

By: Paul Carter, Leader of the Council
John Simmonds, Cabinet Member for Finance and Business Support

To: County Council – 9 February 2012

Subject: Budget 2012/13 and Medium Term Financial Plan 2012/15 (including Council Tax setting for 2012/13)

Classification: Unrestricted

Summary: The report has been prepared so that Kent County Council can formally set its budget and Council Tax levels for 2012/13 in accordance with relevant legislation.

The report briefly provides an update on the 2011/12 financial position and makes detailed proposals for the 2012/13 revenue and capital budgets, as set out in the draft Budget Book and proposed Medium Term Financial Plan (MTFP) "Draft for County Council". This revised draft includes the final tax base notifications and collection fund balances as set out in the Cabinet Report of 25 January 2012.

The report does not include the impact of any changes in final grant settlement figures (due to be confirmed in Parliament on 8 February 2012).

The report also details any significant changes to the 2012/13 Budget and MTFP from the original draft, including those reported to Cabinet on 25 January 2012.

The report includes information on the Dedicated Schools Grant and Pupil Premium settlements.

The report seeks formal approval to the recommendation from Personnel Committee in relation to staff pay.

Indicative financial information has been provided within the MTFP for 2013/14 and 2014/15. It should be noted that this is for planning purposes only, in line with the requirements of the Local Government Act 2003.

Members are reminded to bring the **white comb-bound** "Budget Book 2012/13" and "Medium Term Plan 2012/15" drafts for County Council to this meeting. Please note this supersedes the **black comb-bound** original draft version for consultation, which is now obsolete.

Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to matters relating to, or which might affect, the calculation of Council Tax.

Any Member of a Local Authority, who is liable to pay Council Tax, and who has any unpaid Council Tax amount overdue for at least two months, even if there is an arrangement to pay off the arrears, must declare the fact that he/she is in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

INTRODUCTION

1. The Local Government Finance Act 1992 requires the Council to formally consult on and ultimately set a budget and Council Tax for the next financial year, 2012/13. This report sets out the required calculations and recommendations. The proposed Budget 2012/13 and MTFP 2012/15 will enable the Corporate Director of Finance & Procurement to satisfy section 25 of the Local Government Act 2003, which requires the statutory officer to give an opinion on the robustness of the budget estimates and the level of reserves held by the Council.
2. The Council's budget is set within the framework of its policy priorities and in particular the proposed 2012/13 Budget and 2012/15 MTFP builds on the vision set out in Bold Steps for Kent. The proposed budget and MTFP also takes into account a range of external factors including national local government funding, the economic situation and the legislative programme.
3. The draft budget has been published earlier than in previous years, allowing longer for consultation, which means we can hold the County Council meeting (and notification of the precept on district councils) earlier. The efforts of district/borough/city council staff are particularly appreciated in providing early notification of the Council Tax base and collection fund balances.
4. The Budget and MTFP sets out in detail the main issues that have been taken into account in setting the Budget and Council Tax for 2012/13, summarised as follows:
 - (a) Net funding reduction of £4.7m compared to 2011/12, including:
 - (i) reduction in Formula Grant of £26.9m (8.5%)
 - (ii) additional one-off Council Tax Freeze grant (+£14.4m)
 - (iii) changes to New Homes and other un-ring-fenced grant (+£3.2m)
 - (iv) and additional Council Tax base/collection fund surplus (+£4.5m)
 - (b) Additional unavoidable spending demands of £62.9m to cover:
 - (i) price increases
 - (ii) demand/demographic changes
 - (iii) externally imposed factors and
 - (iv) the reversal of one-off measures agreed as part of 2011/12 budget

- (c) Service investments and improvements of £32.3m to support local policy priorities, including new proposals on staff pay and establishment of two reserves discussed at Cabinet and Personnel Committee on 25 January
5. The overall impact of the summary in paragraph 4 leaves £99.9m to be found from specific grants, income generation or savings in 2012/13. This pattern of reduced funding and increased spending is forecast to continue for the next 3 to 4 years, with further reductions in Government grant anticipated following the Spending Review 2010 (SR2010) and the Chancellor's Autumn Budget Statement in November 2011. The MTFP includes the estimated impact, although the changes proposed in the Local Government Finance Bill and the lack of indicative allocations beyond 2012/13 means the future funding is uncertain. The MTFP also illustrates the impact of further freezes in Council Tax in 2013/14 and 2014/15 without Government funding. The overall picture means that the Council would need to find savings/income close to the £340m prediction made when the magnitude of the UK budget deficit became clear in 2010.
6. Reductions in capital grants were factored into the approved programme for 2011/12 to 2013/14. This reduced level of capital support is forecast to continue in the proposed capital programme for 2012/13 to 2014/15, including further reductions in schools funding to reflect estimated academy conversions and changes to the allocation for basic need. The Council is continuing to do as much as possible to maintain an ambitious capital programme to provide necessary infrastructure improvements through prudential borrowing and innovative approaches such as Property Enterprise Fund. The Council's ability to sustain these over the medium to long term is limited and other financing options are actively being investigated, including bonds, infrastructure levies and tax increment financing (TIF).

