within the Technology division.
- There will be a review of business planning submissions to inform work plans and to support conversations regarding resource and capacity.
- The department is looking collectively for long term solutions to address challenges with sustainability.

4. Recommendation

Recommendation:

The Policy & Resources Cabinet Committee is asked to **consider** and **comment** on the risks presented.

5. Background Documents

- 5.1 KCC Risk Management Policy and associated risk management toolkit on KNet intranet site. <https://kentcountycouncil.sharepoint.com/sites/KNet>

Contact details

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Appendix One - Chief Executive and Deputy Chief Executive's Department-led Corporate Risks

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 Government's Autumn Budget 2023 statement only included very high-level public spending plans and no individual department plans beyond 2024-25, and the Local Government Finance Settlement only covered 2024-25 with no indicative allocations for subsequent years. This means that although the funding for 2024-25 is now confirmed, the forecasts for later years are speculative, consequently planning has to be sufficiently flexible to respond accordingly.	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. 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.	Unsustainable financial situation and potential drawdown from reserves, ultimately resulting in s114 notice. Failure to deliver statutory obligations and duties or achieve social value. Potential for partner or provider failure – including sufficiency gaps in provision. Reduction in resident satisfaction and reputational damage.	On behalf of CMT: John Betts, Acting Corporate Finance Director (Section 151 Officer)	V. Likely (5)	Major (5)	
Even so, it is clear that 2024-25 and the medium term to 2026-27 are likely to continue to be exceptionally challenging and will require significant spending reductions. Even though overall net cash is increasing, this is not sufficient to keep pace with	Continued delays and uncertainty surrounding review of local government funding impacts on KCC's medium term financial planning.	Increased and unplanned pressure on resources. Decline in performance. Legal challenge resulting in reputational	Responsible Cabinet Member(s): All Cabinet Members	Target Residual Likelihood Likely (4)	Target Residual Impact Serious (4)	Timescale to Target 1-2 years

forecast spending demands.

There is also no certainty that additional central government funding to address spending pressures in social care will be baselined/continued for future years.

The level of savings required in 2024-25 and over the medium term continues to be higher than in recent years driven largely by growth in spending rather than cuts in funding, representing a new and very specific challenge.

A significant financial risk for the Council is the continuing and increasing underlying deficit and accumulated debt on the High Needs Block of Dedicated Schools Grant (DSG), a forecast total of £178m as at 31st March 2024 (excluding contributions from KCC and DfE).

damage to the Council.

Impact on Council Tax.

Control Title	Control Owner
Budget Recovery Strategy – <i>Securing Kent's Future</i> – set, to address the in-year and future years financial pressures the council is facing and the specific and broader action that can be taken to return the council to financial sustainability.	Roger Gough, Leader of the Council / Amanda Beer, Chief Executive Officer.
Strategic Reset Programme established and reprioritised to focus on key budget delivery programmes.	Amanda Beer, Chief Executive Officer / Elizabeth Sanderson, SRP Strategic Lead.
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.	John Betts, Acting 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.	John Betts, Acting 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 and delivery plans to support major savings.	John Betts, Acting 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 Quarterly Performance Report monitors key performance and activity information for KCC commissioned or delivered services. Regularly reported to Cabinet.	Matthew Wagner, Interim Chief Analyst, KCC
Ongoing monitoring and modelling of changes in supply and demand in order to inform strategies and service planning going forward.	Matthew Wagner, Interim 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 / John Betts, Acting 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	John Betts, Acting Corporate Director Finance
Quarterly budget meetings between Cabinet Member for Finance and Corporate Director for Finance with Cabinet Members and Corporate Directors as relevant.	John Betts, Acting 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.	Amanda Beer, Chief Executive Officer / John Betts, Acting Corporate Director Finance (Section 151 Officer)

Action Title	Action Owner	Planned Completion Date
Outcomes Based Budgeting approach being developed as a tool to strengthen links between outcomes and funding within resource envelopes, using robust analysis and evidence that includes aligning performance and finance information.	John Betts, Acting Corporate Director Finance	June 2024 (review)

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)	
Supply chain compromise including third party data transfers, vulnerabilities in purchased equipment and supplier system breaches.		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	Target Residual Likelihood Likely (4)	Target Residual Impact 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.		Loss or corruption of data. Loss of key systems potentially impacting ability to deliver statutory services. Partners unable to discharge their duties. Complaints.	Paul Royel, Director HR/OD		Timescale to Target At Target	
Compromise of physical security controls and/or infrastructure including unauthorised access to data centres, network cables and natural disaster (flood, fires etc.)			Responsible Cabinet Member(s): Peter Oakford, Finance, Corporate and Traded Services			
Gaps in existing resources and capabilities, including technological controls and resource challenges in provider's operational teams.			Dylan Jeffrey Communications 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

<p>Cyber standards and risk assessment have been included into the central ICT commissioning framework and a new risk assessment process is being finalised with expected completion by the end of September.</p>	<p>James Church ICT Compliance & Risk Manager</p>
<p>Supply chain risk management program including keeping an inventory of all ICT suppliers and third-party data transfers, cyber requirements built into procurement, regular assurance of supplier security to ISO 27001 and Cyber Essentials, and regular risk assessments carried out to identify supply chain risks.</p>	<p>James Church ICT Compliance & Risk Manager</p>

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 has 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 and or suppliers processing KCC data fail to embed the appropriate processes and behaviours.</p> <p>Poor data quality negatively impacts AI algorithms</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>Bias presenting in AI algorithms impacting outcomes and decision making.</p> <p>Loss of trust in automated decisions</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>Dylan Jeffrey Communications and Democratic Services</p> <p>Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services</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>	

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.

KCC services' requirement for non-standard systems creates vulnerabilities.

Failure to manage data lawful when using automated decision making via algorithms.

