

## **Reforming Kent's Budget**

### **Section 1 - Executive Summary**

1.1 This report sets out the draft capital programme 2026-36, revenue budget 2026-27 and medium-term financial plan (MTFP) 2026-29. These have been prepared following the same process as previous budget plans. The capital programme reflects the continuation of existing rolling programmes and evaluation of individual projects (including new projects to address priorities or spend to save schemes, and removal of projects which can no longer be progressed). The revenue budget/MTFP is prepared on an incremental basis where the current approved budget is used as the base from which incremental assumptions for spending, savings, income and contributions/drawdowns from reserves are added or subtracted to determine the new budget. The plans include the administration's priorities where possible within the limited scope available for manoeuvre.

1.2 At this point in time the plans are based on the County Council continuing in its current form and the plans for 2028-29 and beyond do not make any presumption of new configuration of councils and responsibilities post local government reorganisation (LGR). This is a reasonable planning assumption until we have a clearer idea on the direction of LGR. This approach does not pre-suppose any particular outcome.

1.3 The primary focus within the capital programme must be to ensure that the Council has sufficient capacity to meet legal and regulatory requirements where there is risk of death or serious harm to residents and service users. This means first call on capital is to address "safety vital" works. The secondary focus is to reduce impact on revenue budget. This can be achieved through using the flexibility to use capital receipts to fund permitted revenue costs and reducing borrowing requirements.

1.4 The capital programme includes no new borrowing impacting on the revenue budget 2026-27 or MTFP 2026-29. Funding of new schemes comes from recycling funding within the existing programme from schemes that have been removed or are now funded from confirmed external sources e.g. school basic needs. The draft capital programme represents only fully funded schemes. A separate schedule provides an indication of potential new schemes where business cases have yet to be fully developed or funding has not yet been secured. This schedule does not form part of the programme and schemes will only be included in future capital programmes and progressed once these have been resolved.

1.5 The primary focus of the revenue budget is to strike an appropriate balance between fulfilling the Council's statutory obligations on service provision and the administration's strategic priorities. These aims are not always compatible and involves difficult decisions about service levels and provision both for the forthcoming year and over the medium term.

1.6 In reaching this balance the revenue budget has to include provision for forecast spending growth (base budget changes to reflect full year impact of current variances, contractual price uplifts, staff pay awards, other cost drivers such as market availability, demand increases and service improvements). The revenue budget must also include planned efficiency, policy and transformation savings and plans to generate additional income. As has been the case for several years the spending growth continues to significantly exceed the additional funding from central government and local taxation leading to “the budget gap” that needs to be resolved from savings, income and other one-off measures.

1.7 Planning for revenue budget and MTFP has been made more challenging due to two significant factors leading to heightened uncertainty. The magnitude of, and increases in, forecast in-year overspends as at quarter 1 and quarter 2 have a significant impact on 2026-27 budget plan as it is essential spending and savings/income plans for the forthcoming year include the full year impact of in-year variances. This uncertainty has been compounded by the changes to government funding settlement following consultation on Fair Funding 2.0 review of allocations, the subsequent delayed announcements on the government’s response and lack of illustrative allocations for individual authorities (including insufficient detail on key elements that prevent calculation of robust local estimates). This combination has resulted in significant uncertainty over the scale of the budget gap.

1.8 This draft budget reflects a balanced revenue position for 2026-27, albeit this can only be achieved with £25m one one-off solutions including £9m from further use of capital receipts to fund permitted revenue spending (flexible use of capital receipts strategy) and £16m from reserves that are no longer necessary for the original purpose. The plan includes increases in the general reserve both to repay previous drawdowns e.g. 2024-25 revenue outturn, and an affordable additional contribution to maintain general reserve at recommended 5% to 10% range over the medium term. However, this does not include any replenishment of potential drawdown for 2025-26 final outturn. The section 25 assurance statement includes a fuller evaluation of the risks and assessment of the adequacy of reserves.

