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To: Cabinet – 24 June 2019

Subject: **REVENUE & CAPITAL BUDGET OUTTURN 2018-19**

Classification: Unrestricted

1. SUMMARY

- 1.1 This report provides the provisional revenue and capital budget outturn position for 2018-19, including a final update on key activity data for our highest risk budgets.
- 1.2 The format of this report is:
- This covering summary report which provides a high level financial summary and highlights only the most significant issues and movements since the last financial monitoring report to Cabinet in March;
 - Appendix 1 – details of proposed revenue budget roll forwards;
 - Appendix 2 – details of capital re-phasing;
 - Appendix 3 – details of proposed capital programme cash limit changes;
 - Appendix 4 – final activity information for our highest risk budgets for 2018-19;
 - Appendix 5 – details of the Asylum service outturn and key activity information;
 - Appendix 6 – details of the impact of the provisional outturn on our reserves;
 - Appendix 7 – final monitoring of prudential indicators for 2018-19;
 - Appendix 8 – final capital receipts position for 2018-19.

2. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2018-19 for both the revenue and capital budgets.
- ii) **Agree** that £0.528m of the 2018-19 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £3.825m of the 2018-19 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £1.833m of the 2018-19 revenue underspending is rolled forward to fund the bids detailed in section 4 of Appendix 1.
- v) **Agree** that the £0.070m of the remaining underspend funds the tactical manager and emergency response standby cost.
- vi) **Agree** that the £1.070m remaining 2018-19 underspend is set aside in the earmarked reserve to support future years' budgets.
- vii) **Agree** that the £29.268m of capital re-phasing from 2018-19 will be added into the 2019-20 and later years capital budgets, as detailed in Appendix 2.
- viii) **Agree** the proposed capital cash limit changes outlined in Appendix 3.
- ix) **Agree** the contributions to and from reserves as reflected in Appendix 6, which includes all appropriate and previously agreed transfers to and from reserves.

3. SUMMARISED PROVISIONAL REVENUE BUDGET OUTTURN POSITION

- 3.1 For the 19th consecutive year the Council is able to demonstrate sound financial management, by containing its revenue expenditure within the budgeted level (excluding schools). This is a considerable accomplishment considering the forecast position throughout the year. The provisional outturn against the combined directorate revenue budgets is an underspend of -£7.326m (excluding schools and roll forward requests of £6.186m). There may be minor variations to the figures during the final stage of the year end process and the external audit.
- 3.2 Details of the proposals for the use of the £7.326m revenue budget underspending are provided in Appendix 1. This identifies those projects where there is already a commitment or a request to spend in 2018-19, leaving a balance of £1.140m. It is recommended that £0.070m of the underspend is used to fund the tactical manager and emergency response standby costs. With the remaining £1.070m 2018-19 revenue underspend to be set aside in the earmarked reserve to support future years' budgets.
- 3.3 The report also provides details of the impact the provisional outturn has on our reserves in Appendix 6. In addition, the final monitoring of key activity indicators for 2018-19 is detailed in Appendices 4 and 5.

Directorate	Budget	Provisional Outturn	Net Variance	Variance per Last Cabinet Report	Movement
	£m	£m	£m	£m	£m
Adult Social Care & Health					
Strategic Management & Directorate Budgets	32.911	29.301	-3.610	-3.775	0.165
Disabled Children, Adult Learning Disability & Mental	233.074	234.107	1.033	2.763	-1.730
Older People & Physical Disability	143.767	145.531	1.764	0.428	1.336
<i>Total Adult Social Care & Health</i>	<i>409.752</i>	<i>408.939</i>	<i>-0.813</i>	<i>-0.584</i>	<i>-0.229</i>
Children, Young People & Education					
Strategic Management & Directorate Budgets	2.270	4.320	2.050	2.003	0.047
Education Services, Planning & Resources	23.696	27.754	4.058	3.770	0.288
Quality & Standards	1.239	0.354	-0.885	-0.576	-0.309
Early Help & Preventative Services	18.377	15.974	-2.403	-1.647	-0.756
Specialist Children's Services	125.124	123.114	-2.010	2.176	-4.186
<i>Total Children, Young People & Education</i>	<i>170.706</i>	<i>171.516</i>	<i>0.810</i>	<i>5.726</i>	<i>-4.916</i>
Growth, Environment & Transport					
Strategic Management & Directorate Budgets (GET)	0.662	1.221	0.559	0.567	-0.008
Economic Development	4.635	4.720	0.085	0.265	-0.180
Highways, Transportation & Waste	139.146	137.048	-2.098	-1.321	-0.777
Environment, Planning & Enforcement	14.609	15.127	0.518	0.733	-0.215
Libraries, Registration & Archives	9.413	9.149	-0.264	-0.329	0.065
<i>Total Growth, Environment & Transport</i>	<i>168.465</i>	<i>167.265</i>	<i>-1.200</i>	<i>-0.085</i>	<i>-1.115</i>
Strategic & Corporate Services					
Strategic Management & Directorate Budgets	-1.508	-1.472	0.036	-0.056	0.092
Engagement, Organisation Design & Development	13.117	13.178	0.061	0.303	-0.242
Finance	9.450	8.910	-0.540	-0.367	-0.173
General Counsel	7.580	6.109	-1.471	-1.336	-0.135
Infrastructure	38.737	39.813	1.076	1.108	-0.032
Strategic Commissioning including Public Health	7.136	6.529	-0.607	-0.132	-0.475
Strategy, Policy, Relationships & Corporate	1.895	1.878	-0.017	0.040	-0.057
Business Services Centre	0.000	0.000	0.000	0.000	0.000
<i>Sub Total Strategic & Corporate Services</i>	<i>76.407</i>	<i>74.945</i>	<i>-1.462</i>	<i>-0.440</i>	<i>-1.022</i>
Financing Items & Unallocated	138.604	133.943	-4.661	-4.632	-0.029
TOTAL (Excl Schools)	963.934	956.608	-7.326	-0.015	-7.311
<i>Schools (CYPE Directorate)</i>	0	3.131	3.131	12.335	-9.204
TOTAL	963.934	959.739	-4.195	12.320	-16.515
Variance from above (excl Schools)					
Roll Forwards	- committed		0.528	0.454	0.074
	- re-phased		3.825	0.975	2.850
	- bids		1.833	1.187	0.646
Total Roll Forward Requirements			6.186	2.616	3.570
(-ve) Uncommitted balance / (+ve) Deficit			-1.140	2.601	-3.741

3.5 Table 1b: Provisional Directorate **revenue** position after roll forwards:

Directorate	Variance	Roll Forwards			Revised Variance
	£m	Committed £m	Re-phased £m	Bids £m	£m
Adult Social Care & Health	-0.813	0.089	0.495		-0.229
Children, Young People & Education	0.810		2.514	0.036	3.360
Growth, Environment & Transport	-1.200	0.391	0.053	0.463	-0.293
Strategic & Corporate Services	-1.462	0.048	0.016	1.334	-0.064
Financing Items & Unallocated	-4.661		0.747		-3.914
TOTAL (Excl Schools)	-7.326	0.528	3.825	1.833	-1.140

3.6 The main reasons for the movement since the last report of -£7.311m before roll forward requirements, and -£3.741m after roll forward requirements, are:

3.6.1 Adult Social Care and Health

The draft outturn position for Adult Social Care and Health is an underspend of -£0.813m. This is a slightly lower underspend than last reported to Cabinet on 25 March 2019 of -£0.584m, a movement of -£0.229m. Roll-forwards into 2019-20 of +£0.584m have been requested making the underspend after roll-forwards for 2018-19 -£0.229m. An explanation of significant movements is detailed below.

3.6.1.1 Strategic Management and Directorate Budgets – Adults

The pressure within Strategic Management and Directorate has increased since last reported to Cabinet by +£0.165m. +£0.500m of this is due to a lower than planned contribution from the Specialist Children's Service for care leavers, due to delays in the full implementation of changes in commissioned services for housing related support for other young people, with other service users not yet being transferred. This has been partially offset by -£0.313m of centrally held funds which have been released to reflect pressures already recognised within the outturn position.

3.6.1.2 Disabled Children, Adult Learning Disability and Mental Health

The pressure on Disabled Children, Adult Learning Disability & Mental Health has decreased by -£1.730m since last reported to Cabinet. Adult Mental Health - Residential Care Services have decreased by -£0.648m. This is linked to Transforming Care clients who will now be discharged from hospital placements in 2019-20 rather than 2018-19.

A further decrease of -£0.390m relates to reduced activity within Direct Payment Services at the end of 2018-19. There was also an increase to the amount of drawdown from the bad debt reserve (-£0.185m), and various legal and management charges within the Operational Support Unit were lower than anticipated (-£0.198m).

0 – 18 Disabled Children

The pressure on 0-18 has decreased since last reported to Cabinet by -£0.272m, of which -£0.165m relates to Commissioned Services for short breaks where there has been a reduction in activity. There has also been a decrease of -£0.152m on

Residential services due to confirmation of funding arrangements with health and education.

3.6.1.3 Older People and Physical Disability

The pressure on 'Older People & Physical Disability' has increased since last reported to Cabinet by +£1.336m. This predominantly relates to higher than anticipated activity in Physical Disability Residential and Domiciliary placements over the final months of the year +£0.787m. This was offset by a decrease of -£0.583m in the Equipment Service and -£0.160m across combined Older People and Carers services. The pressure within Older People & Physical Disability Assessment Services has increased by +£0.365m due to recruitment activity following the Assessment Service redesign transformation project.

Within the outturn position -£0.700m of core funded activity to reduce winter pressures was met by an alternative source of funds, as announced in the Autumn Budget. There was also an increase to the amount of drawdown from the bad debt reserve (-£0.432m). The Directorate has transferred +£2.060m to reserves due to delays in growth in demand that are expected to become actual in 2019-20.

The delivery of a small underspend on Adult Social Care and Health is a substantial achievement considering the significant pressures experienced for direct services.

3.6.2 Children, Young People & Education

The outturn position for Children, Young People & Education is a pressure of +£0.810m, a total of £2.550m roll-forwards have also been requested, leaving a total pressure of +£3.360m after roll-forwards. The pressure on this service has reduced by -£4.916m since last reported to Cabinet on 25 March 2019, of which -£1.575m relates to additional roll-forward requests. An explanation of significant movements is detailed below.

3.6.2.1 Education Services, Planning & Resources

The pressure on Education Services, Planning & Resources has increased by +£0.288m since last reported to Cabinet. There was a significant drop in the amount of income expected from the 16+ travel card, which was not matched by a reduction in the costs of running the scheme (+£0.8m). Further work is being undertaken to understand this fully, but it appears to be linked to a reduction in the number of users who used the scheme less frequently. This pressure was partially offset by a reduction in the expected pressure on school revenue maintenance costs (-£0.4m), where it was identified that Kent had been incorrectly charged for non-Kent schools (academies & closed schools), along with additional income from other local authorities for SEN transport (-£0.1m).

3.6.2.2 Quality & Standards

The underspend on Quality & Standards has increased by -£0.309m since last reported to Cabinet. Usage of the School Improvement and Brokerage Grant to fund additional school activities has been re-phased to 2019-20 and forms part of the roll-forward bids requested in Appendix 1.

3.6.2.3 Early Help & Preventative Services

The underspend on Early Help & Preventative Services has increased since last reported to Cabinet by -£0.756m. Kent has recently been successful in securing the Troubled Families Safeguarding Families Against Youth Crime grant totalling £1.2m, of which -£0.545m has been received late in 2018-19 and is being requested to be re-phased as part of the roll-forward bids (see Appendix 1). The remainder of the movement is due to the delay in the recruitment to vacancies across all services, partially linked to the restructure changes arising from the implementation of the Change for Kent Children Programme.

3.6.2.4 Specialist Children's Services

Children Social Work ended the year with an underspend of -£2.010m, a movement of -£4.186m, since last reported forecast position to Cabinet in March, of which £2.2m relates to Asylum Services. This reduction also includes roll forward requests for the re-phasing of spend relating to the Controlling Migration Fund and Rough Sleeping Grant totalling £0.2m (see Appendix 1).

There was a significant reduction in the expected placement costs of supporting both looked after children and care leavers between January and March totalling -£1.0m resulting from a reduction in the expected costs of fostering services and a late agreement by Adult Social Care to part fund the cost of the new supported accommodation and floating support service in 2018-19, instead of Children Social Work, due to delays in the transitioning of the previous young people Housing Related Support contract to the new service.

There were further underspends across both children social and support staff budgets totalling -£0.6m, this was a combination of delayed recruitment and reduction to the expected agency forecast, along with lower than expected costs of IT and reporting developments.

There was also a further reduction in the need to purchase external adopters from other local authorities leading to an additional saving of -£0.2m.

The outturn position of the Asylum Service is +£0.6m, this is a movement of -£2.2m since the 25 March report to Cabinet.

This pressure has greatly reduced from earlier months' forecasts due to the final position reflecting the expectation of receiving additional grant from the Home Office to fund the current pressures of supporting eligible 16 & 17 year old Unaccompanied Asylum Seeking Children (UASC) and Care Leavers (18+). This additional funding is only an estimate at this time and negotiations with the Home Office to reach a long-term resolution are ongoing. Therefore, there is a risk that this additional grant funding may not be received in its entirety. The residual pressure reflects the cost of children deemed as ineligible for grant funding under existing grant conditions partially offset by additional grant income received for 2017-18.

In addition, there has also been a small reduction in the overall pressure in the service as a result of:

- shortfall in running the National Transfer Scheme Reception Centre in 2018-19 (-£0.5m).
- Further reductions in the costs of supporting both under 16s- and 16-17-year olds as the children are supported in more cost-effective placements (-£0.2m).

- Partially offset by additional one-off costs of supporting Care Leavers in independent settings (+£0.5m). These relate to additional maintenance costs associated with the re-letting of the supported accommodation contract. These additional costs are expected to be one-off and should not arise in future years.

3.6.3 Growth, Environment and Transport

The final position for the directorate is an underspend of -£1.200m.

This represents a significant improvement of -£1.115m on the position presented to Cabinet on 25 March 2019, although it should be noted that £0.907m of this has been requested to be rolled forward to offset expenditure to be incurred in 2019-20.

The main movements are:

- £0.923m reduction in Highway Asset Management (Other); within this is -£0.363m decrease in the winter maintenance variance due to the mild weather and the reduced need for salting runs. Salting runs often continue into March (and beyond) and could not therefore, have been reported previously. In addition is -£0.249m of increased Street works and Permit scheme income in the final quarter, as well as a further -£0.191m saving in street light energy given the continued roll out of the LED conversion programme and the upgrade to the most energy efficient lanterns;
- £0.486m Residual Waste following a reduction in tonnes (-4,236) and additional trade waste income;
- £0.391m of underspends on externally funded projects which are requested to be rolled forward (primarily the reason for the reductions in the Environment and Planning, and Economic Development lines) given the expenditure will occur in 2019-20;
- £0.298m Highways, Transport & Waste Management Costs and Commercial Operations resulting from lower than expected costs across a range of budgets including depot maintenance and legal fees;
- £0.290m movement in Highway Transportation (including School Crossing Patrols) across a range of budget headings including reduced planning costs for major projects;
- +£0.651m increase in Highway Asset Management (Roads and Footways) primarily through +£0.500m transfer to the new Highways Adverse Weather reserve plus +£0.150m bad debt provision to cover aged and doubtful insurance claims for damage to the highway;
- +£0.381m movement in Waste Facilities & Recycling Centres primarily due to additional tipping away payments and site refurbishment costs;
- +£0.245m Subsidised Buses and Community Transport resulting from revised estimates for developer contributions and route changes in the year;
- £0.04m of other smaller movements.

3.6.4 Strategic and Corporate Services

The final position for the directorate is an underspend of -£1.462m. This is a movement of -£1.022m from the January report presented to Cabinet on 25 March 2019.

The main movements are:

- a) -£0.475m reduction in Strategic Commissioning due to further vacancy management of salaries -£0.109m; small increases in several income budgets -£0.110m, and a number of movements in non-staffing costs including reduced legal costs -£0.208m;
- b) -£0.243m Engagement Organisation Design & Development, which is made up of -£0.147m for Customer Contact Communications & Consultations mainly due to the reduction in Agilisys costs related to lower call volumes; and -£0.095m for Human Resources Related Services and some minor underspends;
- c) -£0.178m for Finance mainly due to early retirement costs being lower than forecast;
- d) -£0.136m General Counsel due to increased underspend on Member Grants;

Included within the Directorate budget is the Public Health expenditure which is funded from a ring-fenced grant. The outturn position for Public Health is an underspend of -£3.836m which is a reduction of -£0.718m from the position last reported to Cabinet.

The main movements are:

- a) -£0.392m reduction in the Public Health - Children's Programme budget as a result of staffing vacancies within the Kent Community Health NHS Foundation Trust (KCHFT) contract;
- b) -£0.276m movement in Public Health - Advice and Other Staffing for vacancy slippage and reduced spend on campaigns;
- c) -£0.141m Public Health - Healthy Lifestyles following reductions in health checks and nicotine replacement therapy costs;
- d) -£0.048m of underspends on externally funded projects which are requested to be rolled forward;
- e) +£0.189m of increased prescribing costs for Substance Misuse.