Control Title	Control Owner
Staff are required to complete mandatory training on Information Governance and Data Protection and refresh their knowledge every two years as a minimum.	Ben Watts, General Counsel and KCC Data Protection Officer / Paul Royel, Director HR and OD
Senior Information Risk Owner for the Council appointed with training and support to undertake the role.	David Whittle, Director SPRCA
ICT Commissioning function has necessary working/contractual relationship with the Cantium Business Solutions to require support on KCC ICT compliance and audit.	Dave Lindsay, Interim Head of ICT Commissioning and Strategy
Caldicott Guardian appointed with training and support to undertake the role.	Richard Smith, Corporate Director ASCH
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.	Ben Watts, General Counsel and KCC Data Protection Officer

Management Guide/operating modules on Information Governance in place, highlighting key policies and procedures.	Ben Watts, General Counsel and KCC Data Protection Officer	
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	
Implementation of recommendations from working from home and records management audits	Ben Watts, General Counsel and KCC Data Protection Officer	
Supply chain risk management program including keeping an inventory of all ICT suppliers and third-party data transfers, cyber requirements built into procurement, regular assurance of supplier security to ISO 27001 and Cyber Essentials, and regular risk assessments carried out to identify supply chain risks.	James Church ICT Compliance & Risk Manager	
Data breach process enhanced by automated system; changes included auto reminders to services where further information is required. More data is available on service performance in relation to breach management and also allow for timely escalation where appropriate	Peter Healey – GLD Delivery Officer	
Action Title	Action Owner	Planned Completion Date
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 – Implementation of recommendations from Internal Audit of data mapping	Hannah Rumball, Chair of Cross-Directorate Information Governance Working Group	March 2024 (review)
Implementation of action identified within the 2023/24 consolidated annual governance action plan – Information Asset Owners assurance on data controls within the supply chain	Ben Watts, General Counsel and KCC Data Protection Officer	April 2024 (Review)

Risk ID	CRR0045	Risk Title	Maintaining effective governance and decision making in a challenging financial and operating environment				
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.</p> <p>In October 2023 the External Auditors issued a report on governance arrangements at the Council, which identified 22 recommendations including around strategic arrangements for delivering priorities, effective challenge to and scrutiny of decisions and the Councils structure, systems and behaviours.</p>	<p>Members are unwilling or unable to agree necessary policy (service) decisions within required timescales to deliver a legally balanced budget and sustainable medium-term financial plan (MFTP).</p> <p>Members agree a budget requiring unrealistic and undeliverable efficiency savings leading to significant in-year overspends.</p>	<p>Decisions challenged under judicial review on the appropriateness of the decision-making within KCC.</p>	<p>Amanda Beer, Chief Executive Officer</p>	<p>Likely (4)</p>	<p>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>Monitoring Officer / Head of Paid Service statutory report to Council.</p>	<p>Reputational damage to the Council.</p>	<p>John Betts, Acting Corporate Director Finance (s151 Officer)</p>	<p>Target Residual Likelihood</p> <p>Unlikely (2)</p>	<p>Target Residual Impact</p> <p>Major (5)</p>	
			<p>S114 Notice issued by the S151 Officer.</p>	<p>Ben Watts, General Counsel and Monitoring Officer</p>			<p>Timescale to Target</p> <p>1-2 years</p>
			<p>Responsible Cabinet Member(s):</p> <p>Roger Gough, Leader of the Council</p> <p>Dylan Jeffrey, Communications and Democratic Services</p>				

The External Auditors referred to their October 2023 report in their Annual Report of 2022/23, raising a key recommendation in regard to significant weaknesses in arrangements for governance, and noted that the same recommendation had been made in 2021/22. This was supported by findings in the Monitoring Officers annual governance statement who has noted that improvements need to be made if governance is to be effective, in both the 2021/22 and 2022/23 reports.

The external auditor stated that that there have been areas of improvement during the year including workshops, review of written governance processes and a Member development survey, however they also concluded that the culture, behaviours and standards should also keep pace with improvement work.

Control Title	Control Owner
Budget Recovery Strategy – <i>Securing Kent's Future</i> – set, to address the in-year and future years financial pressures the council is facing and the specific and broader action that can be taken to return the council to financial sustainability.	Roger Gough, Leader of the Council / Amanda Beer, Chief Executive Officer

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.	John Betts, Acting 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.	John Betts, Acting Corporate Director Finance (Section 151 Officer)
Appropriately detailed and timely financial monitoring reports considered by Cabinet and Cabinet Committees.	John Betts, Acting 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.	John Betts, Acting 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	
Following the publication of the 2021/22 AGS, a dedicated team was assembled within GLD to improve the awareness and application of governance and decision making across the Council.	Ben Watts, General Counsel and KCC Data Protection Officer	
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.	Amanda Beer, CEO / Ben Watts, General Counsel	
Action Title	Action Owner	Planned Completion Date
Review of KCC Informal Governance arrangements and Operating Standards	David Whittle, Director SPRCA	July 2024
Implementation of the actions identified within the 2022/23 Annual Governance Statement report	Ben Watts, General Counsel and KCC Data Protection Officer	March 2024 (Review)

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 risks that:</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 of 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>John Betts, Acting 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, Head of Commercial / John Betts, Acting Corporate Director

	Finance (Section 151 Officer)
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, Head of Commercial / James Flannery, Counter-Fraud Manager

Risk ID	CRR0053	Risk Title	Capital Programme Affordability (impacts on assets, 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</p>	<p>Impact on ability to meet operational requirements and/or statutory duties.</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>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.</p> <p>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</p>	<p>On behalf of CMT:</p> <p>John Betts, Acting Corporate Director Finance (Section 151 Officer)</p> <p>Responsible Cabinet Member(s):</p> <p>Peter Oakford 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>programme significantly.</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>pressure.</p> <p>Delays result in additional inflationary costs.</p> <p>Funding annual rolling programmes from borrowing is unsustainable.</p> <p>Reputational damage as a result of building closures or impacts on service delivery.</p>
Control Title	Control Owner
Asset safety factors associated with our assets are considered during the budget setting process.	John Betts, Acting 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	Jo Taylor, Head of Project Management, Property division
Health and Safety Team in place in advisory capacity to ensure compliance to Government and HSE and	Maria Kelly – Interim Head of Health and Safety

guidelines.	
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.	John Betts, Acting Corporate Director Finance
External funding bid for ‘schools rebuilding programme’ (DfE) was submitted, and successful for Birchington Primary School.	Jo Taylor, Head of Project Management, Property division

