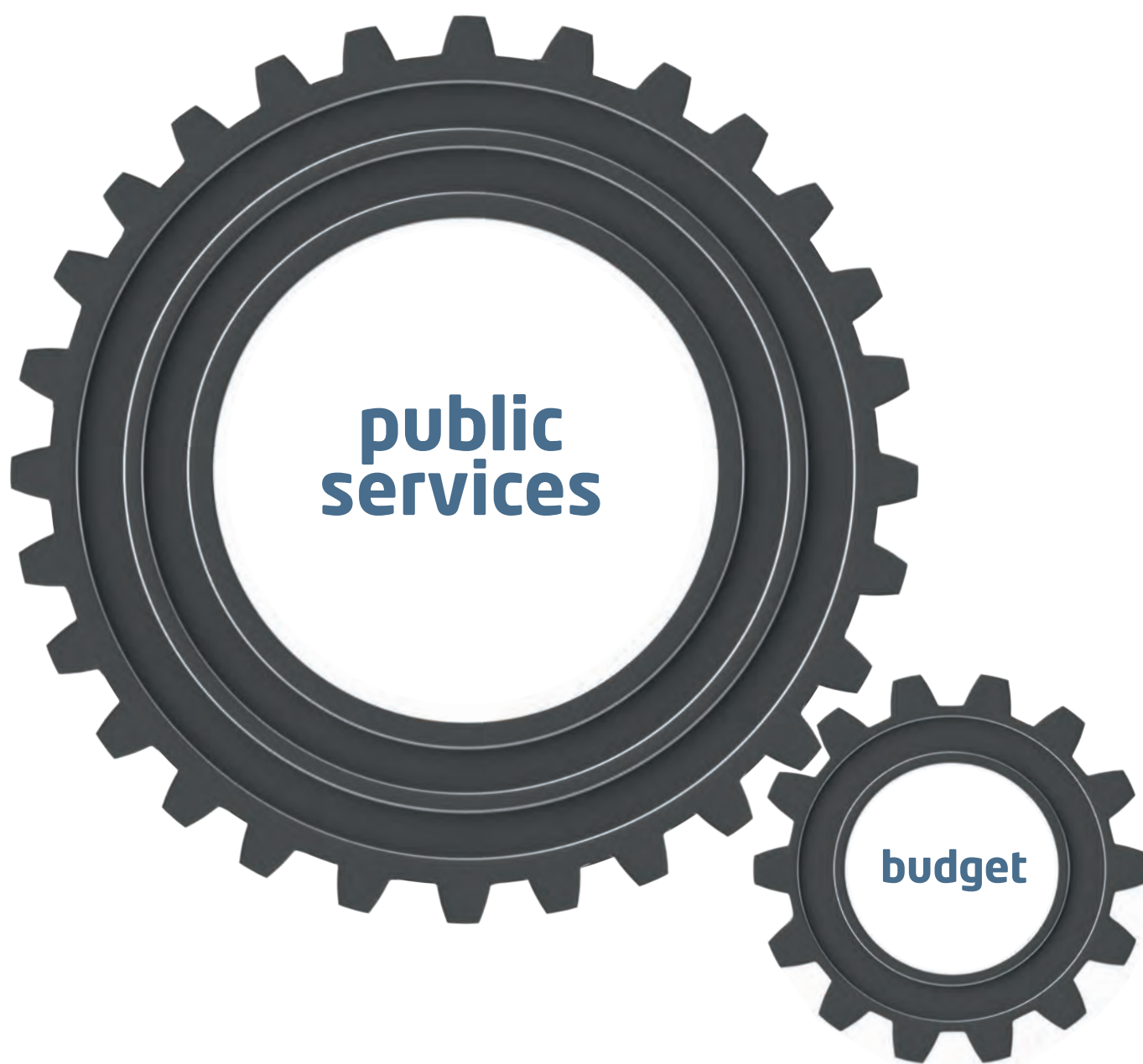


Budget Book

2020-21

Draft for County Council approval



February 2020
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KCC REPUBLISHED DRAFT BUDGET BOOK 2020-21

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SECTION 1

Capital Investment Summary

SECTION 1 - CAPITAL INVESTMENT SUMMARY 2020-21 TO 2022-23 BY YEAR

Capital Investment Plans:

Row Ref	Directorate		Total Cost	Prior Years Spend	Cash Limits			
					2020-21 Year 1	2021-22 Year 2	2022-23 Year 3	Later Years Years 4-10
			£000s	£000s	£000s	£000s	£000s	£000s
1	Adult Social Care & Health	ASCH	32,145	8,839	4,932	18,074	300	0
2	Children, Young People & Education	CYPE	779,689	429,348	200,227	104,614	45,500	0
3	Growth, Environment & Transport	GET	1,117,948	183,390	194,889	179,856	144,370	415,443
4	Strategic & Corporate Services	S&CS	204,724	49,647	71,846	42,081	7,650	33,500
5	Total Cash Limit		2,134,506	671,224	471,894	344,625	197,820	448,943

Funded By:

6	Borrowing	510,889	134,544	193,227	94,733	51,975	36,410
7	Property Enterprise Fund (PEF) 2	369	369	0	0	0	0
8	Grants	1,078,579	392,626	180,504	132,826	87,188	285,435
9	Developer Contributions	277,871	62,150	38,577	65,254	32,935	78,955
10	Other External Funding	85,411	7,504	15,062	25,630	2,090	35,125
11	Revenue and Renewals	34,408	4,708	10,553	9,485	9,506	156
12	Capital Receipts	62,287	37,687	20,098	2,102	1,400	1,000
13	Capital Receipts Loan Repayments	84,692	31,636	13,873	14,595	12,726	11,862
14	Total Finance	2,134,506	671,224	471,894	344,625	197,820	448,943

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SECTION 2

**Capital Investment
Plans by Directorate**

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Adult Social Care & Health (ASCH)

Row Ref	Rolling Programmes	Description of Project	Three Year Budget £000s	Cash Limits		
				2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s
1	<i>Home Support Fund & Equipment</i>	<i>Provision of equipment and/or alterations to individuals' homes</i>	900	300	300	300
2	Total Rolling Programmes		900	300	300	300

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s	Later Years Years 4-10 £000s
3	<i>Developer Funded Community Schemes</i>	<i>A variety of community schemes to be funded by developer contributions</i>	1,721	1,632	89	0	0	0
Kent Strategy for Services for Learning Disability (LD):								
4	<i>Learning Disability Good Day Programme</i>	<i>To provide dedicated space, accessible equipment and facilities for people with a learning disability within inclusive community settings across the county</i>	5,666	2,333	3,333	0	0	0
Kent Strategy for Services for Older People (OP):								
5	<i>Extra Care Facilities</i>	<i>Provision of Extra Care Accommodation</i>	16,800	0	0	16,800	0	0
System Development:								
6	Adult Social Care Case Management	Replacement of the Adult Social Care Case Management & finance system	5,163	4,804	359	0	0	0
Other Individual Projects:								
7	Housing & Technology Fund	To provide appropriate accommodation for two severely disabled young adults	595	70	525	0	0	0
8	<i>Hedgerows</i>	<i>A new build purpose-built facility for people with complex needs, especially from the Children's services, and also for adult in-house service provision</i>	1,300	0	326	974	0	0
9	Total Individual Projects		31,245	8,839	4,632	17,774	0	0
10	Total - Adult Social Care & Health		32,145	8,839	4,932	18,074	300	0

Italic font : these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved.

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Children, Young People & Education (CYPE)

Row Ref	Rolling Programmes	Description of Project	Three Year Budget	Cash Limits		
				2020-21	2021-22	2022-23
				Year 1	Year 2	Year 3
			£000s	£000s	£000s	
1	Annual Planned Enhancement Programme*	Planned and reactive capital projects to keep schools open and operational	23,900			
2	Devolved Formula Capital Grants for Schools*	Enhancement of schools	13,500			
3	Schools Revenue Contribution to Capital*	Schools spend on capital projects	18,000			
4	Youth - Modernisation of Assets	To purchase vehicles and equipment for youth services	122			
5	Modernisation Programme*	Improving and upgrading school buildings including removal of temporary classrooms	4,519			
6	Total Rolling Programmes		60,041			

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2020-21	2021-22	2022-23	Later Years
					Year 1	Year 2	Year 3	Years 4-10
					£000s	£000s	£000s	£000s
Basic Need Schemes - to provide additional pupil places:								
7	Basic Need Kent Comissioning Plan (KCP) 2016 & previous years	Increasing the capacity of Kent's schools	315,562	284,187	28,501	2,874	0	0
8	Basic Need KCP 2017	Increasing the capacity of Kent's schools	136,320	37,063	80,602	14,655	4,000	0
9	Basic Need KCP 2018	Increasing the capacity of Kent's schools	60,761	2,313	17,045	41,403	0	0
10	Basic Need KCP 2019**	Increasing the capacity of Kent's schools	65,183		25,025	19,208	20,950	0
Other Projects								
11	Barton Court Free School	New secondary school in Canterbury	25,105	2,500	17,000	5,605	0	0
12	Special Schools Review Phase 2	Major programme of building works to ensure facilities are fit for purpose	84,265	83,965	300	0	0	0
13	Priority School Build Programme (PSBP) 1 & 2	Additional works under the PSBP programme not funded by the Education and Skills Funding Agency (ESFA)	22,637	19,255	3,382	0	0	0
14	School Roofs	Structural repairs to school roofs	8,265	65	7,700	500	0	0
15	Nest 2	To provide a residential facility for children and young people in Kent and Medway with Autistic Spectrum Conditions (ASC)	1,550	0	1,550	0	0	0
16	Total Invididual Projects		719,648	429,348	181,105	84,245	24,950	0

17	Total - Children, Young People & Education		779,689	429,348	200,227	104,614	45,500	0
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Italic font: these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2021-22 and 2022-23

** Basic need allocations for 2021-22 and beyond are not yet known. This programme will be restricted to the grant/external funding available

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Growth, Environment & Transport (GET)

Row Ref	Rolling Programmes	Description of Project	Three Year Budget £000s	Cash Limits		
				2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s
Environment, Planning & Enforcement						
1	Country Parks Access and Development	Improvements and adaptations to country parks	278	118	100	60
2	Public Rights of Way	Structural improvements of public rights of way (PROW)	2,700	900	900	900
3	Public Sports Facilities Improvement - Capital Grant	Capital grants for the new provision/refurbishment of sports facilities and projects in the community	225	75	75	75
Economic Development						
4	Village Halls and Community Centres - Capital Grants	Capital Grants for improvements and adaptations to village halls and community centres	225	75	75	75
Highways, Transportion & Waste						
5	Highway Major Enhancement / Other Capital Enhancement / Bridge Assessment and Strengthening*	Maintaining Kent's roads	221,854	81,818	70,018	70,018
6	Integrated Transport Schemes under £1 million*	Improvements to road safety	10,689	3,563	3,563	3,563
7	Major Schemes - Preliminary Design Fees	Preliminary design of new roads	231	231	0	0
8	Old Highways Schemes, Residual Works, Land Compnsation Act (LCA) Part 1	Old Highways Schemes, Residual Works, LCA Part 1	297	288	9	0
9	Total Rolling Programmes		236,499	87,068	74,740	74,691

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s	Later Years Years 4-10 £000s
Environment, Planning & Enforcement								
10	Digital Autopsy	To provide a body storage and digital autopsy facility. This is an innovative project which will achieve significant revenue savings, reduce reliance on external pathologists, reduce future unfunded pressures and providing greater resilience. It also recognises the increasing public "want" for non-invasive post-mortems	3,000	250	2,000	750	0	0
11	Energy and Water Efficiency Investment Fund - External	Energy Efficiency works	2,778	2,344	118	87	73	156
12	Energy Reduction and Water Efficiency Investment - KCC	Energy Efficiency works	2,238	1,967	75	63	133	0
13	Essella Road Bridge (PROW)	Urgent works to ensure footbridge in Ashford remains open	300	40	260	0	0	0
14	Leigh (Medway) Flood Storage Area	To contribute to partnership-funded projects to provide flood defences for the River Medway	4,000	50	1,450	0	2,500	0

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2020-21	2021-22	2022-23	Later Years
					Year 1	Year 2	Year 3	Years 4-10
			£000s	£000s	£000s	£000s	£000s	£000s
15	Open Golf	To enable transport improvements in relation to hosting The Open in Sandwich in 2020	3,545	1,400	2,145	0	0	0
16	Public Mortuary	To consider options for the provision of a public mortuary. Removes reliance on NHS providers and so introduce greater control of budgets and future unfunded pressures providing greater service resilience. No detailed work and so a high level estimate of £3m based on it being a modular add-on to the Digital Autopsy facility. This could provide a mass fatalities facility	3,000	0	0	0	0	3,000
17	Sustainable Access to Education & Employment	Targeted improvements to Public Rights of Way	1,038	888	150	0	0	0
18	Thanet Parkway	Construction of Thanet Parkway Railway Station to enhance rail access in east Kent and act as a catalyst for economic and housing growth	34,513	2,309	9,275	20,425	2,504	0
19	Windmill Weatherproofing	Works to ensure windmills are in a safe and weatherproof condition	953	248	221	179	180	125
Libraries, Registration & Archives								
20	Herne Bay Library Plus	Project to refurbish the library and address long-term building issues. Once refurbished the top floor will be marketed as part of asset utilisation to bring partners in	469	13	456	0	0	0
21	Southborough Hub	Development of a hub including library, community rooms, and other facilities	12,956	7,058	5,898	0	0	0
22	Tunbridge Wells Cultural Hub	KCC contribution to the development of a cultural and learning hub in partnership with Tunbridge Wells Borough Council, including library, registration and adult education	400			400	0	0
Economic Development								
23	Broadband Contract 2	To extend the reach of superfast broadband so that 95% of homes and businesses can access superfast broadband	11,814	10,465	1,349	0	0	0
24	Innovation Investment Initiative (i3)	Provision of loans to small and medium enterprises with the potential for innovation and growth, helping them to improve their productivity and create jobs	11,345	5,871	1,459	1,102	971	1,942
25	Javelin Way Development	To provide access and accomodation for creative industries including the Jasmin Vardimon Dance Company and the creation of industrial units	9,183	556	6,650	1,977	0	0
26	Kent & Medway Business Fund	A fund using recycled receipts from former Regional Growth Fund schemes to provide loans that create new jobs, deliver business growth and improve productivity	42,038	14,381	7,900	8,150	11,607	0
27	Kent Empty Property Initiative - No Use Empty (NUE)	The NUE Programme brings long term empty properties including commercial buildings and vacant sites back into use as quality housing accommodation	37,287	27,729	3,160	5,105	61	1,232
28	No Use Empty - Rented Affordable Homes	To expand the existing Empty Property Initiative offer to return large family-sized empty properties back into use as affordable rented homes	4,824	2,105	1,111	0	0	1,608
29	Marsh Million	Fund to support economic growth on Romney Marsh to develop new jobs and business opportunities following the decommissioning of Dungeness Power Station	1,397	968	269	73	87	0

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2020-21	2021-22	2022-23	Later Years
			£000s	£000s	Year 1	Year 2	Year 3	Years 4-10
30	The Kent Broadband Voucher Scheme	Voucher scheme to benefit properties in hard to reach locations	2,862	150	2,712	0	0	0
31	Turner Contemporary	To extend and refurbish to make the building function more efficiently to service the high levels of visitor numbers	2,000	500	1,500	0	0	0
Highways, Transportion & Waste								
32	A2 Off Slip Wincheap, Canterbury	To deliver an off-slip in the coastbound direction	4,400	300	3,758	342	0	0
33	A226 St Clements Way	Road improvement scheme	6,903	6,818	30	44	11	0
34	A2500 Lower Road Improvements	Junction improvements to increase capacity	6,486	5,261	57	37	1,131	0
35	A28 Chart Road, Ashford	Strategic highway improvement	26,247	3,897	329	51	982	20,988
36	A290 Safer Roads Fund	Grant funded scheme	1,501	50	1,451	0	0	0
37	Dartford Town Centre	A package of works to improve economic performance of Dartford Town Centre	12,000	2,886	4,152	4,960	2	0
38	Dover Bus Rapid Transit	To provide a high quality and reliable public transport service in the Dover area, funded from Housing Infrastructure funding	16,084	791	3,330	11,963	0	0
39	Fastrack Full Network - Bean Road Tunnels	Construction of a tunnel linking Bluewater and the Eastern Quarry Development, enabling the Fastrack bus rapid transit exclusive access, leading to faster journey times and mode shift. To be funded by revenue from the Fastrack service.	14,150	841	6,471	5,228	1,610	0
40	Faversham Swing Bridge	Restoration of an opening bridge	2,550	250	250	1,450	600	0
41	Herne Relief Road	Developer funded scheme providing an alternative route between Herne Bay and Canterbury to avoid Herne village	7,691	289	302	2,505	2,897	1,698
42	Housing Infrastructure Fund - Swale Infrastructure Projects	Improvements to A249 Junctions at Grovehurst Road and Keycol Roundabout	37,090	800	500	10,000	15,790	10,000
43	Kent Medical Campus (National Productivity Investment Fund - NPIF)	NPIF project in Maidstone to ease congestion	11,399	5,257	4,772	1,370	0	0
44	Kent Strategic Congestion management programme across growth areas	Package of measures to reduce congestion and carbon footprint	5,024	3,668	1,356	0	0	0
45	Kent Sustainable interventions programme for growth	Highway improvements	2,782	1,811	971	0	0	0
46	Kent Thameside LSTF - Integrated door-to-door journeys	Package of measures using Local Sustainable Transport Fund (LSTF) to reduce congestion	4,959	4,177	782	0	0	0
47	Kent Thameside Strategic Transport Programme	Strategic highway improvement in Dartford & Gravesham	39,316	2,489	8,764	6,484	21,579	0
48	LED Conversion	Upgrading street lights to more energy efficient LED lanterns & implementation of Central Monitoring System	40,750	39,600	1,150	0	0	0
49	Live Labs	A trial project, grant funded, to research into use of digital technology and intelligent analytics within Highways Asset Management	1,975	500	1,475	0	0	0
50	Maidstone Integrated Transport	Improving transport links with various schemes in Maidstone	10,850	2,868	4,377	2,577	1,028	0
51	M20 Junction 4 Eastern over bridge	Carriageway widening	6,195	6,154	41	0	0	0

