

Kent County Council Labour Group – Alternative Budget

Amendment to the Revenue Budget 2024-25, Medium Term Financial Plan 2024-27 and Capital Programme 2024-34

Proposed by Dr Lauren Sullivan

Seconded by Mr Alister Brady

County Council is asked to agree the following:

2024-25 Revenue Budget and Medium Term Financial Plan

To replace Recommendation (d) by making changes to the revenue budget 2024-25 and Medium Term Financial Plan 2024-27 proposed by the Administration and for it to be substituted with the Labour Group's Alternative Budget. See attached revisions to Appendices D and G for both revised spending allocations and savings proposals. Consequential changes to Appendices E and F should also be assumed where relevant Directorate and Key Service budgets have been changed by the Alternative Budget.

To replace Recommendation (h) with

Accept the recommendation from Personnel Committee for a 4% pay pot and ensuring that Foundation Living Wage and associated differentials continue to be in place at the lower grades. Reject allocating the remainder through TCP and instead KR3-10 will receive at least a 5% pay increase, and the percentage increases for KR11-20 will be allocated on a reducing basis as you progress up the pay scale.

To replace Recommendation (p) with

To note that the Cabinet Member for Finance Corporate and Traded Services, in consultation with the Leader and Cabinet, will determine the final pay increases for KR11 and above based on what is affordable within the total pay pot.

Changes to the Key Policies and Strategies proposed by the Labour Group are only to those as a consequence of the Group's revised budget and medium term financial plan. All other recommendations (e.g. to council tax levels) to remain the same.

1 Introduction

- 1.1 This alternative budget represents a different choice for the Council. A move towards a more sustainable form of service delivery, which puts the needs of Kent residents at its forefront whilst ensuring financial resilience. Supporting Kent's resident's at the earliest opportunity to live secure, healthy, happy and supported lives which gives confidence and resilience to communities - communities to be proud of. Through this alternative vision Kent County Council will support Kent residents of every age to live a better fulfilled life.
- 1.2 This alternative budget recognises and seeks to tackle duplication by investment in the Council's front line services which put the individual at the centre. We will strengthen the Council's front line workforce to empower them to deliver the services which they can be proud of, responding to the direct needs of people. This would be in contrast to the current one-size fit all, dash board and score card led approach that permeates from top down

directives. Instead, a person centred approach delivered by empowered professional front staff to get on with the job and prevent further costly interventions.

- 1.3 The recommendations above and the attached appendices reflect a revised 2024-25 Revenue Budget and Medium Term Financial Plan by Kent County Council's Labour Group, as changes to the Administration's final budget proposals. As such, consequent changes are reflected in Labour Group's budget plans and are published in a format recommended by the Interim Corporate Director of Finance.
- 1.4 Since 2013-14 the Council's Revenue Support Grant has been decimated, under a Conservative Central Government, from £250m to around £12m. During that period inflation rose by over 36.8%. This combination of cuts to grant, a lack of inflationary grant increases and additional demands on services, which remain unfunded nationally, have meant that the County Council has had to make cumulative savings of around £900m since 2010. That includes £88.9m of savings needed to balance the budget in 2024-25.

2. Budget Principles

- 2.1 The Labour Group has sought to engage pro-actively and positively to the budget setting process. The new Budget Dashboard in parts has provided more detail than in previous years but there still remains a lack of detail in some areas, for example, when looking at Adult Social Care Sustainability Plans. This has made the process of understanding the delivery plans and expected impact on Kent residents difficult. If this information lacks clarity for members how do Kent residents know of the Administration's spending and savings plans?
- 2.2 The Labour Group budget has a focus on investing in front line and in-house services. Labour Group has listened to residents' requests in the budget consultation¹, and so proposes to reduce senior management throughout the organisation. The Labour Group recognises the importance of listening to our staff and has responded to this through the design of this budget. The budget consultation engaged with staff and residents who clearly want the Council to consider invest to save principles, efficient use of in-house staff, and the utilisation of in-house provision before engaging with external markets, where we have seen above inflation cost increases coupled with market service failures. The budget has been founded on the following principles:
 - Investment in services consistent with the Kent Labour Party Manifesto Pledges
 - Investment and savings consistent with the principles of expanding in-house provision and investing in universal prevention by reducing spend on commissioning activity.
 - Refuse to accept the Administration's proposed savings, where they are inconsistent with principles outlined above.
 - Produce a balanced budget over 3 years (the period of the medium-term financial plan), ensuring financial prudence and sustainability.
 - Sustainable use of reserves, to smooth investment and savings between years and to use reserves to support one-off investment that produces longer term savings.