Risk ID	CRR0058	Risk Title	Capacity and capability of the workforce			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
KCC is experiencing increasing demand for services due to whole system pressures which placing pressure on the existing capacity of the workforce.	Workforce capacity challenges, insufficient staff to meet service demands.	Adverse impact on productivity	On behalf of CMT	Likely (4)	Serious (4)	
As a result of the complexity and volatility of issues being faced in the organisation capacity in within the management, and leadership teams is stretched.	Capacity pressures within the management, and leadership teams potentially impacting time for reflection and decision making.	Negative impact on performance and / or delivery of statutory functions or services.	Paul Royel – Director of Human Resources & Organisation Development			
Increasing complexity of issues being faced by KCC require capable and experienced officers with potentially different skill sets.	Impact on budgets from use of agency staff/contractors to fill roles to support service delivery.	Lack of experienced staff with specialist skills	Responsible Cabinet Member(s):	Target Residual Likelihood	Target Residual Impact	
The financial position of the Council limits the ability to manage in spikes operational demand by way of recruitment.	There is a risk that services may not have the capacity to deal with the additional demand and associated cost pressures or may have to reduce quality to meet the need.	Reliance on interim and agency staff potentially impacting stability of teams and consistency of service.	Peter Oakford Cabinet Member for Corporate and Traded Services	Possible (3)	Serious (4)	
To support capacity, use of agency staff is increasing.	Complaints from Kent residents	Inability to progress service development. Low staff morale and negative impact on wellbeing, potentially leading to burn out.				Timescale to Target
Newly qualified professionals in services require adequate time and support from senior	Lack of depth / resilience of key personnel or	Loss of discretionary effort/goodwill. Impact on delivery of				1-2 years

<p>officers, which has secondary capacity impacts.</p> <p>Impacts of supporting secondments on teams and services with limited capacity or on difficult to resource roles.</p> <p>As well as national skills shortages in key areas, attracting suitably qualified, skilled and experienced staff, and retaining them to ensure sufficient capacity and capabilities to deliver services continues to be reported as a challenge across directorates. This is influenced by internal and external factors such as the financial position of the Council, local and national elections and the subsequent political uncertainty.</p>	<p>teams.</p>	<p>projects to expected time scales.</p> <p>Employer and Service Reputational damage</p> <p>Negative impact on budgets and savings plans</p>
<p>Control Title</p>		<p>Control Owner</p>
<p>People Strategy for 2022-2027 approved by Personnel Committee</p>		<p>Paul Royel, Director HR and OD</p>
<p>KCC's Organisation Design principles set out and periodically refreshed and monitored to ensure they remain fit for purpose.</p>		<p>Paul Royel, Director HR and OD</p>

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	
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	
Communication, implementation, and measurement of the impact of the People Strategy.	Paul Royel, Director HR and OD	
Implementation of action plans arising from latest staff survey (conducted November 2023).	Diane Christie, Head of OD and Engagement	
Action Title	Action Owner	Planned Completion Date
Review of pay strategy to ensure it remains competitive and sustainable for the future.	Ian Allwright, People Strategy Manager	April 2025
Considering benefits of implementing exit and retention surveys to identify drivers for both leavers and for those who chose to stay	Diane Christie, Head of OD and Engagement	April 2024

Risk ID: CRR0059		Risk Title: Significant failure to bring forecast budget overspend under control within budget level assumed (cross-reference to CRR0009 – Medium Term Financial and Operating Environment)			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact
<p>The Council is under a legal duty to set a balanced and sustainable budget and maintain adequate reserves such that it can deliver its statutory responsibilities and priorities.</p> <p>The latest revenue forecast revenue position for 2023-24 before further management action was an overspend of £32.1m (excluding schools) as at 25th January 2024.</p> <p>The most significant overspends (and budgeted spending growth) in both 2022-23 and 2023-24 are in adult social care and children's services.</p> <p>Urgent action is required to bring revenue spending down to a sustainable level, both within the current financial year and over the medium term (see risk CRR0009) to safeguard the council's financial resilience and viability.</p>	<p>Further management action being put in place for the remainder of the current financial year fails to significantly reduce forecast overspend.</p> <p>Risk of significant adverse variance to the level of savings and income agreed in KCC's budget.</p> <p>Spending growth pressures exceed forecasts.</p>	<p>Council reserves pushed below a sustainable position.</p> <p>Impact on service delivery</p> <p>More imminent danger of financial failure – ultimately issuing of s114 notice by Corporate Director Finance (s151 Officer).</p> <p>Negative impact on MTFP three-year plan.</p>	<p>On behalf of CMT:</p> <p>John Betts, Acting Corporate Director Finance (s151 Officer)</p> <p>Responsible Cabinet Member</p> <p>On behalf of Cabinet:</p> <p>Peter Oakford, Finance, Corporate and Traded Services</p>	<p>V. Likely (5)</p> <p>Target Residual Likelihood</p> <p>Possible (3)</p>	<p>Major (5)</p> <p>Target Residual Impact</p> <p>Significant (3)</p>

Control Title	Control Owner
Council's Budget Strategy, confirmed at County Council Budget meeting in February 2023, confirms key principles to abide by.	John Betts, Acting Corporate Director Finance (s151 Officer)
Finance and performance monitoring progress reports will be considered at every Cabinet meeting to ensure the focus on <i>Securing Kent's Future</i> remains until the council's financial position is stabilised.	John Betts, Acting Corporate Director Finance (s151 Officer)
Section 151 Officer meeting weekly with the Leader, Deputy Leader (Cabinet Member for Finance), Chief Executive Officer and Monitoring Officer to provide progress updates.	John Betts, Acting Corporate Director Finance (s151 Officer)
Equality Impact Assessment screening will be completed for any alternative and / or additional savings necessary under the recovery plan.	Relevant Corporate Director(s)
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. Includes central collation of business case information for all savings and income within the approved budget.	John Betts, Acting Corporate Director Finance (s151 Officer) / CMT
Quarterly budget meetings between Cabinet Member and Finance and Corporate Directors	John Betts, Acting Corporate Director Finance (s151 Officer)
Analytics function used to undertake detailed analysis of the main areas of overspend.	Matt Wagner, Interim Chief Analyst
Resource Accountability Statements signed by Corporate Directors.	Ben Watts, General Counsel / CMT
Any adverse variations to agreed savings / income are swiftly identified with compensating actions agreed with management.	Corporate Management Team
Budget Recovery Plan – <i>Securing Kent's Future</i> , developed to address in-year forecast overspend and outline a pathway to future financial sustainability. This includes focusing predominantly on the material spending areas of council activity and those with the greatest forecast variances from the approved budget in adults and children's services.	Corporate Management Team
Analysis and enhancements to financial reporting introduced to better identify the underlying drivers for the main budget variances and the impacts and dependencies of management action and policy choices to reduce the forecast overspend.	John Betts, Acting Corporate Director, Finance