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme	Prior Years Spend	Cash Limits			
					2020-21	2021-22	2022-23	Later Years
			£000s	£000s	Year 1	Year 2	Year 3	Years 4-10
					£000s	£000s	£000s	£000s
52	New Transfer Station - Folkestone & Hythe	To provide a new waste transfer station in Folkestone & Hythe	6,665	0	500	5,554	611	0
53	<i>Newingreen A20 Junction Improvement</i>	<i>Junction improvement scheme</i>	3,038	27	835	1,976	123	77
54	Rathmore Road Link	Road improvement scheme in Gravesend	8,190	7,907	199	69	15	0
55	<i>Sturry Link Road, Canterbury</i>	<i>Construction of bypass</i>	29,600	1,560	11,796	11,060	5,184	0
56	<i>Tunbridge Wells Junction Improvements</i>	<i>Improvements at a number of junctions in Tunbridge Wells, including A26 London Road, Speldhurst Road and Yew Tree Road</i>	1,957	1,296	661	0	0	0
57	Waste Compactor Replacement	To replace waste compactors at Household Waste Recycle Centres to ensure efficient waste site operation	1,070	300	385	385	0	0
58	<i>West Kent local sustainable transport - tackling congestion</i>	<i>Package of measures to reduce congestion and carbon footprint</i>	6,020	4,301	969	750	0	0
59	<i>A228 Colts Hill Strategic Link - Road Scheme</i>	<i>Construction of bypass</i>	45,000	0	0	0	0	45,000
60	<i>Orchard Way Railway bridge, Ashford</i>	<i>Strategic highway improvement</i>	15,000	0	0	0	0	15,000
61	<i>South East Maidstone Strategic Link - Road Scheme</i>	<i>Construction of bypass</i>	35,000	0	0	0	0	35,000
62	<i>A229 Bluebell Hill M2 & M20 Interchange Upgrades</i>	<i>Scheme to upgrade junctions to increase capacity and provide freeflowing interchange wherever possible</i>	99,657	0	0	0	0	99,657
63	<i>M2/A2 Brenley Corner and A2/A251 Upgrade Scheme</i>	<i>Junction improvement scheme</i>	80,960	0	0	0	0	80,960
64	<i>A28 Birchington, Acol and Westgate-on-Sea Relief Road</i>	<i>Creation of a relief road</i>	49,000	0	0	0	0	49,000
65	<i>Thanet Way</i>	<i>Structural improvement to the Thanet Way A299</i>	50,000	0	0	0	0	50,000
66	Total Individual Projects		881,449	183,390	107,821	105,116	69,679	415,443
67	Total - Growth, Environment & Transport		1,117,948	183,390	194,889	179,856	144,370	415,443

Italic font : these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2020-21, 2021-22 and 2022-23

SECTION 2 - CAPITAL INVESTMENT PLANS BY DIRECTORATE 2020-21 TO 2022-23 BY YEAR

Strategic & Corporate Services (S&CS)

Row Ref	Rolling Programmes	Description of Project	Three Year Budget £000s	Cash Limits			
				2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s	
1	<i>Corporate Property Strategic Capital*</i>	<i>Costs associated with delivering the capital programme</i>	7,500	2,500	2,500	2,500	
2	<i>Disposal Costs</i>	<i>Costs of disposing of surplus property</i>	1,950	650	650	650	
3	Modernisation of Assets (MOA)	Maintaining KCC estates	10,071	3,071	3,000	4,000	
4	Total Rolling Programmes		19,521	6,221	6,150	7,150	

Row Ref	Individual Projects	Description of Project	Total Cost of Scheme £000s	Prior Years Spend £000s	Cash Limits			
					2020-21 Year 1 £000s	2021-22 Year 2 £000s	2022-23 Year 3 £000s	Later Years Years 4-10 £000s
5	<i>Acquisition of strategic assets</i>	<i>To acquire opportunistic assets which create an income stream and cover the associated debt costs</i>	100,000	25,000	41,000	34,000	0	0
6	Asset Utilisation	Strategic utilisation of assets in order to achieve revenue savings and capital receipts	2,043	590	1,453	0	0	0
7	Asset Utilisation - Oakwood House Transformation	Reconfiguration of Oakwood House to relocate other KCC services and release assets	7,831	716	7,115	0	0	0
8	Community Sexual Health Services	Development of premises for delivery of community sexual health services	882	382	500	0	0	0
9	<i>Dover Discovery Centre</i>	<i>Refurbishment to make the building fit for purpose</i>	6,521	254	4,836	1,431	0	0
10	<i>LIVE Margate</i>	<i>Replace empty and poorly managed housing in Margate with high quality and well managed family housing to regenerate the area</i>	10,211	8,111	2,100	0	0	0
11	<i>MOA Plus</i>	<i>Works required to ensure KCC buildings are fit for purpose and are in a statutory compliant condition</i>	15,715	8,594	7,121	0	0	0
12	Property Investment & Acquisition Fund II (PIFII)	To fund strategic acquisitions of land and property	7,000	6,000	1,000	0	0	0
13	<i>Options for Strategic Estate</i>	<i>To consider options for the future strategic estate.</i>	35,000	0	500	500	500	33,500
14	Total Individual Projects		185,203	49,647	65,625	35,931	500	33,500

15	Total - Strategic & Corporate Services		204,724	49,647	71,846	42,081	7,650	33,500
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Italic font : these are projects that are relying on significant elements of unsecured funding and will only go ahead if the funding is achieved

* Estimated allocations have been included for 2021-22 and 2022-23

Budget Book

SECTION 3

**Detailed One-year Revenue
Planned Changes by
Directorate
*(formerly known as
Appendix A)***

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
2019-20 Base	Approved budget by County Council on 14th February 2019	430,413.2	195,792.7	172,442.5	78,492.5	109,233.5	986,374.4	
Base Adjustments (internal)	Changes to budgets which have nil overall affect on net budget requirement	-54,903.8	55,209.8	368.2	458.6	-1,132.8	0.0	
Revised 2019-20 Base		375,509.4	251,002.5	172,810.7	78,951.1	108,100.7	986,374.4	986,374.4
Additional Spending Pressures								
Net Budget Realignment	<i>Necessary adjustments to reflect current and forecast activity levels from in-year monitoring reports</i>							
Household Waste Recycling Centres (HWRC)	Increased cost for HWRC contracts as they are due for renewal under the current terms over the next three years			716.0			716.0	10,153.4
Kent 16+ Travel Saver	Reduction in income for the Kent 16+ Travel Saver (formerly Kent 16+ Travel Card) due to lower take-up by low frequency users		350.0				350.0	
Facilities Management	Extension and renegotiation of Facilities Management contracts				229.3		229.3	
Coroners - Pathology costs	Realignment of budget for Pathologists fees due to increased use of agency staff as NHS pathologists not willing to commit to Coroners work at the national pay rate			277.0			277.0	
Non specific prices provision	Release of uncommitted non specific prices funding provided in previous years budget					-990.0	-990.0	
Waste Tonnage	Reduction in household waste tonnage partly as a consequence of implementing charging for non-household waste			-575.0			-575.0	
0-25 Lifespan Pathway	Full year effect of existing placements for 18-25 year olds where the number and complexity of placements was higher than budgeted		545.0				545.0	
Children's Social Work	Underlying pressures arising from 2019-20 monitoring relating to increased costs of placements for both Looked After Children and Care Leavers.		1,785.7				1,785.7	
Asset Utilisation	Re-phasing of asset rationalisation savings plans from 2019-20				-650.0		-650.0	
Special Educational Needs (SEN)	Additional staffing costs arising from increasing numbers of Education, Health & Care Plan assessments including the costs of supporting Tribunals which cannot be funded by Dedicated Schools Grant (DSG), and therapy services which are a health responsibility but unfunded		603.0				603.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
Adult Social Care	Full year effect of care packages in 2019-20 due to changes in number and complexity of care packages							
	- Older People	1,172.5					1,172.5	
	- Learning Disability	2,300.0					2,300.0	
	- Physical Disability & Mental Health	-226.1					-226.1	
SEN Transport	Underlying pressure from 2019-20 monitoring related to SEN Home to School Transport		2,598.0				2,598.0	
Mainstream Home to School Transport	Realignment to reflect underlying underspend on mainstream home to school transport in 2019-20		-823.4				-823.4	
LED Street Lighting	Over achievement of savings as a result of the roll out of LED street lighting			-700.0			-700.0	
Highways non recoverable works	The costs of damage caused to highway infrastructure which we are not able to recover and for which there is no longer capacity within the highways budgets to absorb			400.0			400.0	
Emerging Base Budget Pressures	Provision for future budget realignment based on 2019-20 budget monitoring for the remainder of the year					2,000.0	2,000.0	
Other	Other smaller budget realignments of £200k or less			688.9	252.5	200.0	1,141.4	
Replace use of one-offs	Impact of not being able to repeat one-off use of reserves and underspends in approved base budget for 2019-20	9,425.9				11,689.3	21,115.2	21,115.2
Reduction In Grant Income	20% reduction to the historic commitments element of the Dedicated Schools Grant: Central Services for Schools Block		1,400.0				1,400.0	1,400.0
Pay and Prices								
Pay								
Pay and Reward	Contribution to performance reward pot and impact on base budget of uplifting pay grades in accordance with single pay reward scheme. This contribution together with the savings from staff turnover will provide a pay pot capable of enabling staff increases to keep pace with average earnings (+3.6%) and maintain the differentials for outstanding and excellent awards					7,400.0	7,400.0	7,893.0
Other	Other changes to pay and reward of £200k or less including an increase in the employer pension contribution following the actuarial revaluation and reform of lower pay grades				93.0	400.0	493.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<u>Inflation</u>								23,806.5
KCC Estate Energy	Anticipated price increases on energy contracts for the KCC estate as estimated by Commercial Services				229.8		229.8	
Adult Social Care	Provision for contractual and negotiated price increases across all adult social care packages including nursing, residential, domiciliary, supporting independence and direct payments. Contracted services already allow for separate uplifts for National Living Wage/National Minimum Wage and Consumer Prices elements through formulaic approach	6,846.2	327.3			5,297.0	12,470.5	
Children's Social Care	Provision for price negotiations with external providers and uplift to in-house foster carers in line with DFE guidance		2,022.1				2,022.1	
Home to School Transport	Provision for inflation on contracted services and season tickets for mainstream & SEN Home to School and College Transport and the 16+ Kent Travel Saver		895.4				895.4	
Kent Travel Saver (formerly Young Person's Travel Pass)	Provision for price inflation related to the Kent Travel Saver (formerly Young Person's Travel Pass) which is recovered through uplifting the charge for the pass			450.1			450.1	
Contract related inflation	Provision for price inflation related to Highways, Waste and other contracted services (based on contractual indices)			1,949.6			1,949.6	
Facilities Management	Estimated future price uplift to existing providers for the two year extension to the Facilities Management contract				391.1		391.1	
Other Public Transport Related inflation	Provision for price inflation related to other public transport services including subsidised bus services			310.7			310.7	
Public Health - NHS Pay & Pensions	Estimated increase in contract prices due to NHS Agenda for Change pay increases and increases in NHS Pension costs (2019-20 & 2020-21) - currently unclear how this will be funded pending announcement from Department of Health and Social Care - assumed at this stage to be a pressure on the ringfenced Public Health grant				4,092.0		4,092.0	
Public Health - Substance Misuse	Increased costs of prescription drugs (Buprenorphine)				245.0		245.0	
Other	Other price increases of £200k or less		181.9	181.7	354.9	31.7	750.2	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
Demand & Demography	<i>Additional spending associated with change in demand, particularly increasing population and demographic make-up of the population</i>							
Adult Social Care	Estimated gross impact of change in client numbers and/ or client weeks							21,229.0
	- Older People Residential & Nursing	-1,972.0					-1,972.0	
	- Older People Community	-1,814.3					-1,814.3	
	- Learning Disability Residential & Nursing	-2,665.0	-733.6				-3,398.6	
	- Learning Disability Community	5,237.7	1,777.0				7,014.7	
	- Physical Disability & Mental Health Residential & Nursing	777.3	-89.3				688.0	
Adult Social Care	Estimated impact on income collection of change in client numbers and/or client weeks							
	- Older People Residential & Nursing	673.6					673.6	
	- Older People Community	492.8					492.8	
	- Learning Disability Residential & Nursing	225.7	30.0				255.7	
	- Learning Disability Community	-493.1	-127.5				-620.6	
Adult Social Care	Increase in unit costs resulting from existing and new clients whose needs are becoming more complex and from changes to contracts that have resulted in higher unit costs							
	- Older People Residential & Nursing	2,921.2					2,921.2	
	- Older People Community	4,106.3					4,106.3	
	- Learning Disability Residential & Nursing	1,818.0	-98.7				1,719.3	
	- Learning Disability Community	1,001.7	1,326.6				2,328.3	
	- Physical Disability & Mental Health Community	1,426.0	28.4				1,454.4	
Adult Social Care	Impact of one-off reduction to demographic pressures from savings & activity which slowed the rate of demographic growth during 2018-19 but will not affect the ongoing rate of growth							
	- Older People Residential & Nursing	420.3					420.3	
	- Learning Disability Community	796.1	114.3				910.4	
Children's Social Care	Estimated impact of an increase in the population of children in Kent, leading to increased demand for children's social work and disabled children's services		2,912.3				2,912.3	
Home to School transport - SEN	Estimated impact of rising pupil population on SEN Home to School and College Transport		1,669.0				1,669.0	
Home to School transport - Mainstream	Estimated impact of rising pupil population on Mainstream Home to School transport		377.2				377.2	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
Waste tonnage	Estimated impact of changes in waste tonnage as a result of population and housing growth			637.3			637.3	
Public Health - Sexual Health & Health Checks	Increased demand for sexual health services, particularly home testing, based on anticipated service trends and increase in invites and health checks based on predicted population growth for 40-74 year olds				256.0		256.0	
Other	Other minor Demographic Pressures of £200k or less	35.5	127.5	34.7			197.7	
<u>Government & Legislative</u>								
Other	Other Government & Legislative pressures of £200k or less			-38.0	135.0	-87.5	9.5	9.5
<u>Service Strategies & Improvements</u>								
Special Educational Needs (SEN)	Implementation of our joint Written Statement of Action with the Kent Clinical Commissioning Groups to improve services for children with Special Educational Needs and Disabilities following inspection by Ofsted and the Care Quality Commission		2,367.9				2,367.9	21,367.3
Capital Programme	Additional debt costs to fund the capital programme					2,961.6	2,961.6	
Adult Technology Enabled Change (TEC)	Reduction in temporary funding for training, maintenance and licence costs leading up to the implementation of the new Adults performance system (MOSAIC)	-100.0			-148.2		-248.2	
Facilities Management	Renegotiation of two year contract with a new provider of the East Kent Facilities Management contract				756.1		756.1	
Highway Maintenance Contract	Estimated market uplift in core cost of Highways urban grass cutting contract			202.5			202.5	
Highway Maintenance Contract	One-off set up costs associated with the recommissioning of the highways term maintenance contract, including procurement and pre-commencement costs			575.0			575.0	
Highway Maintenance Contract	Estimated market uplift in core cost of the highways term maintenance contract due to existing contract being below current market expectations			1,444.3			1,444.3	
Oakwood House Development	Holding costs and loss of income once Oakwood House is no longer operational				550.0		550.0	
County Council Time Limited Debate on travel for disabled people to work	Provision to respond to the 12th September 2019 County Council time limited debate on supporting disabled people with travelling to work					200.0	200.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
Public Health	Additional investment in drug-related referrals and services for Children and Young People, and promoting sexual health services through advertising online testing and investment in technology e.g video conferencing and self-checking				600.0		600.0	
County Council Time Limited Debate on Council Tax Exemption for Young Care Leavers	Commitment to ensure that young care leavers receive a full exemption from paying Council Tax until the age of 21 to help with transitioning to adult life		600.0				600.0	
Education	KCC contribution to Kent Association of Headteachers		215.0				215.0	
County Council Climate Emergency Time Limited Debate	Initial contribution to a new climate change target reserve to assist with accelerating progress on climate change					1,000.0	1,000.0	
Waste enforcement	Strengthen waste enforcement activity to work in conjunction with the District Councils to combat fly tipping			250.0			250.0	
Growth for Strategic Statement Priorities	Funding for high impact improvements in support of the new 5-Year Plan (Strategic Statement) priorities					3,500.0	3,500.0	
Learning Disability, Mental Health & Physical Disability Residential Care retender	Provision for increased costs of contract retender for residential care for adult clients with disabilities					3,226.0	3,226.0	
Sleep In Nights	Estimated additional costs of paying providers National Living Wage for Sleep In Nights as part of the Learning Disability, Mental Health & Physical Disability Residential Care retender					1,166.0	1,166.0	
Kent Public Services Network (KPSN)	Provision for potential loss of business from schools thereby increasing the cost to KCC of core provision					424.7	424.7	
Other	Other minor service improvements of £200k or less	50.0	160.0	997.2	369.2		1,576.4	
Total Additional Spending Demands		32,456.3	20,541.1	7,802.0	7,755.7	38,418.8	106,973.9	106,973.9