3.7 **Schools delegated budgets:**

The schools delegated budgets and Central DSG reserves have reduced by £3.131m which is due to:

- -£0.398m as a result of local authority schools converting to academies and taking their accumulated reserves with them
- -£1.671m due to reduction in the value of schools' deficit balances along with increase in schools' surplus balances
- +£0.855 School Apprenticeship Levy Reserve reversal
- +£5.743m due to a pressure on High Needs budgets
- +£1m one-off contribution to capital broadband
- +£0.830m write off of closing school deficit balances
- -£3.899m relating to an underspend on the pupil growth budget
- +£0.670m various other schools related net overspends
- As a result, schools reserves have reduced from £30.015m to £26.884m

This represents a movement of £8,205k since the last report to cabinet in March based on the January monitoring as detailed below:

Use of reserves for:	Provisional Outturn	Last Report	Movement
	£'000	£'000	£'000
Academy conversions & movement in school reserves	-1,239	5,460	-6,699
Contribution to capital broadband	1,000	1,000	0
Pupil Growth	-3,899	-4,002	103
Apprenticeship Levy Reserve	855	0	855
High Needs	5,743	8,425	-2,682
Various other schools related	670	452	218
Movement in Schools Reserves	3,130	11,335	8,205
<i>(a -ve reflects an increase in reserves i.e an underspend transferred to reserves and a +ve reflects a reduction in reserves i.e an overspend met by a drawdown from reserves)</i>			

3.8 Table 2: Performance of our wholly owned companies

Dividends/Contributions (£m)	Budget	Forecast	From trading surplus	from reserves
Commercial Services	4.400	4.400	4.400	
Cantium Business Solutions	0.340	0.340	0.340	

4. REVENUE BUDGET VIREMENTS/CHANGES TO BUDGETS

- 4.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including the allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.

5. SUMMARISED CAPITAL MONITORING POSITION

- 5.1 There is a reported variance of -£130.329m on the 2018-19 capital budget (excluding schools and PFI). This is a movement of -£52.847m from the previously

reported position and is made up of -£23.579m real movement and -£29.268m rephasing movement.

5.2 Table 3: Directorate **capital** position

Directorate	2018-19 Working Budget	2018-19 Variance	Real variance	Re-phasing variance	Last reported position		Movement	
					Real	Rephasing	Real	Rephasing
	£m	£m	£m	£m	£m	£m	£m	£m
Children, Young People & Education	93.808	-38.260	-8.033	-30.227	-0.421	-27.973	-7.612	-2.254
Adult, Social Care & Health	9.134	-6.358	-0.090	-6.268	-0.351	-4.947	0.261	-1.321
Growth, Environment & Transport	187.649	-73.809	5.898	-79.707	25.105	-59.910	-19.207	-19.797
Strategic & Corporate Services	25.641	-11.902	0.615	-12.517	-2.364	-6.621	2.979	-5.896
TOTAL	316.232	-130.329	-1.610	-128.719	21.969	-99.451	-23.579	-29.268

5.3 The 2019-20 Capital Programme will now be revised to reflect the re-phasing and other variations arising from the 2018-19 outturn. £75.984m of rephasing has already been effected as part of the 2019-22 budget build process, so only “new” rephasing totalling £52.735m will be actioned. Details of the capital re-phasing are provided in Appendix 2, and further proposed cash limit changes are provided in Appendix 3. Final prudential indicators for 2018-19 are shown in Appendix 7, and the capital receipts position is shown at Appendix 8.

5.4 **SCHOOLS DEVOLVED CAPITAL**

Capital expenditure incurred directly by schools in 2018-19 was £10.863m. As at 31 March 2019 schools capital reserves were in surplus by £4.003m. This has increased from the deficit of £0.007m held by schools as at 31 March 2018.

5.5 **Capital budget monitoring headlines**

Movements greater than £0.100m on real variances and movements greater than £1.0m due to rephasing are described below:

5.5.1 **Children, Young People & Education**

- Pupil Referral Units – Real movement of -£0.580m. As part of the budget process it was agreed that going forward the capital costs relating to the Pupil Referral Units will be covered by the Education Modernisation budget, hence the saving of £0.580m.
- Basic Need Programme – Real movement of -£2.524m. The real overspend has reduced since previously reported, to only reflect additional funding streams available. Rephasing movement of +£2.587. The rephasing on the programme has reduced from previously reported.
- Basic Need Programme Pressure – The previous report incorrectly showed the variance all as rephasing, instead it should have been split between a real and rephasing variance. On this basis the movement would now be -£4.560m real and -£4.540m rephasing. The real movement is due to some projects not now going forward within this programme. As part of the budget process the funding

released as a result of this was transferred to the Basic Need KCP 2018 programme. The rephasing is mainly attributable to the purchase of the Royal School for the Deaf which did not take place within the financial year.

- Grammar School Annex at Sevenoaks – Real movement of +£0.367m, relating to early costs on shared access and shared facilities. This is funded by additional grant.

5.5.2 Adults, Social Care & Health

- Capitalisation of staffing transformation costs – Real movement of +£0.326m. This relates to transformation costs that can legitimately be funded from capital receipts.
- Overall in the directorate there has been a rephasing movement of -£1.321m, largely consisting of two schemes: Adults Social Care Case Management (£0.742m) and Extra Care Facilities (£0.600m).

5.5.3 Growth, Environment & Transport

Highways, Transportation & Waste

- Highway Major Enhancement – Real movement of -£17.558m. This is due to the previously requested cash limit change for Brexit grant which has now been actioned. Rephasing movement of -£7.805m is a result of resources towards the end of 2018-19 being concentrated on Brexit works.
- Integrated Transport – Real movement of -£2.116m. This is due to the previously requested cash limit change which has now been actioned. Rephasing movement of -£2.187m is a result of resources towards the end of 2018-19 being concentrated on Brexit works.
- Sittingbourne Northern Relief Road – Real movement of +£0.169m. This relates to the cost of outstanding land acquisitions. Although the main acquisitions have taken place there are a number of plots outstanding where the barring dates need to be confirmed. The overspend is to be funded from additional developer contributions.
- LED Conversion – Rephasing movement of -£1.494m. Additional assets (previously unadopted lanterns) have been included in the scheme to be covered by the overall budget. There is rephasing to accommodate these additional assets and also to complete the original programme.

Environment, Planning and Enforcement and Libraries, Registration and Archives

- Public Rights of Way – Real movement of +£0.147m which relates to works funded from additional developer contributions.

Economic Development

- Javelin Way Development – Real movement of +£0.206m. Additional developer contributions have been used to fund multi-disciplinary architectural services and the planning to RIBA stage 3.

- Kent & Medway Business Fund – Rephasing movement of -£1.454m. The rephasing reflects the level of approved applications in 2018-19.
- Kent Empty Property Initiative (No Use Empty) – Real movement of +£0.164m to reflect additional banked funding from Districts. Rephasing movement of -£1.757m reflects the level of approved loans during 2018-19.

5.5.4 Strategic & Corporate Services

- Corporate Property Strategic Capital – Real movement of -£0.499m. This reflects less capitalisable staff time than the budget allowed for. The underspend releases education grant that can be used against other education projects.
- Business Services Centre Company – Real movement of +£1.573m reflecting investment in the company, funded by revenue.
- LAN Refresh (Sessions Campus) – Real movement of +£1.858m relating to the capitalisation of TRP purchases and buy out of leases. This was funded by revenue.
- Live Margate – Rephasing movement of -£2.751m. A potential acquisition with an estimated cost of £1.8m has been delayed. The value of Empty Homes loans is lower than previously forecast and has been rephased into 2019-20.
- MOA Plus – Rephasing movement of -£1.370m is due to the late commissioning of this programme to Total Facilities Management

5.6 Significant Changes During 2019-20

CYPE – Basic Need: There have been some funding changes which have arisen since the budget book which need reflecting in the cash limits. £17.1m of grant that was assumed in the budget book for Special School Places and Selective Provision has not been forthcoming therefore the cash limits need to be reduced to reflect this. Another £3.5m grant is now going directly to a school to fund works rather than coming through KCC. The table below notes changes to the cash limits that will be actioned to reflect these across the three Basic Need Programmes:

	2019-20	2020-21	Total
	£'000	£'000	£'000
Basic Need KCP 2016 & Previous Years	-3,500	1,352	-2,148
Basic Need KCP 2017	-16,000	5,548	-10,452
Basic Need KCP 2018	-1,100	-6,900	-8,000
			-20,600

There has also been significant rephasing on the basic need programmes since the budget book figures were derived. In order to make monitoring more realistic throughout the year, cash limits will be changed to reflect this as follows:

	2019-20	2020-21	2021-22	Total
	£'000	£'000	£'000	£'000
Basic Need KCP 2016 & Previous Years	-6,317	6,317		0
Basic Need KCP 2017	2,811	-2,811		0
Basic Need KCP 2018	1,178	12,970	-14,148	0
				0

6. CONCLUSIONS

- 6.1 For the 19th consecutive year the Council is able to demonstrate sound financial management by managing its revenue expenditure within the budgeted level (excluding schools). The approved 2018-19 budget required the council to find approximately £50m of savings and income to close the gap between rising spending demands and costs in excess of the funding available from council tax, retained business rate growth and un-ringfenced government grants. The savings included a range of transformation and efficiency programmes, income generation and financing items including draw down from reserves in order to protect frontline services as far as possible.
- 6.2 This performance needs to be considered in the context of £591m of savings delivered over the preceding 7 years which taken together with the need to manage spending on a range of demand-led services (such as adults' and childrens' social care, special educational needs, waste recycling and disposal) means an overall underspending position is a considerable achievement.
- 6.3 The approved net budget for 2019-20 shows an increase of £28m, however, this can only be achieved with a further £45m of savings and income to balance £73m of additional spending demands and costs. Continuing to find year on year savings becomes ever more difficult as the easier options have already been taken. We must not be complacent that these further savings can easily be achieved and in view of the high level of uncertainty about the local government settlement for 2020-21 and beyond, hence the recommendation to put the uncommitted underspend from 2018-19 into reserves pending future budget decisions.

7. RECOMMENDATIONS

Cabinet is asked to:

- i) **Note** the report, including the provisional outturn position for 2018-19 for both the revenue and capital budgets.
- ii) **Agree** that £0.528m of the 2018-19 revenue underspending is rolled forward to fund existing commitments, as detailed in section 2 of Appendix 1.
- iii) **Agree** that £3.825m of the 2018-19 revenue underspending is rolled forward to fund the re-phasing of existing initiatives, as detailed in section 3 of Appendix 1.
- iv) **Agree** that £1.833m of the 2018-19 revenue underspending is rolled forward to fund the bids detailed in section 4 of Appendix 1.

- v) **Agree** that the £0.070m of the remaining underspend funds the tactical manager and emergency response standby cost.
- vi) **Agree** that the £1.070m remaining 2018-19 underspend is set aside in the earmarked reserve to support future years' budgets.
- vi) **Agree** that the £29.268m of capital re-phasing from 2018-19 will be added into the 2019-20 and later years capital budgets, as detailed in Appendix 2.
- vii) **Agree** the proposed capital cash limit changes outlined in Appendix 3.
- viii) **Agree** the contributions to and from reserves as reflected in Appendix 6, which includes all appropriate and previously agreed transfers to and from reserves.

8. BACKGROUND DOCUMENTS

None

9. CONTACT DETAILS

Head of Finance Operations:	Cath Head Head of Finance Operations 03000 416934 cath.head@kent.gov.uk
Report Authors:	Emma Feakins Chief Accountant 03000 4162082 Emma.feakins@kent.gov.uk Jo Lee/Julie Samson Capital Finance Manager 03000 416939 / 03000 416950 joanna.lee@kent.gov.uk julie.samson@kent.gov.uk

2018-19 REVENUE BUDGET ROLL FORWARD PROPOSALS

		£'000	£'000
1.	2018-19 provisional underspend		-7,326.2k
2.	Details of committed projects where we have a legal obligation:		
a)	Adult Social Care and Health Directorate		
	i) <i>Re-phasing of Kent & Medway Safeguarding Vulnerable Adults Committee into 2018-19</i> This represents KCC's share of the underspend of the Kent & Medway Safeguarding Vulnerable Adults Committee. Under the terms of the inter-agency agreement, KCC has an obligation to provide this funding to the Committee. The underspending relating to partners contributions is held in a Fund.	50.4	
	ii) <i>TICC -INTEREGG VA 2 SEAS PROJECT</i> This represents committed match-funding for on-going project delivery.	38.8	
b)	Growth, Environment & Transport Directorate		
	i) <i>Various externally funded projects</i> This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	333.1	
	ii) <i>Transport for Southeast</i> The continued development of the Subnational Transport Board for the Southeast (TfSE) is critical if we are to attract Government funding to our major strategic transport priorities. This work presents a new resource pressure, and KCC has agreed with all partners to make a contribution to this work on an annual basis. This contribution is £58k for 2019-20 and would otherwise have to be absorbed by the service which could be used more effectively in moving forward the development of specific infrastructure priorities for Kent and Medway.	58.0	
d)	Strategic & Corporate Services Directorate		
	i) <i>Various Public Health externally funded projects</i> This represents funds required to fulfil our obligation to the partnership agreements in relation to various externally funded projects.	48.0	
			528.3
3.	Details of re-phasing required to continue/complete an initiative where we are not yet legally committed:		
a)	Children, Young People & Education Directorate		
	i) <i>Re-phasing of Kent tackling Troubled Families Programme into 2019-20</i> The underspend is due to projects supporting families spanning financial years. Roll forward is requested in order to continue supporting families as part of the Tackling Troubled Families government initiative.	980.5	
	ii) <i>Controlling Mitigation Fund – Bid 1</i> Delays in the recruitment and retention of staff.	55.8	

		£'000	£'000
	iii) <i>Controlling Mitigation Fund – Bid 2</i> Additional CMF money received in February 2019	143.5	
	iv) <i>School Improvement Grant</i> Grant funding to support schools for new Ofsted Framework 2019.	389.6	
	v) <i>School Improvement Grant</i> Grant funding to implement School Improvement Response Team relating to targeted support to inadequate secondary schools and PRUs.	400.0	
	vi) <i>Troubled Families Safeguarding Families Against Youth Crime</i> Total grant funding of £1.2m received in 2018-19, of which £545.1k was confirmed and received in late March 2019.	545.1	
b)	Adult Social Care and Health Directorate		
	i) <i>Mosaic Staff Training</i> Mosaic implementation delayed until 2019-20 which has impacted on the training of staff.	444.8	
	ii) <i>Extra Care Housing Feasibility Study</i> Funding required for consultants on the Extra Care Housing Project.	50.0	
c)	Growth, Environment & Transport Directorate		
	i) <i>Delayed Archive IT application</i> Changes to ICT/ Cantium Business solutions have impacted on delivery and the final stages have been unable to be implemented on time due to solutions needing to be found that are compliant with KCC requirements. The implementation of this application is critical to the development of the Archive Service, both improving access to our Archive materials but also to generate income from the sale of digital images.	52.5	
d)	Strategic & Corporate Services Directorate		
	i) <i>Kent Safeguarding Children's Board</i> KCC contribution's towards the KSCB partnership.	16.5	
e)	Financing Items		
	i) <i>Balance of Budget Realignment Pot</i> To fund one-off costs in 2019-20 including the Big Conversation pilots and one-off restructuring costs within Infrastructure.	746.9	
			3,825.2
4.	Bids for Roll Forward:		
a)	Children, Young People & Education Directorate		
	i) <i>Rough Sleeping Grant</i> To fund project resource for the coming year, as an unfunded commitment that is enabling channel shift and helping to deliver savings. Without funding, the programme cannot continue.	35.8	

		£'000	£'000
b)	Growth, Environment & Transport Directorate		
	i) <i>Kent Downs EXPERIENCE Interreg bids</i> EXPERIENCE is an invited (ie likely to get funding) Interreg bid that KD AONB is lead partner for, alongside Visit Kent. It's purpose is to capitalise on the emerging trend for personalised and local tourism experiences which provide the all-important reasons to visit at any time of the year – this is described as “experiential tourism” and is seen by many tourism promotion and destination management organisations in the UK as an effective means of addressing the problems of seasonality in the visitor economy. The Economic Development element of EXPERIENCE is focusing on Visit Kent and the delivery of rural tourism improvements across Kent and Medway.	77.2	
	ii) <i>Customer Services Programme</i> To cover the programme, the cost of which is currently unfunded.	45.0	
	iii) <i>Kent Scientific Services Comparator</i> This is a vital bit of kit for income generation, and is about to fall over.	26.0	
	iv) <i>Volunteer Community Wardens</i> 2 year pilot for 20 additional volunteer community wardens and twelve new Community Safety Advisor Apprentices providing a career pathway and attracting new volunteers.	215.0	
	v) <i>Trading Standards Doorstep crime Intelligence Analyst</i> The impact on vulnerable members of the community is considerably greater but unquantified. The objective of this application is to seek funding for a one year dedicated Intelligence Analyst to work on this project to: <ul style="list-style-type: none"> • Instigate and implement the sharing of victim so that one single list is created for all victims in Kent • In scope would be education, enforcement and safeguarding across the relevant different agencies. • To evaluate each of the systems used for recording crimes and safeguarding matters and identify one system that is agreeable and accessible by all partners. (Systems already identified: PNC, Action Fraud, iBase, APP, Citizens Advice, Social Services databases). • Based on the intelligence gathered above, establish victim profiles for each of the ‘scam types’, establish an agreed Intelligence requirement that all agencies can use, create and agree a single reporting method. Kent Police is willing in principle to consider funding this post if KCC are, so if this bid is agreed to go forward the unit would work to get that commitment firmed up.	55.0	
	vi) <i>Implementation costs of YPTP instalments</i> Political commitment to set up YPTP instalments; service would struggle to absorb the costs in the new year.	45.0	