<p>The Council's Financial Regulations (and delegation levels within), "Spending the Council's Money" and Code of Corporate Governance have been reviewed, to ensure they remain fit for purpose in the current environment.</p>	<p>John Betts, Acting Corporate Director Finance / Clare Maynard, Head of Commissioning and Procurement / Ben Watts, General Counsel</p>	
<p>Action Title</p>	<p>Action Owner</p>	<p>Planned Completion Date</p>
<p>To maximise scope of effective scrutiny by all Members, there will be a review of meetings and agendas to ensure appropriate focus on core activity on the budget, key decisions and performance relating to "<i>Securing Kent's Future</i>".</p>	<p>Ben Watts, General Counsel</p>	<p>March 2024</p>
<p>Robust delivery plan information being developed for 2024/25 – milestones, risks, dependencies etc.</p>	<p>Dave Shipton, Head of Finance (Policy, Strategy and Planning) / Corporate Directors</p>	<p>March 2024</p>

Risk ID	CRR0060	Risk Title	Reinforced Autoclaved Aerated Concrete (RAAC)			
Source / Cause of risk	Risk Event	Consequence	Risk Owner	Current Likelihood	Current Impact	
RAAC is a lightweight form of precast concrete, frequently used in public sector buildings in the UK from the mid-1960s to at least the mid-1980s. It is mainly found in roofs, although occasionally in floors and walls. It is less durable than traditional concrete and there have been problems as a result, which could have significant safety consequences.	Unidentified RAAC could become unstable and lead to unsafe building/collapse without warning.	More properties are identified as having RAAC meaning threat to delivery of critical services.	On behalf of CMT: Rebecca Spore, Director of Infrastructure	Possible (3)	Major (5)	
		Capital/revenue costs of potential remediation work/temporary accommodation are not within agreed budgets.	Responsible Cabinet Member(s):	Target Residual Likelihood	Target Residual Impact	
		Potential disruption to schools/service delivery while investigations are ongoing.	On behalf of Cabinet: Peter Oakford, Finance, Corporate and Traded Services	Very unlikely (1)	Major (5)	
		Perception that previously inspected buildings are not safe when there is wider communication about the issue.				Timescale to Target
		Potential loss of life if an incident occurs at a time when a building is occupied.				Within 1 Year
RAAC is now life-expired and liable to collapse – this has already happened in 2018 in a school in Kent with no notice. Following the collapse in 2018 KCC commissioned a validation exercise of schools (excluding academies and voluntary aided schools) and the corporate landlord estate to identify RAAC. The exercise highlighted 12 schools with high potential for RAAC, following inspection and testing, 3 positive results for RAAC were found at 3 schools. KCC took adequate steps at the time to implement						

a strategy for remediation. In 2021 the Department for Education published a guide for responsible bodies to help identify RAAC.

Kent County Council (KCC), as the Local Authority, is responsible for the maintenance of Community and Voluntary Controlled school buildings in Kent. This responsibility is taken seriously, with continuous maintenance and modernisation programmes in place to ensure that the school estate is fit for purpose. Included within these programmes are routine building checks that identify possible future maintenance issues with accommodation.

Recently another instance of RAAC has been identified at a KCC maintained primary school and as a result, KCC is re-surveying the school estate.

Further information being made available to DfE over the Summer of 2023 regarding performance of

<p>RAAC material has led to the DfE changing the guidance previously issued earlier in 2023 and requiring complete closure of affected areas where it is present until mitigation works have been completed.</p>	
Control Title	Control Owner
Review of the 2018/19 condition survey,	Joanne Taylor Head of Project Management
New condition surveys for schools and corporate landlord estate to identify potential RAAC	Joanne Taylor Head of Project Management
Temporary remedial action is underway at the primary school where RAAC was identified.	Joanne Taylor Head of Project Management
DfE have communicated to all schools regarding RAAC risk	Joanne Taylor Head of Project Management
Joint task group is in place with Education	Joanne Taylor Head of Project Management
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
Existing arrangements in schools via Hard FM contract for identification and reporting of building issues	Joanne Taylor Head of Project Management
Kent Schools (Local Authority responsibility) written to in relation to RAAC and Diocesan schools and Academies written to in relation to their responsibilities	Joanne Taylor Head of Project Management
Ongoing engagement with the Department for Education (DfE) RAAC Team to obtain funding for remediation works. DfE have agreed to fund all capital expenditure in relation to remediation of RAAC in schools.	Joanne Taylor Head of Project Management
Care providers have been written to in regard to their contractual responsibilities for health and safety. Where providers identify RAAC they are to advise contract managers who are liaising with Health and Safety colleagues for advice and guidance.	Maria Kelly – Interim Head of Health and Safety
Communications sent to all landlords where KCC have staff or services in them	Rebecca Spore

Action Title	Action Owner	Planned Completion Date
Remainder of corporate landlord estate to be surveyed	Joanne Taylor Head of Project Management	March 2024

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

Rebecca Spore, Director of Infrastructure

To: Policy and Resources Cabinet Committee – 13 March 2024

Subject: Facilities Management Bi-Annual Update

Classification: UNRESTRICTED report with EXEMPT appendix A, *not for publication under Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 refers - Information relating to the financial or business affairs of any particular person (including the authority holding that information).*

Past Paper Pathway: Policy and Resources Cabinet Committee 20 March and 29 July 2020; 14 January and 9 November 2021; 24 March and 14 September 2022; 24 May 2023.