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<u>Savings and Income</u>								
<u>Transformation Savings</u>								
Adults - Transformation	Final stage of efficiency savings arising from the implementation of the new ASCH operating models	-3,700.0					-3,700.0	-6,200.0
Adults - Transformation	The Whole System Programme of Change for Adult Social Care & Health will deliver savings within systems, processes and practice	-2,500.0					-2,500.0	
Service Integration within CYPE directorate	Moving to different service delivery model following integration of Children's Services across the Children, Young People and Education Directorate		-1,250.0				-1,250.0	-1,733.0
People & Communications	Transformation of our Human Resources and Organisational Development function within People Services to strengthen support for business change across the organisation and the delivery of the People Strategy				-250.0		-250.0	
Other	Other minor savings to be achieved through transformation of £200k or less		-15.0	-88.0	-130.0		-233.0	
<u>Income</u>								
	<i>uplifts from applying existing policy</i>							
Review of Charges for Service Users - existing service income streams & inflationary increases	Uplift in social care client contributions in line with estimated benefit and other personal income uplifts for 2019-20, together with inflationary increases and a review of fees and charges across all KCC services, in relation to existing service income streams	-3,306.1	-25.2	-65.5			-3,396.8	-6,253.0
Kent Travel Saver (formerly Young Person's Travel Pass)	Kent Travel Saver price realignment to offset bus operator inflationary fare increases			-450.1			-450.1	
Income return from our companies	Estimated increase in income contribution from our limited companies					-340.1	-340.1	
Investment Income	Increase in investment income resulting from revised treasury management strategy and higher cash balances					-2,000.0	-2,000.0	
Other	Other minor changes in income of £200k or less			-66.0			-66.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<i>Increases in Grants & Contributions</i>								
BREXIT grant	Removal of one-off grant funding from Government in 2019-20 to help fund the additional costs associated with BREXIT					87.5	87.5	4,451.9
Adult Social Care Winter pressures funding announced in Chancellor's Autumn 2018 budget	Removal of the additional Section 31 specific grant provided by Government in 2018-19 and 2019-20 to help alleviate winter pressures on the NHS, which is being replaced in 2020-21 by being rolled into the Improved Better Care Fund (iBCF) which is held centrally	6,164.4					6,164.4	
Public Health Grant	Anticipated increase in Public Health Grant pending announcement from Department of Health and Social Care				-1,800.0		-1,800.0	
<i>Efficiency Savings</i>								
<u>Staffing</u>								
Staffing Restructures	Service re-design, integration of services and more efficient ways of working resulting in a reduction of staff and staff related costs			-40.0			-40.0	-40.0
<u>Infrastructure</u>								
Established Programmes	Existing savings plans arising from phase 2 of the rationalisation of the office estate				-110.0		-110.0	-110.0
<u>Contracts & Procurement</u>								
Waste	Full year effect of the new cost saving initiative within the South West Kent Waste Partnership			-811.0			-811.0	4,245.2
Waste	New waste contract efficiencies including reduction in payments to Kent Resource Partnership; new contract enabling separate disposal of currently co-mingled food waste; savings on tipping away payments in East Kent; and reassessing recycling performance payments			-503.2			-503.2	
Public Health - Commissioned Services	Estimated savings needed in Public Health spend if grant income is insufficient to cover assumed cost increases				-2,817.0		-2,817.0	
Other	Other minor contracts & procurement savings of £200k or less			-64.0	-50.0		-114.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<u>Other</u>								
Adult Social Care Projects	Remove the one-off saving in 2019-20 from review of project activity within adult social care	520.0					520.0	-342.0
Children, Young People & Education contracts & projects	Remove the one-off saving in 2019-20 from review of contract and project spend within Children, Young People and Education services		400.0				400.0	
Provision for Bad Debt	Net reduction in bad debt provision from investment and improvement in debt collection					-500.0	-500.0	
Central Services for Schools	Efficiency savings within central services for schools to offset the reduction in Dedicated Schools Grant: Central Services for Schools Block		-700.0				-700.0	
Other	Other minor efficiency savings of £200k or less			-218.0		156.0	-62.0	
<u>Financing Savings</u>								
Debt repayment	Reduction in overall level of prudential borrowing as a result of assessment of government funding levels to finance the capital programme and review amounts set aside for debt repayment (MRP) based on review of asset life					-1,500.0	-1,500.0	-14,127.5
Draw-down corporate reserves	Net draw-down of corporate reserves to fund specific one-off pressures until sustainable alternatives can be found					-653.1	-653.1	
Modernisation of the Council	Reduce the annual budget for Modernisation of the Council/ Workforce Reduction and fund any excess costs from the reserve					-500.0	-500.0	
Carbon Reduction Commitment	Removal of annual base budget following cessation of the Carbon Reduction Commitment scheme					-566.0	-566.0	
Drawdown directorate reserves	Release of directorate reserves following confirmation of continuation of winter pressures funding in 2020-21 and review of residual balances held	-7,739.4					-7,739.4	
Transformation Reserve	One year payment holiday from annual contribution to Transformation Reserve					-2,500.0	-2,500.0	
Public Health Reserves	Use of Public Health reserves to fund invest to save initiatives and one-off costs				-669.0		-669.0	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<i>Policy Savings</i>								
Library, Registration & Archives Service	Full year effect of saving from delivery of the Libraries Registration & Archives (LRA) Ambition, which defines the future strategy and outcomes of the service and informs where future savings opportunities will arise			-500.0			-500.0	-1,095.2
Adult Social Care Charging	Make changes to the charging policy for Adult Social Care in a person's own home or in the community (subject to the outcome of the current consultation)	-107.6	-142.6				-250.2	
Member Community Grants	Remove the 2019-20 one-off reduction in Member Community Grants from £20k to £15k per Member				405.0		405.0	
Intermediaries Legislation	Remove the base budget for IR35, tax legislation introduced by HMRC in 2017 to eliminate the avoidance of tax and NI contributions by contractors through the use of intermediaries such as companies or partnerships, and fund any future costs from reserves					-500.0	-500.0	
Other	Other smaller policy savings of £200k or less			-250.0			-250.0	
Total savings and Income		-10,668.7	-1,732.8	-3,055.8	-5,421.0	-8,815.7	-29,694.0	-29,694.0
Proposed Budget		397,297.0	269,810.8	177,556.9	81,285.8	137,703.8	1,063,654.3	1,063,654.3

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<u>Funding</u>								
<i>Estimated Settlement</i>	<i>KCC estimate of the Government settlement based on published Spending Round and technical consultation on the Local Government Finance Settlement which hasn't yet been notified</i>							
Revenue Support Grant	Comprises share of previous Formula Grant, Early Intervention Grant, Learning Disability Grant, Council Tax Freeze Grant, Care Act Grant etc. allocated as revenue support grant, including impact of one year roll forward settlement announced in Spending Round 2019 on 4th September 2019.						9,641.7	9,641.7
New Social Care Grant for 2020-21	Additional grant funding for Adult & Children Social Care announced by the Chancellor in the Spending Round 2019 Statement on 4th September 2019						23,835.9	23,835.9
Social Care Support Grant	Further one-off extension of the Adult Social Care Support Grant per the one year roll forward settlement announced in Spending Round 2019 on 4th September 2019						10,530.9	10,530.9
Business Rate Top-up	Top-up derived by comparing local share of business rates according to historical average and business rate baseline share of previous grants including annual uplift in line with business rate multiplier, as per the one year roll forward settlement announced in the Spending Round 2019						138,429.0	138,429.0
Improved Better Care Fund (iBCF)	MHCLG un-ring-fenced grant allocated towards improved integration between social care and health, including the additional adult social care funding announced in the Chancellor's Spring Budget on 8th March 2017, and the winter pressures funding provided in 2018-19 and 2019-20 which is rolled into iBCF for 2020-21						48,544.2	48,544.2
New Homes Bonus Grant	MHCLG un-ring-fenced grant allocated according to increase in tax base, as per the one year roll forward settlement announced in the Spending Round 2019						6,430.2	20,830.0
Business Rate Compensation	Compensation for additional reliefs on business rates for small businesses, retail premises and reduction in multiplier paid as un-ring-fenced grant by MHCLG (estimate)						12,661.9	
Un-ring-fenced grants	Un-ring-fenced grants from other Government Departments						1,737.9	

Section 3 - Detailed 2020-21 Revenue Planned Changes by Directorate

Heading	Description	ASCH	CYPE (incl DCS Age 0-25)	GET	S&CS (incl PH)	FI&U	Total	
		£000s	£000s	£000s	£000s	£000s	£000s	£000s
<i>Business Rates</i>								
Business Rate Baseline	Estimated local share of business rates baseline in the Local Government Finance Settlement based on historical average with annual uplift in line with business rate multiplier, as per the one year roll forward settlement announced in the Spending Round 2019						49,468.9	55,938.0
Business Rate Local Share	KCC 9% share of local tax base growth as notified by district councils less baseline share identified above						6,469.1	
Business Rate Collection Fund	KCC share of surpluses and deficits on business rate collection in prior years						2,562.9	2,562.9
<i>Local Taxation</i>								
Council Tax Base	Provisional KCC band D equivalent tax base notified by district councils						669,277.8	683,653.7
Council Tax Increase	Impact of increase in Council Tax up to the assumed 2% referendum limit						14,375.9	
Adult Social Care Levy	Impact of further 2% increase in Council Tax for Adult Social Care Levy (total shown relates to 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21 increases combined)						65,789.7	65,789.7
Council Tax Collection Fund	KCC share of surpluses and deficits on Council Tax collection in prior years						3,898.3	3,898.3
Total Funding							1,063,654.3	1,063,654.3

Key:

CYPE	Children, Young People and Education
ASCH	Adult Social Care and Health
DCS	Disabled Children's Services
GET	Growth, Environment & Transport
S&CS	Strategic & Corporate Services
PH	Public Health
FI&U	Financing Items and Unallocated

Budget Book

SECTION 4

Revenue Budget - Summary

SECTION 4 - REVENUE BUDGET - SUMMARY BY DIRECTORATE

Revenue Spending:

Row ref	2019-20 Revised Base (Net Cost) £000s	Directorate		2020-21 Proposed Budget						
				Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	Net Change from 2019-20 £000s
1	375,509.4	Adult Social Care & Health	ASCH	88,434.5	460,965.9	549,400.4	-137,146.7	-14,956.7	397,297.0	21,787.6
2	251,002.5	Children, Young People & Education (excluding Schools' Delegated Budgets)	CYPE	118,957.3	426,103.1	545,060.4	-53,035.3	-222,214.3	269,810.8	18,808.3
3	0.0	Children, Young People & Education (Schools' Delegated Budgets)	CYPE	513,147.4	174,717.7	687,865.1	-49,287.4	-638,577.7	0.0	0.0
4	172,810.7	Growth, Environment & Transport	GET	53,246.5	169,357.2	222,603.7	-39,500.8	-5,546.0	177,556.9	4,746.2
5	78,951.1	Strategic & Corporate Services	S&CS	37,447.5	141,167.6	178,615.1	-23,023.5	-74,305.8	81,285.8	2,334.7
6	108,100.7	Financing Items & Unallocated	FI&U	8,769.7	147,904.8	156,674.5	-18,961.7	-9.0	137,703.8	29,603.1
7	986,374.4	Budget Requirement		820,002.9	1,520,216.3	2,340,219.2	-320,955.4	-955,609.5	1,063,654.3	77,279.9
8	986,374.4	Budget Requirement (excluding Schools' Delegated Budgets)		306,855.5	1,345,498.6	1,652,354.1	-271,668.0	-317,031.8	1,063,654.3	77,279.9
Funded By:										
9	-717,471.3	Council Tax Yield including Collection Fund						-753,341.7	-753,341.7	-35,870.4
10	-54,468.9	Local Share of Business Rates & Business Rate Collection Fund						-58,500.9	-58,500.9	-4,032.0
Unringfenced Grants:										
11	-9,487.1	Revenue Support Grant (RSG)						-9,641.7	-9,641.7	-154.6
12	-10,530.9	Social Care Support Grant						-10,530.9	-10,530.9	0.0
13	0.0	New Social Care Grant (Spending Round 2019)						-23,835.9	-23,835.9	-23,835.9
14	-136,209.7	Business Rate Top-Up						-138,429.0	-138,429.0	-2,219.3
15	-7,665.5	Business Rate Compensation Grant						-12,661.9	-12,661.9	-4,996.4
16	-42,379.7	Improved Better Care Fund (iBCF)						-48,544.2	-48,544.2	-6,164.5
17	-6,388.1	New Homes Bonus (NHB)						-6,430.2	-6,430.2	-42.1
18	-1,773.2	Other Unringfenced Grants						-1,737.9	-1,737.9	35.3
19	0.0	Total		820,002.9	1,520,216.3	2,340,219.2	-320,955.4	-2,019,263.8	0.0	0.0

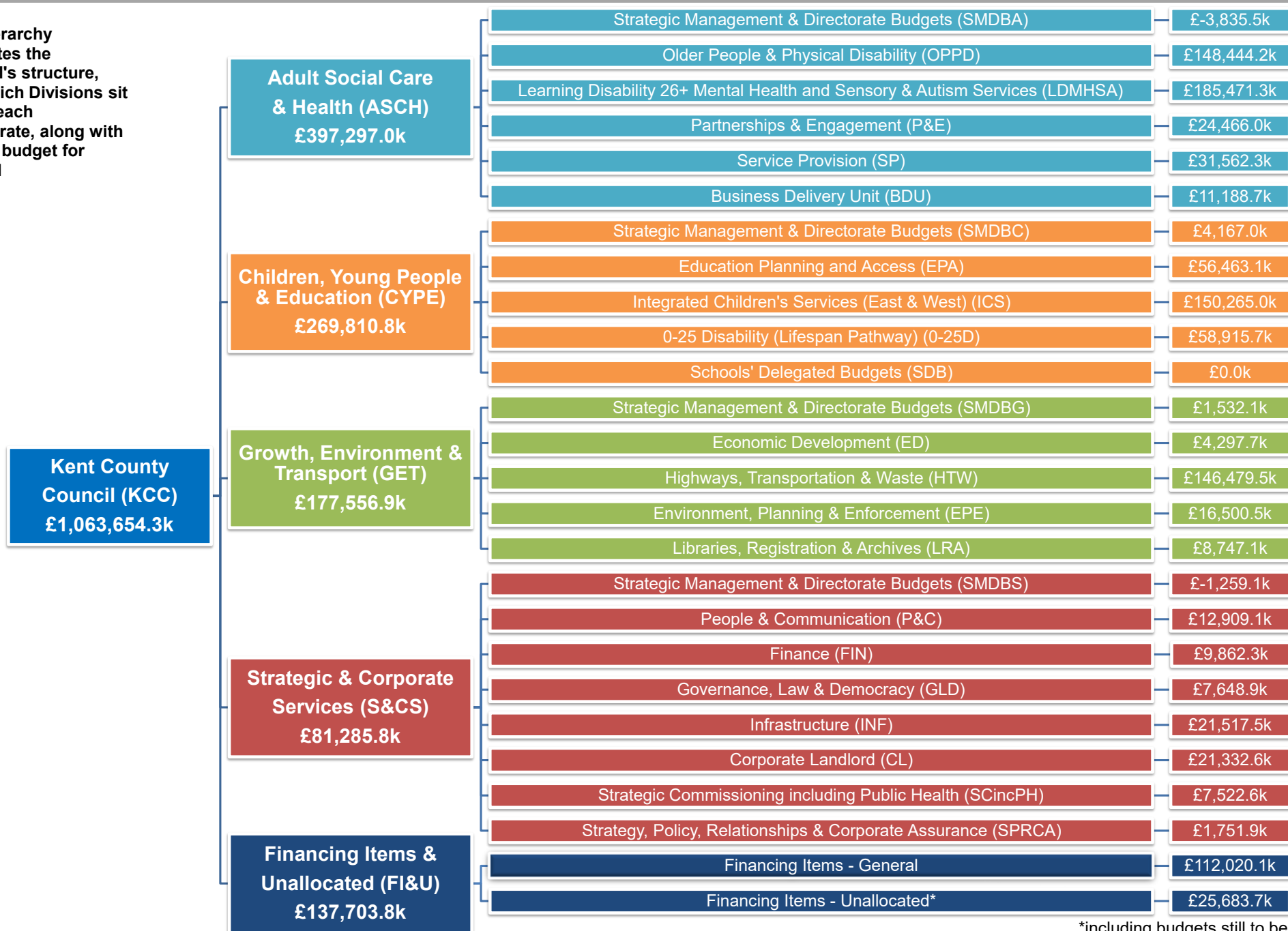
Budget Book

SECTION 5

Revenue Budget – Key Services

SECTION 5 - REVENUE BUDGET - SUMMARY BY DIRECTORATE & DIVISION

The hierarchy illustrates the Council's structure, and which Divisions sit within each Directorate, along with the net budget for 2020-21



*including budgets still to be allocated

Adult Social Care & Health (ASCH)



Corporate Director: **Penny Southern**

Net Revenue Budget for 2020-21:	£397,297.0k
Gross Capital Budget over 3 year period:	£23,306k
Full Time Equivalent (FTE) Staff at December 2019:	2,359.2

Adult Social Care & Health (ASCH) consists of five divisions; 1. Older Persons and Physical Disability (OPPD), 2. Learning Disability 26+, Mental Health and Sensory Autism Services (LDMHSA), 3. Partnership and Engagement, 4. Service Provision, 5. Business Delivery Unit and in addition there is a Strategic Management Budget.

We aim to promote people's independence and wellbeing and to support individuals to achieve their outcomes. Within this core purpose, a key priority is to discharge our statutory safeguarding responsibilities for adults, working with our key partner organisations. Our commissioning decisions drive the delivery of quality services that improve outcomes for the people of Kent.

As a Directorate, we face both external pressures and internal challenges, including pre-existing budgetary pressures and the continued rise in the numbers of people with complex needs. We recognise that our services will need to demonstrate organisational resilience to assist us in achieving the improvements we have planned for the year ahead. We are confident we have the necessary resourcefulness, skills, and abilities in place to deliver our intended outcomes for the people of Kent.

Older Persons & Physical Disability (OPPD): The Division commissions and provides a range of services to improve outcomes for older people and physically disabled adults and their carers. The Older People and Physical Disability (OPPD) operating model was implemented in August 2018, this is aligned to the emerging Local Care Model and focuses on prevention, maximising independence and choice, and providing targeted personalised support where required.

