

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

**To:** Cabinet, 4 January 2024

**Subject:** Revenue and Capital Budget Monitoring Report – October 2023-24

**Classification:** Unrestricted

**Summary:**

The attached report sets out the revenue and capital budget monitoring position as at October 2023-24.

**Recommendation(s):**

Cabinet is asked to:

- a) NOTE the forecast Revenue position.
- b) NOTE the management action of £35.6m identified to bring the Council to a balanced position.
- c) NOTE the projected Schools' monitoring position of £15.9m overspend
- d) NOTE the progress on the delivery of £65.3m savings

**1. Introduction**

- 1.1 The October 2023-24 budget monitoring report being presented sets out the revenue and capital forecast position.

**2 Revenue and Capital Budget Monitoring Report – September 2023-24**

- 2.1 The attached report sets out the overall forecast position as at 31 October 2023-24, which is a revenue overspend of +£35.6m before management action.
- 2.2 2023-24 continues to be an extremely challenging time for local government and KCC is no exception. The latest revenue forecast outturn position for 2023-24 before further management action is an overspend of £35.6m (excluding schools). The forecast overspend represents 2.7% of the revenue budget and continues to present a serious and significant risk to the Council's financial sustainability. Within the overall outturn position there are still significant forecast overspends in Adult Social Care & Health totalling £31.3m, and in Children's, Young People and Education totalling £28.9m before management action. Planned management action has been identified to bring the forecast outturn to within budget by the end of the financial year.
- 2.3 The Schools' Delegated budgets are reporting an overspend of +£15.9m. This reflects the impact of high demand for additional SEN support and greater demand for specialist provision. In 2022-23 the Council entered into a "Safety Valve" agreement with the Department for Education (DfE) and the accumulated DSG deficit will reduce from an estimated £174m to £73m as at 31st March 2024 as a result of contributions from the Council and DfE.

### 3. Recommendation(s)

Cabinet is asked to:

- a) NOTE the forecast Revenue position.
- b) NOTE the management action of £35.6m identified to bring the Council to a balanced position.
- c) NOTE the projected Schools' monitoring position of £15.9m overspend
- d) NOTE the progress on the delivery of £65.3m savings

### 4. Contact details

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