		£'000	£'000
c)	Strategic & Corporate Services Directorate		
	i) <i>Re-phasing of Local Member Grants Each Member is provided with £20k to provide grants to schemes within their local area to enhance the community. This represents the value of grants which have been approved in 2017-18 for projects internal to KCC, but where the work was not completed by 31 March 2018.</i>	1,334.3	
			1833.3
5.	Remaining uncommitted balance of underspending		-1,139.4

CAPITAL RE-PHASING

The 2019-20 and future years capital programme will be adjusted to reflect the re-phasing of £52.735m as follows:

	2018-19	2019-20	2020-21	Future years	Total
CYPE	£'000	£'000	£'000	£'000	£'000
Annual Planned Enhancement	-3,423	3,423			0
Modernisation Prog	-1,847	1,497	350		0
Basic Need	-9,228	9,949	-721		0
Basic Need Pressure KCP 2017	-9,299	22,213	-12,914		0
Basic Need KCP 2018	108	-108			0
Special Schools Review	-1,619	1,619			0
John Wallis Academy	-381	381			0
Priority School Build Programme	-4,301	4,301			0
Total rephasing >£100k	-29,990	43,275	-13,285	0	0
Academy Unit Costs	-1	1			0
Youth - Modernisation of Assets	-22	22			0
Early Years Capital Fund	-29	29			0
EYPS Single System	-87	87			0
Vocational Education Programme	-98	98			0
Other rephased projects <£100k	-237	237	0	0	0
TOTAL REPHASING	-30,227	43,512	-13,285	0	0
Rephasing already actioned through Budget Build	-12,850	13,674	-824	0	0
Remaining rephasing to action from outturn	-17,377	29,838	-12,461	0	0
	2018-19	2019-20	2020-21	Future years	Total
ASCH	£'000	£'000	£'000	£'000	£'000
OP Strategy - Specialist Care Facilities	-1,000	1,000			0
Learning Disability Good Day Programme	-1,389	1,389			0
Adult Social Care Case Management	-1,840	1,840			0
Developer Funded Community Schemes	-914	914			0
Housing and Technology Fund	-525	525			0
Extra Care Facilities	-600	-6,200	-2,200	9,000	0
TOTAL REPHASING	-6,268	-532	-2,200	9,000	0
Rephasing already actioned through Budget Build	-4,130	-2,670	-2,200	9,000	
Remaining rephasing to action from outturn	-2,138	2,138	0	0	

	2018-19	2019-20	2020-21	Future years	Total
	£'000	£'000	£'000	£'000	£'000
GET - Highways, Transportation & Waste					
Major Schemes - Preliminary Design Fees	-204	204			0
Highway Major Maintenance	-9,183	9,183			0
Integrated Transport Scheme	-2,500	2,500			0
Non Grant Supported Land, Part 1 Compensation Claims	-43	33	10		0
Open Golf	-1,993	1,968	25		0
National Productivity Investment Fund (Kent Medical Campus)	-4,266	3,052	1,214		0
East Kent Access Phase 2	-154	137	17		0
Drovers Roundabout	-106	106			0
Concrete Column Replacement	-1,216	1,216			0
Windmill Weatherproofing	-220	170	50		0
Kent Thameside Strategic Transport Programme	-4,862	1,699	2,478	685	0
A226 St Clements Way	-1,165	1,110	20	35	0
Rathmore Road Link	-234		199	35	0
Westwood Relief Strategy - Poorhole Lane	-61	30	31		0
A28 Chart Road	-10,469	-10,940	7,464	13,945	0
Thanet Parkway Railway Station	-2,762	762	2,000		0
North Farm Development, Longfield Road	-38	38			0
LED Conversion	-3,018	1,868	1,150		0
Sturry Link Road	-1,110	-9,886	5,867	5,129	0
Tonbridge Town Centre	-18	18			0
A26 London Road Tunbridge Wells Junction Improvements	-802	802			0
Kent Sustainable Interventions Programme for Growth	-264	69	195		0
Maidstone Integrated Transport	-3,253	-228	3,481		0
Dartford Town Centre	-3,568	-1,369	1,495	3,442	0
A2500 Lower Road Improvements	-451	278	165	8	0
A2 Off Slip Wincheap	-2,141	-58	2,199		0
Leigh (Medway) Flood Storage Areas	-350	960	-2,250	1,640	0
Energy & Water Investment Funds - 4K07	-113	132	15	-34	0
Energy & Water Investment Funds - 4K15	-33	33			0
M20 Junction 4	-59	59			0
West Kent Local Sustainable Transport	229	-429	200		0
Kent Strategic Congestion Management Prog Across Growth Areas	-916	360	556		0
Kent Thameside LSTF Integrated Door to Door Journeys	-297	110	187		0
TOTAL REPHASING	-55,640	3,987	26,768	24,885	0
Rephasing already actioned through Budget Build	-34,861	-15,355	24,301	25,915	
Remaining rephasing to action from outturn	-20,779	19,342	2,467	-1,030	
GET - Environment, Planning & Enforcement and Libraries, Registration and Archives	2018-19	2019-20	2020-21	Future years	Total
	£'000	£'000	£'000	£'000	£'000
Public Rights of Way	-133	133			0
Country Parks	-189	189			0
Public Sports	-48	48			0
Sustainable Access to Education & Employment	-225	225			0
Tunbridge Wells Cultural Hub	-793	147	646		0
Herne Bay Library Plus	-238	238			0
Southborough Hub	-2,113	2,113			0
TOTAL REPHASING	-3,739	3,093	646	0	0
Rephasing already actioned through Budget Build	-2,786	2,932	-146	0	
Remaining rephasing to action from outturn	-953	161	792	0	

	2018-19	2019-20	2020-21	Future years	Total
	£'000	£'000	£'000	£'000	£'000
GET - Economic Development					
Broadband Contract 2	-1,349	1,349			0
Kent Voucher Scheme	-50	-800	850		0
Marsh Million	-227	142	-3	88	0
Empty Property Initiative	-2,913	2,913			0
Innovation Investment Loan (I3)	-1,721	1,721			0
Kent and Medway Business Fund	-12,046	11,566	-6,902	7,382	0
Turner	-1,834	1,834			0
Workspace Kent	-175	175			0
Total rephasing >£100k	-20,315	18,900	-6,055	7,470	0
Other rephased projects <£100k	-13	13	0	0	0
TOTAL REPHASING	-20,328	18,913	-6,055	7,470	0
Rephasing already actioned through Budget Build	-12,955	11,808	-5,880	7,027	
Remaining rephasing to action from outturn	-7,373	7,105	-175	443	
	2018-19	2019-20	2020-21	Future years	Total
	£'000	£'000	£'000	£'000	£'000
SCS					
Modernisation of Assets	-966	966			0
LIVE Margate	-838	719	119		0
KPSN	-72	72			0
Dover Discovery Centre	-2,082	726	1,356		0
Eurogate Business Park Car Park & Roof	-340	340			0
Business Intelligence Tool	-192	192			0
PIF	-3,368	3,368			0
PIF 2	-3,000	3,000			0
Maximising value from the disposal of Council Assets	-173	173			0
MOA Plus	-1,370	1,370			0
Asset Utilisation		579	-579		0
Total rephasing >£100k	-12,401	11,505	896	0	0
Other rephased projects <£100k	-116	116	0	0	0
TOTAL REPHASING	-12,517	11,621	896	0	0
Rephasing already actioned through Budget Build	-8,402	6,225	2,177	0	
Remaining rephasing to action from outturn	-4,115	5,396	-1,281	0	
TOTAL REPHASING ALREADY ACTIONED THROUGH BUDGET BUILD	-75,984	16,614	17,428	41,942	0
REMAINING REPHASING TO ACTION FROM OUTTURN	-52,735	63,980	-10,658	-587	0

SUMMARY OF PROPOSED CAPITAL PROGRAMME CASH LIMIT CHANGES

CYPE	2019-20	2020-21	Future	
	£'000	£'000	Years £'000	
Priority School Build Prog	15			Additional Dev Cons
Academy Unit Costs	149			Real underspend on Skinners Academy to be used for Academy Unit Costs
Tunbridge Wells Cultural Hub - CLS	199			Agreed budget funded from Transformation fund
Total Other Cash Limit Changes	363	0	0	
ASCH	2019-20	2020-21	Future	
	£'000	£'000	Years £'000	
Learning Disability Good Day Programme	313			Additional developer contributions
Adult Social Care Case Management	-82			Cash limit change to reflect budget book
Developer Funded Community Schemes	44			Additional developer contributions
Total Other Cash Limit Changes	275	0	0	
GET - Highways, Transportation & Waste	2019-20	2020-21	Future	
	£'000	£'000	Years £'000	
Highway Major Maintenance	-447	-543	-543	To reflect amendments to grant split
Integrated Transport Scheme	1,293	463	463	To reflect amendments to grant split
Open Golf	-750	-25		Cash limit change to reflect budget book
LED Conversion	750			Transformation fund monies
Non Grant Supported Land, Part 1 Compensation Claims	7			Relating to Victoria Way residual works
Rushenden Link Rd	-63			To reflect forecast underspends
Sittingbourne Northern Relief Road	-63			To reflect forecast underspends
Victoria Way	-34			To reflect forecast underspends
Windmill Weatherproofing	242			Funding reinstated for emergency works
Kent Thameside Strategic Transport Programme	99	-104		To reflect revised funding/phasing
Rathmore Road	184			Cash limit change to reflect budget book
Kent Thameside LSTF Integrated Door to Door Journeys	105			To reflect additional grant
Fastrack Full Network	206			To reflect funding available for this scheme
A252 Safer Roads	15			To reflect funding available for this scheme
Heme Relief Road	81			To reflect funding available for this scheme
Total Other Cash Limit Changes	1,625	-209	-80	
GET - Environment, Planning & Enforcement and Libraries, Registration and Archives	2019-20	2020-21	Future	
	£'000	£'000	Years £'000	
Public Rights of Way	-20	-20	0	To reflect grant available for PROW
LCMS	10	0	0	To be funded from transformation fund
Tunbridge Wells Cultural Hub	146	-794	0	To reflect revised funding/phasing
Heme Bay Library plus	180	0	0	To reflect revised funding/phasing
Total Other Cash Limit Changes	316	-814	0	

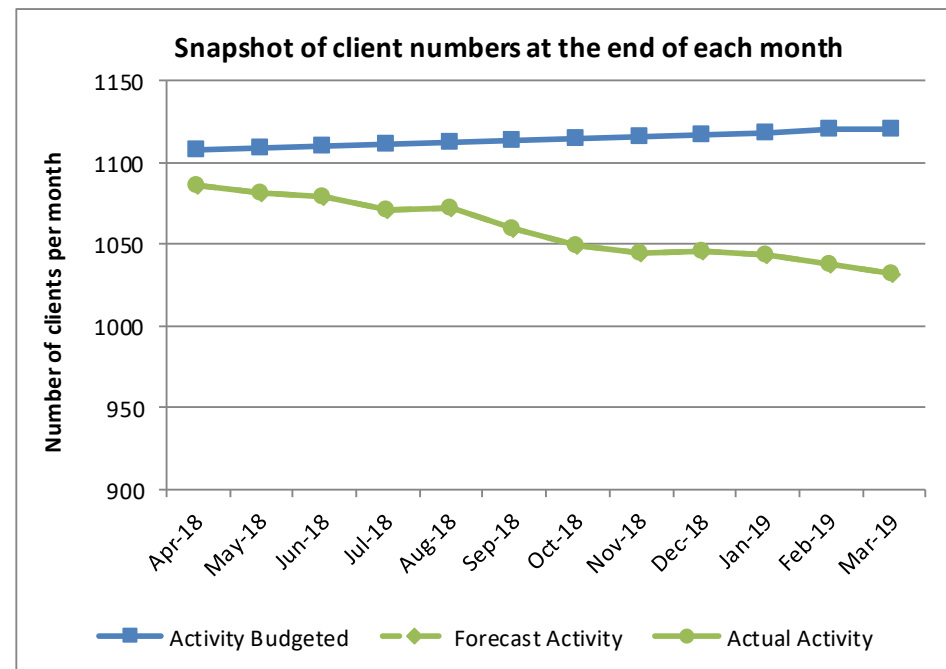
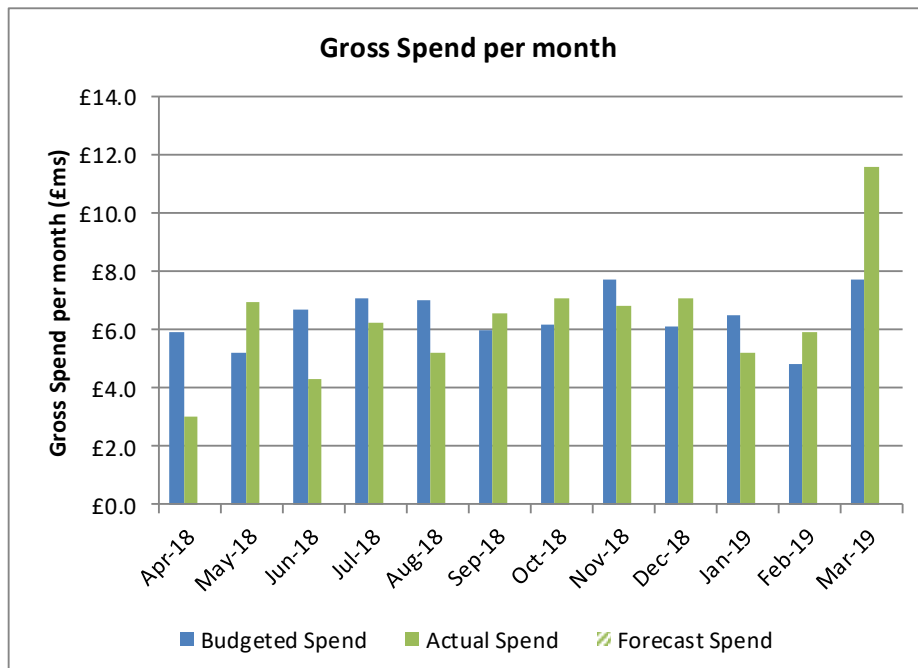
Appendix 4.1: Nursing & Residential Care - Learning Disability (aged 18+)

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£76.9	-£6.3	£70.6	1,109
Outturn	£75.9	-£5.9	£70.0	1,032
Variance	-£1.1	£0.4	-£0.7	-77

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£76.9	1,121
Actual: Spend/Activity Year to Date	£75.9	1,032
Variance as at 31st Mar 2019	-£1.0	-89

MAIN REASONS FOR VARIANCE:

The gross forecast underspend of -£1.1m is due to lower than anticipated demand (-£2.3m) higher unit cost (+£1.5m), along with an additional variance of -£0.3m predominately due to predicted net unrealised creditors. This forecast underspend is partly offset by lower than expected income of +£0.4m. This leads to a net forecast pressure of -£0.7m.