Learning Disability 26+, Mental Health and Sensory Autism Services (LDMHSA): The Division commissions and provides a range of services to improve outcomes for physically disabled adults, adults with learning disabilities, people with mental health issues, and their carers. Our services for adult mental health and learning disability work in integrated teams with health colleagues. Social care staff previously within the KMPT Community Mental Health Teams transferred back to KCC in the 2018-19 financial year, ensuring the robust delivery of social care statutory responsibilities.

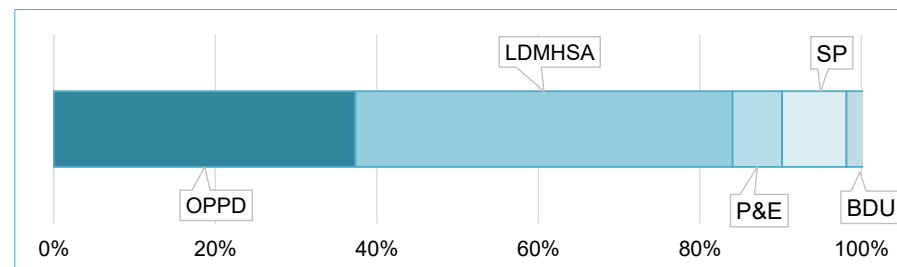
Partnership and Engagement (P&E): This division leads on the development of sustainable relationships with all partner agencies through the Sustainability and Transformation Partnership, including the wider community with a strong focus on voluntary sector partnership working. We will lead on commissioning intentions to influence the direction and content of service developments to ensure the delivery and implementation of Local Care.

Service Provision (SP): This division provides a range of in-house services to improve outcomes for individuals and to provide support to carers. The service includes; Short Breaks, Shared Lives, Community Support Services, Community Based Enablement Services, and Integrated Care Centres.

Business Delivery Unit (BDU): This Division manages the operational business support function for the Directorate to achieve the operational business outcomes. This area also incorporates a multi-agency partnership to ensure a coherent policy and arrangements for the protection of vulnerable adults.

Strategic Management & Directorate Budgets (SMDBA): This area incorporates the costs of the Strategic Management Team. The Improved Better Care Fund (iBCF) specific allocation for social care and the Winter Monies allocation.

How is the ASCH budget split between Services?



Directorate Level Variation Statement

2019-20 Revised Base	Spending Pressures	Savings & Income	2020-21 Proposed Budget
£375,509.4k	£32,456.3k	-£10,668.7k	£397,297.0k

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget					Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s

Adult Social Care & Health (ASCH)

Corporate Director: Penny Southern

£397.3m

Strategic Management & Directorate Budgets (SMDBA)

Corporate Director: Penny Southern

1	-13,494.5	Additional Adult Social Care Allocation	0.0	0.0	0.0	0.0	0.0	0.0	Additional spending on the improved Better Care Fund (iBCF) and the Social Care Winter Monies. Spending plans to be refined and allocated across other Key Service lines
2	214.5	Transfers to and from reserves	0.0	-7,524.9	-7,524.9	0.0	0.0	-7,524.9	Transfers to and from KCC's reserves to support the Adult Social Care & Health directorate
3	-520.0	Budget & Saving Plans to be allocated	0.0	0.0	0.0	0.0	0.0	0.0	Budgets and savings held here until plans have been finalised and can be allocated to specific Key Service lines
4	3,989.4	Strategic Management & Directorate Support (ASCH)	1,677.4	2,225.3	3,902.7	-160.0	-53.3	3,689.4	Central Directorate costs including the costs of the Corporate Director, Directors, and associated Officers
5	-9,810.6	Total - Strategic Management & Directorate Budgets (SMDBA)	1,677.4	-5,299.6	-3,622.2	-160.0	-53.3	-3,835.5	

Older People & Physical Disability (OPPD)

Interim Director: Janice Duff

6	16,461.6	Adult Physical Disability - Community Based Services	0.0	20,465.7	20,465.7	-2,124.0	-1,008.8	17,332.9	Commissioned Community-Based Services for Physical Disability Service Users (aged 26+ and those with an acquired long-term condition aged 18-25) including domiciliary care, direct payments, day care, supported living, and social support services provided by the voluntary sector to enable Service Users to remain independent
7	14,464.8	Adult Physical Disability - Residential Care Services	0.0	16,373.3	16,373.3	-2,376.1	0.0	13,997.2	Residential Care Services for Physical Disability Service Users (aged 26+ and those with an acquired long-term condition aged 18-25)
8	528.1	Carer Support - Commissioned	0.0	2,149.6	2,149.6	-1,535.6	-12.3	601.7	Commissioned services to support carers
9	34,224.3	Older People - Community Based Services	0.0	62,797.7	62,797.7	-24,879.0	-249.7	37,669.0	Commissioned Community-Based Services for Older People (aged 65+) including domiciliary care, direct payments, day care, supported living, and social support services provided by the voluntary sector to enable Service Users to remain independent
10	46,120.6	Older People - Residential Care Services	0.0	104,086.5	104,086.5	-52,624.3	-130.7	51,331.5	Commissioned Residential and Nursing Care Services for Older People (aged 65+)

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
11	23,826.9	Older People & Physical Disability - Assessment and Deprivation of Liberty Safeguards Services	24,790.0	1,574.1	26,364.1	-2,065.3	-471.9	23,826.9	Social care staff providing assessment of community care needs and safeguarding investigation undertaken by Case Managers
12	3,925.8	Older People & Physical Disability - In House Community Homecare Service	8,819.5	621.9	9,441.4	-5,756.4	0.0	3,685.0	In House Community-Based Enablement Services at point of first referral to enable Adult Service Users to continue living independently
13	0.0	Operational Budget & Savings Plans to be allocated	0.0	0.0	0.0	0.0	0.0	0.0	Budgets and savings held here until plans have been finalised and can be allocated to specific Key Service lines
14	139,552.1	Total - Older People & Physical Disability (OPPD)	33,609.5	208,068.8	241,678.3	-91,360.7	-1,873.4	148,444.2	

Learning Disability 26+, Mental Health and Sensory & Autism Services (LDMHSA) Interim Director: Richard Smith									
15	5,231.3	Adult Learning Disability - Case Management & Assessment Service	5,637.0	240.3	5,877.3	-267.6	-11.1	5,598.6	Social care staff providing assessment of community care needs and safeguarding investigation undertaken by Case Managers
16	73,656.8	Adult Learning Disability - Community Based Services & Support for Carers	0.0	87,372.1	87,372.1	-6,466.1	-852.6	80,053.4	Commissioned Community-Based Services for Learning Disability Service Users (aged 26+) including domiciliary care, direct payments, day care, supported living, and social support services provided by the voluntary sector to enable Service Users to remain independent
17	60,204.7	Adult Learning Disability - Residential Care Services & Support for Carers	0.0	66,564.0	66,564.0	-5,525.0	0.0	61,039.0	Commissioned Residential Care Services (and Short Breaks) for Learning Disability Service Users (aged 26+)
18	9,852.5	Adult Mental Health - Case Management & Assessment Services	9,820.3	295.4	10,115.7	-296.2	-11.1	9,808.4	Social care staff providing assessment of community care needs and safeguarding investigations undertaken by Mental Health professionals
19	5,173.5	Adult Mental Health - Community Based Services	0.0	6,681.9	6,681.9	-509.4	-13.9	6,158.6	Commissioned Community-Based Services for Mental Health Service Users (aged 18+) including domiciliary care, direct payments, day care, supported living, and social support services provided by the voluntary sector to enable Service Users to remain independent
20	13,325.4	Adult Mental Health - Residential Care Services	0.0	14,082.4	14,082.4	-780.2	0.0	13,302.2	Commissioned Residential Care Services for Mental Health Service Users (aged 18+)
21	5,874.2	Physical Disability 26+ Lifespan Pathway & Autism - Community Based Services	0.0	7,273.5	7,273.5	-803.9	0.0	6,469.6	Commissioned Community-Based Services for Physical Disability Service Users (aged 26+) with long-term conditions from birth or early childhood and Autism Service Users (aged 18+) including domiciliary care, direct payments, day care, supported living, and social support services provided by the voluntary sector to enable Service Users to remain independent
22	1,004.6	Physical Disability 26+ Lifespan Pathway & Autism - Residential Care Services	0.0	1,324.7	1,324.7	-111.0	0.0	1,213.7	Commissioned Residential Care Services (and Short Breaks) for Physical Disability Service Users (aged 26+) with long-term conditions from birth or early childhood and Autism Service Users (aged 18+)

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
23	1,827.8	Sensory & Autism - Assessment Service	1,712.7	115.1	1,827.8	0.0	0.0	1,827.8	Social care staff providing assessment of community care needs and safeguarding investigations undertaken by Case Managers
24	176,150.8	Total - Learning Disability, 26+ Mental Health and Sensory & Autism Services (LDMHSA)	17,170.0	183,949.4	201,119.4	-14,759.4	-888.7	185,471.3	

Partnerships & Engagement (P&E)

Director: Anne Tidmarsh

25	13,087.9	Community Based Preventative Services	0.0	18,388.8	18,388.8	-4,549.8	-751.1	13,087.9	Social Support Services provided by the voluntary sector to prevent social isolation and provide information and early intervention / preventative services to enable Service Users to remain independent. Including services for residents with immediate need and who are in crisis, to live independently by signposting to alternative appropriate services and helping with the purchase of equipment and supplies to ensure the safety and comfort of the most vulnerable in our society. This Key Service line also includes Local Healthwatch which is a statutory service commissioned by KCC to ensure that patients, users of social care services and their carers, and the public, have a say in how these services are commissioned and delivered on their behalf
26	6,991.4	Housing Related Support	0.0	8,439.4	8,439.4	-1,266.3	-181.7	6,991.4	Housing related support for 7,800 vulnerable households via supported housing, Home Improvement Agencies, women's refuges and community based support to enable them to gain the skills they need to live independently in their own home including emergency welfare assistance and advice to households in an emergency or crisis
27	1,531.4	Partnership Support Services	474.9	11,826.7	12,301.6	-10,865.2	0.0	1,436.4	Manages a number of operational support services, which enable the Directorate to achieve its partnership agenda
28	2,950.3	Social Support for Carers	0.0	4,697.0	4,697.0	-1,746.7	0.0	2,950.3	Services supporting carers provided by the voluntary sector
29	24,561.0	Total - Partnerships & Engagement (P&E)	474.9	43,351.9	43,826.8	-18,428.0	-932.8	24,466.0	

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description	
			Staffing	Non Staffing	Gross Expenditure	Income	Grants	Net Cost		
			£000s	£000s	£000s	£000s	£000s	£000s		
Service Provision (SP) Head of Service: Damien Ellis										
30	685.2	Divisional Management	618.5	66.7	685.2	0.0	0.0	685.2	Divisional management costs enabling the Directorate to achieve its business aims	
31	2,552.5	Adult In House Carer Services	2,388.5	164.0	2,552.5	0.0	0.0	2,552.5	In House residential respite services to support carers	
32	7,020.3	Adult In House Community Services	6,172.7	918.3	7,091.0	-70.7	0.0	7,020.3	In House Community-Based Services for Learning Disability Service Users (aged 18+) and Physical Disability (aged 18-25) including In House Day Centres and other services to enable Service Users to remain independent	
33	3,213.9	Adult In House Enablement Services	3,069.9	5,785.7	8,855.6	-189.1	-5,584.9	3,081.6	In House Community-Based Enablement Services to enable Adult Service Users to return to living independently	
34	2,723.4	Looked After Children (with Disability) - In House Provision	3,696.0	8.6	3,704.6	-981.2	0.0	2,723.4	In House Residential Respite and Enablement Services to support Looked After Children and families	
35	15,233.7	Older People - In House Provision	10,335.6	14,584.2	24,919.8	-4,012.6	-5,407.9	15,499.3	In-House provision for Older People, including In House Residential and Day Care Centres, and Integrated Care Centres	
36	31,429.0	Total - Service Provision (SP)	26,281.2	21,527.5	47,808.7	-5,253.6	-10,992.8	31,562.3		
Business Delivery Unit (BDU) Head of Service: Helen Gillivan										
37	2,659.2	Adaptive & Assistive Technology	793.2	8,948.6	9,741.8	-7,021.0	0.0	2,720.8	Occupational Therapy Services working in partnership with Health to provide equipment and telecare	
38	10,600.3	Divisional & Directorate Support	8,029.4	286.6	8,316.0	0.0	-215.7	8,100.3	Manages the operational business support function for the Directorate to achieve the operational business outcomes	
39	367.6	Safeguarding Adults	398.9	132.7	531.6	-164.0	0.0	367.6	A multi-agency partnership / framework to ensure a coherent policy and arrangements for the protection of vulnerable adults	
40	13,627.1	Total - Business Delivery Unit (BDU)	9,221.5	9,367.9	18,589.4	-7,185.0	-215.7	11,188.7		
41	375,509.4	Total - Adult Social Care & Health (ASCH)	88,434.5	460,965.9	549,400.4	-137,146.7	-14,956.7	397,297.0		

Children, Young People & Education (CYPE)



Corporate Director: **Matt Dunkley CBE**

Net Revenue Budget for 2020-21:	£269,810.8k
Gross Capital Budget over 3 year period:	£350,341k
Full Time Equivalent (FTE) Staff at December 2019:	2,754.6

Services for children and young people in Kent are delivered through the Children, Young People and Education (CYPE) Directorate which comprises of five Divisions: Strategic Management & Directorate (SMDBC), Education Planning & Access (EPA), Integrated Children's Services (East & West) (ICS), 0-25 Disability (Lifespan Pathway) (0-25D) & Schools' Delegated Budgets (SDB).

The CYPE vision is to make Kent a County that works for all children and young people. We aim to ensure that all children and young people feel safe, secure, loved, fulfilled, happy and optimistic so as they develop and achieve their maximum potential.

Our ambition is to ensure all Kent children and young people have a good education and a good childhood. For all children, young people and their families to secure the best outcomes they can, CYPE services focus upon:

- Securing the best childcare, education and training opportunities;
- Joining up services to support families at the right time in the right place;
- Being the best Corporate Parent we can be;
- Developing a culture of high aspiration and empathy for children, young people and their families;
- Valuing and listening to children and young people's voices.

We work hard to minimise the impact of reduced resources and continued demand from the most vulnerable in our communities. We aim to keep vulnerable families out of crisis, by providing them with timely support. CYPE continues to respond creatively to the demands placed upon it by forming new partnerships, reshaping services and adopting new ways of working to ensure children, young people and families are supported where and when they need help.

The bringing together of Early Help, Education and Children's Social Work into one Corporate Directorate has provided opportunities for improving outcomes for vulnerable children and young people. CYPE's focus is on better integrated working between these services. The Directorate has launched a Change for Kent Children Programme to better integrate all elements of the Directorate's work, using a new practice framework and operating model.

Strategic Management & Directorate Budgets (SMDBC): This area incorporates the Directorate centrally held costs, including budgets for the Strategic Directors and Heads of Service. It also leads on the Change for Kent Children Programme, support for the Corporate Director, Directorate communications and Member interface.

Education Planning and Access (EPA): This Division's purpose is to secure good quality school places in every community so that every child and young person can have the best start in life to succeed, have excellent foundations, no matter what their social background. EPA also commissions one of KCC's Local Authority Trading Companies (LATCo) 'The Education People' to deliver both traded and statutory elements of education support services.

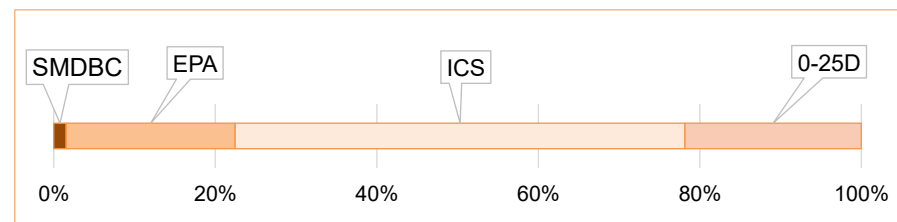
Integrated Children's Services (East and West) (ICS): Has a statutory duty to safeguard and promote the welfare of some of Kent's most vulnerable children and young people. The focus is on providing an effective and consistent integrated children's service across Kent, supporting staff to prevent the escalation of need and deliver services that provide timely and appropriate support for children, young people and families earlier, when they are most in need.

ICS comprises of a range of services including: Early Help Units; the Front Door Referral Service; Children's Social Work teams; Adolescent teams; Children in Care teams; Fostering Service; Adoption Service; Safeguarding and Quality Assurance; 18+ Care Leavers Service; Management Information; Youth Justice; Inclusion and Attendance teams; Open Access provision (Children's Centres and the Youth Service) and the Unaccompanied Asylum Seeking Children Service.

0-25 Disability (Lifespan Pathway) (0-25D): The Lifespan Pathway service provides flexible needs-led provision for disabled children, young people and adults with complex physical and learning disabilities, to remove artificial transition points and ensure a smooth pathway from children and young people services into adulthood.

Schools' Delegated Budgets (SDB): This holds the Dedicated Schools Grant (DSG) for Kent schools.

How is the CYPE budget split between Services?