1.9 The revenue budget plans for 2027-28 and 2028-29 show the scale of the gap that would need to be resolved to achieve a balanced budget based on spending/savings/income forecasts and indicative government settlement. For planning purposes this is considered sufficient at this stage to demonstrate what a balanced scenario needs to address over the medium term.

## Section 2 - Budget Plans on One Page

### **Capital Programme**

Total capital planned spending 2026-27 to 2036-37 of £1,967m (an increase of £548m on the 2025-35 plan), of which:

- School buildings including providing additional pupil places £392m (20%)
- Roads and infrastructure including asset management, structures and tunnels, major road schemes and waste £1,442m (73%)
- Other e.g. economic regeneration, corporate estate and adults £133m (7%)

Total spending funded from external sources of £1,540m, of which:

- Central government grants £1,379m (70%)
- Developer contributions £108m (5%)
- Recycled Loan Repayments £38m (2%)
- Other £15m (1%)

Total spending funded from internal sources of £427m, of which:

- Existing borrowing commitments = £354m (18%)
- Other (capital receipts and revenue contributions) = £73m (4%)
- New borrowing = Nil

### **Revenue Budget**

Planned net expenditure<sup>1</sup> in 2026-27 of £1,648.1m - an increase of £116.9m on 2025-26 (7.6%), of which:

- Adult social care £787.5m (47.8% of budget) (11.0% increase)
- Children's services £423.0m (25.7% of budget) (8.2% increase)
- Growth, Environment and Transport £215.5m (13.1% of budget) (5.2% increase)
- Chief Executive and Deputy Chief Executive Departments £112.7m (6.8% of budget) (1.7% reduction)
- Non-Attributable (mainly net Debt costs) and Corporately Held budgets £109.5m (6.6% of budget) (1.8% reduction)

Funding sources in 2026-27 of £1,648.1m i.e. balanced, of which:

- Council tax inc. collection fund £1,048.5m (63.6% of funding) (5.1% increase)
- Central government settlement £595.4m (36.1% of funding) (12.5% increase)
- Other £4.3m (0.3% of funding) (0% increase)

### **Medium Term Financial Plan**

Forecast net spending increase of £105.3m for 2027-28 (6.4%) and £95.5m for 2028-29 (5.6%), of which:

	2027-28	2028-29
Increase in Government Provisional Settlement	£43.5m	£42.8m
Other funding increases (e.g. Council Tax base)	£7.6m	£10.5m
<b>Shortfall in government settlement</b>	<b>£54.2m</b>	<b>£42.1m</b>
Council Tax charge increase	Nil	Nil

---

<sup>1</sup> Net budget comprises total expenditure less income from charges and contributions and specific grants from central government where spending is prescribed. This is the best measure of spending for which we should be held to account as elected representatives.

## **Section 3 - KCC Governance and Statutory Requirements**

### **A. KCC Constitution**

3.1 Agreement of the budget and policy framework is a reserved power for Full Council. The constitution identifies that the final budget presented for consideration by Full Council must include:

- annual budget including capital strategy, investment strategy, capital programme strategy and treasury management strategy
- Medium term financial plan

3.2 The constitution requires that the Leader publishes a draft budget no later than three weeks before the budget meeting. This report and appendices cover all the necessary information on the spending plans to fulfil this requirement. Cabinet committees received separate reports for the January cycle of meetings setting out the draft proposals relative to their remit including detail on the key policy considerations and were asked to make recommendations to the Executive. The Scrutiny committee were asked to consider and make recommendations on the whole council budget at the meeting on 22<sup>nd</sup> January 2026. The final draft budget was reported to and endorsed by Cabinet on 29<sup>th</sup> January 2026 ahead of full Council budget meeting on 12<sup>th</sup> February 2026.

### **B. KCC Financial Regulations**

3.3 Under the Council's financial regulations financial planning is described as the projection of income and expenditures consistent with the corporate strategy of the Council. The revenue budget includes the day-to-day spending plans for forthcoming year. The capital programme covers the purchase, construction and improvement of assets with a lasting value over medium to long term.