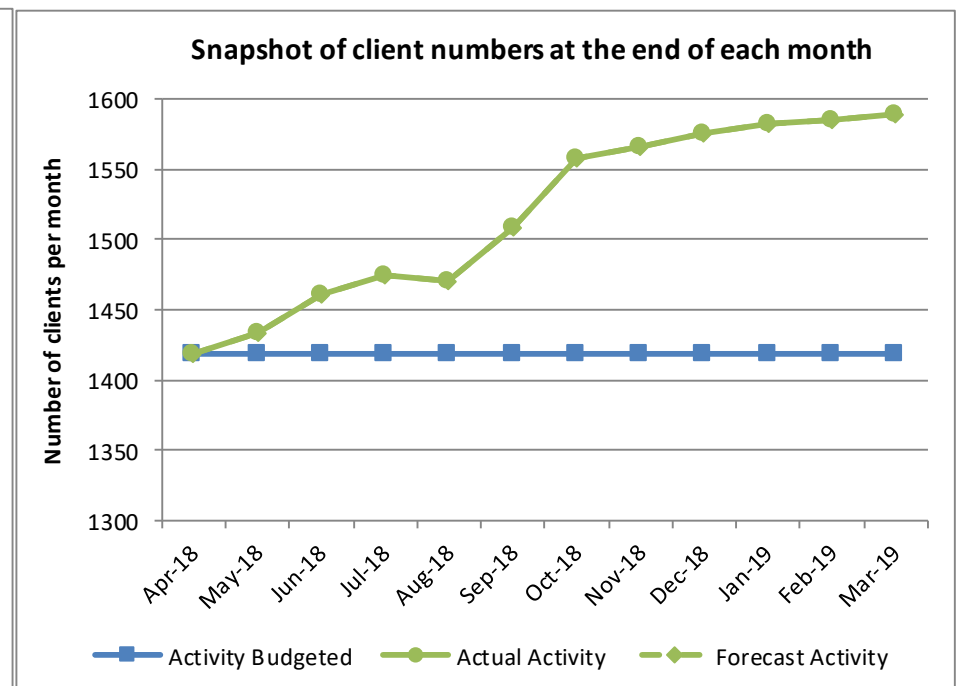
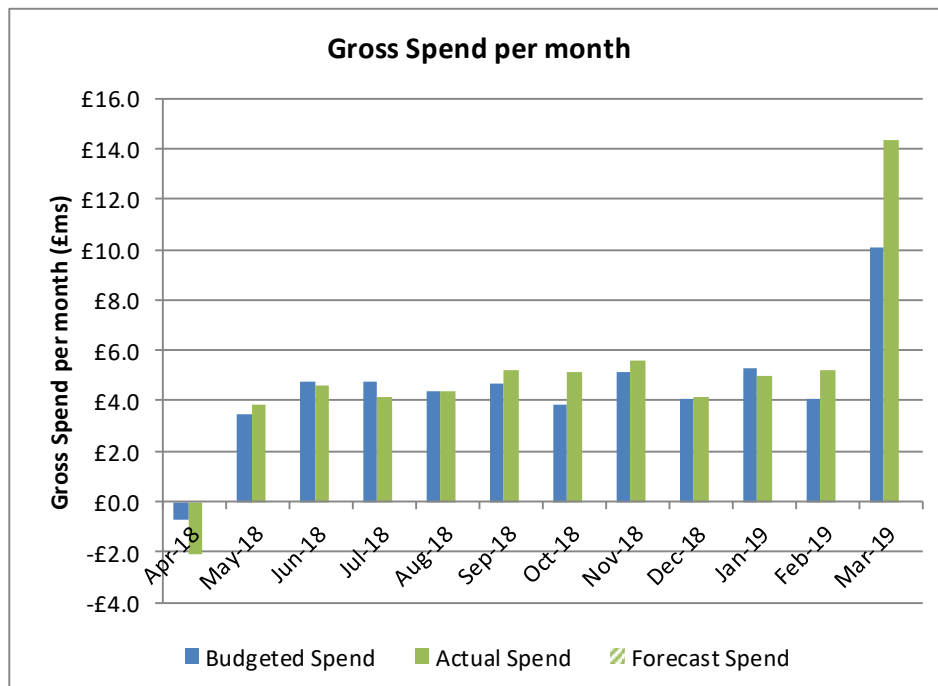
Appendix 4.2: Supported Living - Learning Disability (aged 18+) - Other Commissioned Supported Living arrangements

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£53.9	-£0.2	£53.7	1,419
Outturn	£59.5	-£0.3	£59.2	1,589
Variance	£5.6	-£0.1	£5.5	170

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£53.9	1,419
Actual: Spend/Activity Year to Date	£59.5	1,589
Variance as at 31st Mar 2019	£5.6	170

MAIN REASONS FOR VARIANCE:

The gross forecast pressure of +£5.6m is due to higher than anticipated demand in hours (+£4.3m) and higher unit cost (+£1.8m), along with an additional variance of -£0.5m predominately due to the release of unrealised creditors. This pressure is partly offset by greater than expected income of -£0.1m primarily due to Transforming care T3 funding. This leads to a net forecast pressure of +£5.5m.



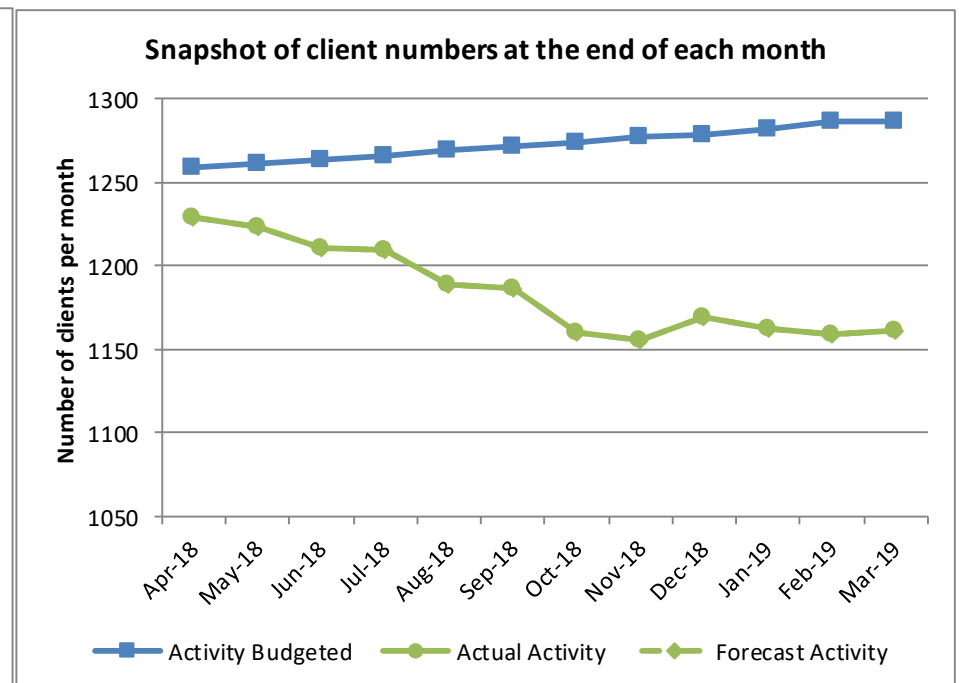
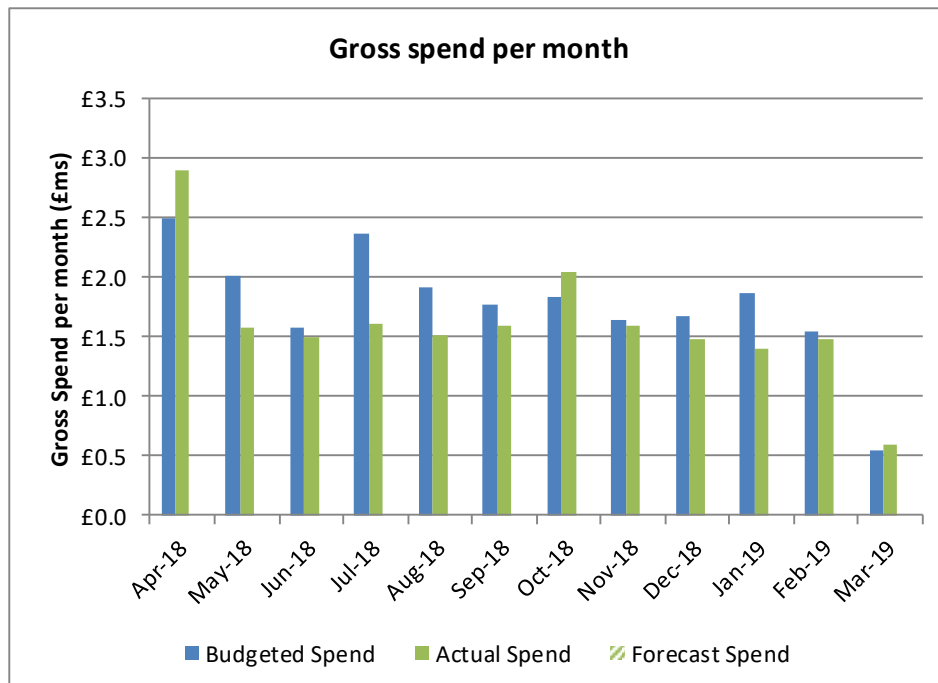
Appendix 4.3: Direct Payments - Learning Disability (aged 18+)

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£21.2	-£0.8	£20.4	1,287
Outturn	£19.3	-£0.8	£18.4	1,161
Variance	-£1.9	-£0.0	-£1.9	-126

Position as at 31th Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£21.2	1,287
Actual: Spend/Activity Year to Date	£19.3	1,161
Variance as at 31st Mar 2019	-£1.9	-126

MAIN REASONS FOR VARIANCE:

The gross underspend of -£1.9m is primarily due to lower than anticipated demand (-£1.5m). In addition to this, there is a non activity variance of (-£0.4m) due to the value of direct payment reclaims being greater than one-off payments.



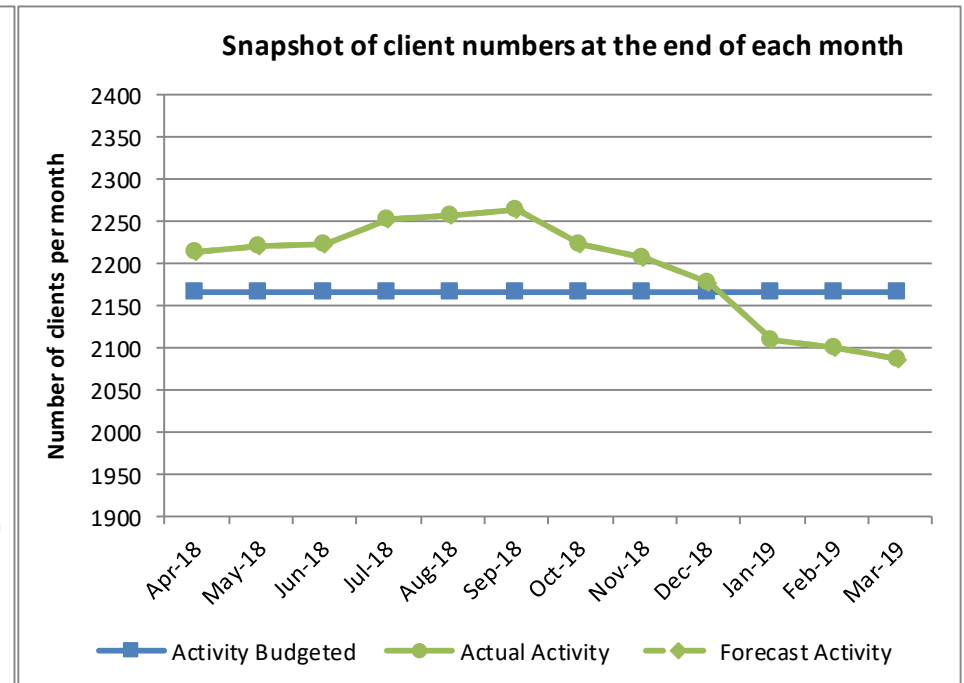
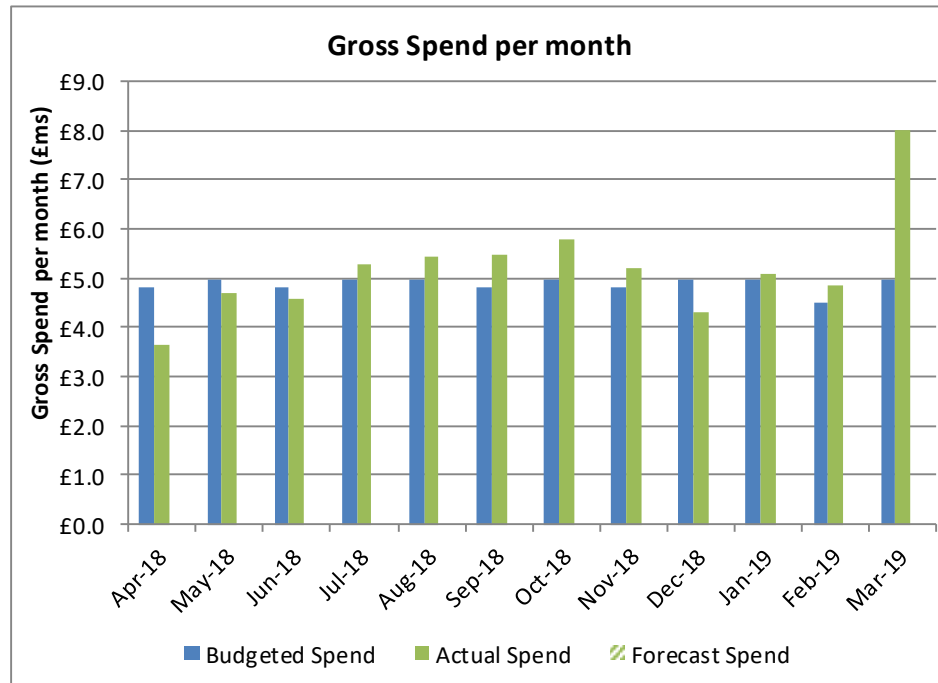
Appendix 4.4: Nursing & Residential Care - Older People (aged 65+) - Residential - Commissioned service

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£58.6	-£34.6	£24.0	2,165
Outturn	£62.4	-£36.5	£25.9	2,086
Variance	£3.7	-£1.9	£1.9	-79

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£58.6	2,165
Actual: Spend/Activity Year to Date	£62.4	2,086
Variance as at 31st Mar 2019	£3.7	-79

MAIN REASONS FOR VARIANCE:

The gross forecast pressure of +£3.7m is due to higher than anticipated demand (+£0.7m) and a higher unit cost (+£1.3m), along with an additional variance of +£1.7m due to an increase in the provision for bad and doubtful debts (+£1.0m), a reduction in the level of drawdown from reserves (+£0.6m) and net old year expenditure (+£0.1m). This pressure is partly offset by greater than expected income of -£1.9m due to higher than anticipated service user contributions linked to the higher demand (-£0.3m) and a higher average contribution per service user (-£1.6m). This leads to a net outturn overspend of +£1.9m. There is a slight time delay before clients are included in the actual client count as contract details are finalised, accounting for the difference between outturn client count and the previous month's actual client count shown below.



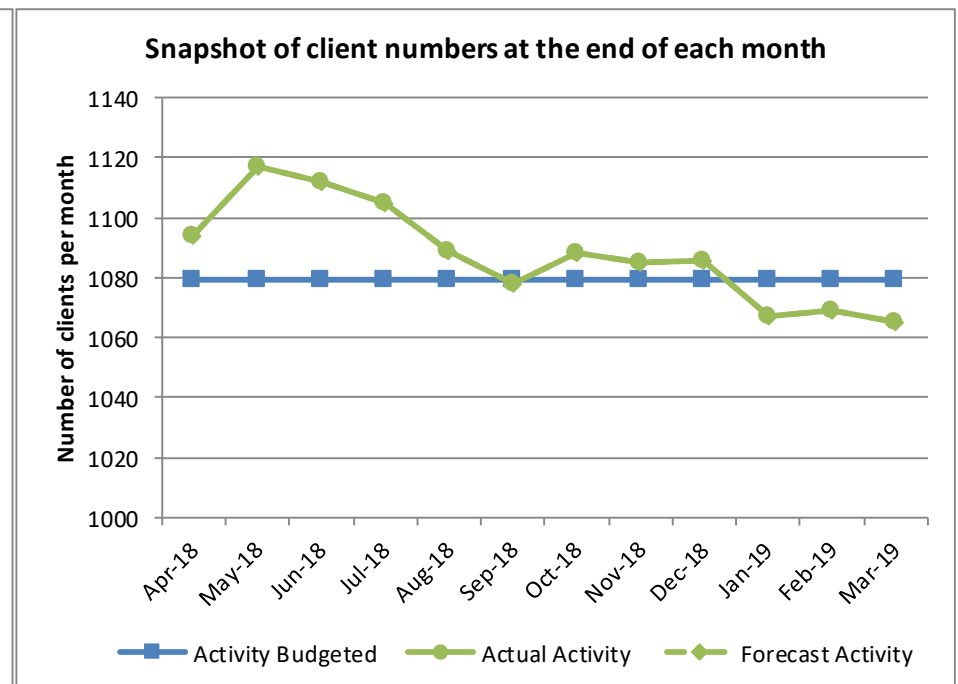
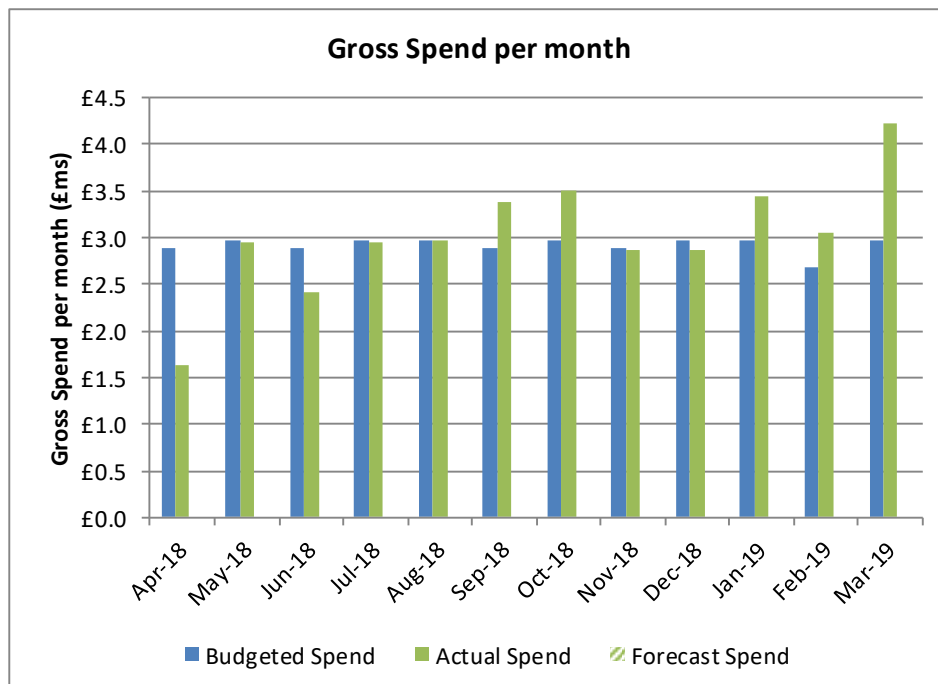
Appendix 4.5: Nursing & Residential Care - Older People (aged 65+) - Nursing

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£35.0	-£18.6	£16.4	1,079
Outturn	£36.3	-£19.5	£16.7	1,065
Variance	£1.3	-£1.0	£0.4	-14

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£35.0	1,079
Actual: Spend/Activity Year to Date	£36.3	1,065
Variance as at 31st Mar 2019	£1.3	-14

MAIN REASONS FOR VARIANCE:

The gross outturn pressure of +£1.3m is due to a higher unit cost (+£1.2m), along with an additional variance of +£0.1m predominately due to net old year spend. This pressure is partly offset by greater than expected income of -£1.0m primarily due to a higher average contribution per service user (-£1.0m). This leads to a net outturn of +£0.4m.



