

From: Deputy Leader and Cabinet Member for Finance, Corporate and Traded Services, Peter Oakford
Interim Corporate Director Finance, John Betts

To: Cabinet, 26 September 2024

Subject: Revenue and Capital Budget Monitoring Report – June 2024-25

Classification: Unrestricted

Summary:

The attached report sets out the revenue and capital budget monitoring position as at June 2024-25 (Quarter 1). The report also provides detail on the progress on the delivery savings in the 2024-25 revenue budget, revenue and capital cash limit changes made between April and June 2024, and monitoring updates for Treasury Management, Prudential Indicators and Reserves.

Recommendation(s):

Cabinet is asked to:

- a) NOTE the forecast revenue overspend of £16.3m (excluding Schools).
- b) NOTE the forecast overspend on Schools' Delegated Budgets of £23.1m.
- c) NOTE the forecast capital underspend of £55.4m.
- d) NOTE the progress on the delivery of savings.
- e) AGREE the Revenue budget changes.
- f) AGREE the Capital budget changes.
- g) NOTE the Reserves Monitoring
- h) NOTE the Prudential Indicators Monitoring

1. Introduction

- 1.1 The June 2024-25 budget monitoring report being presented sets out the revenue and capital forecast position.

2 Revenue and Capital Budget Monitoring Report – June 2024-25

- 2.1 The attached report sets out the overall forecast position as at 30 June 2024-25, which is a revenue overspend of +£16.3m and a capital underspend of -£55.4m.
- 2.2 The forecast revenue outturn position is an overspend of +£16.3m (excluding schools), which represents 1.1% of the revenue budget. Overspends are being reported in Adult Social Care & Health (+£16.5m), Children, Young People & Education (+£0.1m), Growth Environment & Transport (+£6.2m) and Corporately Held Budgets (+£2.3m). Underspends are being reported in Chief Executive's Department (-£0.9m), Deputy Chief Executive's Department (-£0.9m) and Non Attributable Costs (-£7.1m).

- 2.3 Schools' Delegated budgets are reporting an overspend of +£23.1m. This reflects the impact of high demand for additional SEN support and greater demand for specialist provision. In 2022-23, the Council entered the DfE's Safety Valve Programme for those Councils with the highest deficits to support the development of a sustainable plan for recovery. This includes annual funding from the DfE, totalling £140m by 2027-28 to pay off part of the deficit but only if the Council can demonstrate and deliver a credible plan. Over the same period the Council is also expected to contribute towards the residual deficit estimated to total over £80m.
- 2.4 There is a savings target of £111.2m (excluding changes in grant income and the removal of one-off or undelivered savings in previous years). Currently, £96.3m of savings are forecast to be achieved.
- 2.5 The forecast outturn capital position is a real overspend of £7.7m and a rephasing variance of -£63.1m, so a net underspend of £55.4m.

3. Recommendation(s)

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- c) NOTE the forecast capital underspend of £55.4m.
- d) NOTE the progress on the delivery of savings.
- e) AGREE the Revenue budget changes.
- f) AGREE the Capital budget changes.
- g) NOTE the Reserves Monitoring
- h) NOTE the Prudential Indicators Monitoring

4. Contact details

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