3.4 The budget is presented in a format proposed to the Leader by the Section 151 officer. The budget represents the Administration's spending plans. The Section 151 officer must provide a separate Section 25 report when the budget and council tax is being considered covering the robustness of the estimates within the spending plans and adequacy of reserves. In considering the budget, Council members must have regard to this report but are not asked to debate or agree it.

3.5 The financial regulations include provision for the Section 151 officer to make any technical changes to the budget approved by the Council and include these in the final budget book publication. In relation to the capital programme, the Section 151 officer is responsible for advising on prudential indicators, establishing procedures to evaluate and appraise capital schemes, identify and include revenue implications of debt costs, and ensure surety of external funding. In relation to reserves, the Section 151 officer must ensure compliance with reserves policy, ensure reserves are adequate but only necessary, and ensure no money is transferred into reserves without prior agreement. The Section 151 officer is responsible for ensuring estimated provisions are set aside for uncertain liabilities and for noting contingent liabilities where reliable estimates are not possible.

3.6 Corporate Directors have the responsibility to ensure budget estimates reflect agreed service plans, are realistic and prepared in accordance with issued guidance. Corporate Directors are responsible for consulting with Section 151 and Cabinet Members on proposed bids for external capital financing, ensuring appropriate approval for capital proposals and VAT implications have been considered.

#### C. KCC Budget Consultation

3.7 Public consultation on KCC budget strategy ran from 5<sup>th</sup> August to 29<sup>th</sup> September 2025. This consultation sought views on council tax increases and priorities for spending increases and savings. In total 4,670 responses were received, nearly double the number than the previous year. The majority of responses supported council tax increases in order to maintain services. Respondents were least comfortable with spending reductions on highways maintenance, children's social care and services schools. The most popular areas for increased spending were adults and children's social care. Further details of the consultation and responses can be found at [Budget Consultation 2026-27 | Let's Talk Kent](#).

#### D. Legal Requirements under Local Government Finance Act 1992

3.8 Section 31A of the Act sets out the requirements for including expenditure, income and reserves estimates in the annual budget and for balancing these through council tax. Sections 52ZB and 52ZC set out legal requirements for a referendum where council tax increases are considered excessive. Whilst there is no legal requirement to set a balanced MTFP, this is considered good practice.

3.9 What is meant by 'balanced' is not defined in law and relies on the professional judgement of the Chief Financial Officer to ensure that the budget is robust and sustainable. A prudent definition of a balanced budget would be a financial plan based on sound assumptions which shows how planned spending and income equals the available funding for the forthcoming year. Plans can take into account deliverable cost savings and/or local income growth strategies as well as useable reserves.

3.10 Section 40 of the Act requires major precepting authorities to determine and notify collection authorities of their council tax precept by 1<sup>st</sup> March each year. A precept cannot be set before the deadline for collection authorities to notify precepting authorities of the estimated tax base (statutory deadline being 31<sup>st</sup> January). Section 42A of the Act sets out same balanced requirements in setting the council tax requirement and therefor council tax precept.

### E. Best Value

3.11 The Council has a statutory Best Value duty to secure continuous improvement having regard to economy, efficiency and effectiveness. The latest guidance explicitly states that this includes delivering a balanced budget, providing statutory services (including adult social care and children's services), and securing value for money in all spending decisions. Those councils that cannot balance competing statutory duties, set a balanced budget, deliver statutory services, and secure value for money are not meeting their legal obligations under the Local Government Act 1999. The statutory Best Value duty must frame all financial, service and policy decisions and the council must pro-actively evidence the best value considerations, including budget preparation and approval.

### F. Equalities Considerations

3.12 The Equality Act 2010 requires the Council, in the exercise of its functions to have due regard to eliminate unlawful discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.

3.13 To meet this duty under the Equality Act the council undertakes equality impact assessments to analyse a proposed change to assess whether it has a disproportionate impact on persons who share a protected characteristic. As part of our budget setting process an equality impact assessment screening will be completed for each savings proposal to determine which proposals will require a full equality impact analysis (with mitigating actions set out against any equality risks) prior to a decision to implement being made.