BUDGET 2011/12

7. The latest budget monitoring report forecasts a net £3.476m underspend on the revenue budget for 2011/12. This is an encouraging position bearing in mind the approved budget required £95m of income and savings to be delivered in order to balance the budget and at the start the year only around of 1/3 of these were certain. Members and officers have all made huge efforts to deliver the planned savings/income and to respond to the inevitable unforeseen issues that have arisen throughout the year.
8. The biggest issue faced during the year is the demand for additional placements for Looked after Children (LAC). When the budget for 2011/12 was set, provision for £3.5m of additional spending was included to address the Children's Social Care Improvement Plan (£2.5m one-off in 2011/12 and £1m ongoing). Additional funds were also included to address the demand for LAC placements, on the basis that referrals had reached a plateau. There are currently 1,554 children who have been placed in care and are the responsibility of the County Council. This has led to a forecast 10,000 (19%) more client weeks than budgeted in foster care, together with pressures on the residential care, adoption, assessment, legal and asylum budgets. The overall additional spending on all these budgets in 2011/12 is £14.189m.

9. The additional spending on LACs is more than offset by substantial underspends on adult services, transport, waste and financing items (mainly debt charges). There are also less significant underspends in Education, Customer and Communities and Business Strategy.
10. The 2011/12 accounts are expected to close with £31.7m of general reserves. This represents an increase of £5m over the balance at the end of 2010/11, which is in line with the Council's financial strategy agreed as part of 2011/12 budget to provide greater financial resilience in light of increased risks. It is also in line with recommended best practice as provided by both CIPFA and the Audit Commission.
11. £1.879m of the forecast underspend in 2011/12 is proposed to be transferred into an earmarked reserve to roll-forward to support the 2012/13 budget (n.b. £1.2m underspend on Early Years in 2011/12 has already been transferred to reserves to support next year's budget as agreed by Cabinet in December 2011). The £1.879m has been increased from the £1m identified in the original draft Budget in order to defer the proposed saving on teacher posts in Children's Centres which is now considered undeliverable in 2012/13 (see Other Changes paragraph 35 below).
12. During the course of the year the ruling from the Icelandic Supreme Court confirmed that local councils have been granted preferred creditor status and so all of the £15m invested in Glitnir bank and 98% of the £17m invested with Landsbanki should be recovered. At least 92% of the £18.35m invested with the UK registered Heritable Bank is also expected to be recovered. Members should bear in mind that funds recovered from Icelandic banks are not additional money, as our financial strategy was based on us recovering a large proportion of these investments, although the decision by the Icelandic courts does reduce our risk profile.
13. Schools started 2011/12 with revenue reserves of £55.2m and capital reserves of £7.3m. This represents a £3.4m increase in revenue reserves compared to 2010/11 and a decrease in capital reserves of £6.8m.
14. It should be noted that the Dedicated Schools Grant (DSG) is a ring-fenced grant and any surplus or deficit at the end of the year must be carried forward to the next financial year in accordance with the regulations, for use in schools or on schools related expenditure.
15. The capital budget has been adjusted during the year to reflect re-phasing on various projects. A £2.9m overspend against the revised cash limit of £262.5m is forecast, due to variances on a number of projects.
16. This is a very concise summary of the overall financial position for 2011/12. Detailed quarterly reports will continue to be provided to Cabinet, setting out the latest spending on each budget heading and exception reports in the intervening months highlighting any significant issues since the last full report. The third quarterly report will be presented to Cabinet on 19 March 2012.
17. The volatility of demand led budgets presents one of the council's major financial risks. As part of the restructure of Finance Support it is proposed to

put a greater proportion of resources into supporting managers with the most volatile/demand led budgets, but with reduced resources overall, this will mean managers of other budgets will have to become more independent of Finance Support.