Future Pathway of Paper: None

Electoral Division: All

Summary:

This report provides the Policy and Resources Cabinet Committee the bi-annual update on Kent County Council's (KCC) Facilities Management (FM) arrangements to provide services across both the corporate and schools estate, for which KCC has responsibility. It includes an update on the performance of the current contract and changes over the last six months.

Recommendation:

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

1. Introduction/Background

1.1 On the 1 November 2022 the disaggregated FM model came into effect across the Corporate Landlord and school managed estate.

1.2 The FM services have been split into dedicated contracts for:

- Hard FM contract – Planned and reactive maintenance, statutory compliance, and overall helpdesk – delivered by Skanska. Across approximately 370 Corporate Landlord Buildings and 490 Schools.
- Cleaning and Feminine Hygiene contract – delivered by Churchills. Across approximately 271 Corporate Landlord sites.

- Waste and Recycling – delivered by Countrystyle. Across approximately 187 Corporate Landlord sites and 264 Schools.
- Landscape and Pest Control – delivered by Commercial Services Group (Landscape Services). Across approximately 387 sites for tree management Corporate Landlord sites (CLL) and Schools. 187 for grounds maintenance and 60 sites for Pest Control for Corporate Landlord sites.
- Security - delivered by Sight and Sound, Wards Security and Prestige - this service will be subject to a service review with new arrangements being put in place during 2024. Across approximately 235 Corporate Landlord sites.
- Porterage, Reception and Post Room services – delivered in-house by KCC FM Team.

1.3 The current poor condition of the KCC estate, and historic lack of asset replacement and capital investment in buildings, continues to place increasing pressure on the delivery of FM services.

1.4 The key objectives for the FM service delivery arrangements are:

- FM service delivery standards should be consistent and responsive to service requirements and required standards.
- FM services should deliver value for money for Kent and ensure that the Council meets its statutory responsibilities.

2. Hard FM Performance (Contractual including Key Performance Indicators (KPIs))

2.1 Key Performance Monitoring data outlined below focuses on the completion of planned, reactive and statutory tasks.

2.2 Each month KCC and Skanska review the performance of the contract at the Governance group meetings.

2.3 In April 2023, indexation was applied to the contract in line with the Consumer Price Index as outlined within the contract. Further details can be found in exempt appendix A.

2.4 Overall Planned Preventative Maintenance (PPM) tasks for the corporate and school managed estate are as follows:

Month	All PPM Tasks	% Completion	Statutory PPM Tasks	% Completion
July 2023	2340	98	707	96
August 2023	2029	99	456	98
September 2023	2044	99	672	97
October 2023	2406	97	863	97
November 2023	2069	99	635	97
December 2023	2144	99	479	99

- These figures demonstrate the high volume of PPM tasks that are completed as part of the fixed priced fee on a monthly basis across the estate.
- This data shows the level of planning required to maintain assets in a planned manner across the estate.
- Tasks which are completed late against the routine maintenance schedule, or where evidence of completion was not available in a timely manner, are failed, even though the site remains compliant with statutory requirements.
- A percentage of all the tasks completed in month are dip tested by the KCC FM team to ensure the accuracy of the Hard FM contractor's reporting.
- Tasks that have not been completed in line with the Service Level Agreement (SLA) will be reschedule and completed.
- Generally, the reason why tasks are not completed within SLA is due to the requirement for specialist parts, limited suitable access times to site if the works are likely to be disruptive, or issues with managing the supply chain.
- Resultant/remedial works from these reports are automatically loaded on the Skanska Concept system to be reviewed and agreed by the KCC FM team.

2.5 The information provided below demonstrates the contract performance for reactive services defined within the contract schedules.

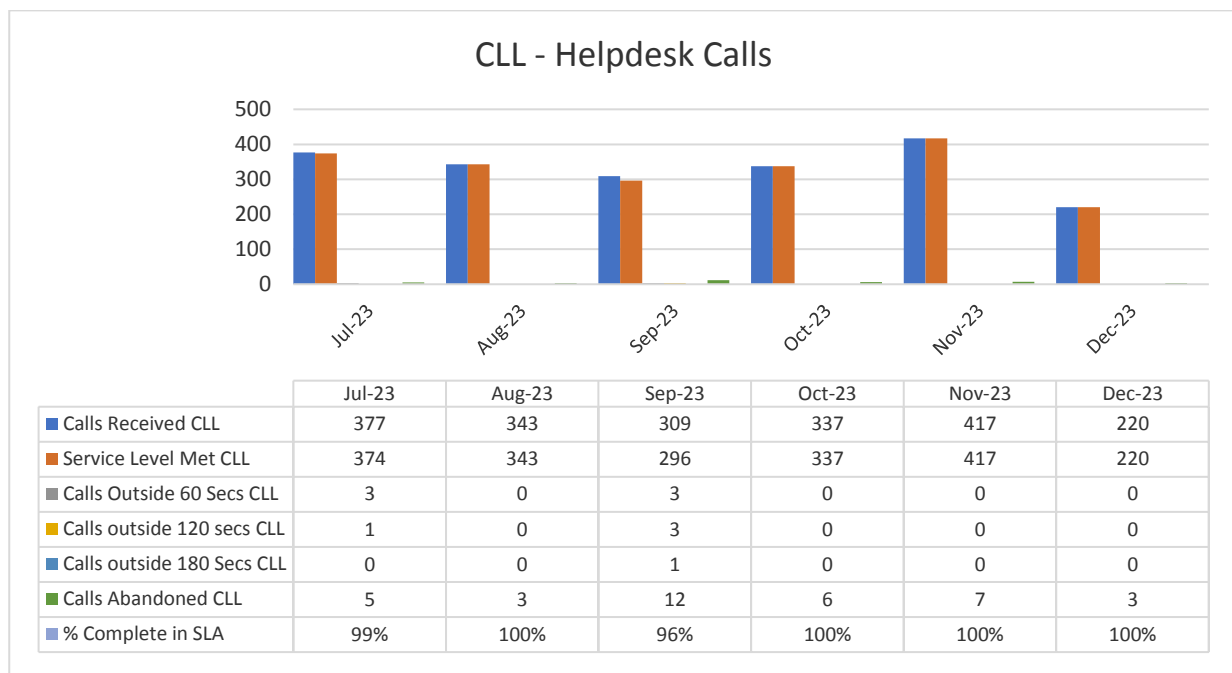
2.6 These figures are applicable to the Corporate Landlord estate:

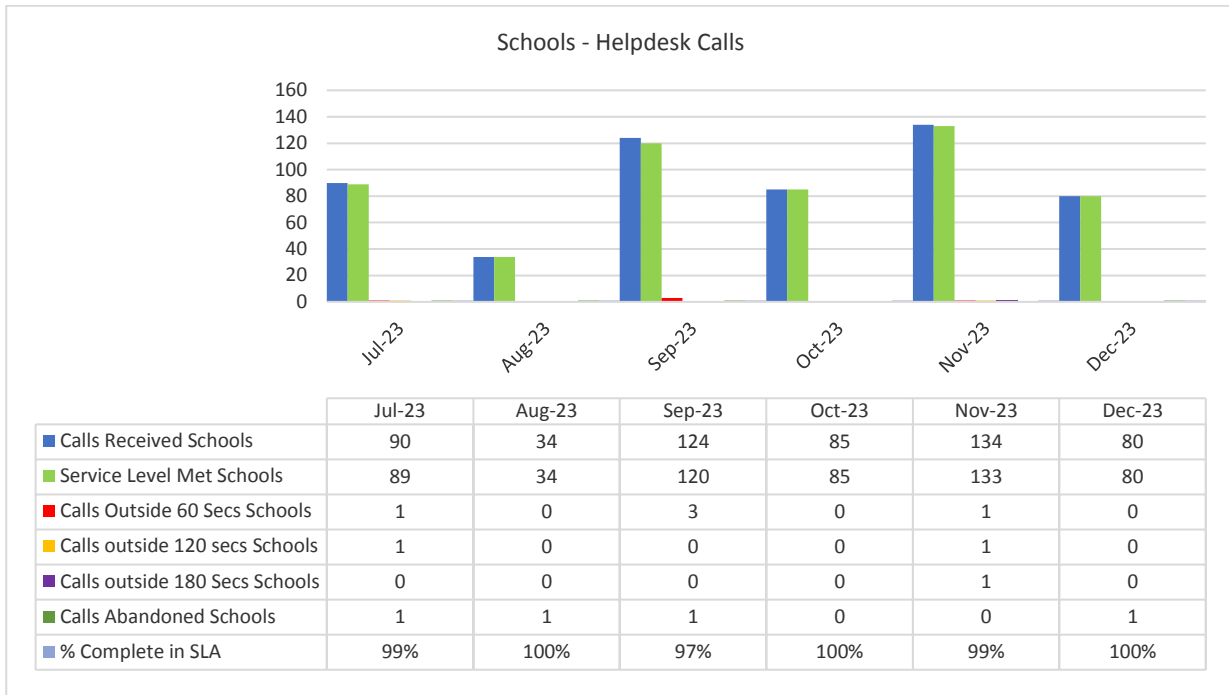
Month	Total tasks logged	% Completion
July 2023	781	91
August 2023	729	90
September 2023	744	96
October 2023	885	96
November 2023	1027	96
December 2023	676	96

- The figures cover all reactive task priority levels within the agreed SLA i.e. Priority levels A-H, more detail of these priority levels can be found in the exempt appendix. The above figures show tasks logged from calls and, emails as well as subordinate/additional service requests generated from the initial service request and/or visits.
- To support the contractor in ensuring that the correct Priority levels are applied, a detailed list of indicative scenarios have been agreed.
- Skanska have undertaken extensive training with the contract team, including the helpdesk to ensure that the correct priorities are allocated to each call received.

- The contractual application of hourly rates was jointly reviewed by KCC and Skanska with an agreement to apply a different approach that would be formalised as part of the Deed of Variation. Further details can be found in exempt appendix A.
- The completion rates of tasks have improved however, Skanska continues to work with supplier chain to improve on these times.
- The application of the Semi Comprehensive Maintenance Threshold to quotes is currently under review by KCC and Skanska.
- Overall performance has improved month on month as the new contract moved from Mobilisation to BAU.

The helpdesk call data for both Corporate and Schools is shown below and overleaf.





- Call volumes have remained reasonably constant over this period with the only a slight reduction in performance in September.
- This reflects calls only and does not include emails.
- SLA standard is that a call should be answered within 60 seconds. If the call continues to go unanswered the KPI is accumulative after every 60 seconds.

3. Soft FM Performance (Contractual including KPIs)

3.1 **Cleaning:** The table shows the reactive tasks undertaken by Churchills cleaning.

Month	Total tasks raised	Total tasks completed within timescales	%completed within timescale
July 2023	107	107	100
August 2023	93	88	95
September 2023	90	84	93
October 2023	72	68	94
November 2023	116	116	100
December 2023	60	59	98

3.2 Over the past 6-12 months, services across the estate have been reviewed as per the contractual requirements. This includes reviewing service provision for each site i.e. washroom services, cleaning frequency and periodic cleaning requirements.

3.3 Churchill performance was lower in August – November due to sickness absence and missed routine cleans. Wherever possible the service provider will complete a recovery clean utilising the mobile cleaning service. However, in early Autumn, there was an increase of Covid cases and other sickness viruses that increased absence.

- 3.4 Churchills have been active in significantly reducing the level of plastic usage across the authority's estate. This has been achieved by using dry sachet cleaning products, replacing 5 litre plastic liquid containers. This has brought environmental, and health and safety benefit's i.e. handling and storage to KCC.
- 3.5 KCC and Churchill's are working in partnership to develop and improve the cleaning standards across the estate. This includes the introduction of QR code tracked cleaning regimes which will be trialled across the office estate.

4. Waste Management

- 4.1 The table below shows the number of waste collections including general waste, mixed recycling, and confidential waste from across the estate.

Month	Lifts
July 2023	2159
Aug 2023	2382
Sept 2023	2161
Oct 2023	2273
November 2023	2292
December 2023	1695
Total	12962

- 4.2 There was a reduction in waste lifts in the month of December due to the Christmas break which reduced the number of business days in the month.

5. Landscape and Pest Control

- 5.1 The table below indicates the number of planned visits conducted by Landscape Services across the CLL estate. Examples of the tasks include grass cutting and hedge trimming.