## **Section 4 - Local Government Finance Settlement**

4.1 The local government finance settlement is a key element of setting a balanced budget and for medium term financial planning. Since 2019-20 there have only been one-year settlements which have included inflationary uplifts in those grants funded from business rates, additional grants for social care, compensation for business rates caps and reliefs, and other grants such as new Homes Bonus, Services Grant, Recovery Grant, etc. The core settlement on which allocations had been based had not been updated since 2013-14.

4.2 The government has consulted on and implemented significant changes to the local government finance settlement. Consultation ran from 20<sup>th</sup> June to 15<sup>th</sup> August 2025 and sought views on the approach to determining new funding allocations for local authorities and fire & rescue authorities. The government's response to the consultation along with a policy statement and further details of the business rate retention reset were published on 20<sup>th</sup> November 2025. Neither the consultation nor the response included indicative allocations for individual authorities making assessing the full impact difficult prior to the publication of the provisional settlement on 17<sup>th</sup> December 2025.

4.3 The changes include the following:

- Multi-year settlement with indicative allocations for 2027-28 and 2028-29 as well as confirmed allocations for 2026-27
- Consolidation of grants with some previously separate grants transferred into Fair Funding Allocation (FFA)/Revenue Support Grant (RSG) and others combined into larger less restrictive specific grants
- Updated and revised formulas for assessing relative needs within core FFA/RSG settlement (and in some cases consolidated grants)
- Relative resources adjustment to reflect ability to levy council tax<sup>2</sup> within core FFA/RSG settlement
- Damping arrangements to protect losses and phase in gains over 3 years
- Recovery grant from 2025-26 allocated on current basis i.e. not subject to the reforms
- Retained business rates reset to include historic growth and previous compensations in the baseline. This reset has been fully implemented in 2026-27 settlement. Retention losses are subject to 100% safety net in 2026-27 and revised levy arrangements on retained growth

4.4 The provisional settlement results in an increase in KCC's core spending power (CSP) of £127.3m compared to revised CSP for 2025-26. CSP is the government's preferred method of comparing the impact of the settlement for individual authorities. CSP includes the government's estimate of council tax decisions (including assumed increases up to the referendum level) accounting for £67.9m of the increase, and the grants included in the core settlement as well other

---

<sup>2</sup> based on individual council's taxbase including mandatory discounts and deprivation formula as proxy for working age council tax reduction discounts and national average band D council tax i.e. local decisions on tax levels and discretionary discounts/premiums are not reflected in resources adjustment

Version 3 - final draft for County Council approval

grants including some of the consolidated grants and Recovery grant £59.5m of the increase. CSP does not include retained business rates or collection fund balances.

4.5 Table 1 shows comparison of revised grant allocations for 2025-26 compared to the provisional allocations for 2026-27 and indicative allocations for 2027-28 and 2028-29.

Table 1 – Provisional Settlement	Revised 2025-26 £'m	Provisional 2026-27 £'m	Change £'m	Indicative 2027-28 £'m	Indicative 2028-29 £'m
<b>Included in CSP</b>					
2025-26 Legacy Funding (including grants rolled in) and Multi Year Fair Funding Allocation	519.136	569.660	+50.524	613.134	659.103
Families First Partnership element of Children, Families & Youth Grant (consolidated)	12.773	21.712	+8.939	21.712	18.545
Homelessness, Rough Sleeping & Domestic Abuse (consolidated)	4.031	4.031	Nil	4.031	4.031
Recovery Grant/Guarantee	Nil	Nil	n/a	Nil	nil
<b>Total Grants in CSP</b>	<b>535.940</b>	<b>595.404</b>	<b>+59.464</b>	<b>638.878</b>	<b>681.679</b>
<b>Other Consolidated Grants outside CSP</b>					
Crisis and Resilience Fund	19.502	19.172	-0.330	19.161	22.061
Children, Families & Youth Grant	6.273	6.130	-0.143	5.874	5.874
Public Health Grant	88.946	91.287	+2.341	92.956	94.637

4.6 A fuller evaluation of the provisional settlement is set out in appendix L of this report and in the funding sections of appendices D (MTFP 2026-29) and E (revenue budget summary 2026-27).

