

SCRUTINY COMMITTEE

Tuesday, 5th November, 2024

10.00 am

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





AGENDA

SCRUTINY COMMITTEE

Tuesday, 5th November, 2024, at 10.00 am
Council Chamber, Sessions House, County Hall,
Maidstone

Ask for: **Anna Taylor**
Telephone: **03000 416478**

Membership

Conservative (10): Mr A Booth (Chairman), Mr P V Barrington-King (Vice-Chairman), Mrs R Binks, Mr T Bond, Mr D L Brazier, Mrs L Game, Mrs S Prendergast, Mr O Richardson and Mr S Webb and vacancy.

Labour (1): Mr A Brady

Liberal Democrat (1): Mr A J Hook

Green and Independent (1): Ms J Hawkins

Church Representatives (3): Mr J Constanti, Mr M Reidy and Mr Q Roper

Parent Governor (2): Ms R Ainslie-Malik and Ms H Carter

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

UNRESTRICTED ITEMS

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

A - Committee Business

- A1 Introduction/Webcast Announcement
- A2 Apologies and Substitutes
- A3 Declarations of Interests by Members in items on the Agenda for this Meeting
- A4 Minutes of the meeting held on 18 September 2024 (Pages 1 - 4)

B - Any items called-in - None for this meeting

C - Any items placed on the agenda by any Member of the Council for discussion

- C1 Revenue and Capital Budget Monitoring Report – June 2024-25 (Pages 5 - 78)
- C2 Fee Uplifts for Adult Social Care Providers 2024/25 decision 24/00009 (Pages 79 - 98)

Motion to exclude the press and public for exempt business

That under section 100A of the Local Government Act 1972 the public be excluded from the meeting on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 5 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During this item the meeting is likely NOT to be open to the press and public)

- C3 Capital Works Provider Management and Engagement (Pages 99 - 124)

UNRESTRICTED ITEM

(During this item the meeting is likely to be open to the press and public)

D - To Note

- D1 Work Programme (Pages 125 - 128)

Benjamin Watts
General Counsel
03000 416814

Monday, 28 October 2024

KENT COUNTY COUNCIL

SCRUTINY COMMITTEE

MINUTES of a meeting of the Scrutiny Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Wednesday, 18 September 2024.

PRESENT: Mr A Booth (Chairman), Mr P V Barrington-King (Vice-Chairman), Mrs R Binks, Mr A Brady, Mr D L Brazier, Mr G Cooke, Mr M C Dance (Substitute for Mr S Webb) and Mrs S Prendergast

PRESENT VIRTUALLY: Ms J Hawkins and Mr A Hook

ALSO PRESENT: Mr R C Love, OBE, Mr D Murphy and Mrs T Dean, MBE

IN ATTENDANCE: Mrs S Hammond (Corporate Director Children, Young People and Education), Mr S Jones (Corporate Director of Growth, Environment and Transport), Ms C McInnes (Director of Education), Mr B Watts (General Counsel), Ms A Farmer (Assistant Director for SEND, Principal Educational Psychologist), Mr D Adams (Assistant Director Education (South Kent)), Mr T Marchant (Head of Strategic Development and Place), Mr C Finch (Development Investment Team Manager) and Mrs A Taylor (Scrutiny Research Officer)

UNRESTRICTED ITEMS**68. Declarations of Interests by Members in items on the Agenda for this Meeting**
(Item A3)

During the SEND Scrutiny – Quarterly Reporting item Mr Reidy stated that he was a Chairman at a local secondary school.

69. Minutes of the meeting held on 10 July 2024
(Item A4)

RESOLVED that the minutes of the meeting held on 10th July 2024 were an accurate record and that they be signed by the Chairman.

70. SEND Scrutiny - Quarterly Reporting
(Item C1)

1. Mr Rory Love, Cabinet Member for Education and Skills introduced the report which provided an overview of progress in SEND since the issuing of the Improvement Notice in March 2023. The report was the first in a series of quarterly reports to the Committee. Mr Love commented on the issuing of Education, Health and Care Plans (EHCPs) and the percentage of plans completed within 20 weeks, in August 2023 this figure was 2.3% but August 2024 was 51.6% which demonstrated the significant progress that had been made and confirmed that the Minister had removed the Improvement Notice.

2. The Chairman commented on the progress demonstrated within the report and invited members to comment. The key points raised and responded to by the Cabinet Member and officers present included the following:
- a. A member questioned if 100% was not the aim, what was? Mr Love confirmed that the aim was to get all the EHCPs issued within the 20 week statutory timescale, however there would not be a targeted deadline against this. Mrs McInnes also confirmed that the rate of improvement would increase as the backlogs had now been cleared.
 - b. Following requests for clarification from members, Mr Watts confirmed how important it was for the committee to work within a forensic work programme gathering evidence from a broad group of stakeholders allowing for evidenced recommendations to be submitted to the Cabinet Member in due course.
 - c. In response to a question about annual reviews the number outstanding had reduced from 62.4% in August 2023 to 35.6% in August 2024, Mrs Farmer provided details figures on the numbers of annual reviews and the ongoing efforts to address the backlog.
 - d. The data for phase transfer had just been made available, so would now be shared with committee members in terms of inclusion in schools.
 - e. Mrs McInnes clarified that the content contained within the report arose from facilitated workshops with SENCOs and Headteachers and would not be imposed onto schools. Overall, things had improved immeasurably.
 - f. In response to a question about why improvements were not seen earlier Mr Love explained that changes in personnel, structure and management team changed the culture of the team and drove improvements. Mrs McInnis also stated that significant corporate support and input from expert consultants had played a part.
 - g. Officers added that meeting a statutory requirement and meeting a parent's expectations were not necessarily the same, and welcomed any contacts that could be provided to enable outreach to any groups of parents who felt unsupported.
 - h. In response to a comment about the 18 week wait for a wheelchair Mr Love would follow this up with the Kent and Medway Wheelchair Service and report back to the Committee. Mrs Farmer reassured members that children in wheelchairs did not miss out on education while they were waiting for a wheelchair to become available.
 - i. A Member referenced the external auditors report, the number of EHCP requests remaining being above the national average and how this was going to be addressed. Mrs McInnes responded that they had looked at the decision-making threshold and made regular changes. Since January, the number of assessments and EHCPs being issued had improved and work was ongoing.
 - j. The Church Representative requested that, regarding the falling proportion of assessment requests from parents, the council resisted efforts to add more responsibility to schools in the process. He had concerns that this would lengthen the time taken and impede the ability for schools to work closely with parents. Mrs Farmer clarified that there were local inclusion forum team meetings which contained expert practitioners within a geographical area to problem solve and ensure statutory duties of schools and the authority around SEN support were met.

- k. In response to a comment Mrs McInnes confirmed that there was no intention that children from special schools would be reassigned into mainstreams schools and with regards to the distribution of the SEND newsletter it was requested that members forward it to anyone who would benefit from seeing it.
- l. Mr Adams confirmed that the Specialist Resource Provision (SRP) forecast indicated a move from 600 places in the secondary sector to 1000 by the end of this decade. There was a proportion of funding set aside within the Capital Budget to support the SRP expansion, this was dependent on the capacity of the schools and their ability to convert rather than build.
- m. The Chairman congratulated Mrs McInnes and her team on the report and the positive steps being taken.

RESOLVED that the Scrutiny Committee note the report.

71. Section 106 Contributions - response to recommendations (Item C2)

Mr Derek Murphy, Cabinet Member for Economic Development, summarised the report and explained that Economic Development (ED) had put themselves forward for a Short-Focused Inquiry two years ago to improve their governance and transparency for members. With regards to engaging with members more, an annual member briefing had been put in place with further ones to come.

- a. A member commented on the Community Infrastructure Levy (CIL) and their view that it deprived the County Council of the right to provide the right kind of infrastructure and was dependent on an amenable and fair relationship with the local councils. The Member asked for confirmation that KCC was asking for primacy in the matter of how CIL funds were spent in the future.
- b. Mr Murphy agreed that good relationships with the districts were important. The money was to be used for infrastructure projects within that district or area. He agreed that the interplay between CIL and S.106 needed improvement and that KCC would use its influence over the government to create a clearer system that would be of benefit to all and reduce the bureaucracy involved.
- c. A Member commented on the funding provided to Parish Councils through CIL and the potential to work with them to fund local infrastructure. In response Mr Jones stated that KCC was always happy to work with Parishes, Resident's Associations and Councils to help prioritise the way funding was spent.
- d. Regarding member engagement, Mr Murphy responded by reiterating the importance of members commenting on local plans as well as engaging with the weekly planning list that is published. Mr Finch commented on the financial implications of unspent funding. There was a statutory requirement to produce an Infrastructure Funding Statement (IFS) annually. Presentations to the GEDC Cabinet Committee on the output of the annual IFS only included details on spent funding and listed the priorities of the top projects holding the majority of the funding. Therefore, a significant amount of funding was held from an authority the size of Kent. Members were encouraged to email the team for information on specific details and requests on projects.
- e. Responding to the question on the progress of recommendation five, Mr Marchant referred to the 2023 Biodiversity Act, work had been undertaken prior to this to try to articulate an ambition beyond the mandatory 10% which the Act sought to achieve. A lot of work had also gone into implementing the Biodiversity

Net Gain in the planning application process. These were excellent examples of joint working between KCC and the districts across the county and Medway.

- f. A member posed a question if a local plan was not robust and a developer was refused planning permission, but then they won on appeal, how much 106 money was lost.
- g. In response to a question about developers winning on appeal, Mr Finch explained that KCC secured significant amounts of contributions through the planning inspector and appeals process. However, it was sometimes a decision taken at a Local Planning Authority (LPA) where money was being lost.
- h. A recommendation was posed by the Chair for local members to be kept informed of variations of conditions to planning applications. Mr Jones explained that officers could provide advice and enable understanding of local priorities within communities, but officers must be allowed to exercise their independent, professional judgement and comply with standards and regulations to ensure that this was done in the appropriate way.

The Scrutiny Committee note the further and updated responses to recommendations made in the Short Focused Inquiry Report into Section 106 contributions.

72. Work Programme

(Item D1)

- a. Regarding SEND scrutiny, the Clerk noted that the next quarterly report would come to the Committee in December. Informal evidence gathering sessions would be arranged with key witnesses for the committee following a discussion with the Chairman, Vice-Chairman and Spokespeople to determine the invitees.
- b. Mr Brady asked that the fee uplift for social care providers to be added to the agenda as well as an item looking at the current Asset Management Strategy in comparison to the proposed Asset Management Strategy.
- c. In response to a question about how arrangements would be agreed for evidence gathering sessions and visits the Chairman confirmed that he would discuss this with the group spokespeople on the committee at the earliest opportunity.

The Scrutiny Committee noted the work programme.

By: Anna Taylor, Scrutiny Research Officer
To: Scrutiny Committee, 5 November 2024
Subject: Revenue and Capital Budget Monitoring Report June 2024-25

Summary: As requested by the Chairman and Spokespeople of the Scrutiny Committee the Committee is asked to discuss and comment on or note the Revenue and Capital Budget Monitoring Report June 2024-25.

1. Introduction

- a) The attached report was presented to Cabinet on 26 September 2024 and sets out the revenue and capital monitoring position at June 2024-25 (Quarter 1). The Cabinet was also asked to agree to a number of actions as set out in the recommendations within the report. This report set out a forecasted overspend of £16million.
- b) The Chairman and Spokespeople considered that Scrutiny had a key role to play when considering the Executive's draft budget proposals in January but that financial scrutiny was a continuing duty throughout the year.
- c) Scrutiny Committee has a role in financial monitoring and can add value by reviewing how resources are prioritised and allocated, reviewing the integration between financial and service planning, testing out whether the council is directing its resources effectively and providing, through scrutiny in a public forum, challenge to the executive's management of the council's finances.
- d) The Scrutiny Committee will follow the budget reporting cycle of the Cabinet and receive finance reports twice a year in addition to the draft budget proposals in January.

2. Attached documents

- a) [Cabinet Covering Report](#)
- b) [Finance Monitoring Report](#)

3. Recommendation

The Scrutiny Committee is asked to discuss and comment on or note the report.

Contact Details

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From: Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Interim Corporate Director Finance, John Betts

To: Cabinet, 26 September 2024

Subject: Revenue and Capital Budget Monitoring Report – June 2024-25

Classification: Unrestricted

Summary:

The attached report sets out the revenue and capital budget monitoring position as at June 2024-25 (Quarter 1). The report also provides detail on the progress on the delivery savings in the 2024-25 revenue budget, revenue and capital cash limit changes made between April and June 2024, and monitoring updates for Treasury Management, Prudential Indicators and Reserves.

Recommendation(s):

Cabinet is asked to:

- a) NOTE the forecast revenue overspend of £16.3m (excluding Schools).
- b) NOTE the forecast overspend on Schools' Delegated Budgets of £23.1m.
- c) NOTE the forecast capital underspend of £55.4m.
- d) NOTE the progress on the delivery of savings.
- e) AGREE the Revenue budget changes.
- f) AGREE the Capital budget changes.
- g) NOTE the Reserves Monitoring
- h) NOTE the Prudential Indicators Monitoring

1. Introduction

- 1.1 The June 2024-25 budget monitoring report being presented sets out the revenue and capital forecast position.

2 Revenue and Capital Budget Monitoring Report – June 2024-25

- 2.1 The attached report sets out the overall forecast position as at 30 June 2024-25, which is a revenue overspend of +£16.3m and a capital underspend of -£55.4m.
- 2.2 The forecast revenue outturn position is an overspend of +£16.3m (excluding schools), which represents 1.1% of the revenue budget. Overspends are being reported in Adult Social Care & Health (+£16.5m), Children, Young People & Education (+£0.1m), Growth Environment & Transport (+£6.2m) and Corporately Held Budgets (+£2.3m). Underspends are being reported in Chief Executive's Department (-£0.9m), Deputy Chief Executive's Department (-£0.9m) and Non Attributable Costs (-£7.1m).

- 2.3 Schools' Delegated budgets are reporting an overspend of +£23.1m. This reflects the impact of high demand for additional SEN support and greater demand for specialist provision. In 2022-23, the Council entered the DfE's Safety Valve Programme for those Councils with the highest deficits to support the development of a sustainable plan for recovery. This includes annual funding from the DfE, totalling £140m by 2027-28 to pay off part of the deficit but only if the Council can demonstrate and deliver a credible plan. Over the same period the Council is also expected to contribute towards the residual deficit estimated to total over £80m.
- 2.4 There is a savings target of £111.2m (excluding changes in grant income and the removal of one-off or undelivered savings in previous years). Currently, £96.3m of savings are forecast to be achieved.
- 2.5 The forecast outturn capital position is a real overspend of £7.7m and a rephasing variance of -£63.1m, so a net underspend of £55.4m.

3. Recommendation(s)

Cabinet is asked to:

- a) NOTE the forecast revenue overspend of £16.3m (excluding Schools).
- b) NOTE the forecast overspend on Schools' Delegated Budgets of £23.1m.
- c) NOTE the forecast capital underspend of £55.4m.
- d) NOTE the progress on the delivery of savings.
- e) AGREE the Revenue budget changes.
- f) AGREE the Capital budget changes.
- g) NOTE the Reserves Monitoring
- h) NOTE the Prudential Indicators Monitoring

4. Contact details

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Finance Monitoring Report

As at June 2024-25 – Quarter 1



By Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Interim Corporate Director Finance, John Betts
Corporate Directors

To Cabinet – 26 September 2024

Unrestricted

Contact Details

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1 | Introduction and Headlines

This report provides an update on the Council's revenue and capital financial position as at June 2024-25 (Quarter 1). The report also provides detail on the progress on the delivery savings in the 2024-25 revenue budget, revenue and capital cash limit changes made between April and June 2024, and monitoring updates for Treasury Management, Prudential Indicators and Reserves.

- The Council is forecasting a revenue overspend of £16.3m (excluding schools)
- Schools' Delegated Budgets are forecasting a £23.1m overspend
- The Council has a savings target of £111.2m (excluding changes in grant income and the removal of one-off or undelivered savings in previous years). Currently, £96.3m of savings are forecast to be achieved
- The Council is forecasting a real variance of £7.7m and a rephasing variance of -£63.1m on the capital programme, so a net underspend of £55.4m

2 | Recommendations

2.1	Note the forecast revenue overspend of £16.3m (excluding Schools)	Please refer to Section 3
2.2	Note the forecast overspend on Schools' Delegated Budgets of £23.1m	Please refer to Section 3g
2.3	Note the forecast capital underspend of £55.4m	Please refer to Section 6
2.4	Consider and note the progress on the delivery of savings	Please refer to Section 4
2.5	Note and agree the Revenue budget changes	Please refer to Section 5 and Appendix 3
2.6	Note and agree the Capital budget changes	Please refer to Section 7
2.7	Note the Reserves Monitoring	Please refer to Section 8
2.8	Note the Prudential Indicators Monitoring	Please refer to Appendix 4

3 | Revenue Budget Forecast

The forecast revenue outturn position is an overspend of +£16.3m (excluding schools), which represents 1.1% of the revenue budget.

Overspends are being reported in Adult Social Care & Health (+£16.5m), Children, Young People & Education (+£0.1m), Growth Environment & Transport (+£6.2m) and Corporately Held Budgets (+£2.3m). Underspends are being reported in Chief Executive’s Department (-£0.9m), Deputy Chief Executive’s Department (-£0.9m) and Non Attributable Costs (-£7.1m). The report details Key Service Line variances by Directorate. Schools’ Delegated Budgets is currently forecasting an overspend of £23.1m.

Delivery of savings is a crucial component of the Council’s forecast position for 2024-25 and the forecast currently indicates that savings of £96.3m will be delivered. The Strategic Reset Programme (SRP) Team is monitoring savings working alongside the Directorates, Finance Business Partners and performance and analytics. Non delivery of these savings will have a significant impact on future years’ budgets.

As per usual practice, revenue budget changes processed between April and June 2024 have been included as an Appendix in this report and require Cabinet approval. Future revenue budget virements will be signed off by the relevant Corporate Director and Cabinet Member.

All figures in £m

Directorate	Revenue Budget	Revenue Forecast	Revenue Variance	% Variance
Adult Social Care & Health	585.9	602.5	+16.5	+2.8%
Children, Young People & Education	430.6	430.7	+0.1	+0.0%
Growth, Environment & Transport	202.9	209.2	+6.2	+3.1%
Chief Executive’s Department	30.3	29.4	-0.9	-3.0%
Deputy Chief Executive’s Department	82.2	81.3	-0.9	-1.1%
Non Attributable Costs	102.8	95.7	-7.1	-6.9%
Corporately Held Budgets	-2.4	-0.1	+2.3	+96.8%
Directorates Position	1,432.3	1,448.6	+ 16.3	+1.1%
Schools’ Delegated Budgets	0.0	23.1	+23.1	
Overall Position	1,432.3	1,471.7	+39.4	

3a | Adult Social Care & Health including Public Health

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Adult Social Care & Health Operations	524.5	557.7	+33.2
Strategic Management & Directorate Budgets	39.2	21.4	-17.8
Strategic Commissioning (Integrated & Adults)	22.2	23.4	+1.1
Public Health	0.0	0.0	0.0
Total	585.9	602.5	+16.5

The Adult Social Care & Health directorate has a forecast net overspend of £16.5m, of which £13.7m relates to savings which are unable to be delivered in 2024-25. £2.8m of the overspend relates to other service related pressures.

Details of the significant variances are shown on the following page. Savings monitoring for Adult Social Care & Health including Public Health is in Section 4a.