Directorate Level Variation Statement

2019-20 Revised Base	Spending Pressures	Savings & Income	2020-21 Proposed Budget
£251,002.5k	£20,541.1k	-£1,732.8k	£269,810.8k

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	

Children, Young People & Education (CYPE)

Corporate Director: Matt Dunkley CBE

£269.8m

Strategic Management & Directorate Budgets (SMDBC)

Corporate Director: Matt Dunkley CBE

42	3,836.7	Strategic Management & Directorate Budgets (CYPE)	1,068.7	6,955.9	8,024.6	-684.0	-3,173.6	4,167.0	Central Directorate costs including the Strategic Director and Directorate pension costs
43	-400.0	Budget & Saving Plans to be allocated	0.0	0.0	0.0	0.0	0.0	0.0	Budgets and savings held here until plans have been finalised and can be allocated to specific Key Services lines
44	3,436.7	Total - Strategic Management & Directorate Budgets (SMDBC)	1,068.7	6,955.9	8,024.6	-684.0	-3,173.6	4,167.0	

Education Planning and Access (EPA)

Director: Keith Abbott

45	6,298.4	Special Educational Needs & Psychology Services	11,974.4	68,827.3	80,801.7	-5,572.2	-65,960.2	9,269.3	Assessment and placement of children and young people with Special Educational Needs including those with Education Health Care Plans (EHCPs)
46	0.0	Early Years Education	0.0	72,953.7	72,953.7	0.0	-72,953.7	0.0	Parents' statutory entitlement to free Early Years education provision, most commonly from private, voluntary and independent providers for which KCC provides reimbursement from the Dedicated Schools Grant. There is a universal entitlement of 15 hours per week for all 3 and 4 year olds, increasing to 30 hours for children of working parents. This budget also provides entitlement to eligible 2 year olds for up to 15 hours per week
47	39,232.1	Home to School & College Transport	192.7	47,467.9	47,660.6	-3,362.3	0.0	44,298.3	Transport to education establishments for all entitled pupils including specialist transport to school and college for children and young people with Special Educational Needs & Disabilities, together with free mainstream school transport, and the partly subsidised Kent 16+ Travel Saver (which includes an individual contribution). A small team support specific pupils with their travel arrangements to schools to enable them to become independent as they transition to secondary school
48	9.6	Fair Access & Planning Services	2,197.3	690.9	2,888.2	-58.0	-2,820.6	9.6	Planning the provision of school places and managing the schools admissions and eligibility for school transport services
49	3,490.7	Education Services provided by EDSECO Ltd (trading as The Education People)	0.0	8,960.8	8,960.8	0.0	-5,080.5	3,880.3	A range of statutory education services provided through the Education Services Company (trading as The Education People), including School Improvement, Education Safeguarding, Skills & Employability, Schools Financial Services, and Outdoor Education

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
50	-991.1	Community Learning & Skills (CLS)	9,341.6	3,764.7	13,106.3	-3,269.3	-10,683.1	-846.1	Provision of adult education courses and family and responsive learning, together with the delivery of English and Maths learning, to help people improve their employability skills
51	917.8	Education Services & Planning Resources Management & Division Support	1,257.7	885.7	2,143.4	-310.0	-915.6	917.8	Includes Area Education Officers and their direct support, costs associated with Academy conversions, and other Divisional management and support costs
52	-1,093.8	Other School Services	0.0	39,216.1	39,216.1	-19,765.2	-20,517.0	-1,066.1	Provision of a wide range of support services to schools (most of which operate on a traded basis)
53	47,863.7	Total - Education Planning and Access (EPA)	24,963.7	242,767.1	267,730.8	-32,337.0	-178,930.7	56,463.1	

Integrated Children's Services (East & West) (ICS)

Directors: Stuart Collins (Early Help & Preventative Services Lead) & Sarah Hammond (Children's Social Work Lead)

54	6,422.6	Early Help & Preventative Services	10,316.4	5,932.9	16,249.3	-2,823.3	-6,746.3	6,679.7	Early intervention and prevention services for families, children and young people, including services provided under the Tackling Troubled Families Scheme and Headstart project to improve the mental health and emotional wellbeing of 10-16 year olds
55	3,448.2	Children's Centres	6,248.5	1,211.9	7,460.4	-4,012.2	0.0	3,448.2	Provides integrated early childhood services to young children and their families (many of whom are disadvantaged), in order to improve their development and life chances so that children are school ready and parents have support and opportunity to gain parenting skills
56	3,912.6	Youth Services	4,299.6	2,137.4	6,437.0	-1,214.0	-1,310.4	3,912.6	Youth Services enable young people to access positive educational and recreational leisure time activities to improve their wellbeing and personal and social development. The Youth Justice Service assesses, plans and intervenes with 10-17 year olds who have come to the attention of the Police or judicial system, to prevent them offending
57	0.0	Pupil Referral Units & Inclusion	1,613.8	7,032.6	8,646.4	-267.0	-8,379.4	0.0	Pupil Referral Units (PRU's) are short-stay centres which provide education for children who are excluded, sick, or otherwise unable to attend a mainstream school, until they are reintegrated. Inclusion Advisers work with pupils, families, and schools to improve pupil behaviour and attendance, which reduces the need for permanent or fixed-term exclusion
58	58,393.8	Looked After Children - Care & Support	4,300.3	60,382.9	64,683.2	-1,056.4	-3,354.8	60,272.0	Looked After Children Services including residential, fostering, and supported accommodation for under 18s, and Virtual Schools Kent
59	3,255.1	Children in Need - Care & Support	0.0	3,315.5	3,315.5	-45.4	0.0	3,270.1	Service for Children in Need (aged 0-18) including day care, direct payments, payments to voluntary organisations, and short breaks for carers
60	45,081.9	Children's Social Work Services - Assessment & Safeguarding Service	46,151.2	2,773.6	48,924.8	-3,022.8	-299.6	45,602.4	Social care staffing providing assessment of children and families' needs, ongoing support to looked after children, and Safeguarding Service

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
61	14,382.3	Adoption & Special Guardianship Arrangements & Service	2,044.2	12,798.8	14,843.0	-103.0	0.0	14,740.0	The Adoption Service works to achieve alternative permanent care arrangements for Looked after Children within a family setting. This includes family finding, assessing and matching, and offering support services to adoptive families and children. Special guardianship arrangements are also supported, so a child may live with someone other than their parent(s) on a long term basis
62	5,286.1	Care Leavers Service	3,960.0	6,665.3	10,625.3	-2,192.1	-1,009.7	7,423.5	Enables and assists care leavers (post 18) to develop their skills and enhance their life opportunities as they progress into adulthood
63	0.0	Asylum	851.3	17,494.1	18,345.4	-1,514.7	-16,830.7	0.0	Supporting unaccompanied asylum seekers under the age of 18 and those aged 18 or over (who were previously in care when aged under 18) as Care Leavers
64	4,916.5	Integrated Services (Children's) Management & Directorate Support	5,973.9	1,428.0	7,401.9	-323.5	-2,161.9	4,916.5	Directorate support costs including practice development for both early help and children social work functions along with the provision of management information for the whole Directorate
65	145,099.1	Total - Integrated Children's Services (East & West) (ICS)	85,759.2	121,173.0	206,932.2	-16,574.4	-40,092.8	150,265.0	

0-25 Disability (Lifespan Pathway) (0-25D)

Director: Keith Abbott

66	22,259.1	Adult Learning & Physical Disability Pathway - Community Based Services	0.0	27,460.2	27,460.2	-1,098.5	-17.2	26,344.5	Commissioned Community Based Services for Physical Disability Service Users and Learning Disability Service Users (aged 18+) including domiciliary care, direct payments, day care, and supported living to enable Service Users to remain independent
67	9,179.5	Adult Learning & Physical Disability Pathway - Residential Care Services & Support for Carers	0.0	8,451.2	8,451.2	-502.9	0.0	7,948.3	Residential Care Services (and Short Breaks) for Learning Disability Service Users and Physical Disability Service Users (aged 18+) and services to support carers
68	5,122.6	Children in Need (Disability) - Care & Support	0.0	5,294.6	5,294.6	-2.8	0.0	5,291.8	Service for Children in Need (aged 0-18) with a Disability including day care, direct payments, payments to voluntary organisations, and short breaks for carers
69	1,691.6	Childrens Disability 0-18 Commissioning	0.0	1,768.8	1,768.8	-77.2	0.0	1,691.6	Commissioned Community Based Services (aged 0-18) including short breaks, direct payments and group day care services.
70	7,497.5	Disabled Children & Young People Service (0-25 LD & Complex PD) - Assessment Service	7,165.7	536.8	7,702.5	0.0	0.0	7,702.5	Social care staff providing assessment and support services for Service Users (aged 0-25) with Learning Disability, Complex Physical Disabilities and Sensory Impairment

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
71	8,852.7	Looked After Children (with Disability) - Care & Support	0.0	11,695.5	11,695.5	-1,758.5	0.0	9,937.0	Commissioned services for Looked After Children (aged 0-18) with a Disability including both short and long term residential care and fostering services
72	54,603.0	Total - 0-25 Disability (Lifespan Pathway) (0-25D)	7,165.7	55,207.1	62,372.8	-3,439.9	-17.2	58,915.7	

73	251,002.5	Total - Children, Young People & Education (CYPE) excluding Schools' Delegated Budgets	118,957.3	426,103.1	545,060.4	-53,035.3	-222,214.3	269,810.8	
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Schools' Delegated Budgets (SDB)

Corporate Director: Matt Dunkley CBE

74	0.0	Schools' Delegated Budgets	513,147.4	174,717.7	687,865.1	-49,287.4	-638,577.7	0.0	Holds the Dedicated Schools Grant (DSG) for Kent schools
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75	251,002.5	Total - Children, Young People & Education (CYPE) including Schools' Delegated Budgets	632,104.7	600,820.8	1,232,925.5	-102,322.7	-860,792.0	269,810.8	
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Growth, Environment & Transport (GET)



Corporate Director: **Barbara Cooper**

Net Revenue Budget for 2020-21:	£177,556.9k
Gross Capital Budget over 3 year period:	£519,115k
Full Time Equivalent (FTE) Staff at December 2019:	1,358.4

Growth, Environment & Transport (GET) consists of five divisions; Economic Development (ED), Environment, Planning & Enforcement (EPE), Highways, Transportation & Waste (HTW), Libraries, Registration & Archives (LRA) and Strategic Management & Directorate Budgets (SMDBG).

GET is considerable in terms of its breadth, the number of services and projects, as well as a considerable capital programme. GET is responsible for an array of visible services that shape our communities, such as maintaining and improving Kent's roads, protecting communities against flooding, disposing of and recycling our waste as well as fostering a lifelong love of reading through our libraries. We also provide loans to help local businesses thrive or convert empty properties into much needed residences, encourage physical activity through our Country Parks, protect vulnerable residents against rogue traders, and actively working on an energy and low emissions strategy for Kent and Medway.

By delivering good services we can improve the normal, everyday lives of the people and businesses of Kent and make the County a better place to live, work, and do business. Our services are mainly focused on delivering KCC's Strategic Outcome 2: Kent communities feel the benefits of economic growth by being in-work, healthy and enjoying a good quality of life. We also deliver services which support Strategic Outcomes 1 (Children and young people in Kent get the best start in life) and 3 (Older and vulnerable residents are safe and supported with choices to live independently).

Economic Development (ED): The strategic vision of this Division is to create the conditions that enable economic growth to deliver better outcomes and a good quality of life for Kent's communities, workforce, and visitors. The four main areas of activity are; Business and Enterprise, Economic Strategy & Partnerships, Infrastructure, and Arts & Culture.

Environment, Planning & Enforcement (EPE): EPE fundamentally supports sustainable economic growth, facilitates a quality environment across Kent, and improves the safety, health, and quality of life for Kent's residents. It comprises six groups delivering 19 services which together create the environment in which Kent residents and businesses live and grow.

EPE delivers a range of strategic and frontline services to create a quality and safe environment for sustainable economic and housing growth. From managing 4,310 miles of Public Rights of Way, to attracting and lobbying for millions of pounds of infrastructure investment, its services deliver

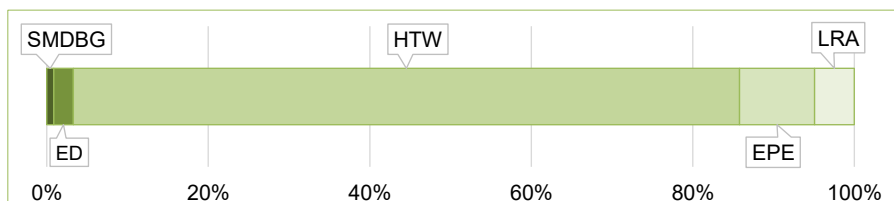
against a host of wider Kent County Council outcomes, including a healthier lifestyle for our residents, as well as a safer and more resilient environment for our younger, older and vulnerable residents.

Highways, Transportation & Waste (HTW): This Division delivers services that are used by most, if not all, residents and businesses in Kent and those who travel through it. HTW has a duty to ensure the effective discharge of the Council's statutory duties and powers as Local Transport & Highway Authority, in particular it's duty of care to help ensure safe passage for all road users and the processing and disposal of household waste. The Division's core purposes are; the management, maintenance, emergency response and improvement of Kent's 5,400 miles of highway network and associated assets, the processing and disposal of over 700,000 tonnes of waste and recycle collected by the 12 District and Borough Councils and disposed of by residents at Household Waste Recycling Centres in Kent, as well as enabling access to education, health, and community services for diverse users across Kent, through the planning, procurement and management of public transport services.

Libraries, Registration & Archives (LRA): This Division which delivers services that support people throughout their lives. The services are open to everyone, but also targeted to help those who most need them. The Library Service is delivered through library buildings, mobile library service, online offer, and a range of outreach services such as the home library and postal loan services. The Registration Service enables people to register a birth or death, and get married. The Archives Service works to conserve, protect, and provide access to the remarkable collection of over 14 kilometres of unique and precious historical archive material.

Strategic Management & Directorate Budgets (SMDBG): This area incorporates the Directorate centrally held costs.

How is the GET budget split between Services?



Directorate Level Variation Statement

2019-20 Revised Base	Spending Pressures	Savings & Income	2020-21 Proposed Budget
£172,810.7k	£7,802.0k	-£3,055.8k	£177,556.9k

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	

Growth, Environment & Transport (GET)

Corporate Director: Barbara Cooper

£177.6m

Strategic Management & Directorate Budgets (SMDBG)

Corporate Director: Barbara Cooper

76	1,232.1	Strategic Management & Directorate Budgets (GET)	600.6	999.5	1,600.1	-68.0	0.0	1,532.1	Budgets and savings held here until plans have been finalised and can be allocated to specific Key Services Lines
77	0.0	Budget & Savings Plans to be allocated (GET)	0.0	0.0	0.0	0.0	0.0	0.0	Cross Directorate costs, including the Corporate Director
78	1,232.1	Total - Strategic Management & Directorate Budgets (SMDBG)	600.6	999.5	1,600.1	-68.0	0.0	1,532.1	

Economic Development (ED)

Director: David Smith CBE

79	2,807.8	Economic Development	2,487.5	2,691.0	5,178.5	-1,141.6	-1,167.1	2,869.8	Working with public, private, and voluntary sectors to support Kent's economic growth (including Kent and Medway Business Loan Fund)
80	1,577.9	Arts	306.0	1,216.7	1,522.7	-94.8	0.0	1,427.9	Supporting Kent's creative and cultural economy (including Turner Contemporary)
81	4,385.7	Total - Economic Development (ED)	2,793.5	3,907.7	6,701.2	-1,236.4	-1,167.1	4,297.7	

Highways, Transport & Waste (HTW)

Director: Simon Jones

82	5,369.6	Highway Transportation (including School Crossing Patrols)	6,704.4	1,539.0	8,243.4	-2,613.5	-143.1	5,486.8	Reducing casualties and traffic congestion on Kent's roads by enabling the delivery of a £300m+ capital programme of engineering schemes by managing traffic and through road safety improvements, education and campaigns. Assisting developers in identifying and delivering solutions to protect our network from the negative impacts of development traffic
83	11,676.2	Highway Asset Management (Roads and Footways)	5,860.4	7,347.8	13,208.2	0.0	0.0	13,208.2	Safety inspections, emergency and routine maintenance, and minor repairs to Roads, Footways and Cycleways (including repairing damage by Third Parties), Traffic Management, Fly Tipping removal

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	
84	17,014.3	Highway Asset Management (Other)	5,098.7	16,430.0	21,528.7	-3,987.5	0.0	17,541.2	Safety inspections, routine maintenance and minor repair of traffic signals, CCTV cameras, highway drainage cleansing, repairs and soakaways, highway trees, shrubs and grass cutting, weed spraying, bridges and tunnels, permitting, inspection and coordination of all works undertaken by utility companies, developers and KCC contractors, winter service and adverse weather, street lighting and lit signs and bollards maintenance and energy costs of street lighting, Kent lane rental scheme, permits and licences, Third Party damage to other assets
85	6,179.1	Subsidised Buses and Community Transport	100.0	9,899.3	9,999.3	-2,421.7	-1,087.8	6,489.8	Financial support for otherwise uneconomic bus routes (including the Kent Karrier service), as well as community transport schemes
86	17,224.6	Concessionary Fares	0.0	17,271.6	17,271.6	-47.0	0.0	17,224.6	A statutory concessionary travel scheme, providing free bus travel for the elderly, disabled and disabled user companions
87	8,057.5	Kent Travel Saver	0.0	15,458.3	15,458.3	-7,360.8	0.0	8,097.5	Provides discounted travel on the Kent bus network for young people aged 11-16.
88	39,877.5	Residual Waste	0.0	40,509.2	40,509.2	-442.3	0.0	40,066.9	Statutory waste services for Kent residents including treatment and disposal of residual household waste
89	31,617.1	Waste Facilities & Recycling Centres	0.0	35,061.3	35,061.3	-2,124.3	0.0	32,937.0	Statutory waste services for Kent residents including Household recycling centres, cost of recycling, and composting household waste
90	4,789.6	Highways, Transport & Waste Management Costs and Commercial Operations	4,205.4	3,917.4	8,122.8	-2,695.3	0.0	5,427.5	Management, planning, procurement and monitoring of transport services, work with Environment Agency to reduce waste, pollution monitoring at landfill sites, commissioning and contract management of care waste management service, business services including provision of Speed Awareness courses, and business support for Highways, Transportation & Waste
91	141,805.5	Total - Highways, Transport & Waste (HTW)	21,968.9	147,433.9	169,402.8	-21,692.4	-1,230.9	146,479.5	

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	

Environment, Planning & Enforcement (EPE)

Director: Katie Stewart

92	10,052.9	Public Protection (Enforcement)	8,714.5	4,871.9	13,586.4	-2,967.3	0.0	10,619.1	Public Protection services including Trading Standards, Community Wardens, Coroners, Kent Scientific Services (KSS), Resilience, and Emergencies
93	5,328.0	Environment & Planning	7,396.2	8,113.7	15,509.9	-7,123.7	-3,148.0	5,238.2	Covers a wide range of services including Country Parks, development of sports and physical activity, Kent Downs Area of Outstanding Natural Beauty (AONB), Public Rights of Way (PROW), Gypsy & Traveller Unit, delivery of key strategic transport improvement, heritage services, sustainable business and communities, planning, and climate change projects
94	643.2	Environment, Planning & Enforcement Management Costs	635.3	16.1	651.4	-8.2	0.0	643.2	Divisional management costs
95	16,024.1	Total - Environment, Planning & Enforcement (EPE)	16,746.0	13,001.7	29,747.7	-10,099.2	-3,148.0	16,500.5	

Libraries, Registration & Archives (LRA)

Head of Service: James Pearson

96	9,363.3	Libraries, Registration & Archives	11,137.5	4,014.4	15,151.9	-6,404.8	0.0	8,747.1	The Libraries, Registration & Archives (LRA) service is delivered through a network of 99 libraries, 5 Register Offices, 5 mobile libraries, an archive centre, the stock distribution and support function building at Quarry Wood, the information service which includes the public 'Ask a Kent Librarian' service, and the 24 hour accessible online services. The LRA service also delivers the records management service on behalf of KCC, is contracted to deliver 5 prison libraries in Kent and the registration service on behalf of the London Borough of Bexley
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97	172,810.7	Total - Growth, Environment & Transport (GET)	53,246.5	169,357.2	222,603.7	-39,500.8	-5,546.0	177,556.9	
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Strategic & Corporate Services (S&CS)



Corporate Director: **David Cockburn**

Net Revenue Budget for 2020-21:	£81,285.8k
Gross Capital Budget over 3 year period:	£121,577k
Full Time Equivalent (FTE) Staff at October 2019:	726.3

The Strategic & Corporate Services Directorate provides core services which support frontline service delivery to achieve better outcomes for Kent's residents and our customers. The Directorate supports the political and managerial leadership in setting the strategic direction for the Council.