3. Manifesto Pledges

- 3.1 The Labour Group's budget is predicated on their Kent Labour 2021 Manifesto. However, the Group acknowledges that not everything in its Manifesto can be delivered in Year 1 of the budget (that is, 2024-25). Therefore, the alternative budget proposal, over the three year life of the Medium Term Financial Plan, delivers on the following:

¹[KCC Budget Consultation 2024-2025 Consultation and Engagement Report](#)

- Establishing an in-house adult social care homecare service to help stabilise the market and replace the use of expensive spot purchasing contracts.
- The creation of a new Adults, Community & Wellbeing Service by reforming a bolstered community warden service with the community based wellbeing services through service transformation into an in-house provision in 2025-26.
- Investment of £3m to create a universal play service for 5-11 year olds, including for those children with additional needs.
- Creating a Youth Service that is fit for purpose focusing on a more preventative universal youth offer.
- Funding feasibility study into a 'Transport for Kent' model while not requiring an additional level of bureaucracy in local government such as a Mayoral Devolution Deal.
- Enhancing the Environment function to actively pursue opportunities for external funding to support net zero and carbon capture projects.
- Investment of training bursaries to address recruitment deficits in social work, social care and educational psychology.
- Retaining all of the Household Waste and Recycling Centres whilst exploring additional revenue streams from recycling, upcycling and repair initiatives.

3.2 Labour Group's budget focuses on protecting and expanding front line services for the residents of Kent. Our residents wanted increased spending on community services and on education services including early year provision, Labour Group have heard Kent residents and acknowledged their voice in this budget.

4. Repudiating the Administration's Cuts

4.1 Labour Group acknowledges that local government has been poorly treated by central Government's austerity cuts over the past 14 years and that the area of Kent is no exception to this. Kent's residents want a review of the Administration's budget and spending priorities. The Labour Group agree and have listened to that request by looking at an alternative way of delivering services. The Labour Group deplores the proposed cuts to front line services put forward by the Administration, many of which target those who can least afford it - the most deprived and vulnerable. So, instead, the alternative budget will:

- Reduce the significant cuts to Adult Social Care by £2.9m, in particular those relating to the proposed online initial contact ("the front door"), package reviews, and supported living.
- Reverse the £2m open access savings by rejecting the Family Hub model to maintain multi-disciplinary Children Centres and Youth Centres.
- Reinstate the community warden service to 2022-23 budget levels, removing a total of £1m cuts from the Administration's current and previous MTFPs.
- Remove all savings from the review of community assets that relate to Children Centres and Youth Centres
- Remove £1.0m savings from a review of the number and operation of HWRCs.
- Reduce children with a disability savings by £0.9m
- Remove £0.6m savings proposed which would see increased caseloads in Early Help.
- Reverse £0.2m cuts to road safety.
- Scale back charging increases in post 16 SEN transport

5. Investing in Prevention & Insourcing

5.1 The Administration's budget year after year focuses on reducing levels of services to residents while the need for these services has increased. Instead, there is a need for a preventative approach which helps people earlier which would see a reduction in demand while protecting existing services. The Labour Group continues to take a more innovative and productive approach. The Labour Group's Alternative Budget proposes in-sourcing an additional £10.3m of services. This includes a number of investments in preventative and in-house services which are already cited (for example, a new in-house domiciliary care service, youth and play services, and the new Adult Community & Wellbeing Service), as well as the following additional proposals:

- £1m investment in Adult Social Care initiatives including family support in the home, mental health preventative services, and shared lives, to produce savings of £3.5m.
- Bringing youth mental health contracts in-house when they cease in 2025-26

6. Proposals from previous Alternative Budgets

6.1 The Labour Group welcomes the following proposals in the Administration's MTFP, which have featured in previous Alternative Budgets:

- Initiatives to increase use of Personal Transport Budgets to reduce demand for hired transport
- Making use of BSIP funding to absorb inflationary increases to the cost of the cost of the Kent Travel Saver
- Development of in-house residential units to provide an alternative to independent sector residential care placements (invest to save)
- The adoption of the Chief Executive model of Governance
- In-house children's residential care initiative

7. Use of Reserves

7.1 Although the Alternative Budget makes use of corporate reserves to help fund invest to save activities in year one and year two of the three year plan, provisions have been put in place for this to be repaid in each of the following years, and overall the Labour Group's three year financial plan results in £985k more in corporate reserves by 2026-27 than the administration's proposed MTFP, making this a more financially sound budget.

8. Conclusions

The Labour Group budget has been reviewed by both the Section 151 Officer and the Monitoring Officer.