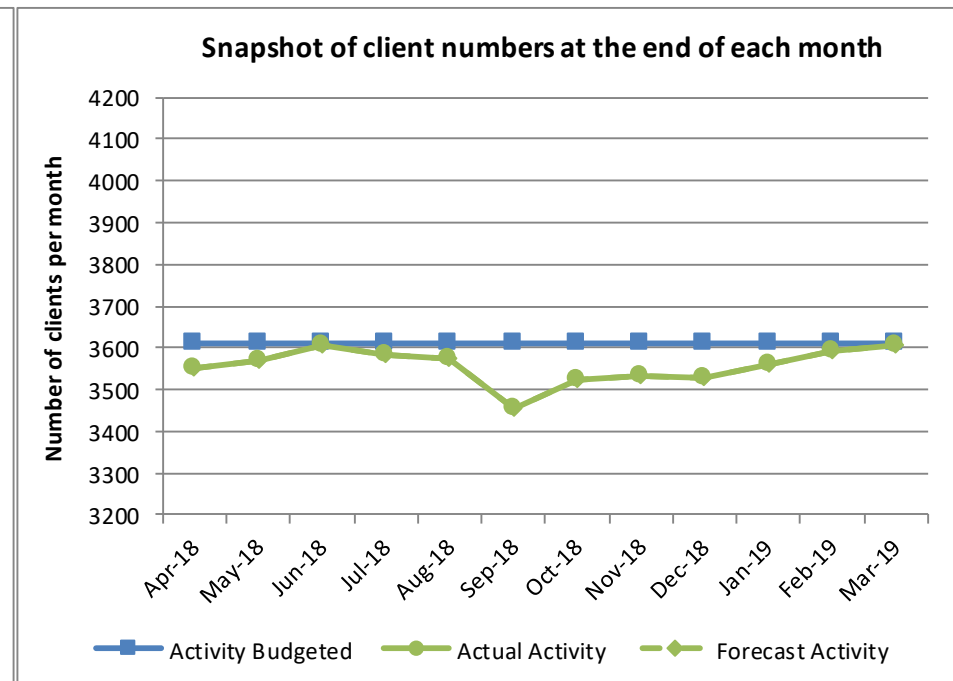
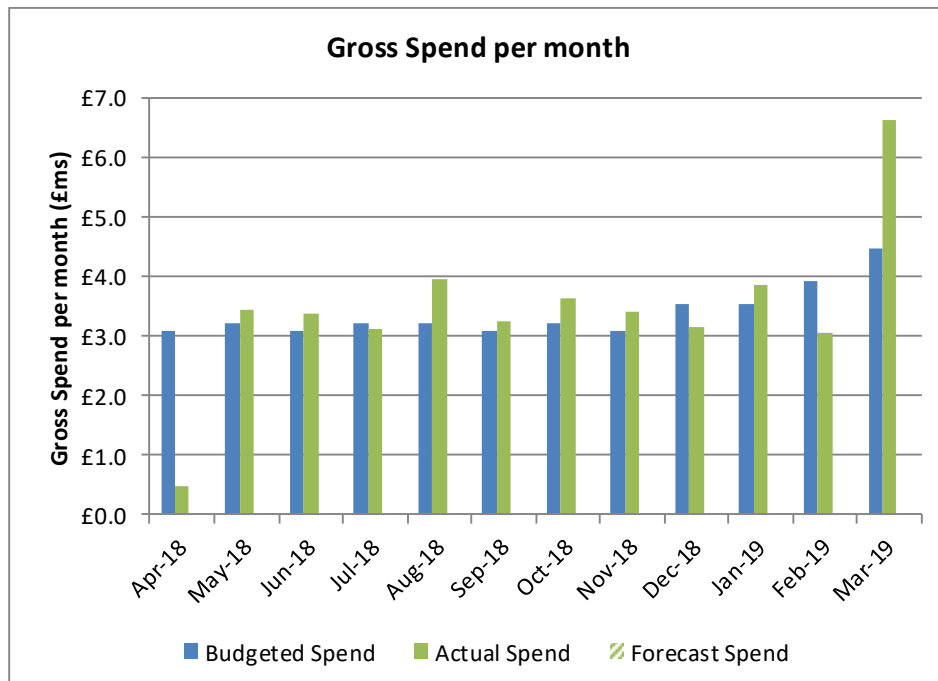
Appendix 4.6: Domiciliary Care - Older People (aged 65+) - Commissioned service

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£40.7	-£7.8	£32.9	3,611
Outturn	£41.3	-£7.8	£33.5	3,607
Variance	£0.7	£0.0	£0.7	-4

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£40.7	3,611
Actual: Spend/Activity Year to Date	£41.3	3,607
Variance as at 31st Mar 2019	£0.7	-4

MAIN REASONS FOR VARIANCE:

The gross forecast pressure of +£0.7m is due to lower than anticipated demand (-£4.2m) and higher unit cost (+£2.4m), along with an additional non activity variance of +£2.4m due to a reduction in the level of drawdown from reserves (+£1.7m), additional spend on extra care support (+£0.7m), lower than planned expenditure on Discharge to Assess (-£0.3m), and expenditure relating to old year (+£0.3m). This leads to a net forecast variance of +£0.7m.



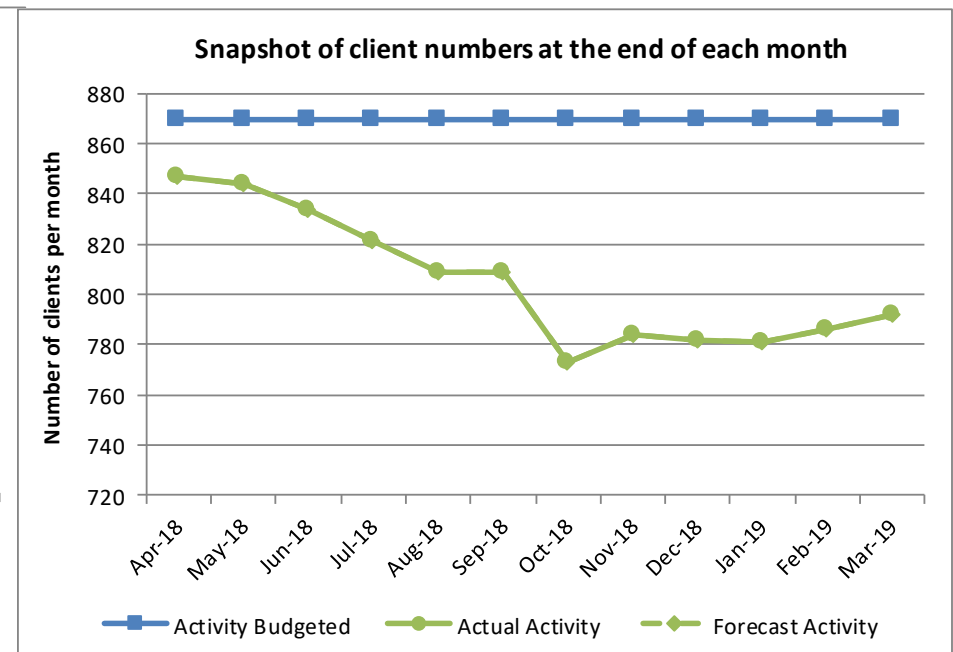
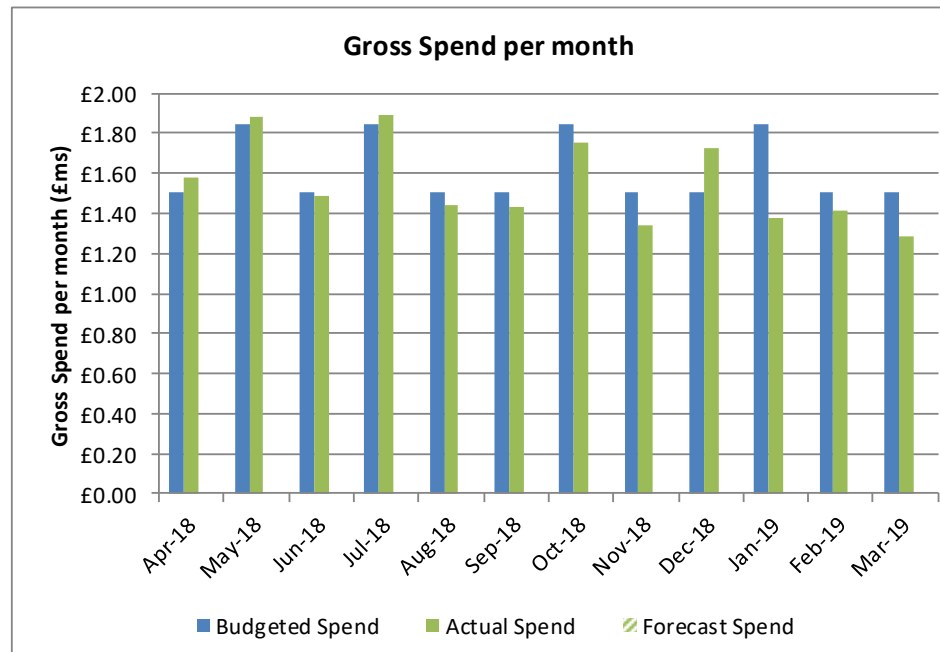
Appendix 4.7: Children in Care (Looked After) - Fostering - In house service

2018-19 Forecast	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£19.4	£0.0	£19.4	870
Forecast	£18.6	£0.0	£18.6	0
Variance	-£0.8	£0.0	-£0.8	-870

Position as at 31 Mar 19	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£19.4	870
Actual: Spend/Activity Year to Date	£18.6	792
Variance as at 31st Mar 2019	-£0.8	-78

MAIN REASONS FOR VARIANCE:

The outturn for 2018-19 is an underspend of -£0.8m is due to lower demand (-£1.5m) partially offset by a higher unit cost (+£0.6m). The reduction in the number of in-house placements follows the overall reduction in the number of looked after children seen in 2018-19 (see Appendix 2.11) along with a continued move of children from lower cost in-house settings to higher cost placements (particularly those placed in independent fostering agencies, see Appendix 2.8, and semi-independent settings).



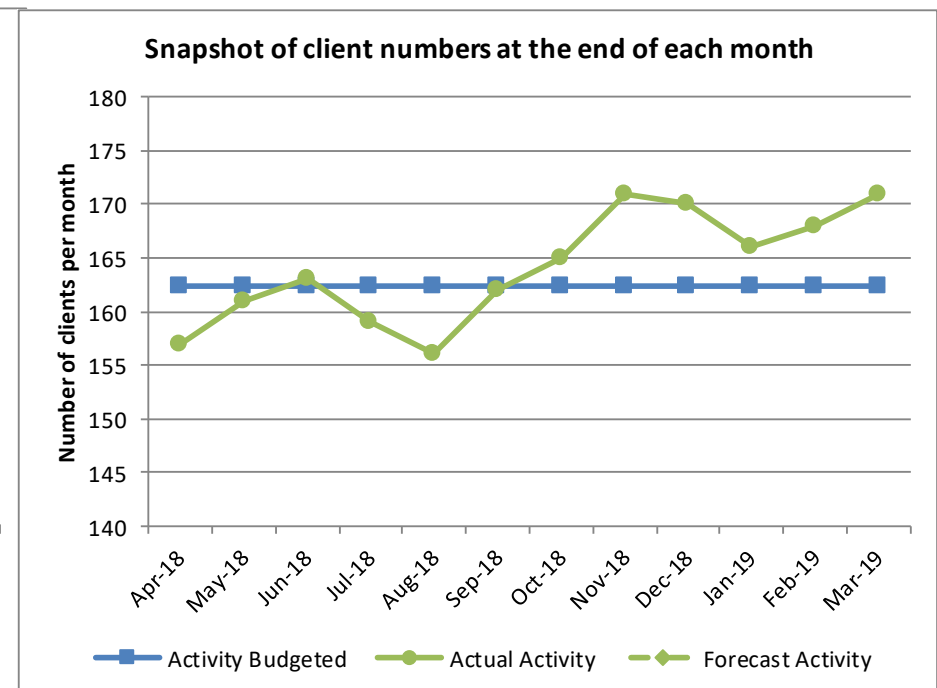
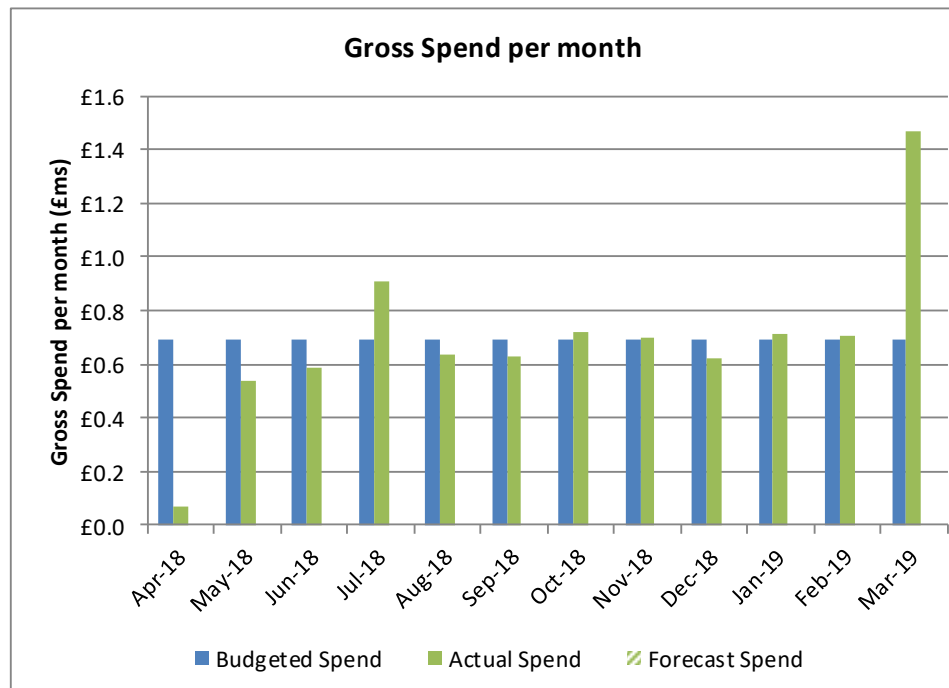
Appendix 4.8: Children in Care (Looked After) - Fostering - Commissioned from Independent Fostering Agencies

2018-19 Outturn	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£8.3	£0.0	£8.3	162
Outturn	£8.3	£0.0	£8.3	0
Variance	-£0.0	£0.0	-£0.0	-162

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£8.3	162
Actual: Spend/Activity Year to Date	£8.3	171
Variance as at 31st Mar 2019	£0.0	9

MAIN REASONS FOR VARIANCE:

The outturn for 2018-19 was a nil variance. The number of fostering agency placements continued to grow through 2018-19, even though the overall number of looked after children reduced (see Appendix 2.11). The full year effect of this growth is expected to lead to a pressure in 2019-20.