4.7 The government is expected to publish the final local government finance settlement week commencing 9<sup>th</sup> February. We do not expect wholesale changes from the provisional settlement, however there is likely to be some minor data corrections and there may also be slight methodological changes. Any impact from the final settlement will be reported to Cabinet in March.



## **Section 5 - Council Tax**

5.1 Council tax is the other key source of funding towards setting a balanced budget. The council tax precept (the amount we require billing authorities [district and borough councils] to pay us during the course of the forthcoming year) is based on tax base estimate provided by each of the billing authorities and the household charge for the County Council element agreed by full Council at the annual budget meeting.

5.2 The billing authorities have a statutory responsibility to calculate an estimate for the council tax base for council tax setting purposes under the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The calculation is based on determining the relevant number of properties liable to pay council tax in each council tax band (quoted as band D equivalent properties) and an estimate of the collection rate for the year.

5.3 The number of properties liable for council tax is adjusted for those subject to discounts, exemptions and premiums. It is based upon the number of dwellings in each band (A to H) shown on the valuation list at a prescribed date (usually 30th November). This is then adjusted for exempt dwellings (student dwellings, etc.), eligible discounts (single occupancy discount, etc.), premiums (long term empty and second homes), discounts for council tax support (low income elderly and working age households) and where applicable assumed in-year changes to the number on the valuation list, eligible discounts and premiums.

5.4 The tax base estimate calculations must be approved by each authority between 1st December and 31st January to enable precepting authorities and billing authorities to determine their council tax charge as part of annual budget setting in accordance with council tax referendum requirements (as set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report). Major precepting authorities must notify billing authorities of their council tax precept by 28th February.

5.5 The billing authorities must also notify precepting authorities of their estimated share of any surplus/deficit balance on the collection fund (reflecting over/under collection in current and previous years). This collection fund estimate must be taken into account when agreeing the council tax charge for the forthcoming year as part of the budget decision.

5.6 Details of the tax base estimate, the proposed household Council Tax charges for 2026-27 for KCC's element, and the proposed precept based on these are set out in Appendix H. The draft budget for 2026-27 is based on a proposed Council Tax increase of 3.99%.

## **Section 6 - Summary of Draft Budget Proposals**

### **A. Capital Programme**

6.1 Appendix A sets out a high-level summary of planned capital spending and financing over the 10 years period 2026-36. The financing is a combination of government departmental capital grants, anticipated developer contributions, capital receipts, external funding and borrowing. Appendix B contains planned spending on individual projects and rolling programmes by directorate. Appendix C is not part of the approved programme and is only included for reference with potential spending on projects in the pipeline where business cases are not fully developed and/or funding has not yet been secured.

6.2 The draft capital programme includes the refinancing of £19m spend on school's basic need, enhancement and modernisation from confirmed grant allocations; and removal of £5.8m spending on Digital Autopsy and Public Mortuary. This has released existing planned borrowing to fund new priority schemes for highways depots/salt barns (£7.3m spend) and unfunded category 1 highways schemes (£8m spend). The balance has been released to reduce revenue impact of borrowing along with release of capital receipts to fund permitted revenue spending as part of revenue budget solution. The draft capital programme includes the revised plans for Strategic Headquarters and any known rephasing of other existing schemes.

### **B. Revenue Budget**

6.3 The revenue proposals are summarised in appendices D to F of this report. These appendices show the spending, income and savings changes from the current year's approved budget in line with incremental principles along with financing from provisional government settlement and assumed council tax<sup>3</sup>. Appendix D provides a high-level summary of the proposed three-year plan for the whole Council. Appendix E provides a high-level summary of 2026-27 incremental changes by directorate, appendix F provides a detailed analysis of individual spending, savings, income and reserves changes. Appendix G provides, by directorate, the 2026-27 proposed budgets, showing gross spending, income and net spending for each key service budget line.

---

<sup>3</sup> Changes in retained business rates can only be included following receipt of details from collection authorities. This information has not been received in time for the publication of County Council budget papers and will therefore be reported to Cabinet in March (along with details of the final local government finance settlement).