Grounds maintenance (planned)

Month	Planned	Completed	% completed within timescale
July 2023	158	158	100
August 2023	74	74	100
September 2023	104	104	100
November 2023	115	83	95
December 2023	137	137	100

- 5.2 The slight reduction in overall percentage levels in November were due to unforeseen weather events and staff sickness. Visits were reallocated to be completed in the following month. During August the grass cutting schedule is minimal, but due to wet summer weather, we had to respond to a number of requests reactively, such as Care Homes and Respite Centres where the grass was longer than anticipated for the season.

Month	Planned	Completed	% completed within timescale
July 2023	158	158	100
August 2023	74	74	100
September 2023	104	104	100
November 2023	115	83	95
December 2023	137	137	100

5.3 The table below shows the volume of reactive grounds maintenance tasks raised and completed within the agreed SLA for the CLL estate.

Grounds Maintenance (Reactive)

Month	Total tasks raised	Total tasks completed within timescales	% completed within timescale
July 2023	103	99	96
August 2023	97	97	100
September 2023	90	90	100
October 2023	59	59	100
November 2023	138	137	99
December 2023	57	57	100

5.4 The table below shows the level of planned and completed Pest Control visits carried out across the CLL estate. Missed visits have been down to access denial from the site.

Pest Control

Month	Planned	Completed	% completed within timescale
July 2023	36	36	100
August 2023	29	29	100
September 2023	61	61	100
October 2023	63	60	95
November 2023	59	59	100
December 2023	60	60	100

5.5 The table below shows the level of planned and completed tree risk assessments carried out across the CLL estate. Tree risk assessments are planned across the estate at 18 months intervals. Trees are assessed on a traffic light basis with remedials being carried out on a case-by-case basis and channelled through our variable budget.

Tree Management

Month	Planned	Completed
July 2023	10	10
August 2023	24	24
September 2023	21	34
October 2023	23	30
November 2023	13	26
December 2023	16	22

6. FM Performance (Non-KPI related)

- 6.1 The FM team, as part of the infrastructure redesign, implemented a new team structure from 1 February 2024.
- 6.2 The health and safety of employees, residents, services, and visitors as well as ensuring that KCC meets its legal and policy duties remains the highest priority.
- 6.3 The Infrastructure Division has been working with the Health and Safety Executive (HSE), who have been conducting Duty to Manage Audits across the Educational estates in relation to the Control of Asbestos Regulations 2012.
- 6.4 The purpose of these audits is to ensure that Duty Holders are meeting their obligations and adequately discharging these duties throughout the estate. Where the HSE identifies a Material Breach, a Notification of Contravention (NOCs) will be issued and the HSE applies its cost recovery scheme called Fee For Intervention (FFI).
- 6.5 Infrastructure has been working with the HSE to make improvements, based on feedback, in areas such as surveying formats and clarity of information i.e. Asbestos Management Plan templates.
- 6.6 The national average for receiving NOCs during this planned initiative has been at approximately 7%. The HSE have noted that early engagement with the authority has been key to understanding our policy and processes.
- 6.7 Key established areas to build upon:
 - Infrastructure regularly engaged with the HSE during their school Duty to Manage (DTM) audits to discuss finding/outcomes, make improvements to systems and processes as required to ensure that all sites are managed in a safe manner.
 - KCC Asbestos Policy and Docubox – one central mechanism for the management of asbestos across the estate. To improve this system, KCC has reviewed the contents to reduce the size, clarify areas and introduce new elements in line with HSE recommendations.
 - KCC asbestos Surveying programme – KCC have an established survey programme that provides information to services / sites. To build upon this, KCC

has introduced a new survey format to include clear and easy reference registers for both asbestos containing materials and non-accessed areas.

- Asbestos Docubox – single point of reference at site for all asbestos related information. Contents is being updated to reflect the policy changes.
- Asbestos training / statutory compliance is offered via the Delta online training system which is accessible to all staff. This is being updated by the Health and Safety Team in line with the changes made to the KCC policy and supporting documentation. Further work is ongoing to explore the collation of training records to identify where any gaps may be present.

7. Brief Look Forward To 2024/2025

- 7.1 Along with the Infrastructure Division, the KCC FM team has undergone a significant redesign. The team has been resourced to deliver the new contract models, inclusion of the office estate (including reception) and to drive performance across the estate. There will be a phased recruitment process to strengthen the teams. At the time of writing there were approximately 40 vacant posts in the KCC FM team.
- 7.2 The Compliance Manager will be developing a proactive schedule of support visits to both the school managed and Corporate Landlord estate, to build upon the work done with the Health and Safety Executive. This will be a joined-up approach with the KCC Health and Safety Team to drive compliance standards.
- 7.3 The Hard FM and Security Manager, along with the Energy and Sustainability Lead will be working closely with contract partners such as LASER and colleagues across the authority to identify areas for developing automated energy reporting and the reduction of energy usage.
- 7.4 The security provision has been reviewed considering experiences from previous procurement activities. The service specification has been completed and the team are considering the delivery options in relation to the service components.
- 7.5 The Operational estate Manager is working with colleagues in the Technology Division to review and propose a new digital post and mailroom solution that meets the needs of the authority and our customers, whilst ensuring best value and regulatory compliance.

8. Next 6 Months – Areas of focus

- 8.1 Each FM service area will be driving standards to continuously improve the service provided. The key to this is engaging more effectively with our key stakeholders and ensuring our service provision is both clear and concise. The FM Management Team will develop a proactive communications and engagement plan, whilst redesigning our offering on KNet, the Council's intranet pages, to give ease of access to FM information.
- 8.2 The soft services provision will be focussing on each contract provision, driving standards and bringing contractor expertise to afore. There is a need to refine our

offer to school including to ensure that schools have continuous access to catering services via the KCS framework, with overview from the KCC catering team. There is also a review of the schools cleaning contracted services and a review on how these can be delivered in the future.

- 8.3 As identified above there will need to be focus and resource as appropriate for any changes to the security arrangements across the estate to achieve the future delivery model.

9. Finance

- 9.1 As outlined in exempt appendix A, the Consumer Price Index application in April 2023 has been reviewed by the FM Team and our contract partners.

