

From: Roger Gough, Leader
Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services
Zena Cooke, Corporate Director of Finance

To: Cabinet 27th January 2022

Subject: **Capital Programme 2022-32, Revenue Budget 2022-23 and Medium Term Financial Plan 2022-25**

Classification: **Unrestricted**

Summary: The draft budget proposals were published on 5th January 2022 to support the scrutiny and democratic process through Cabinet Committees, Cabinet and culminating in the annual County Council budget setting meeting on 10th February. The publication included a comprehensive report to support the draft budget. An updated final draft report for County Council will be published on 2nd February 2022. This final draft will include number of additional appendices to support the final County Council decisions such as Capital Strategy including Prudential Indicators, Minimum Revenue Provision (MRP) statement, and Treasury Management Strategy.

The draft budget includes a proposed 1.998% council tax increase for 2022-23 i.e. up to the maximum without exceeding the 2% referendum limit. The draft budget also includes a further 0.996% council tax increase proposed through the Social Care Levy i.e. the maximum permitted, taking the total social care levy to 11.9% of the County Council share of council tax. The final decision on these council tax increases will be taken at the County Council meeting. The estimated council tax base has increased by 2.63% compared to 2021-22.

The draft revenue budget shows a net proposed budget of £1,178.5m, an increase of £46m (4.1%) on the approved budget for 2021-22. The proposed budget includes spending growth of £83.6m, savings and income of £37.9m and a small net £0.3m increase in reserves, within the overall net £46m increase. This is funded by a combination of grant announcements in the 2022-23 provisional local government settlement (including removal of one-off grants from 2021-22), proposed council tax increases and estimated retained business rate growth.

The draft budget includes ten-year capital programme of £1,793m.

Recommendations:

- a) Cabinet is asked to consider any proposed amendments from Cabinet Committees.
- b) Cabinet is asked to endorse the draft budget to be presented to County Council on 10th February for final decisions.

Cabinet Members are asked to be able to refer to the 2021-22 draft budget report published on 5th January 2022 for this meeting.

Cabinet Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to a matter 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.

Background Documents

- 1 KCC's Budget webpage
<https://www.kent.gov.uk/about-the-council/finance-and-budget>
- 2 Original 2021-22 Budget approved by County Council on 11th February 2021
<https://democracy.kent.gov.uk/ieListDocuments.aspx?CId=113&MId=8460&Ver=4>
- 3 KCC Budget Consultation launched 28th July 2021
<https://letstalk.kent.gov.uk/budget-consultation-2022-23>
- 4 KCC report on 2021 Budget Consultation
[Documents | Budget Consultation 2022-23 | Let's talk Kent](#)
- 5 Provisional Local Government Finance Settlement 16th December 2021
<https://www.gov.uk/government/collections/provisional-local-government-finance-settlement-england-2022-to-2023>

Contact details

Report Author

- Dave Shipton (Head of Finance Policy, Planning and Strategy)
- 03000 419418
- dave.shipton@kent.gov.uk

Relevant Corporate Director:

- Zena Cooke
- 03000 416854
- zena.cooke@kent.gov.uk