

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	2 December 2010
DIRECTOR	Stewart Carruth, Director of Corporate Governance
TITLE OF REPORT	2010/11 FINANCIAL MONITORING
REPORT NUMBER:	CG/10/191

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to
- i) Bring to Committee members notice the current year revenue and capital budget performance to date for the Services within Corporate Governance which relate to this Committee; and
 - ii) Advise on any areas of risk and management action.

2. RECOMMENDATIONS

- 2.1 It is recommended that the Committee:
- i) Note this report and the information on management action and risks that is contained herein; and
 - ii) Note the content of this report in relation to the capital programme; and
 - iii) Instruct that officers continue to review budget performance and report on Service strategies.

3. FINANCIAL IMPLICATIONS

Financial Implications are detailed in section 5 Background/Main Issues

4. OTHER IMPLICATIONS

None

5. BACKGROUND/MAIN ISSUES

- 5.1 This report informs members of the current year revenue budget performance to date compared with budget and provides a high level summary to period 6, end of September 2010. It also outlines any cost pressures that are immediately identifiable from the expenditure incurred to date and actions being undertaken to manage these.
- 5.2 An overview of the current Capital Budget for Corporate Governance is also provided.

Financial Position and Risks Assessment

- 5.3 The Service report is attached at Appendix A. There is a projected net reduction in costs of £800K (3.1%), across the overall current net budget of £26 M.
- Core activities of Corporate Governance are currently projecting an under-spend of £700K. This reflects a favourable variance of £1M of expected staffing savings across the Service. In addition projected savings in the region of £300K will be achieved from training courses.
 - The above is offset by a reduction in recoverable costs, in part due to the reduction in staff costs included in the above savings. Also external legal charges are £300K over budget. This is due to corporate legal actions which have arisen since the budget was set. External support has also been required to complete essential work, which otherwise would not be completed due to staff vacancies.
 - Within the area of the Corporate Debt Income Manager, further staff savings of £300K have been identified. The projected additional costs relating to housing benefit awards of £1.5 million previously reported have been transferred to Housing and Environment. There will be a reduction in recoveries against Council Tax of £100K; however this will be compensated for by a matching increase in net Council Tax income to the Council but out-with the Revenue Budget.

5.4 The Capital Budget for Corporate Governance is £13.4M with spend to period 6 was £2.1M. Included in these figures is £1.4M budget for Grampian Police, the spend to date for which is £940K. A carry forward figure of £850K from 2009/10 is included in the above budget.

5.5 The largest project for Corporate Governance is the procurement of a Managed Data Centre with a budget of £4.3 million. Current projections suggest that this will come in within budget with completion in 2011/12. Further detail is attached in Appendix B to this report.

6. IMPACT

6.1 The issues referred to in this report impact on the overall financial position of the Council which are included in another report on the agenda.

7. BACKGROUND PAPERS

Financial ledger data extracted for the period ;(not attached)

8. REPORT AUTHOR DETAILS

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DIRECTORATE : CORPORATE GOVERNANCE

APPENDIX A

Figures in Brackets represent income or a favourable variance

As at	30 September 2010	Full Year Revised Budget	Year to Date			Forecast to Year End		
			Revised Budget	Actual Expenditure	Variance Amount	Out-turn	Variance Amount	Variance Percent
ACCOUNTING PERIOD 6		£'000	£'000	£'000	£'000	£'000	£'000	%
Head of Finance - S.95 Officer		4,093	2,308	2,228	(80)	3,972	(121)	-3.0%
Head of Legal and Democratic Services		2,138	1,058	1,229	171	2,364	226	10.6%
Head of Human Resources and Org Dev		4,340	2,186	1,830	(356)	3,864	(476)	(11.0%)
Head of Procurement		361	192	303	111	241	(120)	(33.3%)
Head of Customer Service and Performance		12,382	5,831	5,659	(172)	12,252	(130)	0.0%
Operational Support Manager		622	325	276	(49)	543	(78)	(12.6%)
TOTAL BUDGET (EXCLUDING CDIM)		23,936	11,900	11,525	(375)	23,236	(700)	(2.9%)
Corporate Debt Income Manager		2,116	993	983	(10)	2,010	(106)	-5.0%
TOTAL BUDGET		26,052	12,893	12,508	(385)	25,246	(806)	-3.1%

NON HOUSING CAPITAL PROGRAMME 2010/11
MONITORING STATEMENT TO 24 SEPTEMBER 2010 (PERIOD 6)