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Older People - Residential Care Services	97.5	105.9	+8.4	Pressure from slippage in savings programme	<p>+£5.9m pressure on this service line relates to slippage in savings activity.</p> <p>Other pressures on this service line include a +£1.4m increase in contributions to the provision for bad and doubtful debts, +£1.5m from costs relating to the previous financial year due to additional backdated client activity above the level budgeted, and +£0.6m from forecast pressure relating to client activity.</p> <p>Pressures on this service line have been offset by -£1.0m released from centrally held funds for prices</p>
Adult Mental Health - Community Based Services	21.2	28.2	+7.0	Activity and price pressures beyond budgeted levels, and slippage in savings programme.	<p>+£3.9m pressure relates to more people receiving supported living care packages, including an increase in average hours provided per person to meet more complex needs.</p> <p>Other pressures include +£3.5m from slippage in savings activity.</p> <p>The above pressures are offset by -£0.3m released from centrally held funds.</p>
Older People - Community Based Services	35.4	39.3	+3.9	Activity and price pressures beyond budgeted levels	<p>+£4.4m pressure relates to homecare services where there has been an increase in the average number of hours of support provided.</p> <p>Other pressures include +£0.8m from savings which are no longer anticipated to be achieved, and a +£0.5m increase on contributions to the provision for bad and doubtful debts.</p> <p>The above pressures are offset by forecast underspends across other older people community based services of -£1.1m and -£0.7m released from centrally held funds.</p>
Adult Physical Disability - Community Based Services	32.9	36.0	+3.1	Increases in Supported Living care packages	+£2.5m pressure relates to people receiving supported living services with higher cost packages, and +£0.7m overspend relates to pressures across other community services.
Adult Learning Disability -	127.1	130.1	+2.9	Increases in	+£3.8m of the overspend relates to people receiving supported living

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Community Based Services & Support for Carers				Supported Living care packages	<p>services which is driven in the main by increased activity in terms of hours of support being provided.</p> <p>Other pressures include +£0.7m from savings which are no longer expected to be achieved, and +£0.1m from contributions to the provision for bad and doubtful debts.</p> <p>The above pressures are offset by -£0.8m released from centrally held funds and -£0.7m across other LD community based services.</p>
Adult Physical Disability - Residential Care Services	24.5	26.8	+2.3	Activity pressures beyond budgeted levels	+£2.2m overspend relates to people accessing nursing and residential care services, with increases in activity exceeding budgeted levels.
Older People - In House Provision	15.8	17.5	+1.7	Service pressures on In House Residential Units	<p>+£1.5m relates to staffing pressures across Gravesham and Broadmeadow residential units, partly due to increasing staffing levels to maximise bed capacity and use of agency staff to provide additional capacity and cover for unplanned absences.</p> <p>+£0.2m from pressures across other In House Residential and Daycare service provision.</p>
Community Based Preventative Services	7.5	9.1	+1.5	Pressure from slippage in savings programme	+£2.5m pressure from slippage in savings programme, offset by -£1m one-off contribution from Public Health towards mental health services delivered under the Live Well Kent contract.
Adult Case Management & Assessment Services	40.7	41.9	+1.2	Staffing pressures across front line services	Pressure across front line social work teams and referral services due to reducing vacancy rates and use of agency staff, alongside funding pressures related to retaining and attracting social work staff, costs associated with early retirements following a service reorganisation, and additional posts recruited to drive service improvement and organisational change.
Older People & Physical Disability Carer Support - Commissioned	1.7	2.8	+1.1	Activity pressures beyond budgeted levels	Increasing levels of activity and costs associated with carer respite

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Provision for Demographic Growth - Residential Based Services	12.5	4.9	-7.6	Release of centrally held funds	This is the release of centrally held funds to partly offset pressures across ASCH operations
Provision for Demographic Growth - Community Based Services	15.8	6.1	-9.6	Release of centrally held funds	This is the release of centrally held funds to partly offset pressures across ASCH operations

3b | Children, Young People & Education

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Education & Special Educational Needs	125.5	128.5	+2.9
Integrated Children's Services (Operations and County Wide)	300.8	297.9	-2.9
Strategic Management & Directorate Budgets	4.3	4.4	+0.1
Total	430.6	430.7	+0.1

The Children, Young People & Education directorate is projected to be overspent by +£0.1m. This is formed from several significant compensating variances. Integrated Children's Services (Operations and Countywide) is forecasting a net underspend of -£2.9m, mainly related to an underspend on community based services for young adults with disabilities. Education & Special Educational Needs is forecasting a net overspend of £2.9m which relates to pressures on services for schools and Community, Learning & Skills.

Details of the significant variances are shown below:

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Community Learning & Skills (CLS)	-0.1	0.8	+0.9	Reduction in fee income from September	Funding rule changes for the new academic year are forecast to result in a reduction in fee income expected from September onwards, where the service is reorganising to meet the requirements of the Governments priorities for adult education services. Mitigating actions are being explored to reduce the impact of this.
Other School Services	5.6	7.9	+2.1	Pressures arising from ensuring sufficient school places, higher number of school related redundancies and legal costs.	Delays in basic need projects have resulted in the continual use of more temporary accommodation to ensure sufficient school places are available (+£1.4m). In addition, a rise in the number of school reorganisations required to ensure schools remain financially sustainable is leading to an increase in requests for school based staff redundancy payments. Legal costs, related to schools including capital projects & academisation, are forecast to remain at a higher level in 2024-25 where costs previously charged to capital must now be charged to revenue, along with a general rise in costs.
Adult Learning & Physical Disability Pathway - Community Based Services	46.7	44.6	-2.1	Underspends across most services	Forecasting underspends across most community services, but mainly Supported living (-£1.5m) and Direct Payments (-£0.4m) due to lower than anticipated costs.

3c | Growth, Environment & Transport

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Environment & Circular Economy	97.3	99.9	+2.5
Growth & Communities	31.3	30.9	-0.4
Highways & Transportation	72.9	77.0	+4.1
Strategic Management & Directorate Budgets	1.4	1.4	0.0
Total	202.9	209.2	+6.2

The Growth, Environment & Transport Directorate is projected to be overspent by £6.2m. All services across the directorate will continue to review their staffing and spend levels to ensure only essential spend is incurred and income and activity levels will continue to be reviewed and reflected. The unavoidable pressures will be realigned in the MTFP.

Details of the significant variances are shown on the following page:

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
English National Concessionary Travel Scheme (ENCTS)	13.0	15.9	+2.9	Update to DfT Re-imburement Calculator	<p>In November 2024, the DfT announced changes to the re-imburement calculator for the ENCTS scheme. The changes to the calculator were based on updating a number of key re-imburement factors/inflation factors, that had not updated since the launch of the scheme. The impact of these changes is to raise the re-imburement level for ENCTS acceptance by a bus operator.</p> <p>KCC follows the DfT re-imburement calculator for the payment of ENCTS re-imburement to bus operators and this has presented a near £3m pressure.</p>
Waste Facilities & Recycling Centres	38.8	40.7	+1.9	Paused HWRC saving, unachievable compost saving and reduced income	<p>Part of the projected overspend is due to the proposed consultation on the review of HWRC sites (Waste) being delayed (+£0.5m). The overspend is the non-delivery of the 2023-24 part-year effect of the planned 2-year £1.5m budget reduction.</p> <p>In addition, there was a savings target from reuse and small business trade waste. With regards to the small business trade waste, we are unlikely to meet the full savings target for the following reasons:</p> <ol style="list-style-type: none"> 1. Regulatory and compliance – It is taking a significant amount of time to work with the Environment Agency allow us to get the licences for the disposal of commercial waste due to the limitations with regard to the size of our sites and the ability to segregate commercial waste from household waste. This limitation would have negative impacts to our performance, as we would have to record to DEFRA the incoming commercial waste as household waste. As there would be no way to separate this. 2. There are, in addition to this, health and safety concerns with regards to mixing those disposing of commercial waste, with those disposing of household waste, as waste types and vehicles would be or a

				commercial nature.
				3. Finally, there are concerns at the sites without weighbridges, that KCC may actually end up not making money, as we will not be able to charge for the weight and estimates will have to be made.
				This small business trade waste is an ongoing project, as we try to mitigate the above concerns without putting the council at risk, meanwhile we continue to work with the waste transfer stations that are set up for this type of activity to increase the levels of income via this waste stream.
				Some limited reuse activities have been delivered; however, the full reuse shop will not be delivered until the end of 2024/25, and so there will be a delay to achieving this saving target.
				An overspend has arisen this year as a result (+£0.2m).
				A budgeted saving to renegotiate the rate of a green waste contract is no longer possible as the contractor was taken over and the new owner declined the offer to renegotiate the contract. The saving is no longer deliverable (+£0.6m).
				The emergency works to repair and replace jet fans in the Chestfield tunnel have required a contraflow to be put in place and the expense of this and other associated costs have resulted in an overspend (+£0.8m).
Highway Assets Management	38.7	39.7	+1.1	Pressures continue to be reported in Inspections and general maintenance across East/West Kent budgets with prices above budgeted inflation and increased works due to the condition of the network and necessary safety critical works (+£1.2m combined).
				These overspends are partially offset by an underspend on Streetlight and Tunnels energy, due to a one-off rebate following the reconciliation of winter 23/24 usage plus confirmation of a reduced summer price for electricity (-£0.5m), as well as additional income (-£0.5m).
Residual Waste	52.6	53.0	+0.4	An overspend primarily resulting from additional tonnes



Community Protection	12.0	11.8	-0.2	(+£1.2m) is offset by reduced prices for Allington Waste to Energy plant, as the contractual uplift based on April RPI was lower than the budgeted estimate (-£0.8m). Variance is mainly due to an increase in income in Trading Standards from the Office for Product Safety and Standards (OPSS) for Ports and Borders work.
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3d | Chief Executive's Department

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Commercial & Procurement	3.1	3.0	-0.1
Finance	13.9	13.9	0.0
Governance, Law & Democracy	8.4	8.0	-0.5
Strategy, Policy, Relationships & Corporate Assurance	5.6	5.6	0.0
Strategic Management & Departmental Budgets	-0.7	-1.0	-0.3
Total	30.3	29.4	-0.9

The Chief Executive's Department is projected to underspend by -£0.9m. Details of the significant variances are shown below:

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Local Member Grants	1.0	0.5	-0.5	Currently uncommitted member grants	This underspend reflects current forecast activity. Members need to have committed spend by mid-November 2024 as this year precedes county Council elections in May 2025.
Strategic Management & Departmental Budgets	-0.7	-1.0	-0.3	Additional internal overhead charge made to Public Health.	Revised internal overhead charge made to Public Health in line with policy and to align with Public Health forecast.

3e | Deputy Chief Executive's Department

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Corporate Landlord	29.0	28.5	-0.4
Human Resources & Organisational Development	5.4	5.2	-0.2
Infrastructure	8.8	8.8	0.0
Marketing & Resident Experience	6.9	7.0	0.0
Technology	26.1	26.1	0.0
Strategic Management & Departmental Budgets	5.9	5.6	-0.3
Total	82.2	81.3	-0.9

The Deputy Chief Executive's Department is projected to underspend by -£0.9m. Details of the significant variances are shown below:

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Corporate Landlord	29.0	28.5	-0.4	Utilities underspend due to reduced costs, in-year refunds and asset disposals.	Underspend due principally to change in asset base through disposals or change of use – together with in-year refunds for vacated sites.
Strategic Management & Departmental Support	5.9	5.6	-0.3	Vacancy management	Majority of underspend due to holding vacancies pending decisions on timing of appointments to key posts
Human Resources & Organisational Development	5.4	5.2	-0.2	Increased recharges of Kent Graduate Scheme salaries	Underspend from increased recharges for KGP salaries; increased take up of salary sacrifice schemes leading to NI rebates; staffing

3f | Non Attributable Costs including Corporately Held Budgets

All figures in £m

	Revenue Budget	Revenue Forecast	Revenue Variance
Non Attributable Costs	102.8	95.7	-7.1
Corporately Held Budgets	-2.4	-0.1	+2.3
Total	100.4	95.6	-4.8

The forecast underspend for Non Attributable Costs including Corporately Held Budgets is £4.8m. Details of the significant variances are shown below:

All figures in £m

Key Service	Revenue Budget	Revenue Forecast	Revenue Variance	Summary	Detail
Non Attributable Costs	102.8	95.7	-7.1	Higher income from investments & additional income from business rate compensation grant and business rates levies	-£2.2m higher forecast income on investments (partially offset by higher interest payments to third parties), due to the base rate remaining at 5.25% and cash balances remaining robust. This also reflects a contribution to debt costs from the Home Office grant related to the new Unaccompanied Asylum Seeker reception centres. -£2.2m additional business rate compensation grant for freeze of multiplier and temporary discounts due to outturn information for 2023-24 (NNDR3) higher than the original estimate (NNDR1) on which budget and grant settlement was based -£2.6m additional share of retained business rates levies for 2022-23 and 2023-24 through business rates pool due to outturn higher than estimates used for year-end debtors. Both the -£2.2m and -£2.6m figures are provisional and could still change during the audit of the District Council accounts.
Corporately Held Budgets	-2.4	-0.1	+2.3	Undeliverable Savings	+2.3m estimated saving from deep dives into contract renewals including consideration of reducing service levels or from routes to market. Any savings from these contract

renewals will be contained within the directorate forecasts and therefore allocating the saving would not reduce the overall forecast so cannot be presented as being delivered in Corporately Held Budgets.

3g | Schools' Delegated Budgets

The Schools' Budget reserves are initially forecast to end the financial year with a surplus of £57.7m on individual maintained school balances, and a deficit on the central schools' reserve of £89.3m. The total Dedicated Schools' Grant for 2024-25 is £1,769.6m and is forecast to overspend by £46.3m.

The balances of individual schools cannot be used to offset the overspend on the central schools' reserve and therefore should be viewed separately.

The Central Schools' Reserve holds the balance of any over or underspend relating to the Dedicated Schools Grant (DSG). This is a specific ring-fenced grant payable to local authorities to support the schools' budget. It is split into four main funding blocks: schools, early years, high needs and central, each with a different purpose and specific rules attached. The Council is required to hold any under or overspend relating to this grant in a specific reserve and is expected to deal with any surplus or deficits through future years' spending plans. The tables below provide the overall position for the DSG in 2024-25 (table 1) and an overview of the movements on both the central schools' reserve and individual schools' reserves (table 2).

Table 1 Dedicated Schools' Grant (DSG) 2024-25 Forecast Summary:

All figures in £m			
DSG Block	2024-25 Budget*	2024-25 Forecast	2024-25 Variance
Schools' Block	1,260.5	1,260.5	0.0
High Needs Block	342.7	389.0	46.3
Early Years Block	154.2	154.2	0.0
Central Services to Schools' Block	12.2	12.2	0.0
Total DSG 2023-24	1,769.6	1,815.9	46.3

*Before recoupmnt and other DFE adjustments including additional funding from the Safety Valve Programme. Budgets include the impact of moving £15.2m from the Schools' block to the High Needs Block as agreed by the Secretary of State.

Table 2: Overall Forecast Position for the Schools' Budget Reserves:

	All figures in £m	
	Individual Maintained School Reserves	Central Schools' (DSG) Reserve
Reserve Balance as at 1 st April 2024*	58.6	-67.2
<i>Forecast contribution to/(from) reserves:</i>		
Academy Conversions	-1.0	
Change in School Reserve Balances	0.0	
Overspend on DSG 2023-24		-46.3
Safety Valve: Local Authority Contribution		15.1
Safety Valve: Payment from DfE		9.0
Reserve Balance as at 31 st March 2024*	57.7	-89.3

*Positive figure is a surplus balance & negative balance is a deficit balance

In accordance with the statutory override implemented by the Ministry of Housing, Communities & Local Government (MHCLG), and in line with the Department for Education (DfE) and external auditors advice that local authorities cannot repay deficits on the DSG from the General Fund: any in-year central schools' (DSG) surpluses continue to form part of the main council reserves, whilst any in-year deficit balances are held in a separate unusable reserve from the main council reserves (see Section 8). MHCLG have confirmed this statutory override will be in place until March 2026 whilst Councils implement recovery plans.

In 2022-23, the Council entered the DfE's Safety Valve Programme for those Councils with the highest deficits to support the development of a sustainable plan for recovery; this includes annual funding from the DfE, totalling £140m by 2027-28 (plus £2m of project costs), to pay off part of the deficit but only if the Council can demonstrate and deliver a credible plan. Over the same period the Council is also expected to contribute towards the residual deficit estimated to total over £80m. This has avoided having to identify £220m of savings across the SEN system. The DSG deficit is the Council's single biggest financial risk; therefore, the successful implementation of the Council's deficit recovery plan is critical. It is recognised, the Government's proposals to reform the SEND and alternative provision (AP) system to support a more sustainable high needs funding will not impact immediately and local actions are required.

In 2024-25, the Council is expecting to receive a further £9m from the DfE, the third tranche of the £140m safety valve commitment, with the Council required to contribute a further £14m from reserves. This additional funding, along with the extra funding from the DfE and the Council in 2022-23 will have reduced the accumulated deficit from an estimated £220m to £89.3m as at 31st March 2024.

Key Issues **Details**

Individual Maintained Schools Reserves	<p>As at 31st March 2024, there were 294 maintained schools with a surplus reserve balance and 3 schools with a deficit reserve balance. Maintained Schools are required to submit a six & nine-month monitoring return each financial year and these forecasts will be reported in future reports. The Council commissions The Education People to support Schools with their recovery plans.</p> <p>This forecast includes 2 schools converting to academy status during 2024-25. When a maintained school converts to an academy status, the council is no longer responsible for holding the schools' reserve and the school's remaining school balance is either transferred to the academy trust, or in the case of a deficit, may have to be retained and funded by the Council depending on the type of academy conversion.</p>
Schools' Block: No Variance	<p>The Schools' Block funds primary and secondary core schools' budgets including funding for additional school places to meet basic need or to support schools with significant falling rolls. There is no significant variances forecast at this stage in the year.</p>
Early Years Block: No Variance	<p>The Early Years Block is used to fund early years' providers the free entitlement for eligible two, three and four-year olds, including the newly expanded offer for working parents for children from 9 months, along with the funding of some council led services for early years.</p> <p>Each year, when setting the funding rate an estimate must be made as to likely hours that will be provided to ensure it is affordable within the grant provided. This can lead to under or overspends if activity is slightly lower or higher than expected. At this early stage in the year there are no variances reported.</p>
High Needs Block: Higher demand and higher cost for high needs placements.	<p>The High Needs Block (HNB) is intended to support the educational attainment of children and young people with special educational needs and disabilities (SEND) and pupils attending alternative education provision. The HNB funds payments to maintained schools and academies (both mainstream and special), independent schools, further education colleges, specialist independent providers and pupil referral units. Some of the HNB is also retained by KCC to support some SEND services (staffing/centrally commissioned services) and overheads. Costs associated with the EHCP assessment and annual review process are met from the General Fund and are not included in this section of the report.</p>
Safety Valve Payment & Local Authority Contribution.	<p>The in-year funding shortfall for High Needs placements and support in 2024-25 is +£46m due to a combination of continual higher demand for additional SEN support and higher cost per child resulting from continual demand for more specialist provision. The level of growth in spend is forecast to start slowing down during this year (in comparison to recent years, see table 3) as actions to support future financial sustainability are starting to be implemented. However, the impact of SEN transformation with greater proportion of children being supported in mainstream/post 16 settings, is being impeded by higher placements costs, driven by inflation and greater demand by schools for additional funding, along with delays in DfE lead special school builds.</p> <p>Many other councils are also reporting deficits on their high needs block, despite extra monies from the Government in recent years, resulting from significant increases in their numbers of EHCPs and demand for SEN services. However, the</p>

increases locally have been increasing at a significantly faster rate than other comparative councils and the council is placing a greater proportion of children in both special and independent schools compared to other councils, and a smaller proportion of children with SEND in mainstream schools. The impact of this is highlighted in national benchmarking data on the placement of children with SEN in Kent and our spend on High Needs Block. The tables below detail the trend in both spend and number of HNB funded places or additional support across the main placement types.