Strategic & Corporate Services also supports the organisation to deliver and respond to changes in our operating environment. Priorities include leading the revenue and capital budget process for the Council, ensuring effective governance and assurance processes and providing support for extensive business change across the Council as we continue to embed our strategic commissioning authority and traded service arrangements. Our Directorate also plays a significant role in ensuring the Council is well placed to meet its statutory and regulatory duties.

Strategic & Corporate Services has the following roles and responsibilities:

People and Communications (P&C): The Division is responsible for employment practice and policy, organisation design and development, health and safety, and the communications, customer, and engagement functions for the authority. The Division holds the client-side responsibility for the Contact Point and Digital Services provided by Agilisys.

Finance (FIN): The Division comprises of three key functions that together provide strategic financial and audit support to the Council. These functions are; Operations, Internal Audit, and, Policy, Planning & Strategy. The Vision Statement of the Division is to, "Work together as one market leading team that always put the customers at the heart of everything we do".

Governance, Law & Democracy (GLD): Provides democratic services including support of the 81 elected Members of the County Council. The division manages information governance and data protection considerations for the Council including co-ordination of responses to Freedom of Information (FOI) requests. The Division also holds the client-side responsibility for Invicta Law Ltd which provides legal advice and services to KCC, public bodies, and other local authorities.

Infrastructure (INF): The Division is responsible for the provision of the Authority's Property & ICT Services which support our frontline service delivery; it sets the Council's technology and asset strategy and delivers the Council's disposal and capital programmes. The Division holds the client side responsibility for Cantium Business Solutions Ltd and GEN² Property Ltd.

Corporate Landlord (CL): The Division is responsible for day to day costs relating to the running of the Council's complex estate of operational front line buildings; the office estate and holding costs of non-operational buildings.

Strategic Commissioning including Public Health (SCincPH):

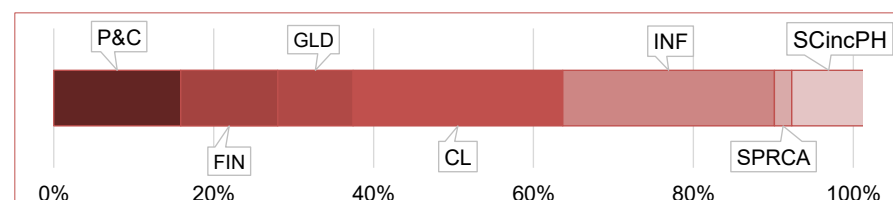
Strategic Commissioning leads and shapes the process for deciding how best to use the total resources available to improve outcomes in the most efficient, effective, equitable, and sustainable way. Those resources could be within KCC, or across the public, voluntary, and private sectors. The Division provides capability in commercial leadership and judgement, evidence-based decision making, and performance reporting and analysis. The Division also incorporates Public Health which aims to improve and protect the health and wellbeing of Kent's residents.

The **Public Health** function has three overriding aims, to improve the health of the Kent population, to protect the health of the Kent population, and to improve the quality, effectiveness, and access to health and social care services. By achieving these aims, we will not only improve the wellbeing of the people of Kent, but also reduce the need for expensive acute interventions, thereby reducing the pressure on other KCC services, and the wider public sector.

Strategy, Policy, Relationships & Corporate Assurance (SPRCA): The Division's role is to help prepare the organisation to meet future challenges through environment scanning, medium term planning, corporate and service policy development, and, relationship management, as well as leading the equality, risk, and corporate assurance frameworks.

Strategic Management & Directorate Budgets S&CS (SMDBS): This area incorporates the Directorate centrally held costs and external grant income.

How is the S&CS budget split between Services?



Directorate Level Variation Statement

2019-20 Revised Base	Spending Pressures	Savings & Income	2020-21 Proposed Budget
£78,951.1k	£7,755.7k	-£5,421.0k	£81,285.8k

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s	

Strategic & Corporate Services (S&CS)

Corporate Director: David Cockburn

£81.3m

Strategic Management & Directorate Budgets (SMDBS)

Corporate Director: David Cockburn

98	-1,259.1	Strategic Management & Directorate Budgets (S&CS)	512.7	2,904.0	3,416.7	-625.8	-4,050.0	-1,259.1	Central Directorate costs and grant contributions to Corporate Services' overheads
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People & Communications (P&C)

Corporate Director: Amanda Beer

99	7,634.6	Human Resources Related Services	4,765.3	3,750.8	8,516.1	-952.9	-1.0	7,562.2	Strategic and operational Human Resource (HR) services to KCC. Advisory role to ensure that KCC meets its statutory responsibility in terms of Health & Safety, Employment Law, and Equality Legislation in relation to employment. Transactional HR services commissioned from Cantium Business Solutions Ltd
100	5,476.9	Customer Contact, Communications & Consultations	1,876.4	4,057.2	5,933.6	-497.7	-89.0	5,346.9	Responsible for communicating with the public, customer contact services, effective consultation, and information provision
101	13,111.5	Total - People & Communications (P&C)	6,641.7	7,808.0	14,449.7	-1,450.6	-90.0	12,909.1	

Finance (FIN)

Corporate Director: Zena Cooke

102	9,831.2	Finance	11,096.2	5,222.5	16,318.7	-5,551.6	-904.8	9,862.3	Provision of finance advice to support both managers and Members in planning, managing, and reporting upon the Council's financial resources. Transactional financial services commissioned from Cantium Business Solutions Ltd
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SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description	
			Staffing	Non Staffing	Gross Expenditure	Income	Grants	Net Cost		
			£000s	£000s	£000s	£000s	£000s	£000s		
Governance, Law & Democracy (GLD) Director: Ben Watts										
103	5,811.7	Governance & Law	2,710.0	3,652.7	6,362.7	-298.8	-35.0	6,028.9	Includes the cost of supporting the 81 elected Members of the County Council and their responsibilities, together with the management of the contract with Invicta Law Ltd for legal advice and services to KCC, public bodies, and other local authorities. Co-ordination of responses to Freedom of Information (FOI) requests	
104	1,215.0	Local Member Grants	0.0	1,620.0	1,620.0	0.0	0.0	1,620.0	Member Grants made to a wide range of community based groups, individuals and organisations	
105	7,026.7	Total - Governance, Law & Democracy (GLD)	2,710.0	5,272.7	7,982.7	-298.8	-35.0	7,648.9		
Infrastructure (INF) Director: Rebecca Spore										
106	4,449.0	Property Related Services	2,388.4	4,894.2	7,282.6	-2,243.1	0.0	5,039.5	Strategic management of KCC's estate. Leads on delivery of the Council's Property Asset Management Strategy together with the commissioning of Gen² Property Ltd to deliver the day to day management of the KCC estate	
107	16,457.2	ICT Related Services	2,038.0	17,451.4	19,489.4	-2,862.4	-149.0	16,478.0	Leads on defining future provision and strategy for ICT, ensuring the best use of available technology to support the needs of the Council. ICT services commissioned from Cantium Business Solutions Ltd. Business Partnership providing service delivery assurance and monitoring of deliverables	
108	20,906.2	Total - Infrastructure (INF)	4,426.4	22,345.6	26,772.0	-5,105.5	-149.0	21,517.5		
Corporate Landlord (CL) Director: Rebecca Spore										
109	20,060.1	Corporate Landlord	0.0	28,701.9	28,701.9	-7,182.3	-187.0	21,332.6	Day to day costs relating to the running of the Council's complex estate of operational front line buildings; the office estate and holding costs of non-operational buildings	

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget						Key Service Description
			Staffing	Non Staffing	Gross Expenditure	Income	Grants	Net Cost	
			£000s	£000s	£000s	£000s	£000s	£000s	
Strategic Commissioning including Public Health (SCincPH) Directors: Vincent Godfrey (Strategic Commissioning) & Andrew Scott-Clark (Public Health)									
110	7,522.6	Strategic Commissioning	7,767.3	449.8	8,217.1	-653.5	-41.0	7,522.6	Responsible for developing and delivering a commissioning and procurement strategy for the Authority. Includes commissioning, contract management, and procurement functions
111	-407.2	Public Health - Children's Programme	0.0	32,730.3	32,730.3	0.0	-32,730.3	0.0	Includes provision for 0-19 year olds and their families including: Health Visiting, School Public Health, Oral Health, services delivered through Children's Centres and Adolescent services
112	76.9	Public Health - Mental Health, Substance Misuse & Community Safety	0.0	11,676.2	11,676.2	-394.0	-11,282.2	0.0	Includes the provision of drug and alcohol services, domestic abuse services and Mental Health early intervention.
113	267.0	Public Health - Sexual Health	0.0	13,261.0	13,261.0	-1,300.0	-11,961.0	0.0	Commissioning of mandated contraception and sexually transmitted infection advice and treatment services
114	25.0	Public Health - Healthy Lifestyles	0.0	7,782.5	7,782.5	0.0	-7,782.5	0.0	Improving health and lifestyles through provision of Integrated Lifestyle services and NHS Health Checks to support the following outcomes; reduction in smoking, improved exercise and healthy eating to tackle obesity levels
115	38.3	Public Health - Advice and Other Staffing	2,508.9	1,359.5	3,868.4	-25.4	-3,843.0	0.0	Includes cost of management, commissioning, and operational staff to deliver statutory Public Health advice
116	7,522.6	Total - Strategic Commissioning including Public Health (SCincPH)	10,276.2	67,259.3	77,535.5	-2,372.9	-67,640.0	7,522.6	
Strategy, Policy, Relationships & Corporate Assurance (SPRCA) Director: David Whittle									
117	1,751.9	Strategy, Policy, Relationships & Corporate Assurance	1,784.3	1,653.6	3,437.9	-436.0	-1,250.0	1,751.9	Supports the political and managerial leadership of KCC through strategic policy development
118	78,951.1	Total - Strategic & Corporate Services (S&CS)	37,447.5	141,167.6	178,615.1	-23,023.5	-74,305.8	81,285.8	

SECTION 5 - REVENUE BUDGET - KEY SERVICES

Row Ref	2019-20 Revised Budget (Net Cost) £000s	Division & Key Service	2020-21 Proposed Budget					Key Service Description
			Staffing £000s	Non Staffing £000s	Gross Expenditure £000s	Income £000s	Grants £000s	Net Cost £000s

Financing Items & Unallocated (FI&U)

Corporate Director: Zena Cooke

£137.7m

119	101,035.7	Financing Items - General	969.7	130,021.1	130,990.8	-18,961.7	-9.0	112,020.1	Includes net debt costs (including investment income), transfers to and from reserves, net contributions from KCC owned companies, and others including Insurance Fund, audit fees and Apprenticeship Levy
120	7,065.0	Financing Items - Unallocated	7,800.0	17,883.7	25,683.7	0.0	0.0	25,683.7	

121	108,100.7	Total - Financing Items & Unallocated (FI&U)	8,769.7	147,904.8	156,674.5	-18,961.7	-9.0	137,703.8	
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122	986,374.4	Total Budget	820,002.9	1,520,216.3	2,340,219.2	-320,955.4	-955,609.5	1,063,654.3	
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123	986,374.4	Total Budget (excluding Schools' Delegated Budgets on Row 74)	306,855.5	1,345,498.6	1,652,354.1	-271,668.0	-317,031.8	1,063,654.3	
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Budget Book

APPENDICES

Appendix A - Council Tax

- 1.1 The draft budget includes the precept KCC is proposing to make from Council Tax. This is based on the estimated taxbase figures provided by District Councils and represents an overall increase of 1.51%.
- 1.2 Table 1 shows the main changes to the estimated taxbase and the impact of this on the County precept between 2019-20 and 2020-21, including the Council Tax increase (the maximum permitted without triggering a referendum) and the additional Social Care Levy. The taxbase is calculated as the number of band D equivalent properties, we have therefore used the band D rate in these calculations. The final decision on the Council Tax Precept will be taken at the County Council meeting on 13th February.

Table 1	2019-20 Final		2020-21 Provisional							
	Notified Band D Equivalent Taxbase	Precept @ £1,299.42	Band D Equivalent Taxbase	Precept @ £1,325.34 (up to 2% referendum limit)	Precept @ £1,351.26 (including Social Care Levy)	Change in Band D Equivalent Taxbase	Change in Precept	Change in Precept due to Taxbase	Change in Precept due to Tax Rate up to Referendum Limit	Change in Precept due to Social Care Levy
		£000s		£000s	£000s		£000s	£000s	£000s	£000s
Ashford	46,500.00	60,423.0	47,300.00	58,303.9	63,914.6	800.00	3,491.6	1,039.5	1,226.0	1,226.0
Canterbury	50,206.55	65,239.4	51,300.41	63,234.9	69,320.2	1,093.86	4,080.8	1,421.4	1,329.7	1,329.7
Dartford	37,747.03	49,049.2	38,756.93	47,773.3	52,370.7	1,009.90	3,321.4	1,312.3	1,004.6	1,004.6
Dover	38,526.26	50,061.8	39,029.75	48,109.6	52,739.3	503.49	2,677.5	654.2	1,011.7	1,011.7
Folkestone & Hythe	39,057.21	50,751.7	39,109.15	48,207.5	52,846.6	51.94	2,094.9	67.5	1,013.7	1,013.7
Gravesham	33,930.46	44,089.9	34,334.50	42,322.1	46,394.8	404.04	2,304.9	525.0	890.0	890.0
Maidstone	62,033.40	80,607.4	63,319.80	78,050.5	85,561.5	1,286.40	4,954.1	1,671.6	1,641.2	1,641.2
Sevenoaks	50,772.34	65,974.6	51,207.88	63,120.9	69,195.2	435.54	3,220.6	565.9	1,327.3	1,327.3
Swale	47,344.08	61,519.8	48,072.67	59,256.3	64,958.7	728.59	3,438.8	946.7	1,246.0	1,246.0
Thanet	43,763.27	56,866.9	44,546.40	54,909.7	60,193.8	783.13	3,326.9	1,017.6	1,154.6	1,154.6
Tonbridge & Malling	50,820.61	66,037.3	51,371.02	63,322.0	69,415.6	550.41	3,378.3	715.2	1,331.5	1,331.5
Tunbridge Wells	45,693.60	59,375.2	46,277.10	57,043.0	62,532.4	583.50	3,157.2	758.2	1,199.5	1,199.5
Total	546,394.81	709,996.3	554,625.61	683,653.7	749,443.4	8,230.80	39,447.1	10,695.3	14,375.9	14,375.9

(Figures subject to rounding)

- 1.3 The overall taxbase has notified by Districts increased by 1.51% which is more than the 1.2% we estimated in the draft Budget Book published on 6th January 2020. We will analyse the underlying reasons for the change in the taxbase, e.g. new dwellings, change in discounts, etc to help inform future financial planning.
- 1.4 The taxbase includes the impact of local decisions on the level of Council Tax discounts for working age tax payers in receipt of benefits/on low incomes through Council Tax Reduction Scheme (CTRS) and other additional local discretion on Council Tax discounts and exemptions on empty properties permitted under the Local Government Finance Act 2012. KCC have an agreement with Districts covering local CTRS's and the impact on the County Council taxbase. As part of this agreement KCC pays a proportion of the county's share of the tax yield to individual District Councils towards local collection costs and to incentivise maximum collection.

- 1.5 KCC is proposing to increase council tax by 3.99% to help balance the 2020-21 budget. This 3.99% increase is made up of a 1.995% general increase, which is below the referendum limit announced in the provisional local government finance settlement, and a further 1.995% for the Adult Social Care Levy. The Adult Social Care Levy is an additional levy councils can raise from Council Tax to support Adult Social Care spending. The impact of each of these increases on individual bands is set out in Table 2. Table 3 shows the cumulative impact of the Adult Social Care Levy Since it was first introduced in 2016-17.