6.4 A comparison of the overall changes from previous plans for 2026-27 are shown in table 2.

Table 2 (Core only)	Initial Draft 8 Jan £m	Updated Draft for Cabinet 29 Jan £m	Final Draft for County Council £'m	Change (Final vs Initial Draft) £m	Notes
Spending Growth	+179.5	+180.0	+178.0	-1.5	1 & 2
Removal of Savings	+28.0	+28.0	+28.0	0.0	
New and FYE Savings	-61.7	-62.0	-62.0	-0.3	
New and FYE Income	-14.6	-14.6	-13.6	+1.0	
Reserves	-14.7	-14.8	-13.5	+1.2	1
Council Tax & collection funds	-50.3	-50.3	-50.7	-0.3	
Government Settlement inc. Business Rates	-66.2	-66.2	-66.2	0.0	2
Balanced	0.0	0.0	0.0	0.0	3

Notes:

1. Change in treatment of KCC's contribution to the DfE Safety Valve agreement from a contribution to reserves to spending growth (£11.1m) based on external auditor advice.
2. Due to the rolling in of specific grants into the Core Spending Power, there is a reduction of £12.3m in our grant income, resulting in an increase in our spending growth offset by an increase in the Government settlement.
3. The above table is subject to minor rounding's as numbers have been shown to the nearest £m

6.5 The majority of the increased spending growth relates to adult social care (£89.8m out of £178.0m). This includes the base budget changes for the full year effect of 2025-26 overspends (£37.7m) and revised forecasts for price uplifts (£9.9m), cost drivers (£15.8m) and demand driver increases (£25.3m). These additional pressures on adult social care spending are by far the most significant factors leading to increases in saving and income necessary to balance the revenue budget for 2026-27.

6.6 The additional savings and income include £30.0m in adult social care, £18.0m in children's services and £27.6m in other services. The movement in reserves include a contribution to reserves to replace the £20.2m drawdown from general reserve for the 2024-25 overspend offset by £16.0m drawdown from earmarked reserves no longer necessary for their original purpose (and technical change for the treatment of the local authority contribution to DSG deficit). It is essential to ensure sufficient level of general reserve for unforeseen circumstances and budget risks in 2026-27.

6.7 The draft proposals are balanced by £25m of one-off measures including £9m additional use of capital receipts flexibility (as set out in the flexible use of capital receipts strategy at appendix R) and £16m release of earmarked reserves no longer required for their original purpose. These one-off measures will need to be replaced by sustainable solutions in future years.

6.8 The draft budget includes provision for Kent Scheme pay sufficient to fund the continuation of transition to the new pay points under the pay strategy agreed by full Council in May 2024 and the following uplifts, recommended by Personnel Committee who met on 29<sup>th</sup> January 2026, to be applied from 1<sup>st</sup> April 2026:

- Increase the minimum rate for grade KSA to £13.56 per hour (6.75% increase) to maintain the current positive differential from Living Wage Foundation's Living Wage (+11 pence per hour). This will exceed the minimum requirement for the National Minimum Wage of £12.71 per hour for employees aged over 21.
- A minimum general increase of 3.8% for other pay grades, with tapered increases between KSB and KSF between 6.75% and 3.8%.

## **Section 7 – Sensitivity, Resilience and Risk Analysis**

7.1 The budget sensitivity analysis assesses how changes in external and internal factors impact on the Council's budget. Internal factors include the accuracy of spending forecasts in previous plans, delivery of savings plans, and policy priorities for the Council. External factors include government policy (including changes in funding), interest rates, inflation, demographic changes affecting demand (including aging population, changes in deprivation, etc.) and sustainability of key supply markets.

7.2 The sensitivity analysis includes different "what-if" scenarios affecting key variables such as council tax income, business rates, and major contract costs, and then modelling the potential financial consequences of variations in these variables to inform risk management and financial planning. The purpose of sensitivity analysis is to support a more resilient and robust budget to allow for potential uncertainties and fluctuations and to influence future decision making. The full sensitivity analysis is set out in appendix I.

