

Executive Decision Report

<p>Decision maker(s) at each authority and date of Cabinet meeting, Cabinet Member meeting or (in the case of individual Cabinet Member decisions) the earliest date the decision will be taken</p>	<p>Leadership Team 26 February 2018</p> <p>Forward Plan reference: 05171/18/K/A</p> <p>Leadership Team Portfolio: Lead Member for Corporate Services</p>	 <p>THE ROYAL BOROUGH OF KENSINGTON AND CHELSEA</p>
<p>Report title (decision subject)</p>	<p>BUDGET MONITORING 2017/18 (Quarter 3)</p>	
<p>Reporting officer</p>	<p>Director of Finance</p>	
<p>Key decision</p>	<p>YES</p>	
<p>Access to information classification</p>	<p>Public</p>	

1. EXECUTIVE SUMMARY

- 1.1. The budget monitoring information for quarter 3 is presented as two linked reports under this cover sheet – one covers revenue budget monitoring and the other capital budget monitoring.

Revenue Budget Monitor

- 1.2. The half-yearly revenue budget monitor indicates that services departments are underspending slightly, with a significant underspend of £10m forecast for the corporately controlled budgets. The exceptional revenue expenditure relating to the Grenfell tragedy is anticipated to outturn at a net position of £51.7m in the current year, which will need to be funded from the Council's reserves.

Capital Budget Monitor

- 1.3. Overall General fund capital expenditure for 2017-18 is currently forecast to be £31.573m below budget, this is being re-phased with revised cash flows for 2018/19 and future years. Potential net scheme overspends of £ 3.206 Million have been identified on a total programme up until 2020 of over £400 million. These will be kept under review.

2. RECOMMENDATIONS

- 2.1. This report makes the following recommendations:

- 2.2. For the Revenue Budget, Leadership Team is requested:

- to note the financial position as set out for the whole authority in Table 1 and the commentary provided by services;
- to require those services that are overspending to identify any mitigating savings; and where such savings will be inadequate to cover the forecast level of overspending, to devise a recovery plan for approval by the Director of Finance; and

- 2.3. For the Capital Budget, Leadership Team is requested:

- To note the latest General Fund Programme forecast positions as set out in Table 1 below and detailed at Appendix 1;

Chris Buss
DIRECTOR OF FINANCE