Table 3: Total Spend on High Needs Block by main spend type

	All figures in £m				
	2020-21	2021-22	2022-23	2023-24	2024-25
Maintained Special School	106	123	137	151	160
Independent Schools	49	60	68	76	80
Mainstream Individual Support & SRP* **	46	54	61	65	71
Post 16 institutions***	17	19	21	24	24
Other SEN Support Services	46	43	48	49	49
Total Spend	264	299	334	365	384
Rate of increase in spend	-	13%	10%	11%	5%

Table 4: Average number of HNB funded pupils receiving individualised SEN Support/placements. This is not the total number of children with SEN or number of EHCPs

	2020-21	2021-22	2022-23	2023-24	2024-25
Maintained Special School	5,118	5,591	6,019	6,382	6,591
Independent Schools	1,126	1,348	1,485	1,620	1,623
Mainstream Individual Support & SRP*	4,510	5,258	5,772	6,496	6,891

Post 16 institutions***	1,281	1,453	1,569	1,665	1,700
Total Number of Pupils	12,035	13,650	14,845	16,163	16,805

Table 5: Average cost of pupils funded from the HNB and receiving individualised SEN Support or placement cost.

	£s per pupil				
	20-21	21-22	22-23	23-24	24-25
Maintained Special School	£20,629	£21,648	£22,640	£23,587	£24,252
Independent Schools	£43,734	£44,799	£44,911	£46,894	£49,259
Mainstream Individual Support & SRP* **	£10,294	£10,245	£10,578	£10,051	£10,345
Post 16 institutions***	£13,309	£13,090	£12,927	£14,565	£14,184

*Specialist Resource Provision

** Please note this data excludes any costs incurred by primary & secondary schools from their own school budget.

***Individual support for students at FE College and Specialist Provision Institutions (SPIs)

The Safety Valve agreement, sets out the key actions the Council intends to take to achieve a positive in-year balance on its central schools' DSG reserve by the end of 2027-28 and in each subsequent year. The actions are aligned with our strategy to support improvements across the SEN system in response to the SEN Improvement Notice through the delivery of the Accelerated Progress Plan. The impact of these actions will not be immediate and will take several years to be fully embedded.

4 | Revenue Budget Savings

The 2024-25 budget included the requirement to deliver savings and additional income of £81.9m. A further £17.4m of undelivered savings from the previous year are included in the 2024-25 Savings Target, increasing the total requirement to £99.3m.

This Savings section does not include changes to Grant Income of £7.2m or the removal of one-off or undelivered savings in previous years of £4.6m bringing the total savings target for 2024-25 to £111.2m.

The 2024-25 budget also had significant growth. Council Tax and other general funding in the approved budget went into adult social care, children's social care and home to school transport. Adults received their share of targeted grants and Council Tax plus a share of general Council Tax and grants. Home to school transport and all other services are funded from general Council Tax and grants with no targeted funding.

At Quarter 1, £96.3m of savings are forecast to be delivered including £3.8m of alternative savings and £4.6m has been identified as undeliverable. Variances over £0.5m are reported by Directorate in this section with commentary. Where alternative savings have been identified (totalling £3.8m per the table below), details have been provided. A breakdown of all of the savings by Directorate is available in Appendix 2.

All figures in £m

Directorate	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)	Total Forecast	Variance	Un-deliverable	To be achieved in future years
Adult Social Care & Health	(66.9)	(52.1)	0.0	(2.3)	(54.4)	12.4	0.5	(15.5)
Children, Young People & Education	(16.7)	(16.1)	0.0	(0.4)	(16.5)	0.2	0.0	(0.6)
Growth, Environment & Transport	(8.7)	(6.4)	0.0	(0.5)	(6.9)	1.8	1.8	(0.5)
Chief Executive's Department	(0.4)	(0.3)	0.0	(0.1)	(0.4)	0.0	0.0	(0.1)
Deputy Chief Executive's Department	(1.0)	(0.5)	0.0	(0.4)	(1.0)	0.0	0.0	(0.4)
Non Attributable Costs	(14.5)	(16.3)	0.0	0.0	(16.3)	(1.8)	0.0	0.0
Corporately Held Budgets	(3.1)	(0.8)	0.0	0.0	(0.8)	2.3	2.3	0.0
Total	(111.2)	(92.5)	0.0	(3.8)	(96.3)	14.9	4.6	(17.2)

4a | Adult Social Care & Health Savings

All figures in £000s

	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)	Total Forecast	Variance	Un-deliverable	To be achieved in future years
Alternate Provision Brand New Starts (DP)	-3,041.1	-2,178.9	-	-	-2,178.9	862.3	-	-862.3
	Evidence shows that new DP starters V's home care remains significantly below target, and the cost associated with receipt of direct payment are above modelling work previously completed. The last BRAG rated the savings in Amber so this is notable deterioration in confidence. Review of high levels plans to be concluded to inform how we will address low take up of direct payments.							
Rehabilitation and Alternate Support for MH	-3,300.0	-259.2	-	-	-259.2	3,040.8	-	-3,040.8
	There is a lack of community rehab offer from KMPT with an offer only available in East Kent, which KCC cannot currently refer into. The development of a Transfer Hub is being looked into by KMPT with consultants reviewing those Clinically Ready for Discharge, and there might be opportunities for savings if KMPT community rehab services are part of that proposal.							
Reduction in Residential and Nursing Placements	-2,900.0	-2,175.0	-	-	-2,175.0	725.0	-	-725.0
	Reducing the number of residential and nursing placements is providing an ongoing challenge to ASCH in the context of meeting an higher acuity of need, the central role short stays placements play in supporting effective hospital flow, and the absence of consistent night time support offers across all communities. At this time the evidence indicates that the plans do not provide high confidence that the savings target will be achieved and it is therefore believed that the savings target is rated red. Urgent plans to be developed around how we will ensure permanent care home placements are reduced through home first solutions that supports people to go home, timely reviews of all individuals in short stay beds, the use of technology to prevent new placements, and maximising the use of other forms of accommodation - shared lives, supported living, extra care.							
Partnership Working (Section 117)	-2,200.0	-171.4	-	-	-171.4	2,028.6	-	-2,028.6
	The savings activity is reliant on the strategic conversations to take place to agree a 50/50 funding split. The plans currently forecast the agreement to be in place by January 2025, which means we might achieve some of the target from January 2025 onwards. Therefore, the remaining target is unlikely to be achieved within this financial year.							
Efficiency Savings in relation to the purchasing of residential care	-8,000.0	-4,000.0	-	-	-4,000.0	4,000.0	-	-4,000.0

	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)	Total Forecast	Variance	Un- deliverable	To be achieved in future years
Adult Social Care contracts with Voluntary Sector	-3,216.8	-	-	-2,304.2	-2,304.2	912.6	-	-3,216.8
Redesign of In House Adult Social Care Services	-1,456.4	-34.9	-	-	-34.9	1,421.5	-	-1,421.5

We have segmented provider by cost & quality and are making clear that those in the lowest band on these factors are unlikely to receive offers of placements. The rate at which we use Res/Nursing care is a key factor in success as empty beds motivates providers to negotiate. This has motivated some off-framework providers to negotiate on price, but thus far they have only been willing to agree lower fees for new placements not existing ones. We need further work on capturing the benefit of this. There is a close relationship between success in this sector and the level of new placements. Whilst this has shown signs of plateauing it is not enough yet to drive the full savings.

Cabinet Member agreement to postpone the decision to the next financial year 25/26, although one-off efficiencies across Vol Orgs contracts are expected for 24/25 which are offsetting the £3.2m pressure by -£965.0k.

Public Health are also to provide an additional £1m in 24/25 to fund priority mental health services delivered under the Live Well Kent contract, in line with the PH grant conditions. This additional £1m is one-off funding for 24/25 only.

Public Health to review towards the end of 24/25 the possibility of funding an additional £339.2k for community navigation services subject to Public Health's financial position (particularly in relation to its own transformation programme), other potential funding pressures and the expenditure meeting the PH grant conditions.

£34.9k to be achieved in 24/25 due to the closure of Blackburn Lodge.
Decision was taken for the remaining £1.4m to not be delivered through staffing within In-House Provider Services. The savings will be achieved through other channels and plans are in place, either by re-distributing throughout the Transformation & Efficiency group or as a separate piece of work.

4b | Growth, Environment & Transport Savings

All figures in £000s

All figures in £m	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)	Total Forecast	Variance	Un-deliverable	To be achieved in future years
Review of green waste contract, with market analysis indicating a reduction in gate fee	-621.0	-	-	-	-	621.0	621.0	-
Plans in place to renegotiate the rate downwards whilst in contract but then the contractor was taken over and the new owner declined the offer to renegotiate the contract. Saving no longer deliverable and realignment requested in 25/26. Saving to be revisited upon expiry of contract (July 24)								

4c | Corporately Held Budgets Savings

All figures in £000s

All figures in £m	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)	Total Forecast	Variance	Un-deliverable	To be achieved in future years
Part year impact of further discretionary policy decisions and deep dive into contract renewals with consideration of reducing service specifications	-2,300.0	-	-	-	-	2,300.0	2,300.0	-
It is assumed that savings being achieved from these contract reviews will be contained within directorate forecasts and therefore allocating this Corporately Held saving to services would not reduce the overall forecast so cannot be presented as being delivered in CHB. £2.3m has been added back to remove this saving from the base budget in the 2025-28 MTFP refresh proposals								

4d | Alternative Savings

All figures in £000s

Directorate	Savings & Income Description	Ongoing Impact	One-off Impact	Total
ASCH	One-off additional funding contribution from Public Health towards priority mental health services of £1m and further potential funding towards community navigation services of £0.34m. In addition to the above, commissioning are anticipating -£692.9k in on-going and -£272.1k in one-off efficiencies across Voluntary Organisation contracts for 24-25	0.0	(2,304.2)	(2,304.2)
ASCH (PH)	Saving achieved through the agreement of a contract adjustment with our NHS provider	0.0	(9.2)	(9.2)
CYPE	Forecast underspend on school's compliance testing. It will be wrapped up as part of wider changes to services to schools that is being processed in the MTFP	0.0	(400.0)	(400.0)
GET	Saving to be achieved by releasing a provision that was set up if there was an adverse impact on recycling rates if the IAA payments to four districts ceased	0.0	(500.0)	(500.0)
CED	Covered from underspend on the Empty Properties budget	0.0	(82.5)	(82.5)
CED	Covered from underspends within other Member service budgets	0.0	(20.0)	(20.0)
DCED	Shortfall on Office stream being off-set against over-recovery on Specialist and Community Asset workstreams. Future Assets should be viewed as a whole programme	0.0	(388.9)	(388.9)
DCED	Covered from underspend on staffing budget	0.0	(60.0)	(60.0)
Total		0.0	(3,764.8)	(3,764.8)

5 | Revenue Budget Changes

Roll forwards were agreed at Cabinet on 20 June 2024 as part of the Outturn report for 2023-24. The table below summarises these roll forwards, which have increased the net budget for 2024-25 by £2.8m.

All figures in £000s

Directorate	Roll Forward	Description
Children, Young People & Education	0.171	Section 31 Leaving Care Allowance Uplift
	0.248	Effective Kent Project
	0.185	Pathways For All
	0.182	Regional Adoption Agency
Growth, Environment & Transport	0.243	Various external funded projects
	0.105	Kent Resource Partnership
	0.328	Highways Winter Underspend
	0.134	Tunnels / Structures statutory testing
	0.370	Proceeds from sale of Electric Vans for Environmental Projects
Chief Executive's Department	0.019	Kent Safeguarding Adults Board
	0.112	Kent Safeguarding Children's Board
	0.675	Member Grants
Total	2.772	

In line with usual practice at this stage of the year, revenue budgets have been realigned to reflect a reallocation between Key Services in light of the 2023-24 final spend and activity levels and the latest service plans. Budget changes which have been identified as virements are explained in the tables below and need to be approved by Cabinet. A breakdown of changes by Key Services, which also includes technical adjustments, which do not require approval, is available in Appendix 3. There are no virements in Children, Young People & Education, Chief Executive's Department, Deputy Chief Executive's Department or Non Attributable Costs.

5a | Adult Social Care & Health Virements

Key Service	Description	All figures in £000s		
		Gross	Income	Net
Strategic Commissioning (Integrated and Adults)	To fund uplift of Adult Commissioning posts from KR9 to KR11 as a result of the 23-24 Strategic Commissioning restructure	60.0	0.0	60.0
Strategic Management & Directorate Support (ASCH)		-60.0	0.0	-60.0
Strategic Management & Directorate Support (ASCH)	To fund Mosaic Provider Portal Team - from Richard Smith's budget for additional posts (2.5 FTEs) in the Mosaic Provider Portal team in the Business Delivery Unit	-111.3	0.0	-111.3
Transformation Delivery and support		111.3	0.0	111.3
Provision for Demographic Growth - Community Based Services	Technical correction to central demography allocations for 2024-25 budget	-5,470.3	518.3	-4,952.0
Provision for Demographic Growth - Residential Based Services		5,470.3	-518.3	4,952.0
Strategic Management & Directorate Support (ASCH)	Funding of fixed term Provider Portal Payment Team: 1 x KR9 fixed term for 1 year, 5 x KR7 fixed term for 1 year	-214.7	0.0	-214.7
Transformation Delivery and support		214.7	0.0	214.7
Strategic Management & Directorate Support (ASCH)	Adjustment for changes in Charging Policy led by Bettergov	-40.0	0.0	-40.0
Transformation Delivery and support		40.0	0.0	40.0
Older People - Residential Care Services	Transfer to reflect reprovision costs following closure of Blackburn Lodge.	513.6	0.0	513.6
Older People - In House Provision		-526.6	13.0	-513.6
Strategic Management & Directorate Support (ASCH)	Transfer of funding from Corporate Director held funds to the Stakeholder Engagement Team to fund and manage process for reimbursing experts by experience	-50.0	0.0	-50.0
Innovation and Partnership		50.0	0.0	50.0
Public Health - Sexual Health	2024-25 Quarter 1 realignment of Public Health budgets	688.9	-688.9	0.0
Public Health - Healthy Lifestyles		-2,723.0	2,723.0	0.0

Key Service	Description	All figures in £000s		
		Gross	Income	Net
Public Health - Children's Programme		-941.6	941.6	0.0
Public Health - Mental Health, Substance Misuse & Community Safety		1,355.3	-1,355.3	0.0
Public Health - Advice and Other Staffing		2,358.9	-2,358.9	0.0
Adult Learning Disability - Community Based Services & Support for Carers	Redistribution of 2023/24 Commissioning savings to reflect current planned method of delivery	-835.5	0.0	-835.5
Adult Learning Disability - Residential Care Services & Support for Carers		-8.7	0.0	-8.7
Adult Mental Health - Residential Care Services		-54.3	0.0	-54.3
Older People - Community Based Services		51.5	0.0	51.5
Older People - Residential Care Services		1,304.0	0.0	1,304.0
Adult Physical Disability - Community Based Services		-75.4	0.0	-75.4
Adult Physical Disability - Residential Care Services		-46.8	0.0	-46.8
Adult Mental Health - Community Based Services		-334.8	0.0	-334.8
Adult Learning Disability - Community Based Services & Support for Carers		-272.7	0.0	-272.7
Adult Mental Health - Community Based Services		693.0	0.0	693.0
Older People - Community Based Services	Redistribution of Technology Enhanced Lives Service (TELS) saving, according to latest areas of activity, including agreed amount from increased savings to fund increased cost of activity within TELS	121.5	0.0	121.5
Adult Physical Disability - Community Based Services		-5.4	0.0	-5.4
Innovation and Partnership		142.0	0.0	142.0

		All figures in £000s		
Key Service	Description	Gross	Income	Net
Older People - Residential Care Services		-1,173.6	495.2	-678.4

5b | Growth, Environment & Transport Virements

		All figures in £000s		
Key Service	Description	Gross	Income	Net
Environment	Environment / Waste 2024-25 adjustment relating to the Environment & Circular Economy restructure. The virement relates to an old Environment budget that was reallocated as part of the new staffing structure but should have been used to reduce the Environment grant income budget. The Director and Heads of Service have agreed to correct that issue. This adjustment also includes a realignment within Environment Key Service which matches Coastal Protection budget with cost to help offset the grant income target.	-20.0	80.0	60.0
Environment and Circular Economy Divisional management costs		-51.0	0.0	-51.0
Residual Waste		-9.0	0.0	-9.0
Waste Facilities & Recycling Centres		328.0	0.0	328.0
Residual Waste		-328.0	0.0	-328.0

6 | Capital Budget Forecast

All figures in £m

Directorate	Capital Budget	Variance	Real Variance	Rephasing Variance
Adult Social Care & Health	1.141	-0.111	+0.162	-0.273
Children, Young People & Education	128.226	-19.201	-2.068	-17.133
Growth, Environment & Transport	232.636	-35.988	+4.748	-40.736
Chief Executive's Department	0.230	+0.024	0.000	0.024
Deputy Chief Executive's Department	54.840	-0.167	+4.845	-5.012
Directorates Position	417.073	-55.443	+7.687	-63.130

The total approved General Fund capital programme including roll forwards for 2024-25 is £417.073m.

The current estimated capital programme spend for the year is forecast at £361.630m, which represents 87% of the approved budget. The spend to date is £57.267m, representing 14% of the total approved budget.

The directorates are projecting a £55.443m underspend against the budget, this is split between a +£7.687m real variance and -£63.130m re-phasing variance.

6a | Adult Social Care & Health

Project	Real Variance	Rephasing Variance	Detail
Learning Disability Good Day Programme	+0.085	-0.273	Real variance of +£0.085m for electronic care planning equipment to be funded from banked developer contributions and banked grant.

6b | Children, Young People & Education

Project	Real Variance	Rephasing Variance	Detail
Overall Basic Need Programmes	0.000	0.000	Across the next three years over all the Basic Need Programmes there is currently sufficient funding to cover the forecast spend, so there is no variance to report. There is a forecast gap in later years of £24.4m, but this will continue to be monitored and brought down wherever possible, by reviewing the timing and need for schemes, and by utilising all possible funding such as developer contributions that may not yet be part of the cash limit. Grant allocations for 2027-28 and 2028-29 are not yet known and are therefore not included in the cash limits. Any basic need grant received for these two years will go towards funding the forecast overspend.
Modernisation Programme	+0.290	-2.492	<p>Real variance is due to:</p> <ul style="list-style-type: none"> 19 new projects added to the programme, totalling £2.8m, to be funded from previously unallocated budget and real underspends. -£0.43m Slade Primary -now only replacing 1 mobile instead of 2. -£0.97m Otford Primary – a replacement mobile had been budgeted for but pupil numbers at the school have now reduced and modification works to a mobile will be carried out instead. -£0.121m – Langdon Primary – project complete under budget. -£1.024m – budget previously unallocated has now been allocated to named projects. <p>Rephasing variance is due to:</p> <ul style="list-style-type: none"> -£1.193m Dover Grammar School for Girls – due to site constraints a two-storey block is now being built to replace mobiles. Discussions with the school and planning has meant rephasing of costs. There is rephasing on two other projects, both of which are under £1m.