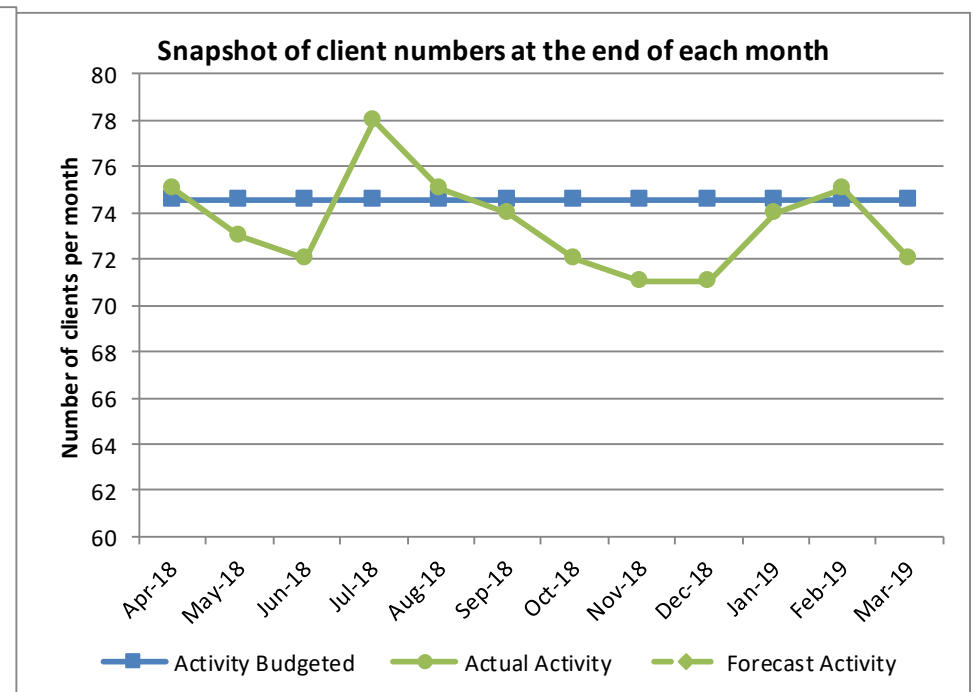
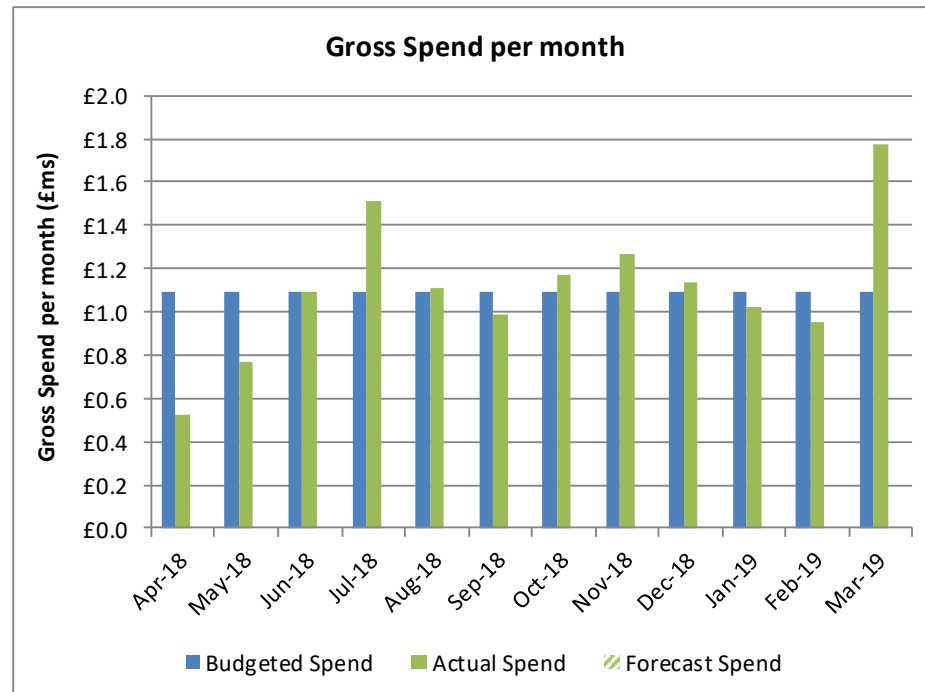
Appendix 4.9: Children in Care (Looked After) - Residential Children's Services - Commissioned from Independent Sector

2017-18 Forecast	Gross £m	Income £m	Net £m	Client Number as at 31/03/2019
Budget	£13.1	-£0.8	£12.3	75
Forecast	£13.3	-£0.9	£12.4	72
Variance	£0.2	-£0.1	£0.1	-3

Position as at 31st Mar 2019	Gross £m	Client Number as at 31/03/2019
Budget: Spend/Activity Year to Date	£13.1	75
Actual: Spend/Activity Year to Date	£13.3	72
Variance as at 31st Mar 2019	£0.2	-3

MAIN REASONS FOR VARIANCE:

The gross forecast overspend of +£0.2m is due to a higher than anticipated unit cost (+£0.7m), even though there is a lower than budgeted demand in weeks (-£0.5m). It is important to note, due to the high cost of these placements (£2,000 - £7,000 per week), a very relatively small change in numbers of placements can have a significant impact on the forecast.



Appendix 4.10: Assessment Services - Children's Social Care (CSC) staffing

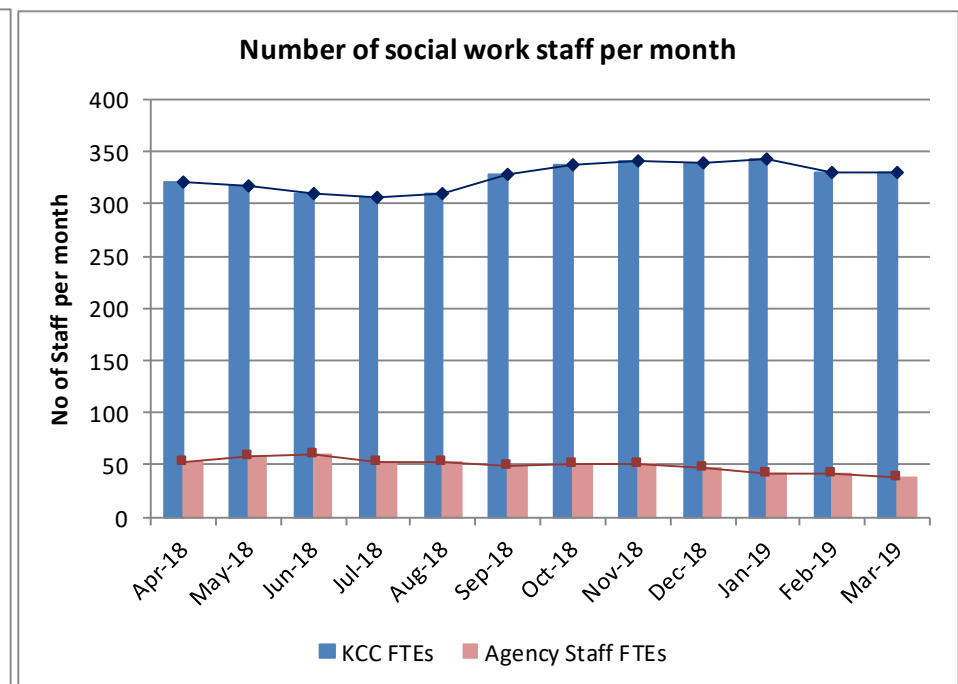
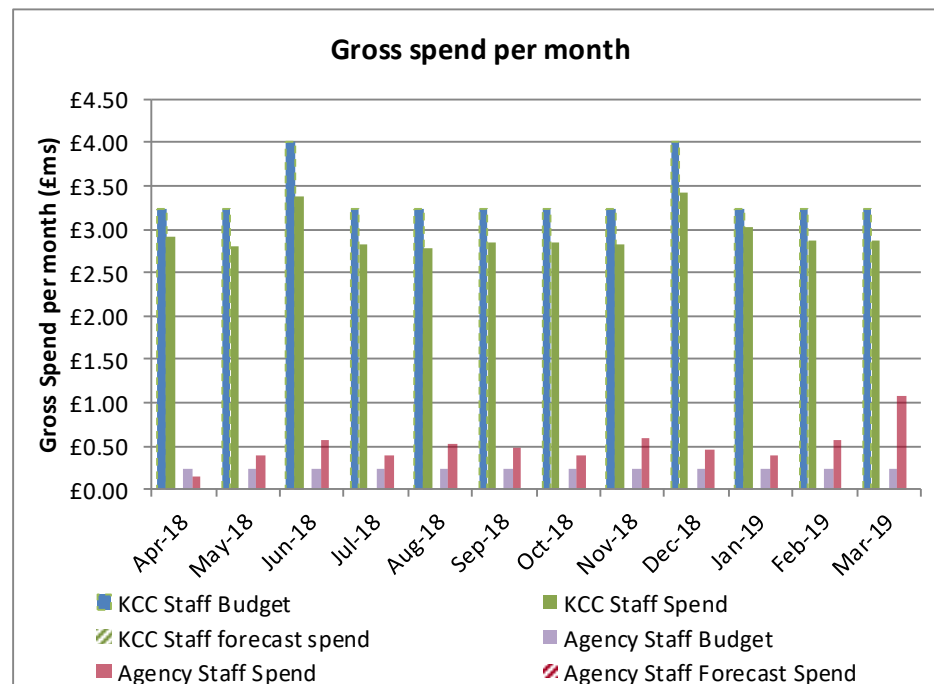
2018-19	KCC	Agency	Gross
Outturn	£m	£m	£m
Budget	£40.3	£2.8	£43.1
Outturn	£35.4	£6.0	£41.4
Variance	£-4.9	£3.2	£-1.7

Position	KCC	Agency	Gross
as at 31/03/19	£m	£m	£m
YTD Budget	£40.3	£2.8	£43.1
YTD Spend	£35.4	£6.0	£41.4
YTD Variance	£-4.9	£3.2	£-1.7

Staff numbers	KCC	Agency
	FTEs	Nos
as at 31/03/18	322.4	57.0
as at 31/03/19	329.5	37.8
YTD Movement	7.1	-19.2

MAIN REASONS FOR VARIANCE:

This measure focuses on the level of social workers & senior practitioners rather than the overall staffing level within this budget. The budget assumes that CSC Staffing will be met using salaried workers and a small proportion of agency, so any additional agency workers (who are more expensive than salaried staff) would result in a pressure on this budget. This measure shows the extent of the vacancies within CSC that are currently covered by agency workers. The £-1.7m underspend against Children's Social Work Services - Assessment & Safeguarding Service Budget is partly due to lower levels of staffing resulting from lower number of children in care along with, reduced agency usage during the year, and the effect of part year recruitment in other areas of social work.

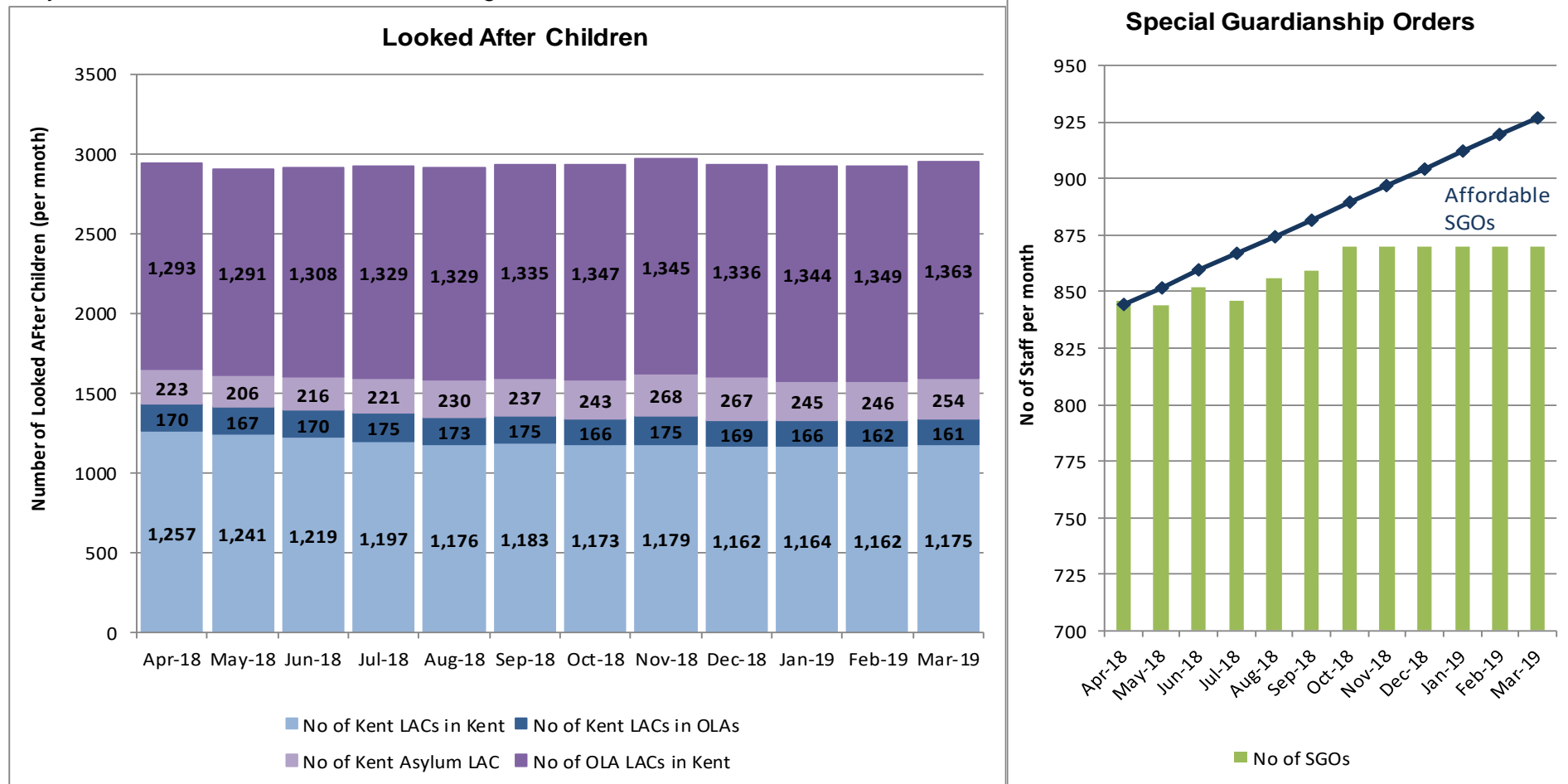


Appendix 4.11: Number of Looked After Children and Number of Special Guardianship Orders (SGOs) with Costs

The left-hand graph shows a snapshot of the number of children designated as looked after at the end of each month (including those currently missing), it is not the total number of looked after children during the period. The OLA LAC information is completely reliant on Other Local Authorities keeping KCC informed of which children are placed within Kent. The Management Information Unit (MIU) regularly contact these OLAs for up to date information, but replies are not always forthcoming.

Overall Children's Social Work Services has an underspend of -£0.5m, whilst Disabled Children's Services budget has a pressure of +£0.9m of which a key part of this relates to the LAC heading in reference to those in residential care. The number of LAC are not increasing however due to the rising complexity of children being placed, the overall cost of suitable placements is increasing.

The right hand graph shows the number of SGOs incurring costs, which are approved by the courts. These children are either former LAC or may have become LAC if an SGO was not granted.



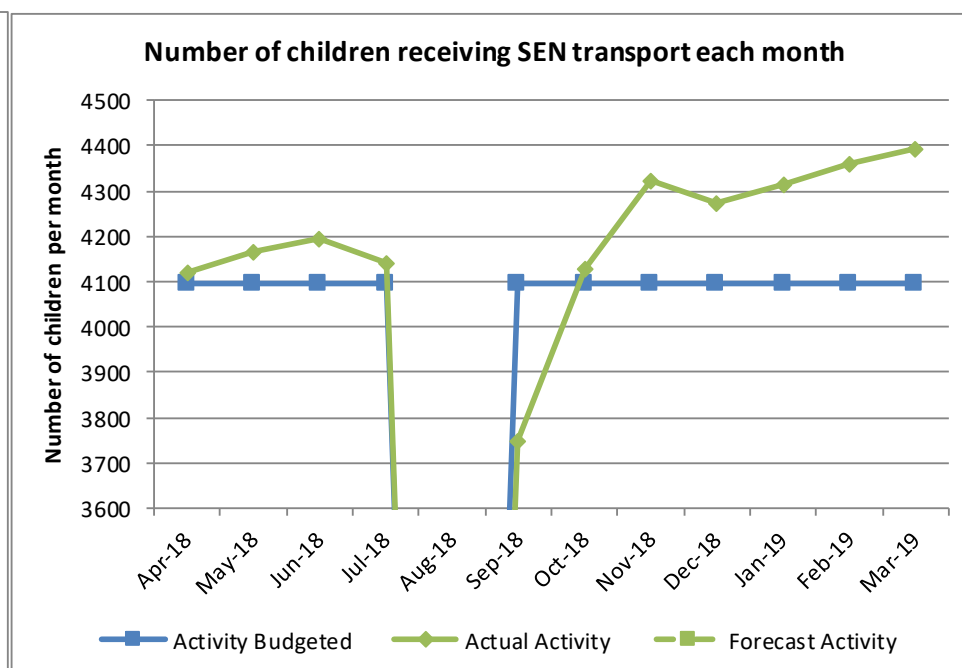
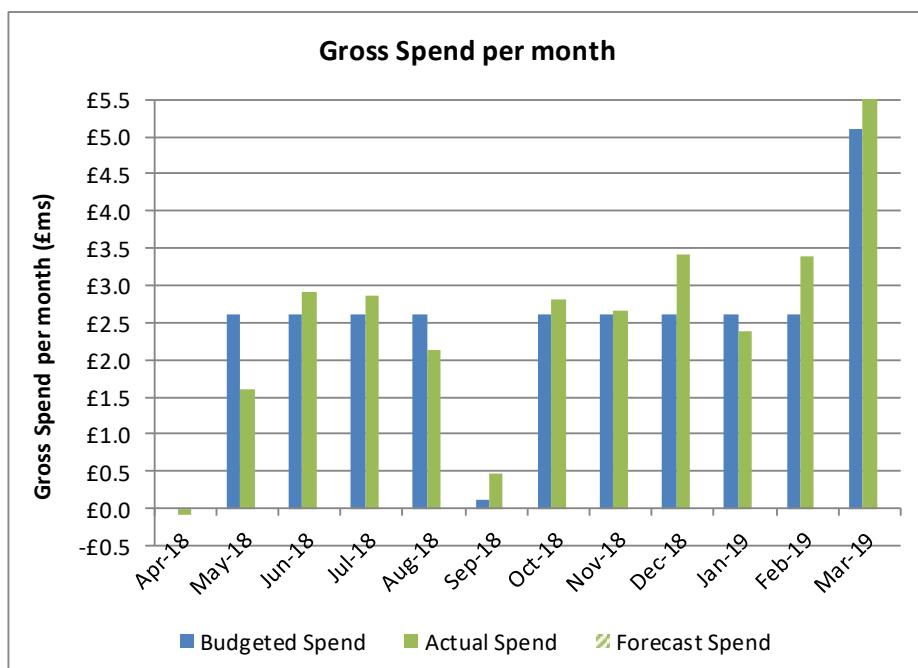
Appendix 4.12: Transport Services - Home to School / College Transport (Special Education Needs)

2018-19 Outturn	Gross £m	Income £m	Net £m	No of pupils as at 31/03/2019
Budget	£28.7	-£0.8	£27.9	4,096
Outturn	£30.7	-£1.0	£29.7	4,392
Variance	£2.1	-£0.2	£1.8	296

YTD Position as at 31/03/2019	Gross £m	No of pupils as at 31/03/2019
Budget: Spend/Activity Year to Date	£28.7	4,096
Actual: Spend/Activity Year to Date	£30.7	4,392
Variance as at 31st March 2019	£2.1	296

MAIN REASONS FOR VARIANCE:

The outturn for 2018-19 was a net pressure of +£1.8m on the SEN transport services. The pressure is predominantly due to higher than anticipated demand and cost for SEN School transport services +£1.7m, along with £0.2m pressure on SEN College transport due to increased demand.



