

**TO: Policy and Resources Cabinet Committee – 8 January 2013**

**BY: Paul Carter, Leader  
Alex King, Deputy Leader  
John Simmonds, Cabinet Member for Finance and Business Support  
Roger Gough, Cabinet Member for Business Strategy, Performance and Health Reform  
David Cockburn, Corporate Director of Business Strategy and Support**

**Subject: BUDGET CONSULTATION 2013/14**

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Summary: The late announcement of the Local Government Finance arrangements for 2013/14 means that final draft budget could not be available in time to include in this report. The Finance Business Partner will provide a verbal update on the proposals affecting portfolio(s) reporting to the Policy and Resources Cabinet Committee, for the committee to consider.

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## **1. Introduction**

1.1 At the last meeting the Committee was given an update on the consultation on the draft budget launched in September. The consultation closed on 1<sup>st</sup> November but full analysis of all the responses was not available in time for the committee. A full report was presented to Cabinet on 3<sup>rd</sup> December and analysis from the independent MORI research and responses to KCC consultation document were published at the same time. These reports are available at [http://www.kent.gov.uk/your\\_council/council\\_spending/budget\\_proposals.aspx](http://www.kent.gov.uk/your_council/council_spending/budget_proposals.aspx)

1.2 The consultation identified that the council faced estimated reductions in government grant/council tax collection of £28m (excluding Dedicated Schools Grant) and estimated additional spending demands of £32m. Together these required savings and income of £60m to balance the budget.

1.3 Since the KCC consultation was launched there have been a number of funding changes announced by central government and details of the new business rates arrangements still to be resolved. These were reported to Cabinet on 3<sup>rd</sup> December and Cabinet was asked to note the likely overall detrimental impact. Cabinet resolved that the impact would only be quantified after the provisional local government is announced (this was anticipated to be later than previous years and wouldn't be available until close to Christmas).

## **2. Consultation Responses**

2.1 Given that the Business Strategy and Support Directorate is made up of the support services to the Council, there were few issues affecting the portfolio's reporting to this committee. However, given that the committee has an overarching view of Policy and Resources for the whole Council, the full Cabinet response to the 2013/14 Budget consultation has been included as Appendix 1.

## **3. Medium Term Financial Plan and Budget Book**

3.1 The timing of the local government provisional settlement means that Committees have had little opportunity to consider the final draft proposals in advance of this meeting. Committees are invited to consider whether individual Informal member Groups (IMGs) should be convened to consider the draft proposals prior to final consideration at County Council on 14<sup>th</sup> February. The final proposals have been launched with a very short period for comments.

## **4. Recommendations**

4.1 Members are asked to:

- (a) NOTE the late announcement of the provisional local government finance settlement and the impact on budget timetable
- (b) COMMENT on the issues raised in consultation and Cabinet's response
- (c) CONSIDER convening an IMG to consider the final budget proposals affecting the Finance and Business Support, Business Strategy, Performance and Health Reform, Democracy and Partnerships and Environment, Highways and Waste (Commercial Services) portfolio(s) in advance of County Council meeting on 14<sup>th</sup> February

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Background: Nil