<u>Table 2</u>	Proportion of Band D Tax Rate	2019-20 (incl. Social Care Levy)	2020-21 (excl. increase in Social Care Levy)	2020-21 (incl. increase in Social Care Levy)
Band A	6/9	£866.28	£883.56	£900.84
Band B	7/9	£1,010.66	£1,030.82	£1,050.98
Band C	8/9	£1,155.04	£1,178.08	£1,201.12
Band D	9/9	£1,299.42	£1,325.34	£1,351.26
Band E	11/9	£1,588.18	£1,619.86	£1,651.54
Band F	13/9	£1,876.94	£1,914.38	£1,951.82
Band G	15/9	£2,165.70	£2,208.90	£2,252.10
Band H	18/9	£2,598.84	£2,650.68	£2,702.52

<u>Table 3</u>	2016-17	2017-18	2018-19	2019-20	2020-21
Band D excl. Social Care Levy	£1,111.77	£1,134.36	£1,169.64	£1,206.72	£1,232.64
Band D Social Care Levy	£21.78	£44.46	£68.04	£92.70	£118.62
Band D Total	£1,133.55	£1,178.82	£1,237.68	£1,299.42	£1,351.26

- 1.6 There are more homes in band C than in any other band in Kent. The 3.99% increase in Council Tax equates to approximately 88p extra per week for a band C household. Table 4 illustrates how Council Tax has changed since last year for a band C property. The general Council Tax and the Social Care Levy will be shown as two separate lines on the Council Tax bill as shown in Table 4. Other authorities i.e. Police, Fire & Rescue, Districts, Parish and Town Councils are responsible for setting their own share of council tax as part of the overall bill. The final council tax bills will be based on the tax rates set by each of the relevant authorities.

Table 4		
Typical Council Tax Bill Breakdown	% increase on 2019-20 Council Tax bill	Amount for Band C
Kent County Council	1.995%	£1,095.68 (The share of Council Tax that Kent County Council will receive in 2020-21. This amount does not include the 2% increase for adult social care funding from 2016-17, 2017-18, 2018-19 & 2019-20)
Kent County Council (for Adult Social Care funding)	1.995% (Kent County Council's share of Council Tax will increase by 3.99% in 2020-21, which is this amount and the amount above)	£105.44 (This is the 2% increase for adult social care funding for 2020-21 added to the 2% increase for adult social care funding from 2016-17, 2017-18, 2018-19 and 2019-20. The Government requires all local authorities to show the adult social care funding increase in this way on Council Tax bills.)
Kent Police and Crime Commissioner	5.18%	£180.58
Kent and Medway Fire and Rescue	1.97%	£70.48
Council	These amounts will vary depending on which district council you pay your council tax to	
Parish Council		
Total		

Appendix B - Assessment of Level of Reserves

1 Introduction

Each year, reviewing the level of reserves the Council holds is an important part of the budgetary process. The review must be balanced and reasonable, factoring in the current financial standing of the Council, the funding outlook into the medium term and beyond, and most importantly, the financial risk environment the Council is operating in.

2 Background

The Chartered Institute of Public Finance and Accountancy (CIPFA) recommend that the following factors should be taken into account when considering the level of reserves and balances:

- Assumptions regarding inflation and interest rates
- Estimates of the level and timing of capital receipts
- The capacity to manage in-year budget pressures and strategy for dealing with demand and service delivery in the longer term
- Strength of financial reporting and ability to activate contingency plans if planned savings cannot be delivered
- Risks inherent in any new partnerships, major outsourcing arrangements and major capital developments
- Financial standing of the Authority (level of borrowing, debt outstanding, use of reserves etc.)
- The Authority's record of budget and financial management including robustness of medium-term plans
- Virement and year-end procedures in relation to under and overspends
- The availability of reserves and government grants/other funds to deal with major unforeseen events
- The general financial climate including future expected levels of funding
- The adequacy of insurance arrangements

It should be made clear that the assessment of the adequacy of reserves is subjective. There is no 'right' answer as to the precise level of reserves to be held. There is also no formula approach to calculating the correct level; it is a matter of judgement, responsibility for which lies with the Council's Section 151 Officer.

3 Spending Round and Local Government Finance Settlement (LGFS)

The government's spending plans for 2020-21 were announced on 4th September 2019. For local government (and many other public services) this amounted to a one-year settlement, with a repeat of 2019-20 grants plus an additional £2.9bn (6%) from Council Tax increases, inflationary uplifts to

business rates and an additional £1bn government grant to support social care spending pressures.

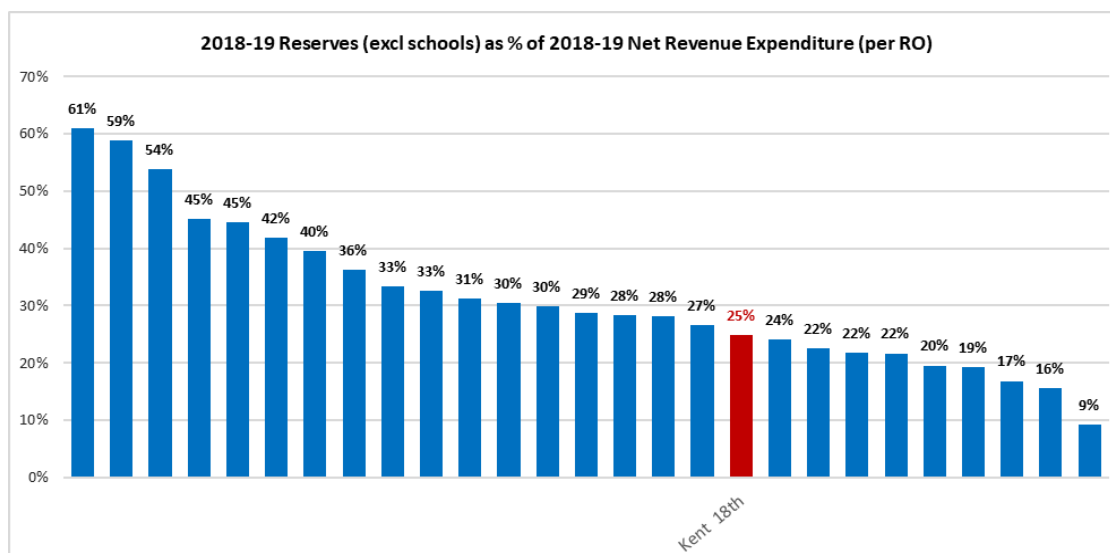
A technical consultation on the Local Government Finance Settlement was launched on 3rd October 2019. This included detailed proposals on the allocation of Revenue Support Grant, social care and other grants, and Council Tax referendum principles. The provisional Local Government Finance Settlement, which was published on 20 December, incorporated the government's response to this technical consultation.

The final Draft Budget has been prepared based on the provisional Local Government Finance settlement, notified estimates of Council Tax base, Business Rates base and collection fund balances, and assumptions on Council Tax increases in line with the referendum principles in the provisional settlement. The assessment of the reserves is made against the background of these estimates, including the reduced risk from a better than expected 2020-21 settlement compared to the forecast in the 2019-22 MTFP, and the heightened medium-term uncertainty arising from only having a one-year settlement and potential changes in central government policy following the 12th December general election.

4 Comparison with other County Councils

Each council must make its own decisions about the level of reserves they hold, taking into account all of the issues referred to in Section 2 above.

A graphical analysis of the 2018-19 reserves for county councils is shown below. Kent is ranked 18th out of 27 county councils in terms of the percentage of reserves held (Rank number 1 being the highest level of reserves as a percentage of annual net revenue expenditure). This is the same ranking from last year despite an increase in the overall reserves of £27.6m compared to 2017-18. Kent has used some of its earmarked reserves to support the revenue budget in recent years but has also been able to set aside additional reserves to offset higher financial risks, particularly in 2018-19 from better than expected additional business rates from the retention pilot and roll-forwards approved at the end of the year. The Council has maintained a general reserve at approx. 4% of net revenue budget. The overall picture is that total reserves have been relatively stable at around an average of £200m in most years and £223.5m on 31st March 2019 (25%) but this is below the average of other county councils.

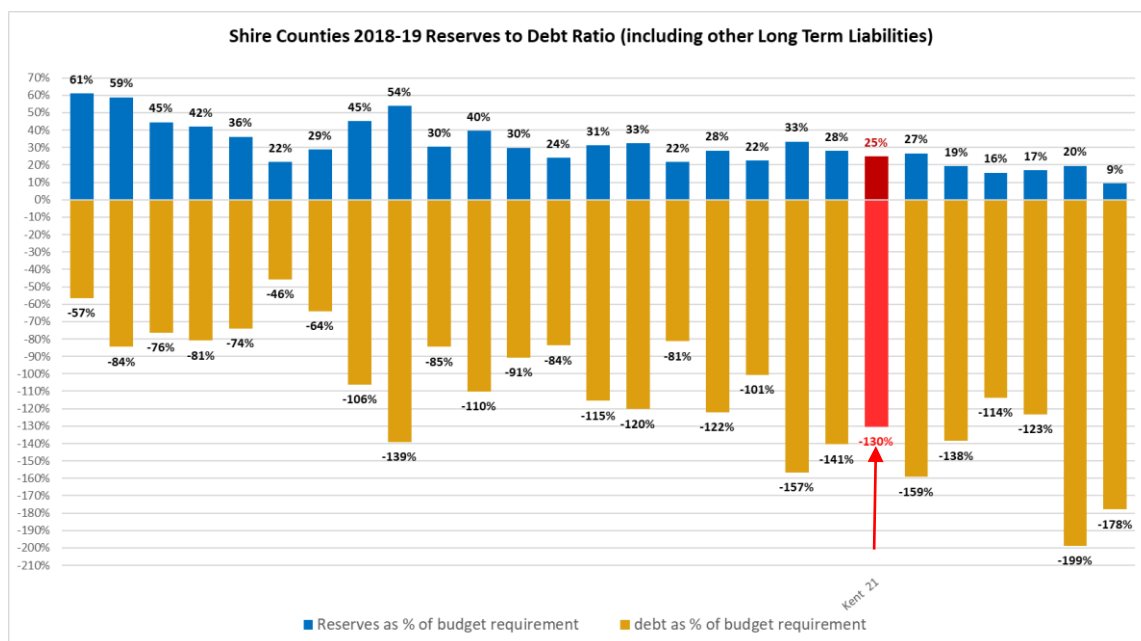


There is a wide range of reserves held as a percentage of net revenue spend; the lowest Authority at 9%, up to the highest at 61%. The Council's figure is 25%. This figure of 25% is made up of the General Reserve of £37.1m and Earmarked Reserves (including Public Health and trading surpluses but excluding Schools, Capital Receipts and Capital Grants unapplied) of £186.4m, totalling £223.5m. Details of all the Council's reserves can be found in the 2018-19 Statement of Accounts, which includes a summary of all usable reserves in note 23 on page 84, and details of all the earmarked reserves in note 25 on pages 93-97.

It is important to consider reserves alongside borrowing to fund the capital programme. Capital spending can be funded from borrowing to protect levels of reserves, or alternatively reserves can be used as a substitute to reduce the need for borrowing. The graph below shows the percentage reserves to percentage debt ratio, with the Council ranked 21st out of the 27 Counties (Rank number 1 being the highest percentage of reserves compared to percentage borrowing i.e. most resilient). This year the calculation has changed to include other long-term liabilities as well as borrowing to be consistent with the gross external debt position used by CIPFA in their Financial Resilience index. This index is an analytical tool designed to provide councils with a clear understanding on their position in terms of financial risk. The index is made up of a set of indicators, which can be used to compare against similar authorities. As a result, the Council has moved from 20th to 21st in the rankings. This position reflects the relatively high levels of historic external debt of £906.2m at 31st March 2019, despite the Council's more recent approach to rely on internal borrowing.

There is little that can be done in the short term to affect borrowing levels as most debt is long-term with significant early repayment penalties which would far exceed the benefits of redeeming debt. The Council will continue with the policy of supporting capital spending with internal borrowing rather than external debt whilst the Council has sufficient cash balances, but the continuing need to finance capital expenditure with borrowing presents a significant risk to the level of reserves and financial resilience of the Council.

The Council's borrowing costs have been capped at a maximum of 15% of net revenue budget in recent years (and have remained under that cap), and have stabilised overall borrowing during that time. Consideration is being given to applying a further cap based on the pressure of interest costs on the revenue budget to support borrowing.



5 Financial Resilience

Following well publicised financial difficulties in some authorities, and the heightened risk of more councils getting into financial difficulties over the coming years, there has been a much greater emphasis from government on the financial resilience of councils. As part of this, CIPFA has reviewed its range of guidance, tools and services to promote better financial management and to provide early warning systems. Part of this package has been the development of a financial resilience index. This tool is not a performance measure of service outcomes or quality, nor a comment on the quality of leadership. It aims to be an authoritative measure of a council's financial resilience drawing on published information. It is designed as a dashboard warning indicator and not a full diagnostic tool.

The tool is based on the following eleven measures:

1. Reserves sustainability measure (the number of years it will take for a council to deplete their reserves if they continue to use them at the same rate as the average of the last three years)
2. Level of reserves
3. Change in reserves
4. Interest payable as a proportion of net revenue expenditure
5. Gross external debt

6. Social care ratio (proportion of net revenue spending accounted for by children's social care and adult social care)
7. Fees and charges to service expenditure ratio (sales, fees and charges as a proportion of gross service expenditure)
8. Council Tax requirement to net revenue expenditure ratio
9. Growth above baseline (the difference between the baseline funding level and retained rates income, over the baseline funding level)
10. Auditors VFM judgement
11. Children's Social Care judgement (Ofsted rating for children's social care)

The financial resilience index based on 2018-19 outturn has very recently been published and it is currently being analysed to determine what the indices mean for the Council's resilience. In future this will sit alongside the newly released CIPFA Financial Management Code to support good practice in the planning and execution of sustainable finances.

The initial overall assessment is that the Council is not in imminent danger of financial failure, but it is in the lower half of the resilience range, and therefore the Council cannot be complacent and must continue to maintain financial rigour.

The Council needs to remain vigilant, particularly in relation to accumulated debt and associated financing costs.

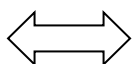
6 Analysis of Risk

Listed in Section 2 of this appendix are the factors that CIPFA recommend should be taken into account when considering the level of reserves and balances. Below, each of those factors is given a 'direction of travel' indicator since last year's budget was set. An upward direction means an improved position for this council (i.e. the risk is less than it was last year).



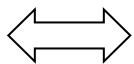
- Assumptions regarding inflation and interest rates:

Inflation has been on a general continual downward trend since its peak of 2.8% in Autumn 2017 (barring the occasional seasonal fluctuation) and at the time of setting the 2020-21 budget is below the Government target of 2%. Forecasts suggest further falls in the rate of inflation for the remainder of 2019 and remaining below the 2% target throughout much of 2020. The medium-term forecast is still slightly above the target. Interest rates are largely determined by the Bank of England base rate which has remained at 0.75% since August 2018. The Bank of England has indicated the rate may have to be reduced if economic growth continues to be weak but could rise if growth improves as predicted. Overall in the short term the lower forecast rate of inflation reduces the Council's risk especially if interest rates rise a little. Longer term, inflation at or close to the 2% target and low interest rates result in a broadly neutral impact.



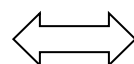
- Estimates of the level and timing of capital receipts:

The Council's reliance on capital receipts is significant in order to part fund the capital programme. Delivery of receipts against the target in the programme has fallen behind in recent years necessitating additional short-term borrowing/use of reserves.



- The capacity to manage in-year budget pressures and strategy for dealing with demand and service delivery in the longer term:

Although 2018-19 was the 19th consecutive year that the Council has ended the year with a small net surplus, and the 2019-20 forecast is better than at the same time in recent years, concern remains about the capacity to deal with in-year pressures and longer term trends. In spite of the better than estimated settlement for 2020-21, the additional funding is still not sufficient to cover all forecast spending pressures, although it does represent a marked shift from previous years and provides added short term security which offsets the longer term uncertainty. The Council has had to find alternative ways to resist some of the pressures and still needs to find additional savings and income to balance the budget. As each year passes and this trend continues it becomes ever harder to resist pressures or find savings/income despite the overall funding increasing. The Council has less and less spend that can be de-commissioned at short notice. The longer-term trends for demand-led services are leading to rising costs. The lack of future government spending plans makes it impossible to forecast potential funding with any degree of accuracy to determine whether there will be sufficient funding to cover these rising cost drivers such as demographic trends, market pressures or cost pressures from inflation.



- Strength of financial reporting and ability to activate contingency plans if planned savings cannot be delivered:

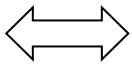
There is confidence in the validity of financial reporting and reporting has been enhanced to better focus on the major factors affecting financial performance. Some progress towards enhancing outcomes based budgeting within the Council has been made but there is scope for further improvement. There are still some areas of spending that can be changed at short notice if required without compromising either the Council's statutory responsibilities or strategic objectives. Although these have reduced in recent years, the better settlement for 2020-21 means the risk is no greater in the short term.



- Risks inherent in any new partnerships, major outsourcing arrangements and major capital developments:

The financial difficulties in the health sector mean there are risks in relation to the partnership arrangements with NHS partners in the county. The returns from some of the Council's trading companies have not been as good or have taken longer to be generated than originally estimated in business cases. There is also a real risk that retendering of major contracts could result in higher prices due to market conditions. There are

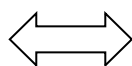
also significant concerns about the Council's ability to continue to sustain a capital programme with competing demands to tackle statutory responsibilities and make infrastructure improvements. In the longer term both these objectives cannot be delivered with an increasing reliance on borrowing.



- Financial standing of the Authority (level of borrowing, debt outstanding, use of reserves etc.):

The planned use of corporate reserves to support the 2020-21 revenue budget has been limited to a small number of specific spending pressures pending the identification of longer-term sustainable alternatives. This is an improvement on previous years where reserves have been used to balance the overall budget. Some directorate reserves have also been released in the 2020-21 proposed budget following the announcement of the continuation of grants for 2020-21 which were previously identified as at risk. Although reserves at the end of 2018-19 were higher than forecast when the 2019-22 MTFP was presented, the forecast for the end of 2019-20 per the half year monitoring of reserves is that they are expected to reduce to the level previously anticipated for 31 March 2020. Whilst the plan is to use reserves in 2020-21 that are no longer required for the purpose they were set up for, the use of these reserves will impact on future resilience indices even though the Council's actual resilience is no weaker. The overall level of reserves is more stable in comparison to other authorities, although remain relatively low. Consequently, the general financial health of the Council remains fairly static, however there is no room for complacency.