Project	Real Variance	Rephasing Variance	Detail
Basic Need KCP 2017	-0.375		The real underspend is largely due to an underspend on Meopham School, as there is a school contribution towards the hydrant and water tank costs.
Basic Need KCP 2019	+0.266	-1.797	<p>The real variance is due to: -£0.25m Ashford Non-Selective project removed from the programme. +£0.516m Wrotham School – DfE schools rebuild programme. The forecast has been updated to match the agreed contribution to the DfE for additional basic need works. +£6.0m Cable Wharf – Additional funding from the school rebuild programme. Cash limit change is requested for this additional funding.</p> <p>The rephasing is due to: -£1.623m Cable Wharf Primary – replacement school for Rosherville has been selected under the school rebuild programme for 1FE. KCC to add 1FE for a replacement 2FE school. Developer land transfer issues and planning conditions have led to rephasing.</p>
Basic Need KCP 21 (2022-26)	-0.091	-1.000	Rephasing relates to Sittingbourne non-selective, as a school has not yet been identified.
Basic Need KCP 23 (2024-28)		-1.256	The rephasing variance reflects unallocated budget rephased to future years.
High Needs Provision 22-24	-0.052	-9.087	<p>Rephasing is due to: -£1.905m Nexus Satellite – school is not yet identified. -£7.182m unallocated budget to be allocated to projects in future years.</p>
Childcare Expansion (Early Years)	-2.409		Real variance is due to grant payments under £10k made to childcare providers will be charged to revenue. The grant conditions allow for capital grant to be transferred to revenue to fund the expenditure.
Family Hubs and Start for Life Programme	+0.238		Additional grant for a joint programme by the DfE and Department of Health & Social Care (DoH&SC). Cash limit change requested for additional funding.

6c | Growth, Environment & Transport

Project	Real Variance	Rephasing Variance	Detail
Highways & Transportation			
Highway Asset Management, Annual Maintenance and Urgent Safety Critical Works	4.218	-0.485	The real variance is due to an unfunded overspend on structures (£3.9m) and an unfunded overspend on inspectors (£0.3m), and additional grant (£0.011m) for trees.
Integrated Transport Schemes under £1m	0.517		The real variance is due to various smaller integrated transport schemes that will be funded from additional external funding.
A228 and B2160 Junction Improvements with Badsell Road		-2.926	Flood Risk modelling has identified issues with the current scheme design. Therefore further design and drainage modelling needs to be carried out and alternative options explored. This is currently affecting the overall programme for the project and causing rephasing of the S106 contributions which are funding the delivery of this scheme.
North Thanet Link (formerly A28 Birchington, Acol and Westgate on Sea Relief Road)		-7.157	The spend profile has been updated to reflect most recent cost estimate and programme which in turn reflects probable timing of approval of the Outline Business Case from the Department for Transport (DfT). This will continue to be reviewed and updated as necessary.
A28 Chart Road, Ashford		-2.236	The current profile is based on the most recent project estimate of £29.7m which assumes start of construction in March 2025 for a period of 2 years. However there is still no certainty on the provision of the security bond from the developer, so the construction period is likely to slip further, and project costs increase in line with inflation.
Bearsted Road		-6.474	Offline works have continued to construct the new Harvestore access roads. Reductions in scope and value engineering opportunities are still being explored to meet the increased risk and contingency budget required on this project. An award of the full construction contract is still outstanding which requires further sign off and has caused delays.
Green Corridors		-2.308	Some spend for this project has been re-profiled into 2025/26 to reflect the updated construction timescales for the Green Corridors 3 programme.
Fastrack Full Network – Bean Road Tunnels		-6.295	Following the project being paused due to a funding gap, the availability of BSIP 2 funding has allowed work to start again to resubmit the planning application and to review the existing design and tender documents. This has led to a rephasing of available funds which are currently being

Project	Real Variance	Rephasing Variance	Detail
			reviewed through updated legal agreements.
Swale Housing Infrastructure Fund (HIF)		-3.101	The rephasing variance is due to delays in the commencement of the works contract whilst awaiting the sign off from National Highways, poor weather and road space clashes on the surrounding network (particularly M2 J5). The project is externally funded by the HIF fund from Homes England and a deed of variation has been agreed with Homes England to cover the programme delays where they have exceeded the original funding deadline.
Kent Active Travel Fund (KATF) Phase 2	-0.239		A change control has been requested from Active Travel England to transfer some unused budget to Sevenoaks Cycle Facility under KATF3. If agreed, a cash limit adjustment will be done.
Kent Active Travel Fund Phase 3	0.239		A change control has been requested from Active Travel England to transfer some unused budget to Sevenoaks Cycle Facility from KATF2. If agreed, a cash limit adjustment will be done.
Kent Strategic Thameside Programme (STIPS)		-2.383	The Thamesway project is on hold pending the outcome of the Northfleet Harbourside planning application and Ebbsfleet Central build out programme confirmation. This follows a decision by the Cabinet Member following Environment and Transport Cabinet Committee in January 2023, to amend the Thamesway project.
M20 Junction 7	0.144		This is a new project to increase capacity and reduce congestions at junction 7 of the M20. To be funded from developer contributions.
Market Square, Dover	-0.330		This project is being funded fully by Dover District Council (DDC) and KCC are drawing down funding directly from DDC. The project is nearing the end and is expected to come in at less than originally forecast. The cash limit will be reduced accordingly.
Moving Traffic Enforcement Service	0.199		This is to be funded from Bus Service Improvement Plan (BSIP) funding as it is funding for cameras on the fast track routes.
Folkestone – A Brighter Future		-5.066	Delays with the detailed design pushed back the tender timescales, construction is now expected to commence in November 24 and spend has been re-profiled to reflect the updated programme.
Environment & Circular Economy			
Energy and Water Efficiency Investment Fund – External	-0.175		The scheme is coming to an end and repayments will be made to Salix over the coming years to repay the 50% - a total of £0.34m.
Kings Hill Solar Farm	-0.141		There is a forecast underspend on this project, however there is the possibility that drainage

Project	Real Variance	Rephasing Variance	Detail
			works will need to be done which would negate the underspend. This will only be known 24 months after practical completion.
Growth & Communities			
Public Rights of Way	+0.151	-0.043	The real variance is due to additional developer contributions, for which cash limit change is requested.
Kent Empty Property Initiative	+0.115		The real variance is due to additional external funding due to KCC from the share of the Marsh Millions funds and district contributions to "top up" loans.
Kent & Medway Business Fund	-2.525		Money to be vired to the Small Business Boost Fund.
Kent & Medway Business Fund – Small Business Boost	+2.525		Money to be vired from the Kent & Medway Business Fund.

6d | Chief Executive's Department

There are no major variances to report

6e | Deputy Chief Executive's Department

Project	Real Variance	Rephasing Variance	Detail
Unaccompanied Asylum-Seeking Children (UASC) Additional Accommodation Requirements	+4.047		The real variance is due to this project continually evolving and the full extent was not known and budgeted at the start of the year. The project is expected to be fully funded from Central Government.
Strategic Estate Programme		-5.012	This has been rephased as there has been a delay on the decision of which option to proceed with.
Dover Discovery Centre	+0.748		£0.431m variance is due to works that will be funded from Salix grant, which is not yet in the cash limit. The remaining variance is likely to reduce as there is ongoing work to identify abortive costs relating to a previous design which need to be transferred to revenue. Once the figure is agreed this will be reported on both the revenue and capital side.

7 | Capital Budget Changes

Cabinet is asked to approve the following changes to the Capital Budget:

Project	Year	Amount (£m)	Reason
Adult Social Care & Health			
Learning Disabled Good Day Programme	24-25	+0.069	Increase developer contributions to fund electronic care planning equipment.
Learning Disabled Good Day Programme	24-25	+0.016	Increase grant to fund electronic care planning equipment.
Children, Young People & Education			
Modernisation Programme	24-25	+0.256	Increase developer contributions relating to St Lawrence school in Thanet.
Basic Need KCP 2018	26-27	-0.400	Decrease developer contributions in relation to Dartford Bridge Primary, now to be transferred to Ebbsfleet Primary which is in Basic Need KCP 24-28.
	27-28	-2.717	
	28-29	-0.250	
Basic Need KCP 2019	24-25	+6.000	Additional school rebuild programme grant from the DfE for Cable Wharf.
	24-25	+0.075	Additional external funding for Cable Wharf.
Basic Need KCP 21 (22-26)	25-26	-0.246	Decrease of developer contributions as the project has been removed.
Basic Need KCP 22 (23-27)	25-26	-0.550	Basic need grant to be vired to High Needs for the Whitfield Aspen project.
Basic Need KCP 22 (23-27)	25-26	+0.220	Additional developer contributions relating to Lenham Primary.
	27-28	+1.117	Additional developer contributions relating to St Joseph's Catholic Primary and St Mary of Charity schools.
Basic Need KCP 23 (24-28)	24-25	+3.367	Transfer of developer contributions from Basic Need KCP 2018 in relation to Dartford Bridge Primary, now being used for Ebbsfleet Primary.
Basic Need KCP 23 (24-28)	25-26	+1.443	Additional developer contributions for Herne Bay High.
	26-27	+6.403	Additional developer contributions for Herne Bay High (£5.5m) and Hawkhurst (£0.9m).
	27-28	+0.677	Additional developer contributions for Herne Bay High.
High Needs 22-24	25-26	+0.550	Basic need grant to be vired from Basic Need KCP 22 (23-

Project	Year	Amount (£m)	Reason
			27) for the Whitfield Aspen project.
Family Hubs and Start for Life Programme	24-25	+0.238	Additional grant given for this programme.
Virtual School Kent	24-25	+0.040	Additional covid funding agreed
Children's High Costs Placement Project (Project Athena)	24-25	+0.019	Virement of capital receipt funding from the feasibility fund for feasibility works on this project
	25-26	+0.006	
Growth, Environment & Transport			
Public Rights of Way	24-25	+0.151	Additional developer contributions
Kent and Medway Business Fund	24-25	-2.525	To vire monies from the Kent & Medway Business Fund to the Kent and Medway Business Fund - Small Business Boost.
	25-26	-2.382	
	26-27	-3.093	
	27-28	-2.664	
	28-29	-2.232	
	29-30	+1.862	
Kent and Medway Business Fund – Small Business Boost	24-25	+1.743	To vire monies from the Kent & Medway Business Fund to the Kent and Medway Business Fund - Small Business Boost.
	25-26	+1.778	
	26-27	+1.813	
	27-28	+1.849	
	28-29	+1.876	
	29-30	+1.975	
Kent Empty Property Initiative	24-25	+0.115	Additional external funding
Highway Asset Management, Annual Maintenance and Urgent Safety Critical Works	25-26	+0.011	Additional grant funding received related to trees.
Chief Executive's Department			
Feasibility Fund	24-25	-0.025	Virement to CYPE for feasibility works (capital receipt funding) on Children's High-Cost Placements project (Project Athena).

8 | Reserves Monitoring

All figures in £m

Reserve	Opening Balance 01/04/24	Forecast Contribution / Drawdown	Projected Balance 31/03/25	Details of key movements
General Fund	-43.2	-16.2	-59.4	£5.1m contribution to reserves in order to maintain general reserves at 5% of the net revenue budget. £11.1m contribution to repay the drawdown required in 2022-23 to fund the overspend (£11.1m also required in 2025-26)
Earmarked Reserves				
Vehicle, Plant & Equipment	-22.6	2.2	-20.4	Drawdowns and contributions to manage purchasing assets with a life of more than one financial year. There are planned drawdowns of £3.0m to replace assets that have come to the end of their useful life and £0.8m contributions to fund renewing assets in future years
Smoothing	-148.7	8.7	-140.0	Includes a £9.1m drawdown budgeted support to the 2024-25 budget
Major Projects	-41.0	6.4	-34.6	Includes a £6.8m drawdown for the Oracle Cloud Programme
Partnerships	-51.5	-5.4	-56.9	Includes £4.3m repayment of reserves used to support the 2023-24 budget.
Grant / External Funds	-16.2	5.8	-10.3	Drawdowns and contributions to manage fluctuations in spend funded externally or by grant. Significant net drawdowns include Helping Hands (£2.5m), Family Hubs and Start for Life grant (£1.1m) and the Urgent & Emergency Care Fund (£0.8m).
Departmental Over/Underspends	-2.8	19.1	16.3	£2.8m drawdown to fund roll forwards. £16.3m drawdown to fund forecast 2024-25 overspend. Any overspend at year end will need to be funded from an alternative reserve balance.
Insurance	-12.4	1.0	-11.4	Drawdown to cover forecast 2024-25 overspend on the Insurance Fund
Public Health	-17.0	3.8	13.2	Drawdown of Public Health reserve to fund one-off costs and to balance the 2024-25 budget plans
Trading	-1.7	0.0	-1.7	
Special Funds	-0.8	0.0	-0.8	
Total Earmarked Reserves	-314.6	41.6	272.9	

All figures in £m

Reserve	Opening Balance 01/04/24	Forecast Contribution / Drawdown	Projected Balance 31/03/25	Details of key movements
Total General Fund & Earmarked Reserves	357.6	25.5	332.1	
Schools	-58.6	1.0	-57.6	Drawdown to fund Academy Conversions
DSG Adjustment Account	103.4	22.2	125.6	The DSG Adjustment Account deficit has increased due to pressures in Schools Funding. More details can be found in Section 3g

9 | Treasury Management Monitoring

Treasury management relates to the management of the Council’s debt portfolio (accumulated borrowing to fund previous and current capital infrastructure investments) and investment of cash balances. The Council has a comparatively high level of very long-term debt, a significant proportion of which was undertaken through the previous supported borrowing regime.

9.1	Total external debt outstanding in June was £748.34m down by £23.55m since 31st March 2024	KCC debt includes £433.74m of borrowing from the Public Works Loans Board (PWLB). The vast majority is maturity debt (debt is only repaid upon maturity) at a fixed rate of interest. The average length to maturity of PWLB debt is 15.34 years at an average interest rate of 4.32%.
		Outstanding loans from banks amount to £216.10m. This is also at fixed term rates with average length to maturity of 37.98 years at an average interest rate of 4.54%.
		The council has £90m of Lender Option Borrower Option (LOBO) loans. These loans can only be renegotiated should the lender propose an increase in interest rates. The average length to maturity of LOBO loans is 39.63 years at an average interest rate of 4.15%.
		The balance of debt relates to loans for the LED streetlighting programme. The outstanding balance is £8.51m with an average of 16.09 years to maturity at an average rate of 2.85%.
		KCC’s principal objective for borrowing is to achieve an appropriately low risk balance between securing low interest rates and certainty of financing costs. This is achieved by seeking to fund capital spending from internal resources and short-term borrowing, only considering external long-term borrowing at advantageous interest rates.
9.2	Majority is long term debt with only 5.49% due to mature within 5 years	Maturity 0 to 5 years £41.08m (5.49%) ¹ Maturity 5 to 10 years £50.34m (6.73%) Maturity 10 to 20 years £266.03m (35.55%) Maturity over 20 years £390.90m (52.24%)
9.3	Total cash balance at end of June was £515.99m, up by £62.64m from the end of March 2024	Cash balances accrue from the council’s reserves and timing differences between the receipt of grants and other income and expenditure.

¹ Split across the next five years is as follows: Year 1 £0.08m, Year 2 £24.00m, Year 3 £17.00m, Year 4 £0.00m, and Year 5 £0.00m

9.4	Cash balances are invested in a range of short-term, medium term and long-term deposits	<p>Investments are made in accordance with the Treasury Management Strategy agreed by full Council alongside the revenue and capital budgets. The treasury management strategy represents a prudent approach to achieve an appropriate balance between risk, liquidity and return, minimising the risk of incurring losses on the sum invested. Longer term investments aim to achieve a rate of return equal or exceeding prevailing inflation rates.</p> <p>Short term deposits (same day availability) are held in bank accounts and money market funds. Current balances in short-term deposits in June were £140.89m (27.31% of cash balances). Short-term deposits enable the Council to manage liquidity. Bank accounts and money market funds are currently earning an average rate of return of 5.20%.</p> <p>Deposits are made through the Debt Management Office (an executive agency responsible for debt and cash management for the UK Government, lending to local authorities and managing certain public sector funds). As at the end of June, the Council had £64.10m in UK treasury bills and other deposits with the UK government. These deposits represent 12.42% of cash investments with an average rate of return of 5.19%.</p> <p>Medium term deposits include covered bonds, a form of secured bond issued by a financial institution that is backed by mortgages or public sector loans. In the UK the covered bond programmes are supervised by the Financial Conduct Authority (FCA). King and Shaxson acts as the Council's broker and custodian for its covered bond portfolio. As at the end of June, the Council had £117.95m invested in covered bonds earning an average rate of return of 4.74%.</p> <p>The Council has outstanding loans of £16.69m through the No Use Empty Loans programme which achieves a return of 4.50% that is available to fund general services. This total includes £1.59m of loans made (£0.90m received) since March 2024.</p> <p>Long term investments are made through Strategic Pooled Funds. These include a variety of UK and Global Equity Funds, Multi Asset Funds and Property Funds. In total the Council has £175.06m invested in pooled funds (33.93% of cash balances) as at 31 March 2024.</p>
9.5	Treasury Management Advice	<p>The Council secures external specialist treasury management advice from Link Group. They advise on the overall strategy as well as borrowing options and investment opportunities. Link Group provide regular performance monitoring reports.</p>

9.6 Quarterly and statutory reports The Governance and Audit Committee receives detailed statutory on a regular bi-annual basis (the Treasury Strategy Mid Year Update, and the Annual Treasury Outturn report), which are subsequently reported to County Council. Quarterly reports are reviewed by the Treasury Management Group (TMG). The TMG also reviews the three annual statutory reports

Treasury Management Indicators

9.7 The Council measures and manages its exposures to treasury management risks using the following indicators:

9.8 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its internally managed investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Actual 30/06/2024	Target
Portfolio average credit rating	AA+	AA-

9.9 Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing

Liquidity risk indicator	Actual 30/06/2024	Minimum
Total cash available within 3 months	£191.92m	£100m

9.10 **Interest rate exposures:** This indicator is set to control the Council’s exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates was:

Interest rate risk indicator	Actual 30/06/2024	Limit
One-year revenue impact of a 1% rise in interest rates	£3.23m	£10m
One-year revenue impact of a 1% fall in interest rates	-£3.23m	-£10m

9.11 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing were:

Interest rate risk indicator	Actual 30/06/2024	Upper limit	Lower limit
Under 12 months	0.01%	100%	0%
12 months and within 5 years	5.48%	50%	0%
5 years and within 10 years	6.73%	50%	0%
10 years and within 20 years	35.55%	50%	0%
20 years and within 40 years	26.78%	50%	0%
40 years and longer	25.46%	50%	0%

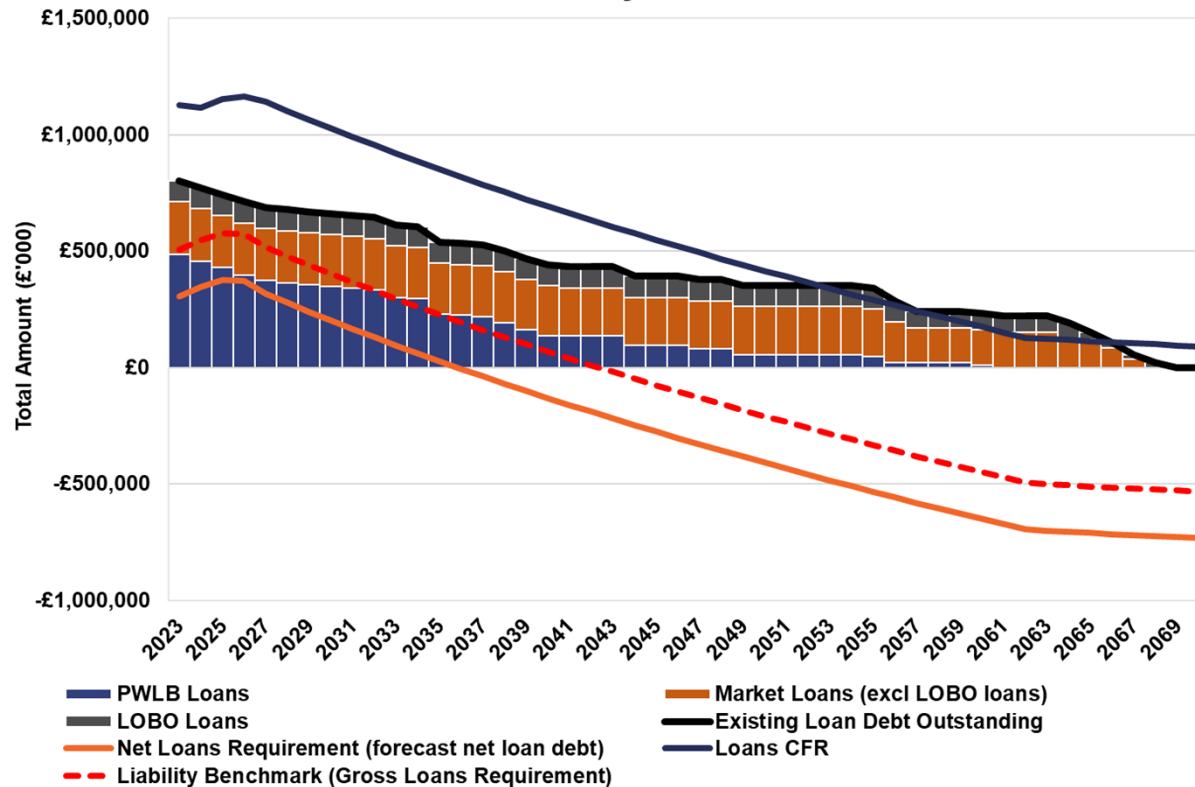
Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

9.12 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

Price risk indicator	2024/25	2025/26	2026/27	No Fixed Date
Limit on principal invested beyond year end	£150m	£100m	£50m	£250m
Actual as at 30 June 2024	£70.75m	£49.84m	£9.51m	£193.05m

Prudential Indicator: Liability Benchmark

Liability Benchmark



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The liability benchmark chart shows the Council should be able to accommodate the movement in Loans CFR through additional internal borrowing given the resources on the balance sheet if it wants to maintain treasury investments at the £200m liquidity allowance. However, this is based on the current assumption with regards to movement in reserves and that the working capital position remains at the 31/03/2023 level of £300m. It also assumes that the liquidity allowance of £200m remains appropriate given the £172m of external investments currently invested with fund managers over a long-term investment time horizon.

