Committee(s): Finance Committee – For Information	**Dated:** 22/09/2026
Subject: Budget Monitoring Quarter 1 2026/27	**Public report:** For Information
This proposal: • **delivers Corporate Plan 2024-29 outcomes** • **provides statutory duties** • **provides business enabling functions**	The budget provides the funding to deliver all of the Corporation's corporate objectives either directly or indirectly.
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain's Department?	N/A
Report of:	The Chamberlain
Report author:	Iain Jenkins, Chief Accountant

Summary

The report outlines the key updates on the forecast revenue and capital monitoring position for the 2026/27 financial year as at the end of Quarter 1 (June).

Revenue forecast variance by fund – Q1

Figures in brackets are underspends/over achievement of income

	City Fund **£'000**	**City's Estate** **£'000**	**Guildhall Administration** **£'000**	**Total** **£'000**
Local Risk	(282)	1,240	(136)	822
Central Risk	(5,959)	(2,735)	(45)	(8,740)
Total Q1	**(6,241)**	**(1,496)**	**(181)**	**(7,918)**

Key points – City Fund

- At Quarter 1 City Fund is forecasting an underspend of £4.5m against budget, predominantly due to additional central risk income, through interest earned on cash balances (Chamberlain £3.9m) and rental income (City Surveyors £3.1m), partially offset by local risk (Chief Officer cash limited budget) overspends, significantly by DCCS (£2.2m) and Barbican Centre (£0.9m). The appendix outlines measures being implemented to address the overspends and restore expenditure to within budgetary limits.
- HRA are forecasting a deficit of £3.5m comprising £2.6m of exceptional financial support and an underlying HRA pressure of £0.9m. Work is ongoing to review the HRA and identify options to manage the in year financial position. An updated position at month 4 is provided in a separate paper to this Committee.
- Of the total in-year savings of £3.8m, £0.850m has been confirmed as deliverable to date. The remaining savings are currently assessed as non-deliverable under the existing savings initiatives and therefore Officers are exploring alternative options to address the savings gap, an update on savings will be brought back to this committee in the autumn.
- Capital is forecasting an in-year slippage of £58.1m in relation to major projects, further information is contained within the separate paper to this Committee.

Key points – City's Estate

- The overall forecast for City's Estate at Quarter 1 is an underspend of £1.5m, this predominantly relates to additional rental income (City Surveyor £2.6m) partially offset by an overspend on GSMD £0.9m.
- Of the £3.1m in year savings target, it remains expected that the full amount will be delivered through the initiatives identified. The savings proposals relating to GSMD is being supported by contingency funding, reducing the associated delivery risk and strengthening confidence in achieving the overall target.
- Capital is forecasting an in-year over spend of £2.4m in relation to major projects, further information is contained within the separate paper to this Committee.

Recommendation(s)

Members are asked to:

- Note the report.

Corporate & Strategic Implications

Strategic implications – The budget is developed in conjunction with corporate plans to ensure it aligns with strategic objectives. Any variances and impacts on delivery are noted within the report.
Financial implications – Contained within the body of the report
Resource implications – Contained within the body of the report
Legal implications – No direct implications
Risk implications – Financial variances highlighted and contained within the body of the report
Equalities implications – No direct implications
Climate implications – No direct implications
Security implications – No direct implications

Appendices

- Appendix 1 – Quarter 1 Budget Monitoring 2026/27 Report pack

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