7.3 A separate assessment of the Council's financial resilience is set out in appendix J. An assessment of the key budget risks is set out in appendix K, and the reserves policy is set out in appendix M.

## **Section 8 - Treasury Management**

8.1 The Treasury Management Strategy is a key component of budget plans and sets out how the Council will manage cashflows, debt portfolio and financial investments (property investments are covered in Investment Strategy). The Treasury Strategy has to be approved by full Council and includes prescribed prudential indicators. The Treasury Management Strategy, capital strategy and investment strategy are included as appendices to this final draft for County Council.

8.2 The most pertinent factor and key driver for Treasury Management is the Council's capital expenditure and financing plans. These determine the borrowing requirement. These requirements are not expected to increase, and the debt portfolio should reduce over time as existing debt matures and is not replaced. The Council will take the opportunity to repay capital debt where possible and where this

makes financial sense. The strategy is based on the expectation that any repayments (or additional borrowing requirement should this be necessary) are from cash and investment balances.

8.3 The strategy for financial investments continues to include internally managed funds, liquid cash instruments and strategic pooled funds for longer term investments. While the current approach anticipates holding approximately two-thirds of investments in liquid instruments and one-third in pooled funds, these proportions will be kept under review and may be adjusted as the Council's liquidity requirements and yield expectations evolve.

### **Full List of Appendices**

	<b>Appendix Description</b>
A	High-level summary of planned capital spending and financing over the 10 years
B	Planned spending on individual projects and rolling programmes by directorate
C	Potential capital spending on projects in the pipeline
D	High-level summary of the proposed three-year revenue budget plans
E	High level summary of 2026-27 incremental changes by directorate
F	Detailed analysis of individual spending, saving, income and reserves changes
G	Proposed 2026-27 directorate budgets by Key Service
H	Council tax
I	Sensitivity analysis
J	Assessment of financial resilience
K	Budget risk register
L	Provisional local government finance settlement
M	Reserves policy
N	Treasury management strategy
O	Investment strategy
P	Capital strategy
Q	Annual minimum revenue provision (MRP) statement
R	Flexible use of capital receipts strategy

**Background documents:**

[Provisional local government finance settlement 2026 to 2027 - GOV.UK](#)  
[2025-26 published Budget Book](#)  
[External Auditor's Annual Report and Value for Money Conclusions 2024-25 \(6th November - item 10\)](#)

**Policy and Resource Committee**

[Medium Term Financial Plan update \(8<sup>th</sup> July – item 7\)](#)  
[Fair Funding 2.0 Consultation \(10<sup>th</sup> September – item 6\)](#)  
[Budget Planning Update \(13<sup>th</sup> November – item 8\)](#)

**Cabinet**

[Revenue and Capital Budget Forecast Outturn Report – Quarter 1 \(25<sup>th</sup> September – item 5\)](#)  
[Revenue and Capital Budget Forecast Outturn Report – Quarter 2 \(19<sup>th</sup> November – item 5\)](#)  
[Revenue and Capital Budget Forecast Outturn Report – Quarter 3 \(29<sup>th</sup> January – item 4\)](#)

**Governance and Audit Committee**

[Treasury Management Outturn 2024-25 \(3<sup>rd</sup> July – item 16\)](#)  
[Treasury Management Mid-Year Update \(26<sup>th</sup> November – item 7\)](#)  
[Treasury Management Mid-Year Update - updated appendices 1 and 2 \(26<sup>th</sup> November – item 7\)](#)  
[Draft Statement of Accounts & Annual Governance Statement 2024-25 \(30 October - item 6\)](#)  
[Annual Governance Statement 2024-25 \(30<sup>th</sup> October – item 6\)](#)  
[2024-25 External Audit Findings Report for Kent County Council \(30 October – item 7\)](#)  
[Review of Risk Management Policy, Strategy and Programme \(20<sup>th</sup> March 2025 – item 13\)](#)  
[Corporate Risk Register \(28<sup>th</sup> January 2026 – item 7\)](#)