10 | Appendices

Appendix 1 – Key Service Statement

Appendix 2 – Savings

Appendix 3 – Revenue Budget Changes

Appendix 4 – Prudential Indicators Monitoring

Appendix 1 - Key Service Statement

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
Adult Social Care & Health				
Adult Social Care & Health Operations				
	Adaptive & Assistive Technology	0.6	0.8	0.1
	Adult Case Management & Assessment Services	40.7	41.9	1.2
	Adult In House Carer Services	2.4	2.7	0.2
	Adult In House Community Services	6.0	6.1	0.1
	Adult In House Enablement Services	6.5	7.4	0.9
	Adult Learning & Physical Disability Pathway - Community Based Services	0.0	0.0	0.0
	Adult Learning & Physical Disability pathway - Residential Care Services & Support for Carers	0.0	0.0	0.0
	Adult Learning Disability - Community Based Services & Support for Carers	127.1	130.1	2.9
	Adult Learning Disability - Residential Care Services & Support for Carers	79.6	79.1	-0.4
	Adult Mental Health - Community Based Services	21.2	28.2	7.0
	Adult Mental Health - Residential Care Services	21.4	21.7	0.3
	Adult Physical Disability - Community Based Services	32.9	36.0	3.1
	Adult Physical Disability - Residential Care Services	24.5	26.8	2.3
	ASCH Operations - Divisional Management & Support	6.8	6.7	-0.1
	Independent Living Support	1.0	1.0	-0.1
	Older People - Community Based Services	35.4	39.3	3.9
	Older People - In House Provision	15.8	17.5	1.7
	Older People - Residential Care Services	97.5	105.9	8.4
	Older People & Physical Disability Carer Support - Commissioned	1.7	2.8	1.1
	Sensory - Assessment Service	0.7	0.7	-0.0
	Sensory - Community Based Services	0.3	0.5	0.2
	Sensory - Residential Care Services	0.0	0.1	0.0
	Statutory and Policy Support	1.7	2.0	0.3
	Strategic Safeguarding	0.7	0.7	-0.0
	Adult Social Care & Health Operations Total	524.5	557.7	33.2

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
Strategic Commissioning (Integrated and Adults)				
	Community Based Preventative Services	7.5	9.1	1.5
	Housing Related Support	1.5	1.5	-0.0
	Partnership Support Services	0.0	0.0	0.0
	Social Support for Carers	3.0	2.4	-0.6
	Strategic Commissioning (Integrated and Adults)	2.4	2.6	0.2
	Transformation Delivery and support	7.8	7.8	0.0
	Strategic Commissioning (Integrated and Adults) Total	22.2	23.4	1.1
Strategic Management & Directorate Budgets (ASCH)				
	Innovation and Partnership	3.3	3.1	-0.2
	Operational and transformation costs pending allocation	1.5	1.5	-0.0
	Provision for Demographic Growth - Community Based Services	15.8	6.1	-9.6
	Provision for Demographic Growth - Residential Based Services	12.5	4.9	-7.6
	Strategic Management & Directorate Support (ASCH)	6.1	5.8	-0.3
	Strategic Management & Directorate Budgets (ASCH) Total	39.2	21.4	-17.8
Public Health				
	Public Health - Advice and Other Staffing	0.0	0.0	0.0
	Public Health - Children's Programme	0.0	-0.0	-0.0
	Public Health - Healthy Lifestyles	0.0	0.0	0.0
	Public Health - Mental Health, Substance Misuse & Community Safety	0.0	-0.0	-0.0
	Public Health - Sexual Health	0.0	0.0	0.0
	Public Health Total	0.0	-0.0	-0.0
Adult Social Care & Health Total		585.9	602.5	16.5

		£m			
Directorate, Division & Key Service		Working Budget	Forecast	Variance	
Children, Young People & Education					
Education & Special Educational Needs					
	Community Learning & Skills (CLS)	-0.1	0.8	0.9	
	Early Years Education	0.0	0.0	0.0	
	Education Management & Division Support	1.5	1.4	-0.1	
	Education Services provided by The Education People	4.0	4.2	0.2	
	Fair Access & Planning Services	0.6	0.6	0.0	
	Home to School & College Transport	96.3	96.2	-0.1	
	Other School Services	5.8	7.9	2.1	
	Pupil Referral Units & Inclusion	0.0	0.0	0.0	
	Special Educational Needs & Psychology Services	17.5	17.4	-0.0	
	Education & Special Educational Needs Total	125.5	128.5	2.9	
Page 61	Integrated Children's Services (Operations and County Wide)				
		Adoption & Special Guardianship Arrangements & Service	17.6	17.7	0.0
		Adult Learning & Physical Disability Pathway - Community Based Services	46.7	44.6	-2.1
		Adult Learning & Physical Disability pathway - Residential Care Services & Support for Carers	8.3	8.4	0.2
		Asylum	0.3	0.3	-0.0
		Care Leavers Service	5.6	5.3	-0.3
		Children in Need - Care & Support	3.6	3.7	0.1
		Children in Need (Disability) - Care & Support	8.6	8.6	0.0
		Childrens Disability 0-18 Commissioning	1.8	1.7	-0.0
		Children's Social Work Services - Assessment & Safeguarding Service	52.1	51.9	-0.2
		Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	9.9	9.9	-0.1
		Early Help & Preventative Services	2.9	2.8	-0.2
		Family Hubs	8.4	8.3	-0.1
		Integrated Services (Children's) Management & Directorate Support	6.4	6.3	-0.2
		Looked After Children - Care & Support	102.0	102.0	-0.0
		Looked After Children (with Disability) - Care & Support	22.5	22.8	0.2
		Looked After Children (with Disability) - In House Provision	3.9	3.7	-0.2
		Integrated Children's Services (Operations and County Wide) Total	300.8	297.9	-2.9

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
Strategic Management & Directorate Budgets (CYPE)				
Strategic Management & Directorate Budgets (CYPE)		4.3	4.4	0.1
Children, Young People & Education Total (Excluding Schools' Delegated Budgets)		430.6	430.7	0.1
Schools' Delegated Budgets				
Schools' Delegated Budgets		0.0	23.1	23.1
Children, Young People & Education Total (Including Schools' Delegated Budgets)		430.6	453.8	23.2
Growth, Environment & Transport				
Environment & Circular Economy				
Environment				
		3.6	3.8	0.1
Environment and Circular Economy Divisional management costs		2.3	2.4	0.1
Residual Waste				
		52.6	53.0	0.4
Waste Facilities & Recycling Centres		38.8	40.7	1.9
Environment & Circular Economy Total		97.3	99.9	2.5
Growth & Communities				
Community (Assets & Services)				
		2.3	2.3	0.0
Community Protection				
		12.0	11.8	-0.2
Growth - Economy				
		1.7	1.8	0.1
Growth - Place				
		3.8	3.7	-0.1
Growth and Communities Divisional management costs		0.5	0.5	-0.0
Libraries, Registration & Archives				
		11.1	11.0	-0.1
Growth & Communities Total		31.3	30.9	-0.4

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
Highways & Transportation				
	English National Concessionary Travel Scheme (ENCTS)	13.0	15.9	2.9
	Highway Assets Management	38.7	39.7	1.1
	Highways & Transportation divisional management costs	4.0	4.2	0.1
	Kent Karrier	0.0	0.0	0.0
	Kent Travel Saver (KTS)	5.1	5.1	0.0
	Supported Bus Services	5.8	5.8	0.0
	Transportation	6.4	6.4	0.0
	Highway & Transportation Total	72.9	77.0	4.1
Strategic Management & Directorate Budgets (GET)				
	Strategic Management & Directorate Budgets (GET)	1.4	1.4	0.0
	Growth, Environment & Transport Total	202.9	209.2	6.2
Chief Executive's Department				
Commercial & Procurement				
	Commercial & Procurement	3.1	3.0	-0.1
	Strategic Commissioning	0.0	0.0	0.0
	Commercial & Procurement Total	3.1	3.0	-0.1
Finance				
	Finance	10.1	10.2	0.0
	Grants to Kent District Councils to maximise Council Tax collection	3.7	3.7	0.0
	Finance Total	13.9	13.9	0.0
Governance, Law & Democracy				
	Governance & Law	7.5	7.5	-0.0
	Local Member Grants	1.0	0.5	-0.5
	Governance, Law & Democracy Total	8.4	8.0	-0.5

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
Strategy, Policy, Relationships & Corporate Assurance				
	Childrens and Adults Safeguarding Services	0.4	0.4	0.0
	Resettlement Schemes, Domestic Abuse and Civil Society Strategy	0.4	0.4	-0.0
	Strategy, Policy, Relationships & Corporate Assurance	4.8	4.8	0.0
	Strategy, Policy, Relationships & Corporate Assurance Total	5.6	5.6	0.0
Strategic Management & Departmental Budgets (CED)				
	Strategic Management & Departmental Budgets	-0.7	-1.0	-0.3
	Chief Executive's Department Total	30.3	29.4	-0.9
Deputy Chief Executive's Department				
	Corporate Landlord			
	Corporate Landlord	29.0	28.5	-0.4
	Human Resources & Organisational Development			
	Human Resources & Organisational Development	5.4	5.2	-0.2
	Infrastructure			
	Emergency Planning	0.0	0.0	0.0
	Kent Resilience	0.7	0.5	-0.2
	Property related services	8.1	8.3	0.2
	Infrastructure Total	8.8	8.8	-0.0
	Marketing & Resident Experience			
	Marketing & Digital Services	2.0	2.1	0.1
	Resident Experience - Contact Centre; Gateways; Customer care & Complaints	5.0	4.9	-0.1
	Marketing & Resident Experience Total	6.9	7.0	0.0

		£m		
Directorate, Division & Key Service		Working Budget	Forecast	Variance
	Technology			
	Technology	26.1	26.1	0.0
	Strategic Management & Departmental Budgets (DCED)			
	Business & Client Relationships	2.5	2.4	-0.0
	Health & Safety	0.4	0.4	-0.0
	Strategic Management & Departmental Support	1.4	1.2	-0.2
	Strategic Reset Programme	1.6	1.6	-0.0
	Strategic Management & Departmental Budgets (DCED) Total	5.9	5.6	-0.3
	Deputy Chief Executive's Department Total	82.2	81.3	-0.9
	Non Attributable Costs			
	Non Attributable Costs	102.8	95.7	-7.1
	Corporately Held Budgets			
	Corporately Held Budgets (to be allocated)	-2.4	-0.1	2.3
	Grand Total	1,432.3	1,471.7	39.4
	Directorate Summary			
	Adult Social Care & Health	585.9	602.5	16.5
	Children, Young People & Education	430.6	430.7	0.1
	Growth, Environment & Transport	202.9	209.2	6.2
	Chief Executive's Department	30.3	29.4	-0.9
	Deputy Chief Executive's Department	82.2	81.3	-0.9
	Non Attributable Costs	102.8	95.7	-7.1
	Corporately Held Budgets	-2.4	-0.1	2.3
	Total	1,432.3	1,448.6	16.3
	Schools' Delegated Budgets	0.0	23.1	23.1
	Grand Total	1,432.3	1,471.7	39.4

Appendix 2 - Savings

Saving	£000s				Total Forecast	Variance	Un-deliverable	To be achieved in future years
	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)				
Adult Social Care & Health								
Alternate Provision Brand New Starts (DP)	-3,041.1	-2,178.9	0.0	0.0	-2,178.9	862.3	0.0	-862.3
Technology Enabled Lives Service (TELS)	-2,049.0	-2,049.0	0.0	0.0	-2,049.0	0.0	0.0	0.0
Full Self-Service Solution (Front Door)	-407.9	-407.9	0.0	0.0	-407.9	0.0	0.0	0.0
Reviews: Supported Living (Q&S) & First Reviews (23/24)	-656.8	-1,105.6	0.0	0.0	-1,105.6	-448.8	0.0	0.0
Efficiencies through Enablement	-3,500.0	-3,500.0	0.0	0.0	-3,500.0	0.0	0.0	0.0
Initial Contact (Front Door)	-1,400.0	-1,400.0	0.0	0.0	-1,400.0	0.0	0.0	0.0
Rehabilitation and Alternate Support for MH	-3,300.0	-259.2	0.0	0.0	-259.2	3,040.8	0.0	-3,040.8
Supported Living - LD	-900.0	-900.0	0.0	0.0	-900.0	0.0	0.0	0.0
In-House Short Term Beds (Maximisation)	-1,500.0	-1,500.0	0.0	0.0	-1,500.0	0.0	0.0	0.0
Reduction in Residential and Nursing Placements	-2,900.0	-2,175.0	0.0	0.0	-2,175.0	725.0	0.0	-725.0
Occupational Therapists	-2,500.0	-2,500.0	0.0	0.0	-2,500.0	0.0	0.0	0.0
Partnership Working (Section 117)	-2,200.0	-171.4	0.0	0.0	-171.4	2,028.6	0.0	-2,028.6
Partnership Working (CHC)	-1,800.0	-1,800.0	0.0	0.0	-1,800.0	0.0	0.0	0.0
Reviews: First Reviews	-2,300.0	-3,098.2	0.0	0.0	-3,098.2	-798.2	0.0	0.0
Reviews: Ongoing Reviews	-1,200.0	-1,200.0	0.0	0.0	-1,200.0	0.0	0.0	0.0
Short Term Pathways: Timely Allocation of Workers	-500.0	-500.0	0.0	0.0	-500.0	0.0	0.0	0.0
Efficiency Savings in relation to the purchasing of residential care	-8,000.0	-4,000.0	0.0	0.0	-4,000.0	4,000.0	0.0	-4,000.0
Efficiency Savings in relation to the purchasing of care and support in the home	-3,400.0	-3,400.0	0.0	0.0	-3,400.0	0.0	0.0	0.0
Efficiencies from new contract for the supply of equipment for adult social care clients	-900.0	-900.0	0.0	0.0	-900.0	0.0	0.0	0.0
Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - Older People	-6,400.0	-6,400.0	0.0	0.0	-6,400.0	0.0	0.0	0.0
Estimated annual inflationary increase in Better Care Fund - Older People	-2,188.0	-2,188.0	0.0	0.0	-2,188.0	0.0	0.0	0.0
Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - Vulnerable Adults	-1,600.0	-1,600.0	0.0	0.0	-1,600.0	0.0	0.0	0.0
Estimated annual inflationary increase in Better Care Fund - Vulnerable Adults	-179.5	-179.5	0.0	0.0	-179.5	0.0	0.0	0.0
Estimated annual inflationary increase in Better Care Fund - Adult Social Care Staffing	-99.8	-99.8	0.0	0.0	-99.8	0.0	0.0	0.0
Estimated annual inflationary increase in Better Care Fund - Integrated Community Equipment Service and Assistive Technology	-4.4	-4.4	0.0	0.0	-4.4	0.0	0.0	0.0
Review of the Adults Charging Policy, in line with Care Act legislation and the statutory guidance	-2,600.0	-2,376.0	0.0	0.0	-2,376.0	224.0	0.0	-224.0
One-off contribution from Public Health for Mental Health Live Well Kent contract	-1,000.0	-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0
2022-23 Slipped Savings - review of all contracts	-4,388.5	-4,388.5	0.0	0.0	-4,388.5	0.0	0.0	0.0
Adult Social Care - Consistently adhere to our policy framework in relation to areas such as: Third Party Top Ups; arranging support and debt for self-funders; transport and maximisation of relevant benefits; use of in house provision and occupancy to reduce reliance on external purchasing of short term beds; people in residential care in receipt of other services; timely reviews of Section 117 status with regard to charging	-851.4	-371.4	0.0	0.0	-371.4	480.0	480.0	0.0
Adult Social Care contracts with Voluntary Sector	-3,216.8	0.0	0.0	-2,304.2	-2,304.2	912.6	0.0	-3,216.8
Adult Social Care PFI	-147.0	-147.0	0.0	0.0	-147.0	0.0	0.0	0.0
Redesign of In House Adult Social Care Services	-1,456.4	-34.9	0.0	0.0	-34.9	1,421.5	0.0	-1,421.5
Additional income from NHSE to fund increased costs linked to HIV prevention	-275.2	-275.2	0.0	0.0	-275.2	0.0	0.0	0.0
Estimated additional income for externally funded posts	-6.1	-6.1	0.0	0.0	-6.1	0.0	0.0	0.0
Review of Public Health Services principally related to Healthy Lifestyles to ensure spending is contained within ringfenced grant	-9.2	0.0	0.0	-9.2	-9.2	0.0	0.0	-9.2
Adult Social Care & Health Total	-66,877.1	-52,116.0	0.0	-2,313.4	-54,429.4	12,447.7	480.0	-15,528.1

