

By: Anna Taylor, Assistant Democratic Services Manager (Scrutiny)

To: Scrutiny Committee, 25 November 2025

Subject: Revenue and Capital Budget Forecast Outturn Report – Quarter 2

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Summary: As requested by the Chair and Spokespeople of the Scrutiny Committee the Committee is asked to discuss and note the Review and Capital Budget Forecast Outturn Report – Quarter 2.

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## **1. Introduction**

- a) The attached report was presented to Cabinet on 19 November 2025 and sets out the revenue and capital budget forecast monitoring position as at the end of September 2025-26. Cabinet were asked to agree a number of actions as set out in the recommendations within the report.
- b) The report sets out a forecast revenue overspend of £46.5m which represents 3.0% of the overall budget. The most significant overspend is in Adult Social Care and Health totalling £50.9m (7.2% overspend). Overspends must be financed from reserves, which is forecasting a balance of £41m by 31 March 2026 (page 22 of the report).
- c) Within the Report, there is detail about the actions that have been implemented to mitigate the revenue overspend and Cabinet were asked to agree the revenue and capital budget adjustments detailed in the report.
- d) Scrutiny has a key role to play when considering the Executive's draft budget proposals in January but financial scrutiny is a continuing duty throughout the year. In reviewing the revenue and capital budget monitoring reports the Scrutiny Committee can examine the rationale behind budget allocations, spending decisions and financial forecasts, and can challenge assumptions or request further evidence.
- e) The Scrutiny Committee plays a vital role in ensuring transparency, accountability and continuous improvement in KCC's decision-making and service delivery. The Committee can add value by reviewing how resources are prioritised and allocated, reviewing the integration between financial and service planning and testing out whether the council is directing its resources effectively. The Committee, through scrutiny in a public forum, provides a challenge to the Executive's management of the Council's finances, building trust in the Council's financial governance.
- f) The Scrutiny Committee considers the same report as presented to the Cabinet to reduce additional workload, this is in addition to the consideration of the draft budget proposals in January.

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## **2. Recommendation**

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

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## **3. Attached documents**

- a) Cabinet Revenue and Capital Budget Monitoring Report

## **4. Background documents**

- a) [Agenda for Cabinet on Wednesday, 19th November, 2025, 10.00 am](#)

## **Contact Details**

Anna Taylor  
Assistant Democratic Services Manager  
[anna.taylor@kent.gov.uk](mailto:anna.taylor@kent.gov.uk)  
03000 416478