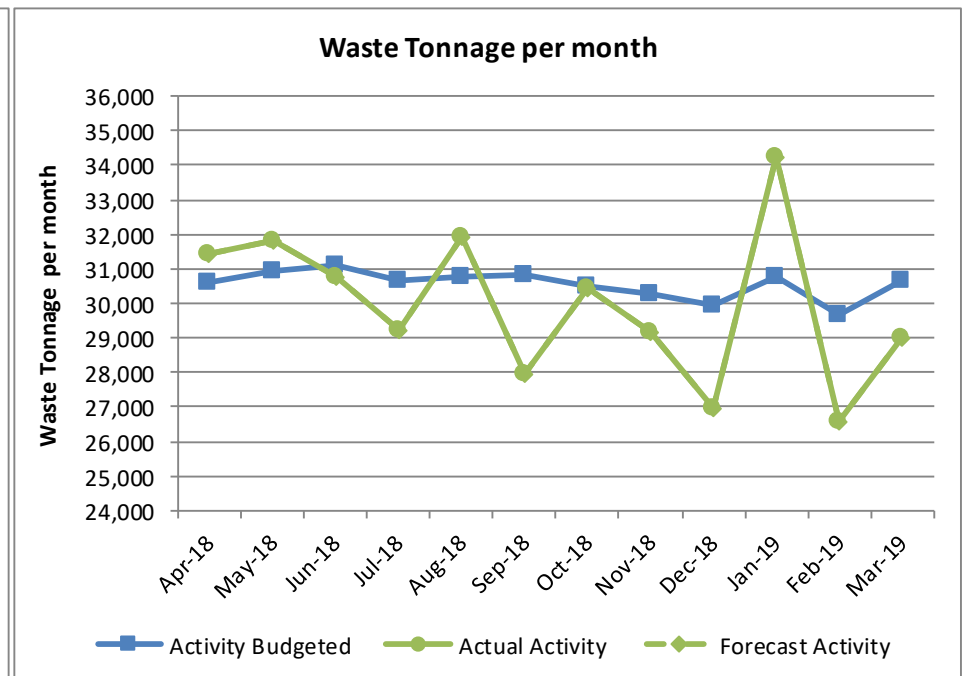
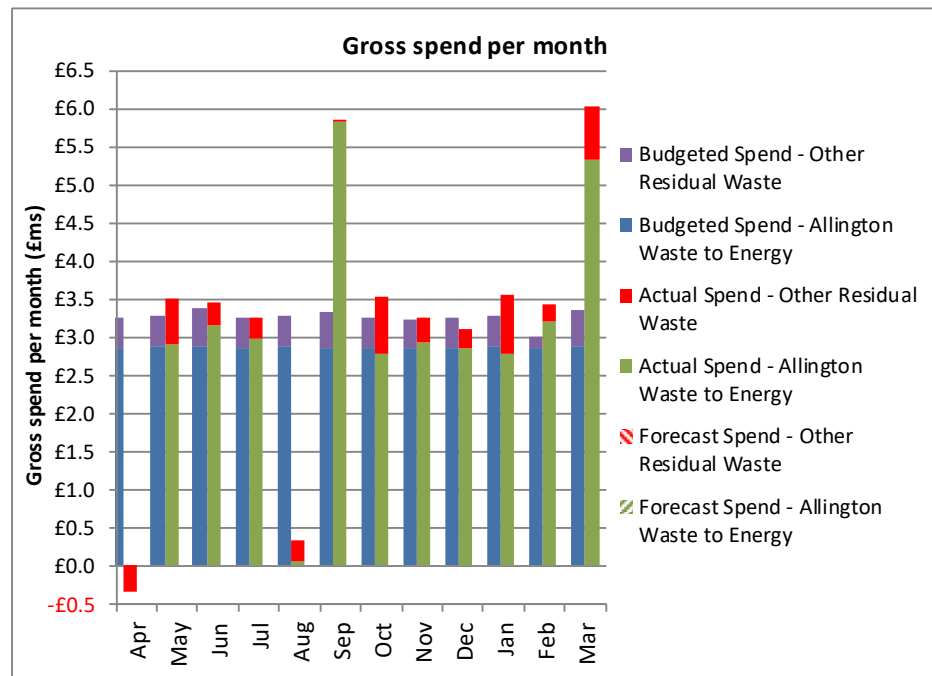
Appendix 4.13: Treatment and disposal of residual waste

2018-19 Outturn	Gross £m	Income £m	Net £m	Waste Tonnage to 31/03/2019
Budget	£39.4	-£0.1	£39.3	366,772
Actual	£39.0	-£1.0	£38.0	359,646
Variance	-£0.4	-£0.9	-£1.3	-7,126

Position as at 31st March 2019	Gross £m	Waste Tonnage to 31/03/2019
Budget: Spend/Activity Year to Date	£39.4	366,772
Actual: Spend/Activity Year to Date	£39.0	359,646
Variance as at 31st March 2019	-£0.4	-7,126

MAIN REASONS FOR FORECAST VARIANCE:

The gross underspend of -£0.4m is due to a volume variance of -7,126 tonnes (-£0.9m) offset by other minor pressures of +£0.5m. Income from additional trade waste tonnes has further increased the underspend (-£0.9m) leading to a net saving of -£1.3m. March spend is high because it includes the catch up due to no monthly payment being made in April.



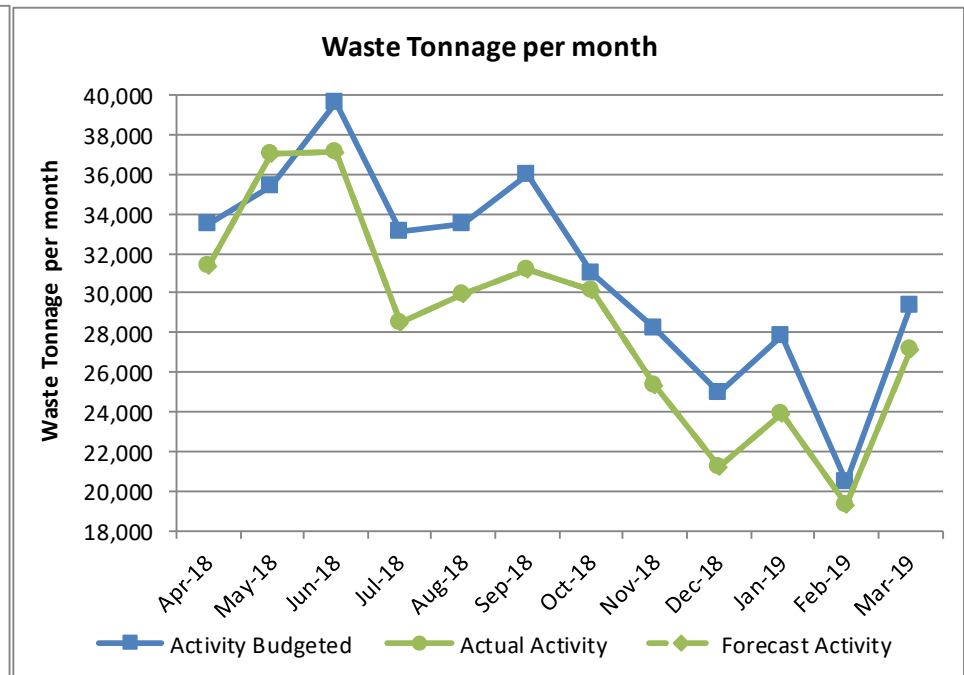
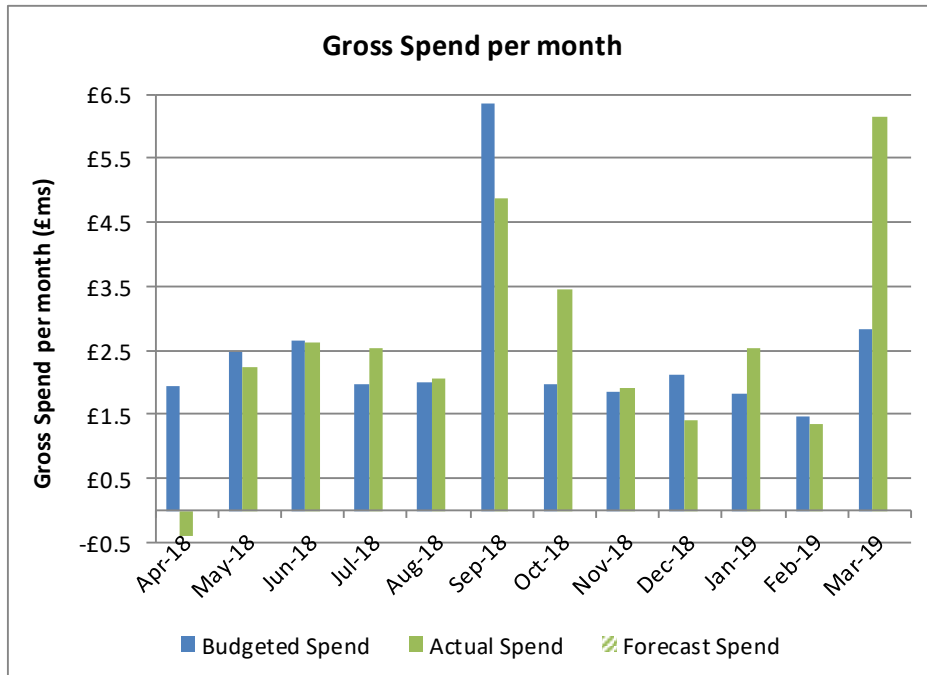
Appendix 4.14: Waste Processing

2018-19 Outturn	Gross £m	Income £m	Net £m	Waste Tonnage to 31/03/2019
Budget	£31.4	-£1.9	£29.4	373,013
Actual	£32.0	-£1.2	£30.8	342,301
Variance	£0.6	£0.7	£1.3	-30,712

Position as at 31st March 2019	Net £m	Waste Tonnage to 31/03/2019
Budget: Spend/Activity Year to Date	£29.4	373,013
Actual: Spend/Activity Year to Date	£30.8	342,301
Variance as at 31st March 2019	£1.3	-30,712

MAIN REASONS FOR FORECAST VARIANCE:

Within gross is an overspend of +£0.6m mainly due to a price variance of **+£0.6m** across all MRF contracts plus volume variance (+5,289 tonnes) of composted waste **+£0.4m**. There is an added overspend of **+£0.4m** for profit share payment to a district for achieving Waste minimisation together with **+£0.4m** for the replacement of new waste compactors. This variance is offset by reduced recycling credits (-5,794 tonnes/**-£0.4m**) as well as **-£0.8m** of savings due to actual waste types differing from the budgeted levels, with each waste type being disposed of in different ways, each with their own unit costs and indexation levels. There is a shortfall in income resulting from lower levels of paper and card waste (-8,378 tonnes/**+£0.4m**) a reduction in tonnage price (**+£0.4m**), and other income variances (+£0.1m). This is offset as a result of North Farm fire insurance payment of **-£0.2m**. March spend is high because it includes the catch up due to no monthly management payments being made in April. Variations in tonnes may not always impact on the financial position as not all changes in waste types attract an additional cost.



Appendix 4.15: All Staffing Budgets (excluding schools)

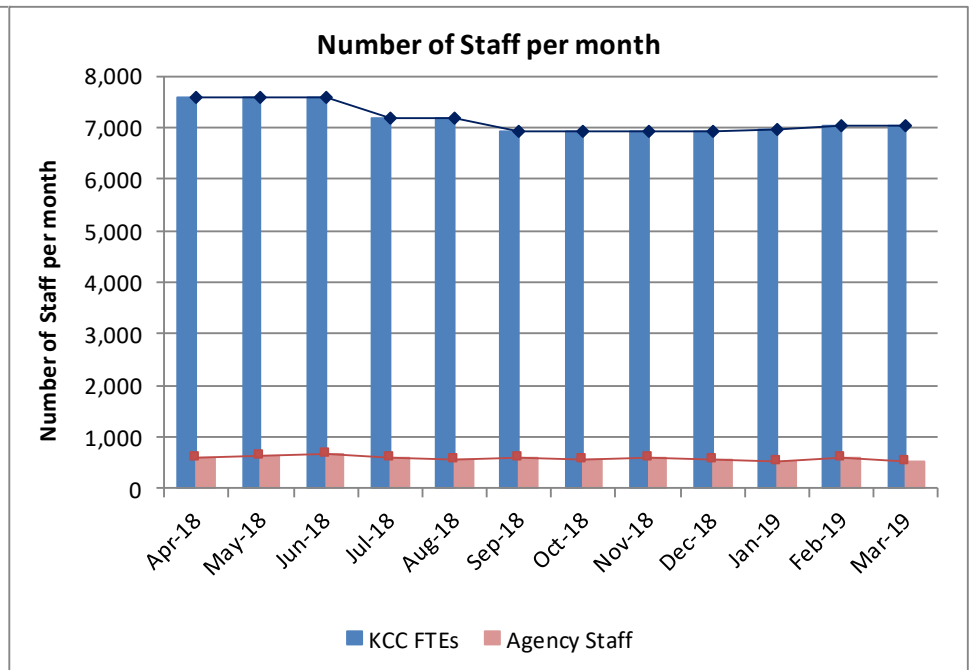
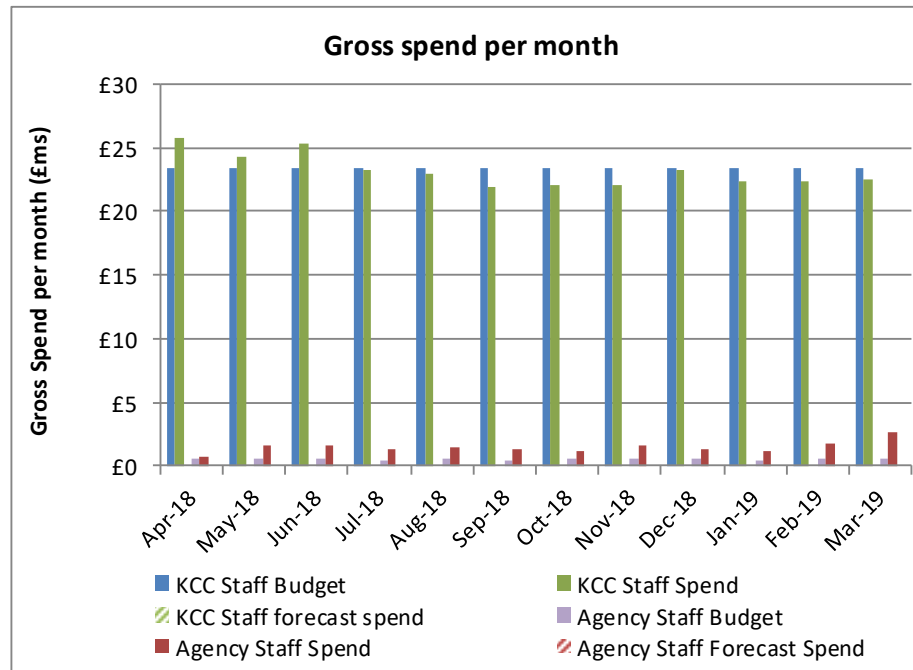
2018-19 Outturn	KCC £m	Agency £m	Gross £m
Budget	£280.5	£6.2	£286.7
Outturn	£278.2	£17.8	£296.0
Variance	-£2.2	£11.5	£9.3

as at 31 March 2019	KCC £m	Agency £m	Gross £m
YTD Budget	£280.5	£6.2	£286.7
YTD Spend	£278.2	£17.8	£296.0
YTD Variance	-£2.2	£11.5	£9.3

Staff numbers	KCC FTEs	Agency Nos
as at 31 Mar 2018	7,564.13	687
as at 31 March 2019	7,015.66	531
Annual Movement	-548.47	-156

MAIN REASONS FOR VARIANCE:

There is a small underspend against KCC staff budgets and an overspend on agency staff. The number of KCC staff has reduced by 548.47 FTE compared to the level of FTE as at 31 March 2018. This is mainly due to staff transferring to Cantium Business Solutions Ltd and The Education People Ltd. However, there has been an increase of 131.91 FTE in the ASCH directorate compared to the level at 31 March 2018. Agency staff continues to be used to cover the vacancies within Social Care staffing. The staffing numbers provided are a snapshot position at the end of the month.