Saving	£000s				Total Forecast	Variance	Un-deliverable	To be achieved in future years
	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)				
Children, Young People & Education								
Estimated reduction to the impact of rising pupil population on SEN Home to School and College Transport	-6,300.0	-6,300.0	0.0	0.0	-6,300.0	0.0	0.0	0.0
Implement strategies to reduce the cost of packages for looked after children, including working with Health Review of 18-25 community-based services: ensuring strict adherence to policy, review of packages with high levels of support and enhanced contributions from health	-1,000.0	-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0
Expanding the reach of caseholding Early Help services	-650.0	-650.0	0.0	0.0	-650.0	0.0	0.0	0.0
Review of children with disability packages ensuring strict adherence to policy, review packages with high levels of support and enhanced contributions from health	-560.0	-560.0	0.0	0.0	-560.0	0.0	0.0	0.0
Explore strategies, including statutory guidance, to reduce dependency on social work agency staff	-550.0	-550.0	0.0	0.0	-550.0	0.0	0.0	0.0
Initiatives to increase use of Personal Transport Budgets to reduce demand for Hired Transport	-300.0	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0
Reduction in the number of Historic Pension Arrangements - CYPE Directorate	-300.0	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0
Adoption Service	-206.0	0.0	0.0	0.0	0.0	206.0	0.0	-206.0
Uplift in social care client contributions in line with estimated benefit and other personal income uplifts, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams - 0-25	-200.0	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0
Kent 16+ Travel Saver price realignment to offset bus operator inflationary fare increases	-120.0	-120.0	0.0	0.0	-120.0	0.0	0.0	0.0
Review our offer to schools in light of the latest DFE funding changes and guidance including exploring alternative funding arrangements and engaging in efficiency measure to reduce costs	-100.0	-100.0	0.0	0.0	-100.0	0.0	0.0	0.0
Review of youth services offer: cease commissioned youth services contracts	-1,200.0	-1,200.0	0.0	0.0	-1,200.0	0.0	0.0	0.0
Introduction of charging for post 16 SEN transport and reductions to the Post 19 transport offer	-913.0	-913.0	0.0	0.0	-913.0	0.0	0.0	0.0
Review of open access services in light of implementing the Family Hub model	-781.0	-781.0	0.0	0.0	-781.0	0.0	0.0	0.0
Development of in-house residential units to provide an alternative to independent sector residential care placements (invest to save)	-400.0	-400.0	0.0	0.0	-400.0	0.0	0.0	0.0
Efficiency: Adult Social Care – Consistently adhere to our policy framework in relation to areas such as: Third Party Top Ups; arranging support and debt for self-funders; transport and maximisation of relevant benefits; use of in house provision and occupancy to reduce reliance on external purchasing of short term beds; people in residential care in receipt of other services; timely reviews of Section 117 status with regard to charging	100.0	100.0	0.0	0.0	100.0	0.0	0.0	0.0
Efficiency: Children's Social Care – Review of Legal Services Spend through cost efficiencies by Invicta Law and review of the use of legal services by social workers	-250.0	-250.0	0.0	0.0	-250.0	0.0	0.0	0.0
Efficiency: 18-25 Adult Social Care Supporting Independence Service – Review of 18-25 community-based services: ensuring strict adherence to policy, review of packages with high levels of support and enhanced contributions from health	-550.0	-550.0	0.0	0.0	-550.0	0.0	0.0	0.0
Income: Kent 16+ Travel Saver	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Policy: Care Leavers – Pursue a policy where independence is reached by a Young Person's 19th birthday	-300.0	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0
Policy: Disabled Children's Placements – Review of children with disability packages ensuring strict adherence to policy, review packages with high levels of support and enhanced contributions from health	-700.0	-700.0	0.0	0.0	-700.0	0.0	0.0	0.0
Policy: Review of Open Access – Youth Services & Children's Centres – review of open access services in light of implementing the Family Hub model	-750.0	-750.0	0.0	0.0	-750.0	0.0	0.0	0.0
Policy: Review of Open Access Estate – Youth Provision & Children's Centres	-300.0	-300.0	0.0	0.0	-300.0	0.0	0.0	0.0
Policy: Services to Schools – Review our offer to schools in light of the latest DFE funding changes and guidance including exploring alternative funding arrangements and engaging in efficiency measure to reduce costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transformation: Looked After Children – Reduce the recent increase in the number of Looked After Children placements through practice reviews & improved court proceedings	-400.0	0.0	0.0	-400.0	-400.0	0.0	0.0	-400.0
Children, Young People & Education Total	-16,730.0	-16,124.0	0.0	-400.0	-16,524.0	206.0	0.0	-606.0

Saving	£000s					Total Forecast	Variance	Un-deliverable	To be achieved in future years
	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)					
Growth, Environment & Transport									
Review of green waste contract, with market analysis indicating a reduction in gate fee	-621.0	0.0	0.0	0.0	0.0	621.0	621.0	0.0	
Review of the services and as aspiration for all three to be amalgamated to ensure synergies achieved in systems/back office functions and to limit any reduction in service levels	-150.0	-150.0	0.0	0.0	-150.0	0.0	0.0	0.0	
Increased waste material segregation, increased re-use, black-bag splitting and trade waste recycling with a view to generating income or reducing cost	-105.0	-105.0	0.0	0.0	-105.0	0.0	0.0	0.0	
Work with Kent District Councils to deliver savings from improving kerbside food waste recycling rates	-80.0	0.0	0.0	0.0	0.0	80.0	0.0	-80.0	
Review of all Highways & Transportation fees and charges, that are to be increased annually in line with inflation	-50.0	-50.0	0.0	0.0	-50.0	0.0	0.0	0.0	
Temporary reduction in spend on weatherproofing windmills	-50.0	-50.0	0.0	0.0	-50.0	0.0	0.0	0.0	
Withdraw the remaining contribution to the KCC hosted Active Kent and Medway.	-28.0	-28.0	0.0	0.0	-28.0	0.0	0.0	0.0	
Reduction to the Arts Investment Fund, which provides grants to Kent-based arts organisations	-25.0	-25.0	0.0	0.0	-25.0	0.0	0.0	0.0	
Kent Travel Saver price realignment to offset bus operator inflationary fare increases	-463.5	-463.5	0.0	0.0	-463.5	0.0	0.0	0.0	
Review of Highways income based on current/projected activity levels	-400.0	-400.0	0.0	0.0	-400.0	0.0	0.0	0.0	
A review of income levels and fees and charges in relation to existing service income streams	-200.0	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	
Income from traffic management penalties including contravening traffic restrictions, box junctions and bus lanes	-100.0	-100.0	0.0	0.0	-100.0	0.0	0.0	0.0	
Use of grant funding to support project & scheme costs	-100.0	-100.0	0.0	0.0	-100.0	0.0	0.0	0.0	
Increased income within Kent Scientific Services for toxicology analysis for the Coroners Service	-56.0	-56.0	0.0	0.0	-56.0	0.0	0.0	0.0	
Grant funding to support Electric Vehicle Strategy	-50.0	-50.0	0.0	0.0	-50.0	0.0	0.0	0.0	
One-off increase in profit share from East Kent Opportunities LLP	-50.0	-50.0	0.0	0.0	-50.0	0.0	0.0	0.0	
Increased contribution from Medway Council under SLA relating to increasing costs for provision of Coroner service in Medway	-49.0	-49.0	0.0	0.0	-49.0	0.0	0.0	0.0	
Inflationary increase in income levels and pricing policy for Kent Scientific Services	-45.0	-45.0	0.0	0.0	-45.0	0.0	0.0	0.0	
Inflationary increase in fees and charges	-1.4	-1.4	0.0	0.0	-1.4	0.0	0.0	0.0	
Savings from reduced incentivisation payments to districts from the proposed introduction of Extended Producer Responsibility (EPR) legislation and where DEFRA will incentivise districts directly.	-1,300.0	-609.0	0.0	-500.0	-1,109.0	191.0	691.0	0.0	
Review of Community Warden Service to deliver a £1m saving which is likely to result in an overall reduction in wardens	-433.0	-433.0	0.0	0.0	-433.0	0.0	0.0	0.0	
Review of level of campaigns and related activity within Road Safety	-200.0	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	
Review of staffing levels within Trading Standards service. Mix of one-off and permanent savings.	-60.8	-60.8	0.0	0.0	-60.8	0.0	0.0	0.0	
Adjustment of Trading Standards legal costs as Courts recover post-Covid	-55.0	-55.0	0.0	0.0	-55.0	0.0	0.0	0.0	
Savings from delayed recruitment	-50.0	-50.0	0.0	0.0	-50.0	0.0	0.0	0.0	
Efficiency: Waste -Increased waste material segregation, increased re-use, black-bag splitting and trade waste recycling with a view to generating income or reducing cost	-400.0	0.0	0.0	0.0	0.0	400.0	0.0	-400.0	
Income: Kent Travel Saver – Kent Travel Saver price realignment to offset an increase in bus operator inflationary fare increases in 2022-23 above the budgeted amount	-1,000.0	-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0	
Income: Kent Travel Saver (formerly Young Person's Travel Pass) – Kent Travel Saver price realignment to offset bus operator inflationary fare increases	-1,500.0	-1,500.0	0.0	0.0	-1,500.0	0.0	0.0	0.0	
Policy: Highways Winter Service – Review of highways winter service policy including service levels, salting runs and network, resulting in reduced network coverage and detrimental impact on Keeping Kent Moving policy	-100.0	-100.0	0.0	0.0	-100.0	0.0	0.0	0.0	
Policy: Household Waste Recycling Centres (HWRC) – Review of the number and operation of HWRC sites	-500.0	0.0	0.0	0.0	0.0	500.0	500.0	0.0	
Policy: Review of Community Wardens	-500.0	-500.0	0.0	0.0	-500.0	0.0	0.0	0.0	
Growth, Environment & Transport Total	-8,722.7	-6,430.7	0.0	-500.0	-6,930.7	1,792.0	1,812.0	-480.0	

Saving	£000s				Total Forecast	Variance	Un-deliverable	To be achieved in future years
	2024-25 Savings Target	Forecast against original saving	Forecast against alternative saving (ongoing)	Forecast against alternative saving (one-off)				
Chief Executive's Department								
Reduction in the number of Historic Pension Arrangements within CED Directorate	-250.0	-250.0	0.0	0.0	-250.0	0.0	0.0	0.0
Efficiencies within the Member support administration	-5.0	-5.0	0.0	0.0	-5.0	0.0	0.0	0.0
Cease Early Intervention Payments to District Councils	-82.5	0.0	0.0	-82.5	-82.5	0.0	0.0	-82.5
Review of Committee support arrangements	-20.0	0.0	0.0	-20.0	-20.0	0.0	0.0	-20.0
Chief Executive's Department Total	-357.5	-255.0	0.0	-102.5	-357.5	0.0	0.0	-102.5
Deputy Chief Executive's Department								
Property savings from a review of specialist assets	-45.0	-45.0	0.0	0.0	-45.0	0.0	0.0	0.0
Review of Office Assets	-763.9	-375.0	0.0	-388.9	-763.9	0.0	0.0	-388.9
Review of Community Delivery including Assets	-101.0	-101.0	0.0	0.0	-101.0	0.0	0.0	0.0
Income: Resilience and Emergency Planning - Additional income from reservoir work	-60.0	0.0	0.0	-60.0	-60.0	0.0	0.0	-60.0
Deputy Chief Executive's Department Total	-969.9	-521.0	0.0	-448.9	-969.9	0.0	0.0	-448.9
Non Attributable Costs								
Estimated increase in the income contribution from our limited companies, including a one-off increase in 2024-25.	-3,500.0	-3,500.0	0.0	0.0	-3,500.0	0.0	0.0	0.0
One-off use of capital receipts under the Governments flexible use of capital receipts policy, which allows authorities to use the proceeds from asset sales to fund the revenue costs of projects that will reduce costs, increase revenue or support a more efficient provision of services	-7,688.0	-7,688.0	0.0	0.0	-7,688.0	0.0	0.0	0.0
Increase in investment income largely due to the increase in base rate	-2,279.6	-4,108.4	0.0	0.0	-4,108.4	-1,828.8	0.0	0.0
Review amounts set aside for debt repayment (MRP) based on review of asset life	-1,000.0	-1,000.0	0.0	0.0	-1,000.0	0.0	0.0	0.0
Non Attributable Costs Total	-14,467.6	-16,296.4	0.0	0.0	-16,296.4	-1,828.8	0.0	0.0
Corporately Held Budgets								
The reduction in the volume and duration of agency staff	-750.0	-750.0	0.0	0.0	-750.0	0.0	0.0	0.0
Part year impact of further discretionary policy decisions and deep dive into contract renewals with consideration of reducing service specifications	-2,300.0	0.0	0.0	0.0	0.0	2,300.0	2,300.0	0.0
Corporately Held Budgets Total	-3,050.0	-750.0	0.0	0.0	-750.0	2,300.0	2,300.0	0.0
Total	-111,174.8	-92,493.1	0.0	-3,764.8	-96,257.9	14,916.9	4,592.0	-17,165.5

Appendix 3 - Revenue Budget Changes

		£000s		
Directorate, Division & Key Service		Base Budget	Working Budget	Movement
Adult Social Care & Health				
Adult Social Care & Health Operations				
	Adaptive & Assistive Technology	620.6	620.6	0.0
	Adult Case Management & Assessment Services	40,748.9	40,743.0	-5.9
	Adult In House Carer Services	2,444.8	2,444.6	-0.2
	Adult In House Community Services	6,038.3	6,037.5	-0.8
	Adult In House Enablement Services	6,457.7	6,508.4	50.7
	Adult Learning & Physical Disability Pathway - Community Based Services	0.0	0.0	0.0
	Adult Learning & Physical Disability pathway - Residential Care Services & Support for Carers	0.0	0.0	0.0
Page 70	Adult Learning Disability - Community Based Services & Support for Carers	126,506.5	127,106.7	600.2
	Adult Learning Disability - Residential Care Services & Support for Carers	78,229.9	79,563.3	1,333.4
	Adult Mental Health - Community Based Services	23,352.4	21,189.2	-2,163.2
	Adult Mental Health - Residential Care Services	21,073.8	21,374.3	300.5
	Adult Physical Disability - Community Based Services	34,350.2	32,858.3	-1,491.9
	Adult Physical Disability - Residential Care Services	24,132.6	24,487.7	355.1
	ASCH Operations - Divisional Management & Support	6,746.5	6,770.0	23.5
	Independent Living Support	1,040.3	1,037.3	-3.0
	Older People - Community Based Services	34,350.6	35,386.7	1,036.1
	Older People - In House Provision	16,374.0	15,795.0	-579.0
	Older People - Residential Care Services	97,180.5	97,456.6	276.1
	Older People & Physical Disability Carer Support - Commissioned	1,595.7	1,721.0	125.3
	Sensory - Assessment Service	753.4	718.2	-35.2
	Sensory - Community Based Services	284.1	284.1	0.0
Sensory - Residential Care Services	7.8	7.8	0.0	
Statutory and Policy Support	1,628.4	1,685.5	57.1	
Strategic Safeguarding	707.4	705.4	-2.0	
Adult Social Care & Health Operations Total		524,624.4	524,501.2	-123.2

		£000s		
Directorate, Division & Key Service		Base Budget	Working Budget	Movement
Strategic Commissioning (Integrated and Adults)				
	Community Based Preventative Services	7,549.6	7,549.6	0.0
	Housing Related Support	1,476.7	1,476.7	0.0
	Partnership Support Services	0.0	0.0	0.0
	Social Support for Carers	3,032.3	3,032.3	0.0
	Strategic Commissioning (Integrated and Adults)	2,333.2	2,393.2	60.0
	Transformation Delivery and support	8,196.3	7,759.5	-436.8
	Strategic Commissioning (Integrated and Adults) Total	22,588.1	22,211.3	-376.8
Strategic Management & Directorate Budgets (ASCH)				
	Innovation and Partnership	2,369.7	3,312.3	942.6
	Operational and transformation costs pending allocation	1,540.3	1,540.3	0.0
	Provision for Demographic Growth - Community Based Services	20,717.0	15,765.0	-4,952.0
	Provision for Demographic Growth - Residential Based Services	7,553.5	12,505.5	4,952.0
	Strategic Management & Directorate Support (ASCH)	6,553.2	6,077.2	-476.0
	Strategic Management & Directorate Budgets (ASCH) Total	38,733.7	39,200.3	466.6
Public Health				
	Public Health - Advice and Other Staffing	0.0	0.0	0.0
	Public Health - Children's Programme	0.0	0.0	0.0
	Public Health - Healthy Lifestyles	0.0	0.0	0.0
	Public Health - Mental Health, Substance Misuse & Community Safety	0.0	0.0	0.0
	Public Health - Sexual Health	0.0	0.0	0.0
	Public Health Total	0.0	0.0	0.0
Adult Social Care & Health Total		585,946.2	585,912.8	-33.4

		£000s			
Directorate, Division & Key Service		Base Budget	Working Budget	Movement	
Children, Young People & Education					
Education & Special Educational Needs					
	Community Learning & Skills (CLS)	-96.7	-101.8	-5.1	
	Early Years Education	0.0	0.0	0.0	
	Education Management & Division Support	1,504.6	1,504.6	0.0	
	Education Services provided by The Education People	3,962.0	3,962.0	0.0	
	Fair Access & Planning Services	612.8	590.3	-22.5	
	Home to School & College Transport	96,286.5	96,286.5	0.0	
	Other School Services	5,610.4	5,792.3	181.9	
	Pupil Referral Units & Inclusion	2.2	2.2	0.0	
	Special Educational Needs & Psychology Services	17,489.3	17,486.9	-2.4	
	Education & Special Educational Needs Total	125,371.1	125,523.0	151.9	
Page 72	Integrated Children's Services (Operations and County Wide)				
		Adoption & Special Guardianship Arrangements & Service	17,433.4	17,618.5	185.1
		Adult Learning & Physical Disability Pathway - Community Based Services	46,689.2	46,689.2	0.0
		Adult Learning & Physical Disability pathway - Residential Care Services & Support for Carers	8,257.5	8,257.5	0.0
		Asylum	7.6	333.4	325.8
		Care Leavers Service	5,437.4	5,594.8	157.4
		Children in Need - Care & Support	3,826.4	3,627.9	-198.5
		Children in Need (Disability) - Care & Support	8,642.5	8,642.5	0.0
		Children's Disability 0-18 Commissioning	1,771.4	1,771.4	0.0
		Children's Social Work Services - Assessment & Safeguarding Service	55,275.9	52,074.4	-3,201.5
		Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	9,948.1	9,947.8	-0.3
		Early Help & Preventative Services	3,075.7	2,941.7	-134.0
		Family Hubs	8,406.3	8,404.7	-1.6
		Integrated Services (Children's) Management & Directorate Support	6,445.8	6,445.6	-0.2
		Looked After Children - Care & Support	98,501.8	101,967.7	3,465.9
		Looked After Children (with Disability) - Care & Support	22,534.8	22,534.8	0.0
		Looked After Children (with Disability) - In House Provision	3,909.4	3,909.4	0.0
	Integrated Children's Services (Operations and County Wide) Total	300,163.2	300,761.3	598.1	

Directorate, Division & Key Service		£000s		Movement
		Base Budget	Working Budget	
Strategic Management & Directorate Budgets (CYPE)				
Strategic Management & Directorate Budgets (CYPE)		4,432.2	4,323.3	-108.9
Children, Young People & Education Total (Excluding Schools' Delegated Budgets)		429,966.5	430,607.6	641.1
Schools' Delegated Budgets				
Schools' Delegated Budgets		0.0	0.0	0.0
Children, Young People & Education Total (Including Schools' Delegated Budgets)		429,966.5	430,607.6	641.1
Growth, Environment & Transport				
Environment & Circular Economy				
Environment		3,113.0	3,632.8	519.8
Environment and Circular Economy Divisional management costs		2,237.3	2,291.4	54.1
Residual Waste		52,930.8	52,593.8	-337.0
Waste Facilities & Recycling Centres		38,470.4	38,798.4	328.0
Environment & Circular Economy Total		96,751.5	97,316.4	564.9
Growth & Communities				
Community (Assets & Services)		2,278.2	2,278.2	0.0
Community Protection		11,845.9	11,972.8	126.9
Growth - Economy		1,670.6	1,697.3	26.7
Growth - Place		3,789.3	3,789.3	0.0
Growth and Communities Divisional management costs		459.4	459.4	0.0
Libraries, Registration & Archives		11,061.2	11,061.2	0.0
Growth & Communities Total		31,104.6	31,258.2	153.6