CONSULTATION

18. The draft budget was launched on 20 December. KCC was one of the first Councils to officially publish budget proposals for 2012/13. The launch received local media coverage and information was published on KCC's web-site. Members of the public and staff have been encouraged to examine the budget proposals and submit comments as part of the formal consultation process.
19. As well as consulting with the general public, formal consultation was arranged with Trades Unions & Professional Associations, the business community, and opposition parties. Policy Overview and Scrutiny Committees considered the budget proposals during their meetings in January 2011. The budget proposals were reviewed at Cabinet Scrutiny Committee on 23 January and debated at Cabinet on 25 January 2012.
20. The market research firm Ipsos MORI were also commissioned to undertake a study of public attitudes to expenditure priorities and Council Tax levels. This information informed the recommendations made to County Council and the Ipsos MORI report was included as an appendix to the Cabinet report on 25 January 2012. Cabinet was reminded that the MORI report is the latest in series of reports which have been commissioned to inform previous budget consultation and development.
21. The views from this consultation process were reported to Cabinet on 25 January 2012 and appendices to the report included notes of all of the consultation meetings.
22. Prior to consultation an Equality Impact Assessment (EIA) was undertaken and published on the overall budget process. This EIA identified that consultation on the overall level of the budget and Council Tax and the approval of the budget at County Council is not a substitute for detailed consultation and EIA of specific proposals within individual portfolios/directorates. Portfolio holders have delegated authority to take account of views raised during detailed consultation and any changes from the approved budget are reported as variations and variations during the year through the budget monitoring process.

CHANGES TO THE DRAFT BUDGET FOR COUNTY COUNCIL

23. Some changes have been made to the original draft Budget Book and MTFP documents published for consultation. The most significant changes were reported to Cabinet on 25 January 2012. These include the following:

Early Intervention Grant (EIG)

24. The original draft budget was based on the indicative EIG announced in January 2011. In his Autumn Budget Statement, the Chancellor announced the intention to extend the entitlement to free early years placements to 2 year olds.

At the time the draft budget was launched we had no indication how much would be needed to fund this pledge or how it would be funded. The provisional EIG settlement in December 2011 was £1.724m more than the January 2011 amount which included the additional funding for the 2 year olds pledge.

25. It is now estimated that £860k is needed in 2012/13 to fund the additional places for 2 year olds and this has been added to the Specialist Children's portfolio in the revised draft Budget Book for County Council. The remainder of the additional EIG has been retained in the Finance portfolio as income within the previously identified overall budget requirement. There are no indicative allocations for EIG in 2013/14 or 2014/15, although the roll-out of the 2 year olds pledge is likely to cost substantially more than in 2012/13.

Council Tax base & Collection Funds

26. The Council Tax base was estimated to increase by 0.3% when the draft budget was launched on 20 December 2011. The final notification from District Councils (as reported to Cabinet on 25 January) confirmed that the increase was better than anticipated and the tax base has increased by 0.74%. This generates an additional £2.567m of funding compared to the original draft and the overall budget requirement has been increased accordingly.
27. KCC's share of the net surplus balance on the district collection funds is £2.239m. This has been added to the overall funding and the Budget requirement increased accordingly. Cabinet recommended the additional money be held in the Finance portfolio along with the additional tax base to support the overall budget and enable the establishment of two new reserves.

Pay and Prices

28. Personnel Committee on 25 January 2012 recommended a 1% pay award for all staff in the Kent Scheme. The estimated cost (excluding schools) was identified as £3m to be funded from the emerging pressures provision. The report to Cabinet identified the demand on emerging pressures but did not include allocations to individual portfolios. The revised draft Budget Book for County Council (white combed) and MTFP now identifies the amounts for individual lines in the A to Z and in the portfolio summary. The estimated cost for schools is £2m which can be funded from DSG.
29. Cabinet on recommended that if the 1% pay award is agreed for Kent Scheme staff a general provision equivalent to 1% should also be made available for adult social care prices. This required the transfer of £3.091m from emerging pressures into the Adult Social Care portfolio to facilitate negotiation with providers.

Dedicated Schools Grant & Young Persons Learning Agency Grant

30. The announcement of the DSG and YPLAG settlements for 2012/13 were too late to include in the original draft Budget Book and MTFP. It was assumed that the settlements would be the same cash per pupil as 2011/12 and the draft Budget Book only included adjustments to gross expenditure and income to reflect the estimated impact of academy conversions. Unlike previous years this was not reflected as additional spending and grant income in the MTFP, as DSG and YPLAG are ring-fenced.