Unaccompanied Asylum Seeking Children (UASC)

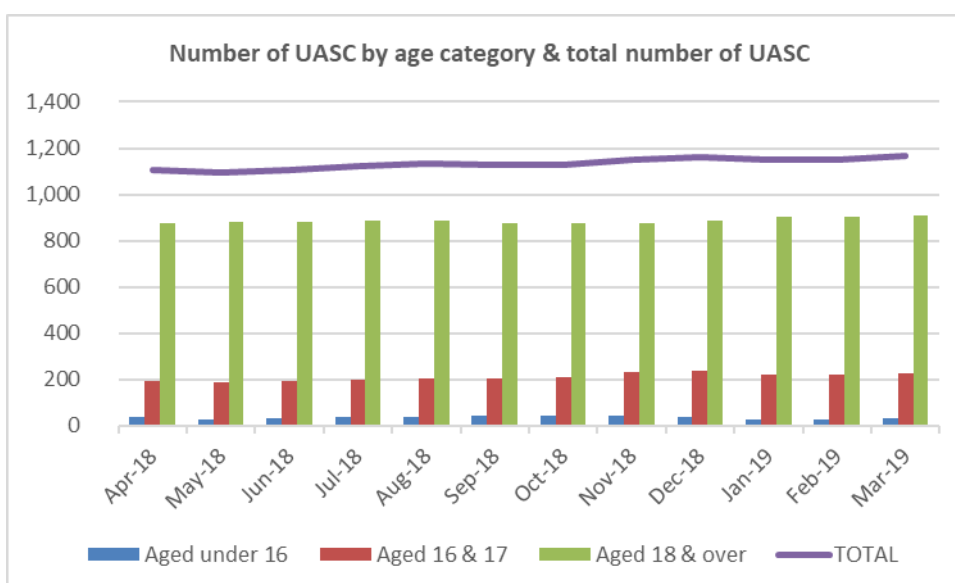
1. **Outturn 18-19 position compared to budget by age category**

The Outturn 18-19 position is a pressure of £0.6m as detailed below:

Outturn 2018-19	Cash Limit			Outturn Variance		
	Gross	Income	Net	Gross	Income	Net
	£m	£m	£m	£m	£m	£m
Aged under 16	1.9	-1.9	0.0	1.4	-1.8	-0.4
Aged 16 & 17	7.8	-7.8	0.0	8.9	-8.7	0.2
Aged 18 & over (care leavers)	7.9	-7.9	0.0	9.7	-8.9	0.8
	17.6	-17.6	0.0	20.0	-19.4	0.6

2. **Number of UASC & Care Leavers by age category**

	Aged under 16	Aged 16 & 17	Aged 18 & over	TOTAL
Apr-18	37	196	874	1,107
May-18	30	188	879	1,097
Jun-18	34	194	880	1,108
Jul-18	37	199	887	1,123
Aug-18	40	203	888	1,131
Sep-18	44	207	878	1,129
Oct-18	44	210	874	1,128
Nov-18	43	232	877	1,152
Dec-18	41	236	885	1,162
Jan-19	30	220	901	1,151
Feb-19	29	222	902	1,153
Mar-19	33	226	907	1,166



The number of Asylum LAC shown in Appendix 2.11 (LAC numbers) is different to the total number of under 18 UASC clients shown within this indicator, due to UASC under 18 clients including both Looked After Children and 16 and 17-year-old Care Leavers. The number of UASC children is now over the minimum threshold of UASC for the authority as a % of population (231), the dispersal scheme has only transferred a minimum number of UASC to other local authorities in the last 9 months. The number of UASC Care Leavers over 18 years old remained relatively steady over the last quarter.

3. **Number of Eligible & Ineligible Clients incl All Rights of appeal Exhausted (ARE) clients at the end of each month**

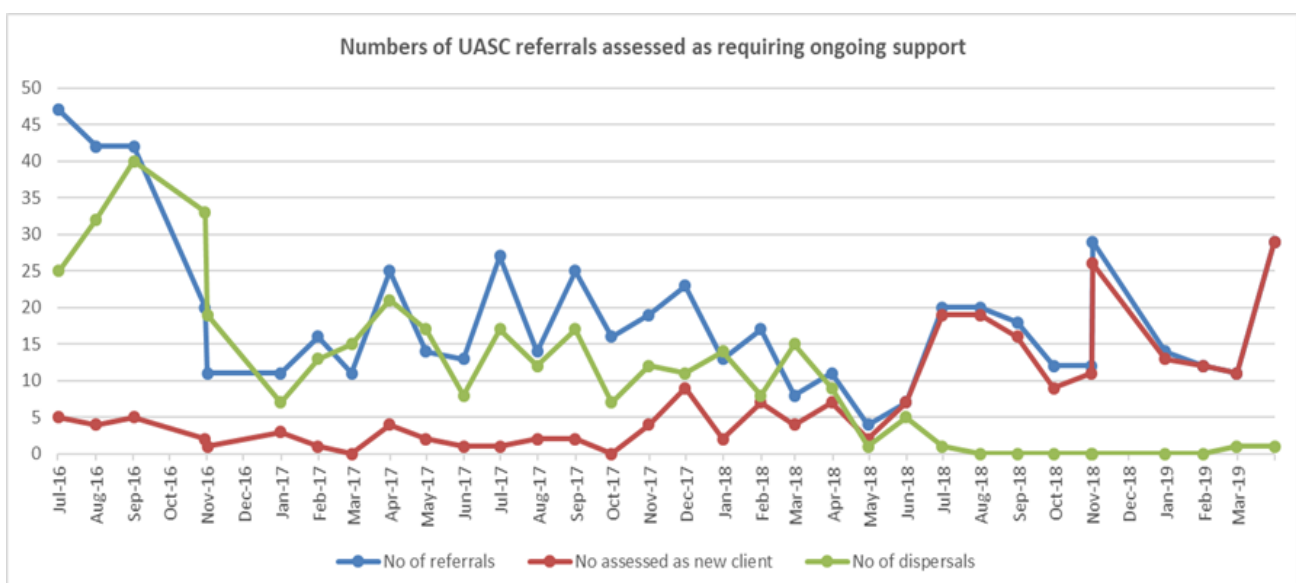
2018/19	Eligible Clients	of which AREs	Ineligible Clients	of which AREs	Total Clients	Total AREs
Outturn 2017/18	900	13	211	41	1,111	54
April	917	20	190	33	1,107	53
May	914	20	183	33	1,097	53
June	916	4	191	50	1,107	54
July	924	2	198	51	1,122	53
August	938	3	193	44	1,131	47
September	938	1	185	41	1,123	42
October	888	10	240	46	1,128	56
November	916	10	236	46	1,152	56
December	924	9	236	48	1,160	57
January	912	8	239	47	1,151	55
February	905	8	248	52	1,153	60
March	912	6	254	51	1,166	57

Eligible Clients are those who do meet the Home Office grant rules criteria. Appeal Rights Exhausted (ARE) clients are eligible for the first 13 weeks providing a human rights assessment is completed.

Ineligible clients are those who do not meet the Home Office grant rules criteria. For young people (under 18), this includes accompanied minors and long term absences (e.g. hospital or prison). For care leavers, there is an additional level of eligibility as the young person must have leave to remain or “continued in time” appeal applications to be classed as an eligible client.

4. Numbers of UASC referrals, assessed as requiring ongoing support

	No of referrals	No assessed as new client	%	No of dispersals
Jul-16	47	5	11%	25
Aug-16	42	4	10%	32
Sep-16	42	5	12%	40
Oct-16	20	2	10%	33
Nov-16	11	1	9%	19
Dec-16	11	3	27%	7
Jan-17	16	1	6%	13
Feb-17	11	0	0%	15
Mar-17	25	4	16%	21
Apr-17	14	2	14%	17
May-17	13	1	8%	8
Jun-17	27	1	4%	17
Jul-17	14	2	14%	12
Aug-17	25	2	8%	17
Sep-17	16	0	0%	7
Oct-17	19	4	21%	12
Nov-17	23	9	39%	11
Dec-17	13	2	15%	14
Jan-18	17	7	41%	8
Feb-18	8	4	50%	15
Mar-18	11	7	64%	9
Apr-18	4	2	50%	1
May-18	7	7	100%	5
Jun-18	20	19	95%	1
Jul-18	20	19	95%	0
Aug-18	18	16	89%	0
Sep-18	12	9	75%	0
Oct-18	12	11	92%	0
Nov-18	29	26	90%	0
Dec-18	14	13	93%	0
Jan-19	12	12	100%	0
Feb-19	11	11	100%	1
Mar-19	29	29	100%	1



5. Total number of dispersals – new referrals & existing UASC

In total there have been 361 new arrivals that have been dispersed since July 2016. These are included within the referrals in table 4. This also includes arrivals since 01 July 16 dispersed to London Boroughs, who are not participating in the transfer scheme. In June 2018, Kent has lower numbers of UASC than the threshold of 231 UASC's set by the Home Office and so new arrivals had not been referred to the dispersal scheme. However, since this time the number of UASC supported by Kent has since exceed this target with only a minimum number of dispersals made. Kent currently has 259 UASC.

Duration	Arrivals who have been dispersed post new Government Transfer Scheme (w.e.f 01 July 16)*	Former Kent UASC who have been dispersed (entry prior to 01 July 16)	Total
Jul-16	14	11	25
Aug-16	31	1	32
Sep-16	30	10	40
Oct-16	33	0	33
Nov-16	17	2	19
Dec-16	7	0	7
Jan-17	8	5	13
Feb-17	15	0	15
Mar-17	16	5	21
Apr-17	14	3	17
May-17	7	1	8
Jun-17	16	1	17
Jul-17	12	0	12
Aug-17	17	0	17
Sep-17	6	1	7
Oct-17	12	0	12
Nov-17	11	0	11
Dec-17	14	0	14
Jan-18	8	0	8
Feb-18	15	0	15
Mar-18	9	0	9
Apr-18	1	0	1
May-18	5	0	5
Jun-18	1	0	1
Jul-18	0	0	0
Aug-18	0	0	0
Sep-18	0	0	0
Oct-18	0	0	0
Nov-18	0	0	0
Dec-18	0	0	0
Jan-19	0	0	0
Feb-19	1	0	1
Mar-19	1	0	1

2017-18 RESERVES PROVISIONAL OUTTURN POSITION

1. The table below reflects the impact of the provisional outturn and activity for 2018-19 on our revenue reserves. These are provisional figures and are subject to change during the final stages of the closing of accounts process.

Account	Balance at 31/3/18	Provisional Balance at 31/3/19	Movement
	£m	£m	£m
General Fund balance	36.9	37.0	+0.1
Earmarked Reserves	158.7	185.5	+26.8
Surplus on Trading Accounts *	0.2	0.9	+0.7
Schools Reserves **	30.0	26.9	-3.1

* The surplus on Trading Accounts relates entirely to Commercial Services.

** Schools reserves include both the delegated schools reserves and the unallocated schools budget. Details of the reasons for the movement in schools reserves are provided in section 3.7 of the main report.

2. The General Fund balance is made up of KCC General Reserves and Commercial Services General Reserves as shown below:

General Fund Balance	Balance at 31/3/18	Provisional Balance at 31/3/19	Movement
	£m	£m	£m
Kent County Council	37.2	37.2	-
Commercial Services	-0.2	-0.1	+0.1
	36.9	37.0	+0.1

3. The provisional movement of £26.8m in earmarked reserves since 31 March 2018 is shown in the below:

	Balance at 1 April 2018	Movement	Balance at 31 Mar 2019
	£'000	£'000	£'000
Other Earmarked Reserves			
VPE reserve	-16,253	-307	-16,560
Special funds	-558	-34	-592
Kings Hill development smoothing reserve	-2,507	-50	-2,557
Swanscombe School PFI equalisation reserve	-984	573	-411
Six schools PFI	-314	-734	-1,048
Three schools PFI	-1,936	-741	-2,677
Excellent Homes for All PFI	-2,448	86	-2,362
Westview/Westbrook PFI equalisation reserve	-3,680	-170	-3,850
Better Homes Active Lives PFI equalisation reserve	-3,316	-100	-3,416
Responding to Government Deficit Reduction reserve	-9,000	-1,371	-10,371
Corporate Reserve for Social Care Funding Issues	-7,552	0	-7,552
Payments reserve	-3,935	-508	-4,443
Local Taxation Equalisation reserve	-10,638	-6,155	-16,793
Public Health reserve	-3,634	-2,402	-6,036
Rolling budget reserve	-27,606	-9,567	-37,173
Emergency Conditions reserve	-839	-796	-1,635
Safety Camera Partnership reserve	-751	282	-469
Elections reserve	-156	-431	-587
Dilapidations reserve	-3,303	241	-3,062
Modernisation of the Council (formerly Workforce Reduction) reserve	-10,580	-419	-10,999
IT Asset Maintenance reserve	-2,595	812	-1,783
Earmarked reserve to support future year's budget	-6,682	1,000	-5,682
Prudential Equalisation reserve	-9,594	-788	-10,382
Turner Contemporary Investment reserve	-758	-207	-965
Kent Lane Rental Scheme reserve	-1,695	-984	-2,679
Public Inquiries reserve	-484	-36	-520
PIF Property Reserve	-668	-177	-845
Bus Services Operator Grant	-571	112	-459
Financial Instruments Revaluation Reserve	0	-647	-647
Highways Adverse Weather Reserve	0	-500	-500
Deprivation of Liberty Safeguards (DoLs) Reserve	0	-1,047	-1,047
Other	-4,008	-1,369	-5,377
Total	-137,045	-26,434	-163,479
Insurance Reserve			
KCC	-13,448	-199	-13,647
	-150,493	-26,633	-177,126
Commercial Services Earmarked Reserves	-3,233	0	-3,233
EKO	-4,981	0	-4,981
Royal Mail Sorting Office	-23	-175	-198
Total Earmarked Reserves	-158,730	-26,808	-185,538

2018-19 Outturn Monitoring of Prudential Indicators

1. Estimate of Capital Expenditure (including PFI)					
Actuals 2017-18			£188.249m		
Original estimate 2018-19			£295.449m		
Outturn 2018-19			£189.762m		
2. Estimate of capital financing requirement (underlying need to borrow for a capital purpose)					
			2017-18	2018-19	2018-19
			Actual	Original Estimate	Outturn
			£m	£m	£m
Capital Financing requirement			1,322.493	1,373.692	1,284.513
Annual increase/reduction in underlying need to borrow			-39.901	45.406	-37.980
In the light of current commitments and planned expenditure, forecast net borrowing by the Council will not exceed the Capital Financing Requirement.					
3. Estimate of ratio of financing costs to net revenue stream					
Actuals 2017-18			12.96%		
Original estimate 2018-19			12.01%		
Outturn 2018-19			11.76%		
4. Operational Boundary for External Debt					
The operational boundary for debt is determined having regard to actual levels of debt, borrowing anticipated in the capital plan, the requirements of treasury strategy and prudent requirements in relation to day to day cash flow management. The operational boundary for debt will not be exceeded in 2018-19.					
a)	Operational boundary for debt relating to KCC assets and activities				
				Prudential Indicator	Position as at 31.03.19
				£m	£m
				Borrowing	1,003
				Other Long Term Liabilities	271
					255
					1,274
					1,161

b)	Operational boundary for total debt managed by KCC including that relating to Medway Council etc (pre Local Government Reorganisation)								
					Prudential Indicator	Position as at 31.03.19			
					£m	£m			
		Borrowing			1,038	906			
		Other Long Term Liabilities			271	255			
					1,309	1,161			
5.	Authorised Limit for External Debt								
	The authorised limit includes additional allowance, over and above the operational boundary to provide for unusual cash movements. It is a statutory limit set and revised by the Council. The revised limits for 2018-19 are:								
				Authorised limit for debt relating to KCC assets and activities	Position as at 31.03.19	Authorised limit for total debt managed by KCC	Position as at 31.03.19		
				£m	£m	£m	£m		
		Borrowing		1,043	906	1,078	906		
		Other long term liabilities		271	255	271	255		
				1,314	1,161	1,349	1,161		
6.	Compliance with CIPFA Code of Practice for Treasury Management in the Public Sector								
	The Council has adopted the Code of Practice on Treasury Management and has adopted a Treasury Management Policy Statement. Compliance has been tested and validated by our independent professional treasury advisers.								
7.	Upper limits of fixed interest rate and variable rate exposures								
	The Council has determined the following upper limits for 2018-19								
		Fixed interest rate exposure		100%					
		Variable rate exposure		50%					
	These limits have been complied with in 2018-19								

8. Upper limits for maturity structure of borrowings							
				Upper limit	Lower limit	Position as at 31.03.19	
				%	%	%	
	Under 12 months			10	0	2.55%	
	12 months and within 24 months			10	0	3.67%	
	24 months and within 5 years			15	0	8.45%	
	5 years and within 10 years			15	0	8.60%	
	10 years and within 20 years			20	5	17.00%	
	20 years and within 30 years			25	5	18.16%	
	30 years and within 40 years			25	10	14.97%	
	40 years and within 50 years			30	10	26.61%	
	50 years and within 60 years			30	10	0.00%	
9. Upper limit for principal sums invested for periods longer than 364 days							
	Indicator		£250m				
	Actual		£240.2m				

2018-19 Capital Receipts Position

1.1	Capital Receipts													
	The total receipts banked in 2018-19 is £15.625m .													
1.2	Capital Receipts Funding Capital Programme													
1.3	At the end of 2017-18, £7.7m forward funding was required for capital receipts that had not materialised. At the end of 2018-19, this forward funding has been reduced to £6.2m.													
1.4	A number of receipts that came in during 2018-19 (£7.34m) have been agreed for specific use in the capital programme, the expenditure for which has not yet been incurred, and some are to go back into the Property Investment Fund (PIF). The remaining deficit will be carried forward and is expected to be covered from receipts due in in the coming year.													