Directorate, Division & Key Service		£000s		Movement
		Base Budget	Working Budget	
Highways & Transportation				
English National Concessionary Travel Scheme (ENCTS)		12,973.5	12,973.5	0.0
Highway Assets Management		38,222.6	38,684.6	462.0
Highways & Transportation divisional management costs		4,044.6	4,044.6	0.0
Kent Karrier		0.0	0.0	0.0
Kent Travel Saver (KTS)		5,075.5	5,075.5	0.0
Supported Bus Services		5,761.1	5,761.1	0.0
Transportation		6,378.5	6,378.5	0.0
Highway & Transportation Total		72,455.8	72,917.8	462.0
Strategic Management & Directorate Budgets (GET)				
Strategic Management & Directorate Budgets (GET)		1,425.3	1,425.3	0.0
Growth, Environment & Transport Total		201,737.2	202,917.7	1,180.5
Chief Executive's Department				
Commercial & Procurement				
Commercial & Procurement		3,062.5	3,053.5	-9.0
Strategic Commissioning		0.0	0.0	0.0
Commercial & Procurement Total		3,062.5	3,053.5	-9.0
Finance				
Finance		10,197.5	10,147.5	-50.0
Grants to Kent District Councils to maximise Council Tax collection		3,746.0	3,746.0	0.0
Finance Total		13,943.5	13,893.5	-50.0
Governance, Law & Democracy				
Governance & Law		7,503.6	7,481.6	-22.0
Local Member Grants		291.6	966.2	674.6
Governance, Law & Democracy Total		7,795.2	8,447.8	652.6

Directorate, Division & Key Service		£000s		Movement
		Base Budget	Working Budget	
Strategy, Policy, Relationships & Corporate Assurance				
Childrens and Adults Safeguarding Services		276.6	406.9	130.3
Resettlement Schemes, Domestic Abuse and Civil Society Strategy		402.7	402.7	0.0
Strategy, Policy, Relationships & Corporate Assurance		4,756.6	4,756.6	0.0
Strategy, Policy, Relationships & Corporate Assurance Total		5,435.9	5,566.2	130.3
Strategic Management & Departmental Budgets (CED)				
Strategic Management & Departmental Budgets		-696.2	-700.2	-4.0
Chief Executive's Department Total		29,540.9	30,260.8	719.9
Deputy Chief Executive's Department				
Corporate Landlord				
Corporate Landlord		28,714.7	28,980.8	266.1
Human Resources & Organisational Development				
Human Resources & Organisational Development		5,402.1	5,402.1	0.0
Infrastructure				
Emergency Planning		198.4	0.0	-198.4
Kent Resilience		260.8	710.2	449.4
Property related services		8,389.3	8,137.1	-252.2
Infrastructure Total		8,848.5	8,847.3	-1.2
Marketing & Resident Experience				
Marketing & Digital Services		1,975.4	1,975.4	0.0
Resident Experience - Contact Centre; Gateways; Customer care & Complaints		4,962.7	4,952.3	-10.4
Marketing & Resident Experience Total		6,938.1	6,927.7	-10.4

Directorate, Division & Key Service		£000s		Movement
		Base Budget	Working Budget	
Technology				
	Technology	26,131.0	26,131.0	0.0
Strategic Management & Departmental Budgets (DCED)				
	Business & Client Relationships	2,480.7	2,480.6	-0.1
	Health & Safety	382.2	382.2	0.0
	Strategic Management & Departmental Support	1,429.3	1,429.2	-0.1
	Strategic Reset Programme	1,616.0	1,616.0	0.0
Strategic Management & Departmental Budgets (DCED) Total		5,908.2	5,908.0	-0.2
Deputy Chief Executive's Department Total		81,942.6	82,196.9	254.3
Non Attributable Costs				
	Non Attributable Costs	102,759.4	102,759.4	0.0
Corporately Held Budgets				
	Corporately Held Budgets (to be allocated)	-2,386.0	-2,377.0	9.0
Grand Total		1,429,506.8	1,432,278.2	2,771.4
Directorate Summary				
	Adult Social Care & Health	585,946.2	585,912.8	-33.4
	Children, Young People & Education	429,966.5	430,607.6	641.1
	Growth, Environment & Transport	201,737.2	202,917.7	1,180.5
	Chief Executive's Department	29,540.9	30,260.8	719.9
	Deputy Chief Executive's Department	81,942.6	82,196.9	254.3
	Non Attributable Costs	102,759.4	102,759.4	0.0
	Corporately Held Budgets	-2,386.0	-2,377.0	9.0
	Total	1,429,506.8	1,432,278.2	2,771.4
	Schools' Delegated Budgets	0.0	0.0	0.0
Grand Total		1,429,506.8	1,432,278.2	2,771.4

Appendix 4 - Prudential Indicators Monitoring

The prudential indicators consider the affordability and impact of capital expenditure plans, in line with the prudential code.

Prudential Indicator 1: Estimates of Capital Expenditure (£m)

	23-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Total	237.29	417.07	361.63	300.18	233.15	245.81

Prudential Indicator 2: Estimate of Capital Financing Requirement (CFR) (£m)

The CFR is the total outstanding capital expenditure not yet financed by revenue or capital resources. It is a measure of the Council's underlying borrowing need.

	23-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Total CFR	1,268.01	1,300.80	1,274.18	1,275.71	1,259.44	1,230.40

Prudential Indicator 3: Gross Debt and the Capital Financing Requirement (£m)

Projected levels of the Authority's total outstanding debt (which comprises borrowing, PFI liabilities, leases and transferred debt) are shown below, compared with the CFR.

	23-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Other Long-term Liabilities	178.77	168.00	178.55	178.55	178.55	178.55
External Borrowing	771.89	715.90	715.92	684.73	660.55	653.32
Total Debt	950.66	883.90	894.47	863.28	839.10	831.87
Capital Financing Requirement	1,268.01	1,300.80	1,274.18	1,275.71	1,259.44	1,230.40
Internal Borrowing	317.35	416.90	379.71	412.43	420.34	398.53

Prudential Indicator 4 : Authorised Limit and Operation Boundary for External Debt (£m)

The Authority is legally obliged to set an affordable borrowing limit (the authorised limit for external debt). A lower "operation boundary" is set should debt approach the limit.

	23-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Authorised Limit - borrowing	946	1,261	1,261	1,271	1,248	1,248
Authorised Limit - Other long term liabilities	179	168	179	179	179	179
Authorised Limit - total external debt	1,125	1,429	1,440	1,450	1,427	1,427
Operational Boundary - borrowing	822	1160.6	1161	1171	1148.1	1148.1
Operational Boundary - Other long term liabilities	179	168	179	179	179	179
Operation Boundary - total external debt	1,001	1,329	1,340	1,350	1,327	1,327

Prudential Indicator 5: Estimate of Finance Costs to Net Revenue Stream (%)

Financing costs comprise interest on loans and minimum revenue provision (MRP) and are charged to revenue. This indicator compares the net financing costs of the Authority to the net revenue stream.

	23-24 Actuals	2024-25 Budget	2024-25 Forecast	2025-26 Estimate	2026-27 Estimate	2027-28 Estimate
Proportion of net revenue stream	8.17%	7.48%	7.42%	7.05%	6.71%	6.88%

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Prudential Indicator 6: Estimates of Net Income from Commercial and Service Investments to Net Revenue Stream

	23-24 Actuals	2024-25 Estimate	2025-26 Estimate	2026-27 Estimate
Net income from commercial and service investments to net revenue stream (%)	0.46	0.60	0.37	0.35

By: Anna Taylor, Scrutiny Research Officer

To: Scrutiny Committee, 5 November 2024

Subject: Fee Uplifts for Adult Social Care Providers 2024/25 decision 24/00009

Summary: The Chairman and Spokespeople of the Scrutiny Committee asked that this decision be placed on the agenda of the Scrutiny Committee for discussion. The Committee is asked to discuss and comment on or note the Fee Uplifts for Adult Social Care Providers 2024/25 decision 24/00009.

1. Introduction

- a) Decision 24/00009 – Fee Uplifts for Adult Social Care Providers - was taken in February 2024 and reported retrospectively to the Adult Social Care Cabinet Committee on 13 March 2024.
- b) The Chairman and Spokespeople would like to ask questions around the content of the decision, including the EqIA, communication with providers and service users and mitigations put in place for concerns around the decision.

2. Attached documents

- a) [Decision - 24/00009 - Fee Uplifts for Adult Social Care Providers for 2024/2025 \(kent.gov.uk\)](#)
- b) [Agenda for Adult Social Care Cabinet Committee on Wednesday, 13th March, 2024, 2.00 pm \(kent.gov.uk\)](#)

3. Recommendation

The Scrutiny Committee is asked to discuss and comment on or note the report.

Contact Details

Anna Taylor, Scrutiny Research Officer
anna.taylor@kent.gov.uk 03000 416478

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KENT COUNTY COUNCIL – RECORD OF DECISION

DECISION TAKEN BY:

**Cabinet Member for
Adult Social Care and Public Health**

DECISION NO:

24/00009

For publication Yes

Key decision: Yes

Title of Decision: Fee Uplifts for Adult Social Care Providers for 2024/2025

Decision: As Cabinet Member for Adult Social Care and Public Health, I agree to:

- a) **Approve** the fee uplifts for Adult Social Care Providers for 2024/2025 and
- b) **Delegate** authority to the Corporate Director Adult Social Care and Health to take relevant actions, including any changes to the percentage uplifts, as necessary to implement the decision.

Reason(s) for decision: While in 2023/2024 we applied a differential uplift, in 2024/2025 we are returning to a standard uplift for framework providers which seeks to balance available funding, Consumer Price Index and provider pressures.

The proposed allocations are those which are affordable in the Council's recently agreed budget. We are aware that the proposed uplift will not meet providers' expectations. We will work with providers to offer incentives where we can work together to reduce costs overall, for example by working with an individual to increase their independence, or framework providers increasing their capacity to reduce off framework spend.

The decision supports Priority 4 of 'Framing Kent's Future', to ensure the sufficiency of the market of social care in Kent and objective 2 of Securing Kent's Future in delivering savings from identified opportunity areas to set a sustainable 2024/2025 budget and MTFP:

The fee uplifts need to be finalised by 7 March 2024 to enable them to be applied to the Council's Adult Social Care case management system in time for providers to be able to submit invoices for the revised rates from April 2024.

Financial Implications: Table 1 below shows the proposed percentage fee uplift, as a proportion of the overall provision in the 2024/2025 budget. The first section represents those services where a standard percentage uplift will be provided to all framework providers.

Providers within both these and other services, on individual (non-framework/INDI contracts) will receive no automatic uplift to their fees although, additional funding is available for individual price negotiations. Allocation of this funding will be governed by the development of a standard approval process based on the financial viability and benchmarking of the provision in question.

Direct Payments are handled separately and are uplifted depending on the purpose of the payment, eg to access day care, purchase agency care or to directly employ a Personal Assistant.

Table 1 – Price Uplift – Budget Impact 2024/2025

	%	Vulnerable	Older	Total
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		Adults £000	People £000	£000
Framework providers				
<ul style="list-style-type: none"> • Care and Support in the Home • Older Persons Nursing and Residential • Learning Disability, Physical Disability and Mental Health Residential • Supported Living/Supporting Independence Service • Supported Accommodation 	4%	9,119	7,193	16,312
Provision for Direct Payments		2,316	828	3,144
Provision for individual negotiations				9,391
Total uplift budget				28,847

Legal Implications: There have been no legal implications identified as it is for local authorities to set their own prices in the light of current market activity and status. Local authorities have a range of statutory duties including through the Care Act 2014, but also has a duty to set a balanced budget within the resources made available through the national funding settlement.

Equalities implications: An Equality Impact Assessment has been completed. This is a live document and will continue to be updated as required, but the EQIA outlines how certain client groups will be impacted by the decision, where the full cost of the care is paid, or where the assessed contribution is greater than the full cost. It also sets out the mitigating factors in these instances.

Data Protection implications: A Data Protection Impact Assessment is not required as there are no material changes to the way in which personal data is handled, nor the way in which it is used. Similarly, this work does not involve data profiling or changes to the way in which special category data is handled,

Cabinet Committee recommendations and other consultation: No Cabinet Committee consultation has been undertaken as the decision is being taken through the semi urgent decision making process. However views from members will be sought and incorporated into the decision paperwork.

The decision will be reported in retrospect to the Adult Social Care Cabinet Committee on 13 March 2024.

Any alternatives considered and rejected: There were three options identified as to how the fee uplifts could be managed this year:

- **Apply differing** standard percentage uplifts applied to specified framework contracts according to the services provided, as we did in 2023/2024. We rejected this option given the funding envelope available.
- **Apply no uplifts across all services:** this was discarded, because although we cannot meet providers' expectations, we have to do what we can within our constrained resources to support providers with their challenges.
- **Apply standard percentage uplift across all service provisions:** This is the preferred option given the limited funding available. It seems to be the fairest approach given that all care

sectors are facing cost pressures.

Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:

.....
signed

.....
date

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From: Richard Smith, Corporate Director Adult Social Care and Health

To: Dan Watkins, Cabinet Member for Adult Social Care and Public Health

Subject: **Fee Uplifts for Adult Social Care Providers for 2024/2025**

Decision Number: 24/00009

Classification: Unrestricted

Past Pathway of report:

Future Pathway of report: Adult Social Care Cabinet Committee – 13 March 2024

Electoral Division: All

Summary: This report sets out the proposed approach for fee uplifts for Adult Social Providers for 2024/2025.

Recommendation(s): The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) **APPROVE** the fee uplifts for Adult Social Care Providers for 2024/2025; and
- b) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions within the overall budget allocation, including any changes to the percentage uplifts, as necessary to implement the decision.

1. Introduction

- 1.1 This report sets out the planned approach to uplifting fees paid to care providers delivering Adult Social Care services, for 2024/2025. It is proposed that we apply a standard uplift to our framework contracts. Additionally, where more appropriate to the service, a budget is held for negotiated uplifts reflecting specific provider circumstances.
- 1.2 The fee uplifts need to be finalised by 7 March 2024 to enable them to be applied to the Council's Adult Social Care case management system in time for providers to be able to submit invoices for the revised rates from April 2024.
- 1.3 In order to apply the required systems changes, the decision could not reasonably be deferred to the next meeting of the Adult Social Care Cabinet Committee. The decision will be reported in retrospect to the committee meeting on 13 March 2024.

2. Background

- 2.1 In 2023/2024, we departed from flat rate percentage approach in favour of a variable percentage in line with the budget availability and the Adult Social Care Making a Difference Every Day approach. It is proposed this year to return to a standard uplift across all care setting for framework providers. Whilst we would like to look at repeating the differential approach we took for 2023/2024, the financial constraints do not allow this.
- 2.2 Adult social care contracts make reference to the December Consumer Price Index (CPI) and affordability to the council. CPI was 4% in December 2023. The local government settlement and the cost of right sizing the adult social care budget (£22m) means that the council is very constrained in what it can provide for provider uplifts in the adult social care budget.
- 2.3 We have engaged with provider representatives and have received a number of individual requests for uplifts, predominantly from non-framework providers. It is fair to say that given the increase in National Living Wage and other cost pressures, providers are generally seeking uplifts of between 8-12%. However, this is not affordable, is two to three times CPI and would cost between £40-£60m.
- 2.4 We will look to work with providers to incentivise framework providers to be able to take on more work, for example sharing benefits from reduced costs. We will work with providers individually on options, as appetite and capacity for this approach will vary.

3. Other Options Considered and Discarded

- 3.1 There were three options identified as to how fee uplifts could be managed this year:
 - **Apply differing** standard percentage uplifts applied to specified framework contracts according to the services provided, as we did in 2023/2024. We rejected this option given the funding envelope available.
 - **Apply no uplifts across all services:** this was discarded, because although we cannot meet providers' expectations, we have to do what we can within our constrained resources to support providers with their challenges.
 - **Apply standard percentage uplift across all service provisions:** This is the preferred option given the limited funding available. It seems to be the fairest approach given that all care sectors are facing cost pressures.

4. Financial Implications

- 4.1 Table 1 below shows the proposed percentage fee uplift, as a proportion of the overall provision in the 2024/2025 budget. The first section represents those services where a standard percentage uplift will be provided to all framework providers.

- 4.2 Providers within both these and other services, on individual (non-framework/INDI contracts) will receive no automatic uplift to their fees although, additional funding is available for individual price negotiations. Allocation of this funding will be governed by the development of a standard approval process based on the financial viability and benchmarking of the provision in question.
- 4.3 Direct Payments are handled separately and are uplifted depending on the purpose of the payment, eg to access day care, purchase agency care or to directly employ a Personal Assistant.

Table 1 – Price Uplift – Budget Impact 2024/2025

	%	Vulnerable Adults £000	Older People £000	Total £000
Framework providers <ul style="list-style-type: none"> • Care and Support in the Home • Older Persons Nursing and Residential • Learning Disability, Physical Disability and Mental Health Residential • Supported Living/Supporting Independence Service • Supported Accommodation 	4%	9,119	7,193	16,312
Provision for Direct Payments		2,316	828	3,144
Provision for individual negotiations				9,391
Total uplift budget				28,847

5. Legal implications

- 5.1 There have been no legal implications identified as it is for local authorities to set their own prices in the light of current market activity and status. Local authorities have a range of statutory duties including through the Care Act 2014, but also has a duty to set a balanced budget within the resources made available through the national funding settlement.

6. Equalities implications

- 6.1 An Equalities Impact Assessment (EQIA) has been completed and is attached as Appendix 1. This is a live document and will continue to be updated as required, but the EQIA outlines how certain client groups will be impacted by the decision, where the full cost of the care is paid, or where the assessed contribution is greater than the full cost. It also sets out the mitigating factors in these instances.

7. Data Protection Implications

- 7.1 A Data Protection Impact Assessment is not required as there are no material changes to the way in which personal data is handled, nor the way in which it is used. Similarly, this work does not involve data profiling or changes to the way in which special category data is handled.

8. Other corporate implications

- 8.1 Some of the services referred to within this report are also provided to transition age clients – those aged between 18-25 – which are overseen by the Children Young People and Education (CYPE) Directorate. The proposed price uplifts will apply to all adults over the age of 18.

9. Conclusions

- 9.1 The funding settlement did not address the dual pressures of demand and cost. The council has a statutory duty to set a balanced budget and has made available significant additional resources to adult social care. However, given the overspend in 2023/2024 and the cost of right sizing the budget for 2024/2025 in the light of the ongoing pressures underlying that, there is a limited pot available to fund provider uplifts.

10. Recommendations

10.1 Recommendations: The Cabinet Member for Adult Social Care and Public Health is asked to:

- a) **APPROVE** the fee uplifts for Adult Social Care Providers for 2024/2025; and:
- b) **DELEGATE** authority to the Corporate Director Adult Social Care and Health to take relevant actions, within the overall budget allocation, including any changes to the percentage uplifts, as necessary to implement the decision.

11. Background Documents

Budget County Council – 19 February 2024

[Agenda for County Council on Monday, 19th February, 2024, 9.30 am \(kent.gov.uk\)](#)

12. Relevant Officer

Richard Ellis
Director of Adult and Integrated Commissioning
03000 417156
Richard.Ellis@kent.gov.uk

Relevant Director

Richard Smith
Corporate Director, Adult Social Care and Health
03000 416838
Richard.Smith3@kent.gov.uk

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EQIA Submission Draft Working Template

If required, this template is for use prior to completing your EQIA Submission in the EQIA App.

You can use it to understand what information is needed beforehand to complete an EQIA submission online, and also as a way to collaborate with others who may be involved with the EQIA.

Note: You can upload this into the App when complete if it contains more detailed information than the App asks for and you wish to retain this detail.