31. The DSG announcement confirmed our assumptions on the overall cash per pupil and confirmed that the Minimum Funding Guarantee (MFG) for individual schools would remain at minus 1.5% per pupil. Some schools will continue to be funded at the MFG, particularly where they faced reductions in funding as a result of the transfer of Standards Funds into DSG in 2011/12. The MFG also allows some local headroom for the Schools' Funding Forum to agree local changes in the distribution of grant. The Kent Schools' Funding Forum has not recommended any significant changes in the distribution of grants to individual schools for 2012/13.
32. The draft Budget Book included the impact of the doubling in the Pupil Premium Grant as estimated additional grant income and allocations to schools. The Pupil Premium announcement for 2012/13 included a significant extension in the number of qualifying pupils (to any pupil who has been eligible for a free school meal in the last 6 years). The resulting increase in the number of qualifying pupils means the amount per pupil has not doubled. This could be an issue for some schools who had planned their budgets on the amount per pupil doubling. There is also concern that the number of pupils claiming eligibility for free school meals has increased significantly since the grant was introduced, resulting in pressure on the schools DSG budget

Reserves

33. Cabinet recommended that as a result of the changes to Council Tax base, collection fund surplus, pay and prices, EIG, and emerging pressures that the net balance of just under £10m should be used to establish two new reserves:
 - (i) £7.5m transferred into a new Council Tax equalisation reserve. In effect this would enable just over half of the one-off Council Tax freeze grant to be used to support future year's budgets to smooth the savings that would otherwise be necessary to compensate for the loss of grant and the Council Tax income foregone.
 - (ii) £2m transferred into the existing restructure reserve but to be used specifically on new invest to save initiatives. Drawdown from the £2m would be approved by the Cabinet Member for Finance and Business Support who would ensure applications made significant progress towards the savings targets for 2013/14 and 2014/15 identified in the MTFP

Final Settlement

34. The final local government grant settlement has not been announced in time for the publication of this report. It is scheduled to be debated in Parliament on 8 February and should be announced prior to this date. The final settlement could include small change to Formula and other grants. This report seeks approval to grant delegated authority to the Cabinet Member for Finance and Business Support to agree the necessary changes to the budget requirement and 2012/13 spending plans to take account of the final settlement.

Other Changes

35. The Budget Book and MTFP have been updated to reflect the most up to date information. That includes adjustment to pressures and saving on Carbon Reduction Commitment reported to Cabinet on 25 January and minor adjustments under £0.5m referred to in the Cabinet report. These changes

have no impact on the overall budget requirement but have necessitated minor realignment of individual portfolio amounts as reflected in the revised draft Budget Book for County Council (white combed). Updates have also been made to the commentary in the Budget Book and MTFP relating to announcements since the draft was published.

36. There is one further change proposed following the Cabinet meeting on 25 January 2012. It is proposed that the £0.879m saving included within the £2.024m of savings on early years in the Specialist Children's portfolio be deferred. This saving related to the removal of teaching posts in Children's Centres and it is now proposed this be deferred for further consideration following representations made during the formal consultation on the budget. This will have no impact on the overall budget requirement as the deferral can be funded by additional roll-forward of the 2011/12 underspend. This change is reflected in the revised draft Budget Book and MTFP for County Council (white combed).
37. The A to Z of services has been re-presented for the County Council in an alternative format by portfolio as an appendix to the budget book to assist debate on the day. This alternative format has exactly the same proposed budget amounts. A line number reference is also included on each page of the draft Budget Book for County Council (white combed) to make the impact of any amendments easier to identify.
38. Table 1 summaries the impact on the overall budget requirement of the changes since the draft budget was published.

TABLE 1 – CHANGES TO DRAFT REVENUE BUDGET 2011/12	Net £'000
Budget Requirement per draft issued on 20th December	899,515
Additional funding from increased Council Tax base	2,567
Additional funding from Collection Fund surplus	2,239
Revised proposed Budget Requirement as per "Draft for County Council"	904,321

39. Table 2 summarises the changes in revenue budget portfolio totals.

TABLE 2 – CHANGES TO PORTFOLIO AMOUNTS	Original Draft Net £'000	County Council Net £'000
Adult Social Care and Public Health	332,181	335,639
Business Strategy, Performance and Health Reform	51,082	52,447
Customer and Communities	78,829	79,496
Democracy and Partnerships	7,156	7,193
Education, Learning and Skills	59,112	59,395
Environment, Highways and Waste	149,079	149,307
Finance and Business Support	67,893	64,201

