

From: Roger Gough, Leader of the Council
Peter Oakford, Deputy Leader and Cabinet Member for
Finance, Corporate & Traded Services

To: County Council – 10th September 2020

Subject: Amendments to the Revenue Budget 2020-21

Classification: Unrestricted

Summary:

The attached report and appendices set out the significant changes to the Council's 2020-21 revenue budget as a result of Covid-19 pandemic. The amendment also affords the opportunity to incorporate the impact on the 2020-21 budget of issues reported to Cabinet on 22nd June (2019-20 outturn and rollforwards) and 20th July (May 2020-21 monitoring). The report is presented in a new format to improve the accessibility of the information.

Recommendations

The County Council is asked to agree:

- (a) The amended net revenue budget requirement for '20-21 of **£1,099.9m**, up from £1,063.7m in the Original Budget (section 3)
- (b) The individual proposed net spending changes of **£36.3m** across the Council as summarised in the attached report and detailed in Appendix A
- (c) Covid-19 additional response spending, income losses, underspends and provisions for potential recovery costs of **£72.4m** to be held as an unallocated central provision pending confirmation of the full impact of the pandemic
- (d) Revised directorate budgets, financing items and unallocated as per revised revenue budgets (appendix B)

The County Council is asked to delegate:

- (e) Continued responsibility to Cabinet Members and Corporate Directors to manage the budget within the parameters set out in the Constitution and Financial Regulations.
- (f) Authority to the Corporate Director, Finance (after consultation with the Leader, Cabinet Member for Finance, Corporate & Traded Services and the political Group Leaders) to resolve any minor technical issues for the final budget publication which do not materially alter the approved budget or change the net budget requirement. This includes approving the distribution of any unallocated amounts within the approved budget.

The County Council is asked to note:

- (g) The progress on the review of reserves being conducted by the Council's Corporate Director, Finance
- (h) The Corporate Director, Finance's opinion on the robustness of the budget estimates and the level of reserves held by the Council (section 6).
- (i) The outcome of the public consultation (Appendix D)
- (j) The financial outlook for later years in the absence of a multi-year settlement from government, significant potential spending growth and impact of recession on future council tax and business rate collection funds and tax base estimates (section 5).

Members are reminded that Section 106 of the Local Government Finance Act 1992 applies to any meeting where consideration is given to matters 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 they are in arrears and must not cast their vote on anything related to KCC's Budget or Council Tax.

Contact details

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