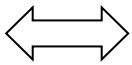
The level of borrowing to support previous capital investments remains relatively high compared to other counties. Much of the accumulated debt is long term with only 15% due to mature over the next 5 years. The debt represents a combination of loans taken out under the previous "supported borrowing" regime and more recent loans under the "prudential regime". In recent years the Council has been able to use cash reserves to support the capital programme (internal borrowing) rather than increasing external debt as this represented a lower overall financing cost. However, the Council's ability to finance future capital spending from borrowing remains a significant concern. Should the Fair Funding review proposals be implemented, this will be better reflected in future settlements including the restoration of revenue for legacy capital financing of supported borrowing.



- The Authority's record of budget and financial management including the robustness of medium-term plans:

This continues to be excellent with effective financial management resulting in nineteen consecutive years of underspend up to 2018-19. The additional funding for social care announced in the Spending Round, together with the continuation of the adult social care Council Tax precept for a further year has contributed towards funding rising social care demands and costs, although there continues to be significant concern about the viability of

social care funding over the medium to long term and thus the sustainability of the market. The ability to continue to deliver an underspend or a balanced budget becomes increasingly more difficult with rising demands and insufficient, short term funding.



- Virement and year-end procedures in relation to under and overspends:

The Council continues to adhere to sound financial governance and virement procedures set out in its financial regulations. The Council continues to have a good record of closing its accounts in a timely manner including agreeing rollovers for over and underspends.



- The availability of reserves and government grants/other funds to deal with major unforeseen events:

There are three major concerns in this area which could impact on the Council's reserves and financial resilience.

The first, and by far the most significant, is the overspending and accumulated deficit on the High Needs Block of the Dedicated Schools Grant (DSG). This relates to spending to support children and young people with Special Educational Needs and Disabilities (SEND). Since the introduction of the Children and Families Act 2014, the Council has seen an unprecedented rise in the number of children and young people assessed for Education and Health Care Plans (EHCPs). The high needs funding within the DSG has not kept pace resulting in in-year overspends and an accumulated deficit on the unallocated DSG reserve. This is a national problem but has been particularly acute in Kent and a number of other large county councils. To date the government has not provided councils with sufficient funding and have not introduced structural reforms to eliminate the overspends or repay the deficits. They have also not provided satisfactory arrangements for the treatment of deficits.

The second major concern in this area is the grant funding available to prepare for BREXIT or to deal with significant disruption in the event of a disorderly withdrawal. Whilst additional funding has been allocated to all councils, with extra funding for councils with major ports, this has not been sufficient for the Council to cover additional costs and without further funding these costs will need to be met from the Council's reserves.

The third major concern is a long standing issue with grant funding for unaccompanied asylum seeking children and care leavers. Whilst the Council has had some success in negotiating sufficient grant with the Home Office for under 18s, the funding for care leavers and those staying in care beyond 18 has been insufficient and if unresolved will continue to put pressure on the Council's reserves.



- The general financial climate:

The current Spending Round only covers 2020-21. There are no indicative government spending plans beyond this or the provisional settlement for local government for 2020-21. Reasonable estimates for 2020-21 have been calculated as the basis for a draft budget but this severely limits the Council's ability to make meaningful medium-term multi year financial plans. This shortening of medium-term financial planning horizons for local government is one of the reasons which has prompted the CIPFA resilience indices and the new Financial Management Code. 2020-21 will be the first year since 2013-14 that the Council has been unable to produce meaningful multi-year plans as although spending trends can be forecast with sufficient accuracy, the delay to the full Spending Review, Fair Funding Review and additional business rate retention means likely funding cannot be predicted with any accuracy. This means it is impossible to predict whether funding will be sufficient to cover rising demands and costs and whether the Council will continue to need to find savings and to what extent, to compensate for real-terms reductions in funding.



- The adequacy of insurance arrangements:

The Council's insurance policies were reviewed in January 2016, insuring the same levels of risk as previously, albeit at a higher premium. Since then the Council's exposure to risk and levels of insurance reserves have been reassessed and a higher level of excess has been accepted on some policies in return for a lower premium. Evidence to date is that this has reduced the net cost to the Council.

Of the eleven factors, one has shown an improvement from twelve months ago, seven are relatively unchanged, and three have deteriorated. No weighting has been applied to the individual factors, but the general financial risk to the Council should now be regarded as increased compared with a year ago, which in turn, was increased from the year before, so the cumulative effect can be seen.

Only the general reserves of £37.1m (as at 31st March 2019) are available to the Council to offset any in-year overspends and these are largely unchanged from the previous year. However, these can only be used once.

The overall conclusion is that the Council has an increased risk profile since the 2019-20 budget was approved, and on a like-for-like basis the Council will have a similar level of earmarked reserves available during the year. This means the Council is marginally less resilient than before, but this is not a cause for concern at this stage. Whilst no immediate action is required, the Council's resilience will continue to be monitored and the trend will need to be reversed as much as possible in the medium term.

7 The detail of the Council's reserves

The Statement of Accounts that is produced each year details **Earmarked Reserves** and explains why these reserves are held. There will continue to be draw-down and contributions to these reserves in line with the patterns of expenditure anticipated when the reserves were created. The council's reserves policy and the reserves held will be reviewed during 2020-21 to ensure the policy and the reserves are held corporately to support the Council's strategic objectives.

A review of the earmarked reserves, in light of the forecast funding estimates has resulted in a proposal within the 2020-21 budget to:

- drawdown £8.4m from specific directorate earmarked reserves to cover individual service pressures (including release of reserves where winter pressures grant has now continued);
- net drawdown £0.7m from corporate reserves to fund specific one-off pressures until sustainable alternatives can be found;

In addition, there is a net drawdown from corporate reserves of £1.2m within the 2019-20 base budget which will continue in 2020-21 which comprises a £2.5m drawdown from the Kingshill smoothing reserve and a repayment of £1.3m of previous "loans" from long term reserves. Therefore, the overall proposed use of reserves in the draft 2020-21 budget is £10.3m. The budget also assumes reduced contributions to reserves of £2.5m. These reserves/contributions are either no longer needed (e.g. Directorate specific reserves to offset potential grant reductions which have now not occurred following the rollover settlement), or were created for exactly this situation or a one year contribution holiday can be taken where risks and the potential call on reserves have been reduced or eliminated.

8 Role of the Section 151 Officer

The duties of the Council's Section 151 Officer include the requirement 'to ensure that the Council maintains an adequate level of reserves, when considered alongside the risks the Council faces and the general economic outlook'. The reserves that this council will hold as at 1 April 2020 are, in the opinion of the Section 151 Officer, adequate.

Appendix C: Budget Risks Register 2020-21

TOTAL	22,294.0	71,092.7
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Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Financial Impact (range if known) £000's	
						from	to
CYPE	High Needs Demand	The Dedicated Schools Grant (DSG) High Needs Block is insufficient to meet the cost of demand for placements in schools, academies, colleges and independent providers.	<p>We will accrue an unacceptable deficit on the unallocated Schools Budget (DSG) Reserve. We have partially mitigated this risk by agreeing with the Schools' Forum and submitting an application to the Secretary of State to transfer 1% of the Schools Block into the High Needs Block over two years.</p> <p>However, this will still leave a forecast overspend on high needs budget in 2020-21 and increase the accumulated deficit on the unallocated Schools Budget (DSG) Reserve in excess of the threshold requiring submission of a formal recovery plan.</p>	<p>Alternative options need to be considered to stay within budget along with raising the profile of this national issue with Central Government. Any reductions to existing funding rates could have an adverse impact on schools, academies, colleges and independent providers. (Continuation of policy of not using general KCC reserves to top up DSG).</p> <p>The government has consulted on introducing a requirement to carry the total deficit on the schools budget and not allow local authorities to offset with general funds without express approval from the Secretary of State. We have welcomed this clarification but it does not resolve how deficits will be eliminated and thus still poses a substantial risk due to the magnitude of DSG deficit</p>	5	17,000.0	29,000.0
S&CS / CYPE	Total Facilities Management (Schools) (TFM2)	Extension and renegotiation of Total Facilities Management contracts.	Unable to reduce costs / service level to be able to provide statutory inspections within the funding available for schools resulting in KCC subsidising schools	Increased pressure in the MTFP which could be mitigated by redirecting DfE grant funding from other schools related spending, or will result in an overspend	5	0.0	286.5
CYPE	2019-20 Monitoring / Placement costs	Current underlying activity pressure from increased use of higher cost settings to place children coming into care due to the lack of suitable more cost-effective provision resulting from the continued challenge of retaining and recruiting in-house foster carers, and increased competition from other local authorities placing in Kent	Final 2019-20 outturn confirms the forecast activity levels	If the current trend in children being placed in more costly external placements continues there will be an overspend on the revenue budget	4	0.0	7,000.0
GET	Coroners restructure of service	Potential settlement required if service transforms to one Senior Coroner with Area Coroners instead of multiple Senior Coroners	Service implements new structure	Additional pressure to be added to MTFP, or alternative savings required or a bid against the Transformation Fund	4	0.0	500.0

Appendix C: Budget Risks Register 2020-21

Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Financial Impact (range if known) £000's	
						from	to
ALL	BREXIT	The Council requires full reimbursement from Central Government for the additional costs in preparing for BREXIT and dealing with significant disruption in the event of a no-deal	Full reimbursement not received. The grants received to date in 2018-19 and 2019-20 have not been sufficient to cover the council's additional spending on BREXIT preparations (£1.2m anticipated shortfall over the two years)	Unfunded Budget Pressure. Urgent alternative savings need to be found which could have an adverse impact on service users and/or Kent residents, or will require the use of reserves.	3	5,000.0	7,000.0
CYPE	Change for Kent Children Programme (Service Integration)	The programme is reliant on recruiting and retaining sufficient newly qualified social workers	Inability to recruit and retain sufficient newly qualified social workers resulting in continued reliance on agency staff, at additional cost	Budgeted saving not delivered resulting in an overspend on the revenue budget. Urgent alternative savings need to be found which could have an adverse impact on service users and/or Kent residents.	3	0.0	3,000.0
ASCH	2019-20 Monitoring	Current underlying activity pressure (based on Sept 19 monitoring) not covered by demography increase in 2020-21 budget because of timing of calculations (i.e Mar 18 to Mar 19 SWIFT data)	Final 2019-20 outturn confirms the forecast activity levels.	Overspend on the revenue budget. It is expected that following the implementation of the new case management system (MOSAIC), there will be an improvement in the management information upon which the financial forecasts are based which will help to address this concern for future years	3	0.0	3,000.0
ASCH	Market Sustainability	The local social care market is destabilised because of the price differential offered for KCC funded clients and self funders	Providers seek higher price uplifts than provided for in the budget	Providers exit the market leaving the council short of capacity or the council has to pay higher than budgeted increase in fees resulting in budget overspend and increased pressures on future years budgets	3	0.0	2,500.0
CYPE	Unaccompanied Asylum Seeking Children	The Council requires full reimbursement from Central Government for the cost of supporting Unaccompanied Asylum Seeking Children (UASC) including when they become Care Leavers.	Full reimbursement not received. We have been able to negotiate improved rates with Home Office in recent years but there is still an imbalance between the rates received for under 18s which currently subsidise support for over 18s which both those opting to "stay put" in care or being supported as care leavers	Unfunded Budget Pressure. Urgent alternative savings need to be found which could have an adverse impact on service users and/or Kent residents.	3	0.0	2,000.0

Appendix C: Budget Risks Register 2020-21

Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Financial Impact (range if known) £000's	
						from	to
ASCH	NHS Properties occupied by ASCH free of charge under prior agreements	NHS Property Services took over management of these properties several years ago and have issued retrospective invoices for rent and service charges. These are disputed by KCC as no agreements are in place to pay rent and service charges.	New leases agreed with NHS Property Services Ltd	Under new Leases, KCC would be liable to pay rent and service charges for buildings that have always been occupied free of charge. Consequently rent and service charges for these buildings are not currently reflected in the MTFP, so this would result in an overspend.	3	0.0	2,000.0
CYPE	Troubled Families	The Government grant was due to cease in March 2020 but the Spending Round 2019 Statement confirmed that this will now continue, however the recently confirmed 2020-21 grant of £2.953m is insufficient to cover the spend commitments of £4.275m. We also don't yet know whether the continuation of the grant is just for one more year, so the full risk of £4.3m potentially applies in 2021-22.	In prior years there has been significant roll forward of grant due to re-phasing of the Troubled Families Programme but this has now all been used. There is a risk that the service is unable to reduce costs sufficiently to match the recently confirmed reduced level of grant funding and achieve the Government's expected outcomes.	Either these costs will need to be curtailed to match the funding available or there will be a budget overspend.	3	0.0	1,322.2
S&CS	KPSN	Loss of business to KPSN - Schools move to other Broadband providers as they are cheaper	Large percentage of existing contracts with schools come to an end in March 2020. Risk that schools choose not to renew and to procure with an alternative internet service provider with consequential loss of income to cover fixed irreducible costs	Too many schools exit the KPSN contract (or take up discounted package) meaning costs to other users and core cost to KCC increases, raising questions over the viability of the service. There is a further potential consequence where schools choose alternative providers, that their package is not fully GDPR compliant and/or raises the risk of cyber security breaches. One possible mitigation is to mandate maintained schools and other areas of KCC e.g Highways to stay with KPSN on the grounds that alternatives may not be fully GDPR compliant	3	0.0	1,000.0
S&CS / FI	CBS dividend	Impact of loss of schools business from KPSN contract on Cantium dividend as they have a surplus built in for selling this service	Too many schools exit from the KPSN contract resulting in a loss of surplus on this service and consequently a reduced dividend from CBS Ltd	New pressure/reduced saving to be reflected in MTFP or overspend and alternative savings need to be found which could have an adverse impact on service users and/or Kent residents.	3	0.0	400.0

Appendix C: Budget Risks Register 2020-21

Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Financial Impact (range if known) £000's	
						from	to
CYPE / S&CS	Reduction in Dedicated Schools Grant (DSG): Central Services for Schools Block	The government is making a 20% reduction to the historic commitments element of the DSG Central Services for Schools Block which equates to £1.4m for KCC	£0.7m of savings have been identified to offset this reduction with the remaining £0.7m being met from reserves in 2020-21 pending further discussions with the Education & Skills Funding Agency (ESFA) regarding possible exemptions and internally with Corporate Management Team to find a longer term solution. There is also the risk of further cuts to the DSG Central Services for Schools Block in the future.	If this remains unresolved there is a risk that this will also have to either be met from reserves in future years or result in an overspend until a longer term solution is identified	3	0.0	700.0
S&CS	MOSAIC	Replacement Adult Social Care Performance Management System (change from SWIFT to MOSAIC)	SWIFT maintenance and support end in April 2020 and the costs have been assumed to end. If the service still require access to SWIFT beyond April 2020, the costs will continue.	If the service still require access to the legacy system this will result in a budget pressure. ICT will need to find a solution which minimises the cost of access to reduce the risk of overspend.	3	150.0	380.0
GET	Trading Standards Border Control	Impact of trading arrangements with the EU at the end of the transitional period requiring increased Border Controls on a permanent basis	Unavoidable consequence of EU negotiations	This pressure will need to be added to the MTFP	3	144.0	144.0
ASCH	Sleep in Nights	Court of Appeal ruling in favour of MENCAP that sleep nights do not constitute paid work and thus are not subject to requirement to comply with National Living Wage is overturned by the Supreme Court. The new contracts provide for sleep nights from April 2020 so the risk only remains if this Court of Appeal rules that this needs to be backdated.	UNISON has already lodged an appeal to the Supreme Court which results in a ruling that directs us to pay higher than budgeted sums for sleep in nights	Unfunded Budget Pressure. Urgent alternative savings need to be found which could have an adverse impact on service users and/or Kent residents, or will require the use of reserves.	3	0.0	?
GET	Highways Maintenance Contract transition	Contract due to be recommissioned in August 2020	Existing contract to be extended until May 2021 to cover winter service and emergency response. A new provider for the remaining services will require a handover. Potential costs of demobilisation of existing contractor.	The one-off pressure included in MTFP is insufficient resulting in an in-year overspend or alternative savings being required.	3	?	?

Appendix C: Budget Risks Register 2020-21

Directorate	Risk Title	Source/Cause of Risk	Risk Event	Consequence	Current Likelihood (1-5)	Financial Impact (range if known) £000's	
						from	to
ASCH	New Social Care Legislation	The Deprivation of Liberty Safeguards (DoLS) is being replaced with new legislation Liberty Protection Safeguards (LPS) in 2020 and changes are also proposed to the Mental Health Act - Independent Mental Capacity Advocacy (ICMA)	Additional costs arise as a result of these changes in legislation - at this stage this is not known.	Overspend on the revenue budget or alternative offsetting savings required.	3	?	?
ALL	Capital Costs	Pre-Capital Works Expenditure.	Scheme doesn't proceed as planned and capital costs are transferred to revenue.	Overspend on the revenue budget and impact on reserves (reducing financial resilience)	3	?	?
ALL	Inflation	The Council must ensure that the Medium Term Financial Plan (MTFP) includes robust estimates for spending demands.	Inflation rises above the current MTFP assumptions.	Overspend on the revenue budget.	3	?	?
ALL	Demand	The Council must ensure that the Medium Term Financial Plan (MTFP) includes robust estimates for spending demands.	Demand for services exceeds the Budget available e.g. children's services, older people, waste, winter impact, public transport, coroners etc.	Overspend on the revenue budget.	3	?	?
Various	Various budget risks that have been categorised as unlikely (likelihood rating of 2)				2	0.0	10,860.0

Likelihood Rating

Very Unlikely	1
Unlikely	2
Possible	3
Likely	4
Very Likely	5

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Budget Book

2020-21

Draft for County Council approval