Regeneration and Enterprise	3,614	3,643
Specialist Children's Services	150,569	153,000
Budget requirement 2011-12	899,515	904,321

CAPITAL INVESTMENT PROPOSALS 2012/15

40. There have been changes to Education Learning and Skills portfolio proposed capital programme as reported to Cabinet on 25 January 2012 as follows:

- (a) Reduction in three year basic need programme of £30.203m. This is necessary following the changes to the distribution of the DfE grant and to use more of the grant to support the annual enhancement programme
- (b) Reduction in three year devolved formula capital grants of £1.692m due to estimated loss of DfE grant for academies conversions
- (c) Reduction in the three year enhancement programme of £8.451m. This reflects both the estimated loss of DfE grant for conversion to academies, loss of supported borrowing and the transfer of grant from basic need
- (d) Reduction in the three year modernisation programme of £8.108m due to estimated loss of DfE grant for academy conversions
- (e) Additional spending on school improvements approved by the Kent Schools Funding Forum supported by £4.895m revenue contribution in 2012/13 from schools

The funding for the revised Education, Learning and Skills portfolio capital programme for 2012/15 is summarised in Table 3 below:

TABLE 3 – ELS CAPITAL FUNDING SOURCES 2012/15	Original Draft £'000	County Council Draft £'000
Borrowing	63,378	45,979
Property Enterprise Fund 2 (PEF2)	0	0
Grants	236,939	205,884
Developer Contributions	3,361	3,361
Other External Funding	0	0
Revenue and Renewals	26,000	30,895
Capital Receipts	9,826	9,826
Private Finance Initiative (PFI)	0	0
Total Funding	339,504	295,945

41. The revised capital programme also includes an additional £12m borrowing in Business Strategy portfolio for the proposed Kent Local Authority Mortgage Scheme and an additional £1.35m government grant in the Environment Highways and Waste portfolio for integrated transport. These changes together with ELS reduce the overall three year capital programme from £722.7m to £692.5m

42. The Prudential Regime requires that this capital programme be agreed with due regard to the new indicators which have been provided in full at Appendix B in the MTFP.

COUNCIL TAX 2012/13

43. It is proposed to freeze the level of Council Tax in relation to the County Council precept at the same rates as 2011/12. This will result in a precept of £577.914m on district councils based on the notified Council Tax base (the revised draft Budget Book for County Council (white-combed) shows the amount for each district on page 6).
44. The frozen amounts for each Council Tax band are shown in table 4 below. In practice, people will pay lower amounts of tax if they are eligible for discounts (e.g. empty properties, people living alone) or receive Council Tax Benefit which is available to people on low incomes. These tax levels exclude the charges from the separate Fire & Rescue Authority, Police Authority, District Councils and Parish Councils.

	Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Annual Charge	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

45. The Council Tax freeze is supported by a one-off government grant equivalent to a 2.5% Council Tax increase. Cabinet Members have considered in detail the merits and implications of accepting the grant offer. Members recognise that by not increasing Council Tax, income is not only foregone in 2012/13 but is likely not be recovered in future Council Tax increases. Nonetheless, Members have concluded that in the current economic climate it would be inappropriate to turn down a government grant and ask Kent residents to pay more.
46. The decision has been a little easier because the existing MTFP and financial strategy did not include a Council Tax increase in 2012/13 in order to finance spending plans. The proposed MTFP for 2013/14 and 2014/15 demonstrate the impact on spending plans and savings/income requirements if further freezes are applied without government grant. Members should note that 3 year projections are included for forward planning purposes and decisions on future Council tax levels will remain an annual budget decision.

STAFF PAY

47. This is the eighth year of local pay bargaining, and has continued to be undertaken in an honest and constructive manner. The difficult financial climate together with the challenges Kent County Council face now and in the medium term have been key factors in the discussion with our recognised Trade Unions.
48. In the original draft budget there was no specific provision for a cost of living award. This did not mean the Council could not agree to an award as there was capacity within “emerging pressures” to conclude the local bargaining. The Trades Unions local submission sought a substantial settlement for 2012/13, no

further detrimental changes to terms and conditions, and a return to the incremental pay scale.

49. Personnel Committee on 25 January received information on progress on national pay negotiations, inflation trends and pay progression. The committee recommended that a 1% pay award for all Kent Scheme staff should be proposed to full Council in addition to pay progression through the Total Contribution Pay process.
50. Personnel Committee proposed that other issues in the pay bargaining process be reported to Council in March as there is no impact on the 2012/13 budget.

