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To: Corporate Policy Overview Committee – 26 September 2008

Subject: Corporate Services Budget Monitoring 2008/09

Classification: Unrestricted

For Information

1. Introduction

- 1.1 This is the first report to this Committee on the forecast outturn against budget for the Chief Executive's Department and the Financing Items budget for the year 2008/09.

2 First-Quarter monitoring report

- 2.1 Attached are the monitoring reports for the first quarter for the Chief Executive's Department and the Financing Items budget. These are copies of the annexes included in the budget monitoring report to Cabinet on 15 September. The main points to highlight are:

a) Chief Executive's Department

The forecast variance at year-end is an underspend of £278k. The attached report details the reasons for this forecast underspend. The main reasons for the forecast underspend, after the implementation of management action, can be summarized as:

Unit	£'000	Reason
Legal Services	-218	Additional internal and external legal work
Kent TV	-200	Reflects the anticipated re-phasing of second year spend following confirmed profile of £1.2m cost over 2 years. Initial cash limits based on £600k per annum.
Democratic Services	118	Delayed staff savings
Personnel & Development	22	Reduced levels of income resulting from staff vacancies
Total	-278	

b) Financing Items

The net forecast underspend is £0.6m. This reflects:

Unit	£'000	Reason
Debt charges and interest on cash balances	-2,266	Lower levels of borrowing in 07/08 and 08/09 and better rates for new borrowing than assumed
Commercial Services	300	Shortfall on income from roundabout sponsorship
LABGI	1,349	Reduction in estimated LABGI grant
Total	-617	

3 Recommendations

- 3.1 Members of the Corporate POC are asked to note the projected outturn figures for the directorate as at the first quarter

Background Documents: Cabinet 15 September 2008 – Revenue and Capital Budgets, Key Activity and Risk Monitoring

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