

From: Peter Oakford, Deputy Leader and Cabinet Member for Finance, Corporate & Traded Services

To: Environment and Transport Cabinet Committee
– 19 January 2023

Subject: Draft Ten Year Capital Programme, Revenue Budget 2023-24 and medium term financial plan 2023-26

Classification: Unrestricted

Summary:

The administration's budget report published on 3rd January 2023 sets out the background to and draft budget proposals for the capital programme, revenue budget for the forthcoming year and medium-term financial plan. The report is a standard report for the whole council focussing on the key strategic considerations underpinning the decisions necessary for County Council to agree the budget at the Budget Meeting on 9th February 2023

The administration's overall budget strategy is intended to:

Achieve a balanced one-year budget and balanced medium-term plan with minimal unidentified savings targets

Maintain adequate reserves to mitigate financial risks/shocks and to invest in the future

Maintain a strong positive cashflow and high levels of liquidity

Maintain (but not exceeding) levels of borrowing compared to the asset base (maintaining a healthy balance sheet)

Plan to deliver a financially sustainable Council over the medium term.

In summary, the proposed draft 2023-24 revenue budget requires £39.1m savings, £15.7m additional income from fees and charges and net £14.8m from one-off use of reserves (additional contributions & draw downs, and removal of previous contributions and draw downs). The budget proposes a 5% increase in Council Tax which will generate £41.7m income to support service delivery,

The proposed draft capital programme 2023-33 includes spending of £1,644m of which £996m is funded from confirmed/indicative grants, £407m from borrowing and £261m other sources. The administration's strategy for the capital programme is to minimise the level of additional borrowing, for 2023-24 the changes to the programme represents a £9.6m reduction.

Recommendations

The Committee is asked to:

- a) **Comment** on the draft capital and revenue budgets relevant to this committee including responses to consultation.
- b) **Propose** any changes to the draft capital and revenue budgets relevant to this committee for consideration by Cabinet on 26th January 2023 before the draft is presented for approval at County Council on 9th February 2023.

Budget Reports

The full draft budget report and appendices may be accessed on Kent.gov.uk:
[Our budget - Kent County Council](#)

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