TREASURY MANAGEMENT

51. The volatility of the financial sector across the world continues to provide KCC with a significant challenge. It is important that we respond to this in a way that protects our cash deposits but also provides an income stream (or avoided borrowing cost) to the Council. The updated Treasury Management Strategy approved by Cabinet on 25 January, and included as section 5 of the MTFP, reflects our low risk approach to treasury management within the Council.

ROBUSTNESS OF ESTIMATES AND ADEQUACY OF RESERVES

52. As required by the Local Government Act 2003, the Section 151 Officer (in our case the Corporate Director of Finance and Procurement) must formally give opinion as to the robustness of the budget estimates and the level of reserves held by the Council.
53. The estimates have been produced from a challenging process with Portfolio Holders and senior staff within all directorates, resulting in agreement on the level of service delivery within the identified financial resources.
54. The MTFP clearly sets out the recommended strategy for ensuring adequate reserves and in particular recommendations to drawdown from longer term reserves (to be reimbursed at a later date). In making these recommendations consideration has been given to a number of key factors including; the economic and fiscal uncertainty into the future, the potential changes in local government funding for 2013/14 and beyond, potential disruption due to staff restructuring across the council, our recent excellent record on budgetary control, the restructure of the Finance function, the internal financial control framework, our strong approach to risk management and the expected level of General Reserves at 31 March 2012. The level of general reserves is in line with best practice as recommended by CIPFA and the Audit Commission.
55. To conclude, the Corporate Director of Finance and Procurement is able to formally report that the budget estimates are robust and the level of reserves adequate.

RECOMMENDATIONS

56. The Council is asked to approve the contents of the attached 2012/13 Budget and Medium Term Financial Plan 2012/15 and to approve the following proposals:

- (a) the Revenue and Capital Budget proposals for 2012/13;
- (b) the Revenue Budget requirement of £904.321m;
- (c) the Capital Investment proposals of £692.469m over three years, together with the necessary use of borrowing, revenue, grants, capital receipts, renewals and other earmarked capital funds, external funding and PFI, subject to approval to spend arrangements;
- (d) the Prudential Indicators as set out in Appendix B of the attached Medium Term Financial Plan;
- (e) the revised Treasury Management Strategy as per section 5 of the MTFP
- (f) the overall Revenue and Capital Budget proposals as presented in the white combed version of the Budget Book and Medium Term Financial Plan for:
 - (i) Adult Social Care and Public Health;
 - (ii) Business Strategy, performance and Health Reform;
 - (iii) Customer and Communities;
 - (iv) Democracy and Partnerships;
 - (v) Education, Learning and Skills;
 - (vi) Environment, Highways and Waste;
 - (vii) Finance and Business Support;
 - (viii) Regeneration and Enterprise;
 - (ix) Specialist Children's Services
 - (x) Localism & Partnerships;

and to delegate responsibility to the portfolio holders to deliver their responsibilities within the overall resources approved by the County Council subject to the outcome of detailed consultation.

- (g) delegate authority to the Cabinet Member for Finance and Business Support to make the necessary changes to the Revenue Budget requirement and spending plans in light of the final grant settlement
- (h) delegate authority to the Cabinet Member for Finance and Business Support to approve allocations from new Invest to Save Reserve
- (i) 1% pay award for all Kent Scheme staff
- (j) a total requirement from Council Tax of £577,914,417 to be raised through precept to meet the 2012/13 budget requirement; and
- (k) a Council Tax as set out opposite, for the listed property bands:

Band								
Council Tax for Band	A	B	C	D	E	F	G	H
£	698.52	814.94	931.36	1,047.78	1,280.62	1,513.46	1,746.30	2,095.56

Background documents:

Autumn Budget Statement – Cabinet 5 December 2011

Medium Term Financial Plan 2012/15 considered by Policy Overview and Scrutiny Committees between 3 November 2011 and 23 November 2011

Provisional Local Government Finance Settlement 2012/13 – 8 December 2011

Provisional Local Government Settlement 2010/11 – Cabinet 9 January 2011

KCC response to the Provisional Local Government Finance Settlement – 16 January 2012

Draft 2012/13 Budget and Medium Term Financial Plan 2012/15 launched 20 December 2011 and considered by Policy Overview and Scrutiny Committees between 10 January 2012 and 20 January 2012

Cabinet Scrutiny Committee Agenda and Minutes 23 January 2012

Budget 2012/13 and Medium Term Plan 2012/15 – Update to Cabinet 25 January 2012

Local Pay Bargaining 2012/13 Personnel Committee 25 January 2012

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