Section A

1. Name of Activity (EQIA Title):

Service Based Approach to Fee Uplifts for Adult Social Care for 2024/25

2. Directorate

ASCH

3. Responsible Service/Division

Adult & Integrated Commissioning

Accountability and Responsibility

4. Officer completing EQIA

Note: This should be the name of the officer who will be submitting the EQIA onto the App.

Simon Mitchell

5. Head of Service

Note: This should be the Head of Service who will be approving your submitted EQIA.

Richard Ellis

6. Director of Service

Note: This should be the name of your responsible director.

Richard Smith

The type of Activity you are undertaking

7. What type of activity are you undertaking?

Service Change – operational changes in the way we deliver the service to people. Answer Yes/No

Service Redesign – restructure, new operating model or changes to ways of working. Answer Yes/No

Project/Programme – includes limited delivery of change activity, including partnership projects, external funding projects and capital projects. Answer Yes/No

Commissioning/Procurement – means commissioning activity which requires commercial judgement. Answer Yes/No

Uplifting current prices for Commissioning contracts as part of the yearly process. Standard rate to be applied across framework providers. Providers within both these and other services, on individual (non-framework/INDI contracts) will receive no automatic uprate to their fees although, additional funding is available for individual price negotiations. Allocation of this funding will be governed by the development of a standard approval process based on the financial viability and benchmarking of the provision in question. Direct Payments are handled separately and are uplifted depending on the purpose of the payment, eg to access day care, purchase agency care or to directly employ a Personal Assistant.

Table 1 – Price Uplift – Budget Impact 2024/25

	%	Vulnerable Adults £000	Older People £000	Total £000
Framework providers - Care & Support in the Home - OP Residential - OP Nursing - Learning Disability, Physical Disability Mental Health Residential - Supported Living - Supported Accommodation	4%	9,119	7,193	16,312
Provision for Direct Payments		2,316	828	3,144
Provision for individual negotiations				9,391
Total uplift budget				28,847

Strategy /Policy – includes review, refresh or creating a new document. Answer Yes/No

Other – Please add details of any other activity type here.

8. Aims and Objectives and Equality Recommendations – Note: You will be asked to give a brief description of the aims and objectives of your activity in this section of the App, along with the Equality recommendations. You may use this section to also add any context you feel may be required.

The aim if the activity is to support ASC providers to meet costs within the funding constraints of the Council.

The uplift that is affordable is below what providers are saying they need, but it is all that is affordable to the Council. There may be negative implications for those with protected characteristics who use ASC services as providers will have to seek efficiencies in their operations. However, this is mitigated by the individual nature of care and support plans, working with providers and the budget we hold back to deal with exceptional circumstances.

Section B – Evidence

<i>Note: For questions 9, 10 & 11 at least one of these must be a 'Yes'. You can continue working on the EQIA in the App, but you will not be able to submit it for approval without this information.</i>
9. Do you have data related to the protected groups of the people impacted by this activity? Answer: Yes/No
Yes
10. Is it possible to get the data in a timely and cost effective way? Answer: Yes/No
Yes
11. Is there national evidence/data that you can use? Answer: Yes/No
No
12. Have you consulted with Stakeholders? <i>Answer: Yes/No</i> <i>Stakeholders are those who have a stake or interest in your project which could be residents, service users, staff, members, statutory and other organisations, VCSE partners etc.</i>
Yes
13. Who have you involved, consulted and engaged with? <i>Please give details in the box provided. This may be details of those you have already involved, consulted and engaged with or who you intend to do so with in the future. If the answer to question 12 is 'No', please explain why.</i>
<ul style="list-style-type: none"> - Senior Commissioners have been consulted with to ensure their knowledge of each area of the market is included in proposals. - Finance colleagues have been consulted to ensure proposals are fiscally responsible during a time of limited council funding - Commissioning colleagues engage with the market as part of their everyday responsibilities, including groups such as KIKA and the Trade Association, and this market knowledge gained from these engagement activities has helped shape the approach. - We have met with provider representatives who have set out their views on cost pressures in the sector.
14. Has there been a previous equality analysis (EQIA) in the last 3 years? Answer: Yes/No
No
15. Do you have evidence/data that can help you understand the potential impact of your activity? Answer: Yes/No
Yes
Uploading Evidence/Data/related information into the App <i>Note: At this point, you will be asked to upload the evidence/ data and related information that you feel should sit alongside the EQIA that can help understand the potential impact of your activity. Please ensure that you have this information to upload as the Equality analysis cannot be sent for approval without this.</i>
Section C – Impact
16. Who may be impacted by the activity? Select all that apply.
Service users/clients - <i>Answer: Yes/No</i>
Yes
Residents/Communities/Citizens - <i>Answer: Yes/No</i>

No
Staff/Volunteers - Answer: Yes/No
No
17. Are there any positive impacts for all or any of the protected groups as a result of the activity that you are doing? Answer: Yes/No
Yes
18. Please give details of Positive Impacts
The proposal provides funding towards the higher costs that providers are having to meet, which is in line with the Consumer Price Index. We have withheld a budget to deal with exceptional circumstances and will work with framework providers to seek to incentivise them to take on more care instead of off-framework providers.
Negative Impacts and Mitigating Actions The questions in this section help to think through positive and negative impacts for people affected by your activity. Please use the Evidence you have referred to in Section B and explain the data as part of your answer.
19. Negative Impacts and Mitigating actions for Age
a) Are there negative impacts for Age? Answer: Yes/No (If yes, please also complete sections b, c, and d).
Yes
b) Details of Negative Impacts for Age
<ul style="list-style-type: none"> - The services affected will include mainly older people, no under 18s, with specific services only being available to older people. - The people affected are more likely to be financially impacted more than the rest of the population due to KCC supporting people that cannot afford services themselves. - For residential care it is principally full cost clients who will be affected by this proposal as clients who pay a contribution towards the cost of their care will have that uplifted in the same way that it always is. It will also affect those who have a third party top for their care. For Non Residential care it will be those who are full cost or whose assessed contribution is greater than the full cost. - This would have a low negative impact upon those people that are affected by the uplift, due to the increase in cost.
c) Mitigating Actions for Age
<ul style="list-style-type: none"> - Each person has a financial assessment to determine the cost of their care based on their individual circumstances. In addition, there are processes and procedures in place to support people who might be experiencing financial hardship. People can access this support by contacting their practitioner. - The proposed uplift is lower than state pension uplifts for 2024.
d) Responsible Officer for Mitigating Actions – Age
Sydney Hill
20. Negative Impacts and Mitigating actions for Disability
a) Are there negative impacts for Disability? Answer: Yes/No (If yes, please also complete sections b, c, and d).
Yes
b) Details of Negative Impacts for Disability

- People affected have a higher chance of having a disability as they are accessing an ASCH service, therefore, this proposal is more likely to affect disabled people.
- The people affected are more likely to be financially impacted more than the rest of the population due to KCC supporting people that cannot afford services themselves.
- This would have a low negative impact upon those people that are affected by the uplift, due to the increase in cost. There are fewer people with disabilities paying the full cost of their care than those receiving care owing to age.

c) Mitigating Actions for Disability

- Each person has a financial assessment to determine the cost of their care based on their individual circumstances. In addition, there are processes and procedures in place to support people who might be are experiencing financial hardship. People can access this support by contacting their practitioner.
- The uplifts is lower than benefit uplifts for 2024.

d) Responsible Officer for Mitigating Actions – Disability

Sydney Hill

21. Negative Impacts and Mitigating actions for Sex

a) Are there negative impacts for Sex? Answer: Yes/No
(If yes, please also complete sections b, c, and d).

No

b) Details of Negative Impacts for Sex

c) Mitigating Actions for Sex

d) Responsible Officer for Mitigating Actions - Sex

22. Negative Impacts and Mitigating actions for Gender identity/transgender

a) Are there negative impacts for Gender identity/transgender? Answer: Yes/No
(If yes, please also complete sections b, c, and d).

No

b) Details of Negative Impacts for Gender identity/transgender

c) Mitigating actions for Gender identity/transgender

d) Responsible Officer for Mitigating Actions - Gender identity/transgender
23. Negative Impacts and Mitigating actions for Race
a) Are there negative impacts for Race? Answer: Yes/No <i>(If yes, please also complete sections b, c, and d).</i>
Yes
b) Details of Negative Impacts for Race
<ul style="list-style-type: none"> - Due to 12.86% of all people affected registering as having a non-British race, they could experience a low negative impact of having to deal with the increase in correspondence from the Council if English is not their first language. - This would have a low negative impact upon those people that are affected by the uplift, due to the increase in cost.
c) Mitigating Actions for Race
<ul style="list-style-type: none"> - Those KCC staff carrying out the correspondence are trained as standard in the appropriate form of communication (e.g. sourcing translations), so this is only registered as a low negative impact. - Each person has a financial assessment to determine the cost of their care based on their individual circumstances. In addition, there are processes and procedures in place to support people who might be are experiencing financial hardship. People can access this support by contacting their practitioner.
d) Responsible Officer for Mitigating Actions – Race
Sydney Hill
24. Negative Impacts and Mitigating actions for Religion and belief
a) Are there negative impacts for Religion and Belief? Answer: Yes/No <i>(If yes, please also complete sections b, c, and d).</i>
No
b) Details of Negative Impacts for Religion and belief
c) Mitigating Actions for Religion and belief
d) Responsible Officer for Mitigating Actions - Religion and belief
25. Negative Impacts and Mitigating actions for Sexual Orientation
a) Are there negative impacts for sexual orientation. Answer: <i>Yes/No (If yes, please also complete sections b, c, and d).</i>
No

b) Details of Negative Impacts for Sexual Orientation
c) Mitigating Actions for Sexual Orientation
d) Responsible Officer for Mitigating Actions - Sexual Orientation
26. Negative Impacts and Mitigating actions for Pregnancy and Maternity
a) Are there negative impacts for Pregnancy and Maternity? <i>Answer: Yes/No</i> <i>(If yes, please also complete sections b, c, and d).</i>
No
b) Details of Negative Impacts for Pregnancy and Maternity
c) Mitigating Actions for Pregnancy and Maternity
d) Responsible Officer for Mitigating Actions - Pregnancy and Maternity
27. Negative Impacts and Mitigating actions for marriage and civil partnerships
a) Are there negative impacts for Marriage and Civil Partnerships? <i>Answer: Yes/No</i> <i>(If yes, please also complete sections b, c, and d).</i>
No
b) Details of Negative Impacts for Marriage and Civil Partnerships
c) Mitigating Actions for Marriage and Civil Partnerships

d) Responsible Officer for Mitigating Actions - Marriage and Civil Partnerships
28. Negative Impacts and Mitigating actions for Carer's responsibilities
a) Are there negative impacts for Carer's responsibilities? Answer: Yes/No <i>(If yes, please also complete sections b, c, and d).</i>
Yes
b) Details of Negative Impacts for Carer's Responsibilities
The change may result in increased charges to individuals so may result in the following: Person may choose no longer receive care from KCC because of increased charges. This might result in needs being unmet and could have an impact on their safety and as a result, any carer may be required to provide more care, thereby affecting their economic, social and emotional wellbeing.
c) Mitigating Actions for Carer's responsibilities
<ul style="list-style-type: none"> - Each person has a financial assessment to determine the cost of their care based on their individual circumstances. In addition, there are processes and procedures in place to support people who might be are experiencing financial hardship. People can access this support by contacting their practitioner. - The uplift matches CPI as at December and is lower than state pension and benefit uplifts for 2024.
d) Responsible Officer for Mitigating Actions - Carer's Responsibilities
Sydney Hill

By: Anna Taylor, Scrutiny Research Officer
To: Scrutiny Committee, 5 November 2024
Subject: Capital Works Provider Management and Engagement

Summary: Following the urgent decision taken around Chilmington Green Secondary School the Chairman and Spokespeople requested that the Committee have the opportunity to discuss the decision and to receive reassurance that measures are being put in place to prevent similar events occurring in the future.

1. Introduction

- a) Decision 24/00075 – Chilmington Green Secondary School was taken urgently on 6 September 2024. Due to the urgency of the decision it was not possible to consult the Children’s, Young People and Education Cabinet Committee prior to the decision being taken but comments of the Chair and Spokespeople of the Scrutiny Committee and CYPE Cabinet Committee are included on the Record of Decision as is routine for urgent decisions.

2. Attached documents

- a) [Decision - 24/00075 - Chilmington Green Secondary School](#)

3. Recommendation

The Scrutiny Committee is asked to discuss and comment on or note the report.

Contact Details

Anna Taylor, Scrutiny Research Officer
anna.taylor@kent.gov.uk 03000 416478

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KENT COUNTY COUNCIL – URGENT RECORD OF DECISION

DECISION TAKEN BY:

Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services (in the absence of the Leader and Cabinet Member for Education and Skills).

DECISION NO:

24/00075

For publication

Key decision: YES

Key decision criteria. The decision will:

- a) *result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or*
- b) *be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:*
 - *the adoption or significant amendment of major strategies or frameworks;*
 - *significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether county-wide or in a particular locality.*

Subject Matter / Title of Decision

Chilmington Green Secondary School

Decision:

As the Deputy Leader, I agree to:

- 1) Allocate £1.5m of the Children's, Young People and Education capital budget to address the issues covered in the privileged legal advice considered.
- 2) Delegate authority to the Director of Infrastructure to enter into such agreements, on such terms as she approves, with any relevant parties, in order to support the exercise the Council's step in rights and to complete the construction works.
- 3) Delegate authority to the Director of Infrastructure to be the nominated Authority Representative within the relevant agreements and to enter into variations as envisaged under any of these contracts.

Reason(s) for decision:

Chilmington Green Secondary School opened in September 2023 in temporary accommodation. The Department for Education (DfE) is delivering the new school premises, which are due to be operational September 2025. Issues have arisen which need to be resolved in order to ensure the new school building occupied. The legal responsibility for funding the resolution to the issues is a matter of contention and potential legal dispute.

The proposed decision supports the key priority "Levelling up Kent" within the 'Framing Kent's Future (2022-26)'. It helps deliver our commitment to maintain KCC's strategic role in supporting schools and settings in Kent to deliver accessible, high quality education provision for all families.

The proposed decision supports "Securing Kent's Future – budget recovery strategy". It contributes

towards delivering the Service's MTFP savings target, ensures value for money, and a sharp focusing of the available resources to delivering the Council's statutory duties.

Financial Implications

Detailed funding considerations and the wider financial impact are set out in the Exempt Report. The current Basic Need Capital Budget totals £172.8m for the period 2024-2027 and will be impacted, at least in the short-term, whilst the legal responsibility for funding the additional costs is resolved and funds recovered. The Basic Need Capital Programme is managed as a series of projects and any additional funding requirement could require re-consideration of other planned activities. However, growing inflationary and other build cost increases including the increased risk of continued use of temporary accommodation supports the progression of this matter as quickly as possible to minimise greater financial costs being incurred.

Legal implications

Detailed legal advice regarding the KCC liabilities and options for redress has been considered by the Decision-maker. The decision represents a recognition of relevant legal risks, balanced against the policy choice to prioritise the progression of the school project to ensure successful delivery of the school and compliance with KCC's statutory duty to ensure sufficient school places. Key considerations are set out in the Exempt Report.

Equalities implications

The equalities impact assessment does not identify any negative impacts on any group with protected characteristics arising from this decision.

Data Protection implications

The proposed decision does not create any data protection implications.

Reason for Urgency

To make provision to respond to contractual dispute and continue to support the opening of essential secondary school provision.

Cabinet Committee recommendations and other consultation:

Due to the urgency of the decision it is not possible to consult the Children's, Young People and Education Cabinet Committee.

The Chair of the Scrutiny Committee, in addition to agreeing that the decision could not be reasonably deferred, provided the following comments:

Chair of Scrutiny, Mr Booth: *I have read the note and fully understand the need for the decision. In my capacity as Chairman of Scrutiny, I am in full support of the decision and agree it is undertaken as soon as practicable.*

The Group Spokespeople of the Scrutiny Committee provided the following comments:

Scrutiny Spokesperson, Jenni Hawkins:

Thank you for the email regarding the urgent decision regarding Chilmington secondary school. It sounds as though the council has no option but to take this action, so I have no objection.

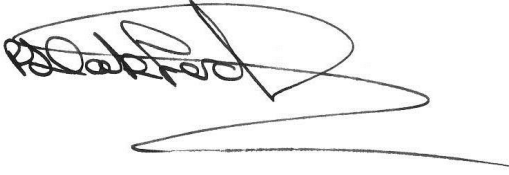
The Chair and Group Spokespeople of the Children, Young People and Education Cabinet Committee provided the following comments:

CYPE Spokesperson, Mel Dawkins: Noted the situation.

Any alternatives considered and rejected:

Do nothing

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

A handwritten signature in black ink, appearing to be 'P. O. O'Brien', written over a horizontal line.

6 September

.....
signed

.....
date

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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By virtue of paragraph(s) 3, 5 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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By: Anna Taylor, Scrutiny Research Officer

To: Scrutiny Committee, 5 November 2024

Subject: Work Programme

Summary: This report gives details of the proposed work programme for the Scrutiny Committee.

1. Introduction

- a) Any Member of the Council is entitled to give notice that they wish an item relevant to the functions of the Committee (which is not an excluded matter) to be included on the agenda for the next available meeting.
- b) The definition of an excluded matter referenced above is:
 - a. Any matter relating to a planning or licensing decision,
 - b. Any matter relating to a person in respect of which that person has a right of recourse to a review of right of appeal conferred by or under any enactment,
 - c. Any matter which is vexatious, discriminatory or not reasonable to be included in the agenda or discussion at a meeting of the Scrutiny Committee.
- c) The Scrutiny Committee has the ability to 'call-in' decisions made by the Cabinet or individual Cabinet Members. Any two Members from more than one Political Group may give notice within five clear working days from the publication of a decision taken of their wish to call-in the decision.

2. Recommendation

The Scrutiny Committee is asked to consider and note the report.

Background Documents

None

Contact Details

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Work Programme - Scrutiny Committee November 2024

Items identified for upcoming meetings

Date requested	Item
November 2023	Framing Kent's Future (deferred from November 2023)
06.12.23	Decision 23/00083 – Supported Accommodation Service 16-19 and transitional arrangements – Possible report back to Scrutiny December 2024.
January 2024	23/00107 Kent SEND Sufficiency Plan 2023 - Chairman request to place this decision on the Scrutiny Committee/SEND Sub-Committee agenda for discussion at an appropriate time. (This went to Cabinet Committee in November 2023 and Cabinet in January 2024)
24.01.24	Request at Scrutiny Committee for: a. a deep dive into the mainstream home to school transport budget; and b. cross examination of the Council's school admissions, home to school transport and public transport policies.
28.02.24	Discussion with ASCH Chairman, Scrutiny Ch & Spokespeople in relation to further scrutiny of ASCH contracts – potentially 6 month on review. Ensure minimal duplication in Committee.
April 2024	European Union Entry Exit System – further monitoring
18.09.24	Asset Management Strategy.

Work Programme

4 December 2024	
Item	Item background
Draft Budget 2025/26 and MTFP	
SEND Scrutiny	Quarterly Reporting
Homeless Connect	Requested on 06.06.23 - report back on social and financial impacts of the decision to end funding to Homeless Connect – deferred from July meeting
Kent Flood Risk Management Committee Annual Report	As required by the constitution
Highways co-ordination of road closures for works	Deferred until after 14 November ETCC (extensive discussion had at September ETCC and questions can be fed through Cabinet Committee Chairman in the meantime).

Provisional Future Items

Jan 2025 – Draft Budget and MTFP

June 2025 – Budget monitoring year end

June 2025 – Scrutiny Committee meeting as Crime and Disorder Committee

November 2025 – Kent Flood Risk Management Committee Annual Report

November – Draft Budget