

## KENT COUNTY COUNCIL

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### CABINET

MINUTES of a meeting of the Cabinet held in the Darent Room, Sessions House, County Hall, Maidstone on Monday, 31 October 2016.

PRESENT: Mr P B Carter (Leader, Chairman), Mr J D Simmonds (Deputy Leader) Mr M Balfour, Ms S J Carey, Mr G Cooke, Mr M C Dance, Mr G K Gibbens, Mr R W Gough, Mr P M Hill, OBE, Mr P Oakford

### UNRESTRICTED ITEMS

#### 187. Apologies

No apologies were received.

#### 188. Declarations of interest

No declarations of interest were received.

#### 189. Minutes of the previous meeting

The minutes of the meeting held on 26 September 2016 were agreed and signed by the Chairman accordingly.

#### 190. Revenue and Capital Budget Monitoring Report – August 2016-17

*(Item 5 – Report of Mr John Simmonds, Deputy Leader and Cabinet Member for Finance & Procurement and Andy Wood, Corporate Director of Finance and Procurement).*

Cabinet received a report providing the budget monitoring position up to 31<sup>st</sup> August 2016-17 for both revenue and capital budgets, including an update on key activity data for the highest risk budgets.

Mr John Simmonds, Deputy Leader and Cabinet Member for Finance and Procurement introduced the item for members. In particular he referred to the following:

- i. That the forecast overspend was reported at £9.9million rising to £10.7million when roll forwards were included.
- ii. Pressures continued to appear in the areas of SEN transport where demand was greater than anticipated, Specialist Children's Services where the costs of fostering services and the tendency of the courts towards Special Guardianship Orders created difficulties and in providing support for Unaccompanied Asylum Seeking Children (UASC) where negotiations with government continued to try to secure a fairer funding arrangement.

Mr Simmonds referred to the Capital budget. There was a reported variance of £18.2million, of which approximately £12million was rephasing and £6million real variance, which he considered to be a satisfactory position.

Andy Wood, Corporate Director for Finance and Procurement spoke to the item. He reminded members and officers that at the last meeting of Cabinet it had been considered that, with management action, the forecast overspend could be reduced to £1.5million which he expected would be resolved by the financial year end in order that a balanced budget could be delivered. However, a large part of this assumption was that the overspend in Specialist Children’s Services could be halved in that time. This assumption had been tested in discussions and it was now considered that a reduction to £5million was more realistic. Corporate Directors would continue to identify areas where savings may be possible; it was not considered that a blanket moratorium was practical or necessary but promised management actions would be strictly applied.

The Leader referred to the significant and continuing pressure of UASC support and reported that he and Mr Oakford, Cabinet Member for Specialist Children’s Services would be meeting with the Minister for Immigration the next day to discuss the matter of unmet costs. He reminded members of the well reported further risk to the authority’s budget as UASC children turned 18, when the funding gap would increase significantly, and this matter would also be addressed with the Minister.

In response to a question from the Leader, Andy Wood confirmed that he believed the budget could be balanced without blanket restrictions on spending or recruitment but that if any such actions were deemed necessary they would be put to Cabinet for consideration at its next meeting.

The Leader summed up; he reminded members and officers of the difficult and important task ahead and expressed confidence that a balanced budget would be achieved if all efforts were made.

It was RESOLVED:

<b>CABINET Revenue and Capital Budget Monitoring Report – August 2016-17 31 October 2016</b>	
1.	That the forecast revenue budget monitoring position for 2016-17 and capital budget monitoring position for 2016-17 to 2018-19, and that the forecast pressure on the revenue budget needs to be eliminated as we progress through the year be noted.
2.	That the changes to the capital programme as detailed in section 6.4 be agreed.
<b>REASON</b>	
1.	In order that Cabinet can properly conduct its monitoring activities.
2.	In order that the Capital budget accurately reflects the real time position and meets fully the needs of the council.
<b>ALTERNATIVE</b>	
None.	

OPTIONS CONSIDERED	
CONFLICTS OF INTEREST	None.
DISPENSATIONS GRANTED	None.