Recommendation(s):

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

10. Background documents

- 10.1 None

11. Appendices

- 10.2 Exempt appendix A

12. Contact Details

Report Authors: Tony Carty Head of Facilities Management 03000 41 72 43 anthony.carty@kent.gov.uk	Relevant Director: Rebecca Spore Director of Infrastructure 03000 41 67 16 rebecca.spore@kent.gov.uk
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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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From: Ben Watts, General Counsel
To: Policy and Resources Cabinet Committee – 13 March 2024
Subject: **Work Programme 2023**

Classification: Unrestricted

Past Pathway of Paper: None

Future Pathway of Paper: Standard item

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

Recommendation: The Policy and Resources Cabinet Committee is asked to consider and note its planned work programme for 2024

1. Introduction

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

2. Terms of Reference

- 2.1 At its meeting held on 27 March 2014, the County Council agreed the following terms of reference for the Policy and Resources Cabinet Committee “To be responsible for those functions that fall within the Strategic and Corporate Services Directorate” and these should also inform the suggestions made by Members for appropriate matters for consideration.

3. Work Programme 2023

- 3.1 The Cabinet Committee is requested to consider and note the items within the proposed Work Programme, set out in the appendix to this report, and to suggest any additional topics to be considered for inclusion on agendas of future meetings.
- 3.2 The schedule of commissioning activity that falls within the remit of this Cabinet Committee will be included in the Work Programme and is considered at agenda setting meetings to support more effective forward agenda planning and allow Members to have oversight of significant services delivery decisions in advance.

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

4. Conclusion

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

5. Recommendation: The Policy and Resources Cabinet Committee is asked to consider and note its planned work programme for 2024

6. Background Documents
None.

7. Contact details

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POLICY AND RESOURCES CABINET COMMITTEE - WORK PROGRAMME 2024

15 May 2024 – 10am – agenda setting 13 March on the rise of the formal meeting (tbc)		
<ul style="list-style-type: none"> • Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department 	<ul style="list-style-type: none"> David Whittle Matt Wagner 	<i>Regular item</i>
<ul style="list-style-type: none"> • Kent Partnerships Update - Kent Estates Partnership (KEP) and Kent Connects 	<ul style="list-style-type: none"> Rebecca Spore Phil Murphy Julie Johnson 	<i>Regular item</i>
<ul style="list-style-type: none"> • Proposals regarding the Afghan Resettlement and United Kingdom Resettlement Schemes 	<ul style="list-style-type: none"> David Whittle Michael Thomas-Sam Chris Grosskopf 	<i>Key Decision</i>
<ul style="list-style-type: none"> • Asset Management Strategy 2024 – 2030 	<ul style="list-style-type: none"> Rebecca Spore Rebecca Anderson Mark Cheverton 	<i>Deferred from March</i>
<ul style="list-style-type: none"> • Construction Consultancy Services Framework Commission 	<ul style="list-style-type: none"> Rebecca Spore Jo Taylor Carolyne Harrington 	<i>Key Decision</i>
<ul style="list-style-type: none"> • Work Programme 2024 		
10 July 2024 – 2pm – agenda setting 22 May at 11.00am (online)		
<ul style="list-style-type: none"> • Regular Medium Term Financial Plan (MTFP) update 	<ul style="list-style-type: none"> Zena Cooke 	<i>Regular item</i>
<ul style="list-style-type: none"> • Disposal of Boughton Mount, Boughton Monchelsea, Maidstone, ME17 4NA 	<ul style="list-style-type: none"> Rebecca Spore Mark Cheverton Hugh D'Alton 	<i>Key Decision</i>
<ul style="list-style-type: none"> • Contract Management Review Group update 	<ul style="list-style-type: none"> Clare Maynard 	<i>Regular item - Biannual</i>
<ul style="list-style-type: none"> • Work Programme 2024 		

10 September 2024 – 10am – agenda setting TBC		
• Facilities Management update (bi-annual)	Rebecca Spore	<i>Regular item</i>
• Work Programme 2024		
27 November 2024 – 10am – agenda setting TBC		
• Annual Equality and Diversity Report	David Whittle	<i>Regular Item - Annual item</i>
• Draft Revenue and Capital Budget and Medium-Term Financial Plan	Zena Cooke Dave Shipton	<i>Regular Item - Annual item</i>
• Work Programme 2024		

PATTERN OF REGULAR ITEMS

JANUARY	Annual	Draft Revenue and Capital Budget and Medium-Term Financial Plan	Zena Cooke Dave Shipton
	Annual	Implementation of the Armed Forces Covenant in Kent	Tim Woolmer
	Every other meeting	Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle Matt Wagner
MARCH	Annual	Risk Management (Including RAG ratings)	David Whittle Mark Scrivener
	Annual	Cyber Security	Lisa Gannon
	Six-monthly	Contract Management Review Group update	Clare Maynard
	Every other meeting	Regular Medium Term Financial Plan (MTFP) update	Zena Cooke Dave Shipton
MAY	Annual	Kent Partnerships Update - Kent Estates Partnership (KEP) and Kent Connects	Rebecca Spore Phil Murphy Julie Johnson
	Six-monthly	Facilities Management update	Rebecca Spore
	Every other meeting	Performance Dashboard for the Chief Executive's Department and Deputy Chief Executive's Department	David Whittle Matt Wagner
JULY	Every other meeting	Regular Medium Term Financial Plan (MTFP) update	Zena Cooke Dave Shipton
SEPTEMBER	Six-monthly	Contract Management Review Group update	Clare Maynard
	Every other	Performance Dashboard for the Chief Executive's Department and	David Whittle

	meeting	Deputy Chief Executive's Department	Matt Wagner
NOVEMBER/ DECEMBER	Annual	Annual Equality and Diversity Report (in 2022 moved to January)	David Whittle
	Six-monthly	Facilities Management update	Rebecca Spore
	Every other meeting	Regular Medium Term Financial Plan (MTFP) update	Zena Cooke Dave Shipton
	Annual	Draft Revenue and Capital Budget and Medium-Term Financial Plan	Zena Cooke Dave Shipton
TBC	TBC	Enterprise Business Capabilities - Update	Lisa Gannon

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