APPENDIX B

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Per report to Council 11/02/10	F&RC 28/09/10	Per report to Council 11/02/10 + Adjustments + c/f from 09/10	F&RC 28/09/10	F&RC 28/09/10	F&RC 28/09/10	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %
					Estimated Budget 2010/11 £'000	Carry Forward from 09/10 £'000	Revised Budget 2010/11 £'000	Spent/ Legally Committed £'000	Requested but not Committed £'000	Minimum Required 2010/11 £'000		
Corporate Governance												
Corporate Accommodation												
334	Mobile Working	Various	Paul Fleming	Lyle Smith	970	0	970	55	445	500	27	5.41%
<i>Project Description/Project Cost - Providing ICT equipment to allow mobile working for any Service that will benefit from adopting such an approach. Three tender processes are live at the moment. One for the equipment to enable mobile working; one for a s</i>												
630	Data Centre Move	CT43101	Paul Fleming	Paul Fleming	4,335	46	4,381	106	2,834	2,940	38	1.30%
<i>Project Description/Project Cost - The subject of this project is the procurement of a Managed Data Centre, to replace the existing facility within St Nicholas House, and the implementation of a Virtual Desktop Environment (VDE) to support the move to Mar</i>												
657A	Customer First Programme - CRM System	CG54501	Paul Fleming	Jacqui Gale	450	0	450	50	90	140		0.00%
<i>Project Description/Project Cost - The Customer First Programme is a key vehicle for transforming the way in which our customers access our services one element of which is the implementation of Customer Relationship Management technologies to support str</i>												
657B	Customer First Programme - Frederick Street	CG54501	Paul Fleming	Jacqui Gale	2,400	62	2,462	1,683	706	2,389	1,048	43.87%
<i>Project Description/Project Costs - Initial review of tender responses have indicated that soft marketing testing was inaccurate. Project has therefore been reprofiled and i the £62K carried forward from 09/10. It should also be noted that the £73K slip</i>												
					8,155	108	8,263	1,894	4,075	5,969	1,113	18.65%

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Per report to Council 11/02/10	F&RC 28/09/10	Per report to Council 11/02/10 + Adjustments + c/f from 09/10	F&RC 28/09/10	F&RC 28/09/10	F&RC 28/09/10	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %	
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Corporate ICT													
277	IT Infrastructure Improvements Repairs/Renewals <u>Project Description/Project Costs</u> - Rolling programme of works to improve the ICT Infrastructure and ongoing replacement of ICT Infrastructure assets which are not performing adequately and/or have reached the end of their natural lifespan. The majorit	Various	Paul Fleming	Sandra Massey	1,776		119	1,895	293	178	471	2	0.32%
346	IT Hardware & Software Development	Various	Paul Fleming	Ann Irvine	0		60	60	60	0	60	0	0.00%
565	ICT Disaster Recovery Funding <u>Project Description/Project Cost</u> - This project funds the reduction or elimination of prioritised single points of failure on the ICT Infrastructure, identified through major ICT incidents and regular ICT Disaster Recovery scenarios. There are no curren	CT41201	Paul Fleming	Sandra Massey	100		25	125	57	10	67	28	41.42%
708	Development of Online Service Delivery <u>Project Description/Project Cost</u> - Under the new common CSAP structure, the work of CRM and e-Government Teams are much more closely aligned. This is reflected in the options being developed for the five year costed business plan which will see a single	CT46621	Paul Fleming	Ian Watt	150		0	150	38	211	249	19	7.50%
709	Integrated Document Management <u>Project Description/Project Cost</u> - Implementation of a corporate electronic document management and workflow solution. Will ensure that paper and digital based records are available to all parts of the council. This work is a direct support to many proces	CT46631	Paul Fleming	Lyle Smith	824		0	824	124	30	154	45	29.00%
711	Electronic Corporate Performance Management System <u>Project Description/Project Cost</u> - The purpose of this project is to improve the Council's measurement, monitoring, reporting and management of performance and project data	CT46651	Paul Fleming	Martin Murchie	55		0	55	0	0	0	0	0.00%
714	Identity Management <u>Project Description/Project Cost</u> -The outcome of this project is to create a link between several ICT systems all of which hold and use information about employees. The development work will now be achieved by a method different to that included in the in	CT46681	Paul Fleming	Ialcolm Matheso	0		0	0	0	0	0	0	0.00%
					2,905		204	3,109	572	429	1,001	93	9.25%

Project ID	Project Description	Job Code	Head of Service	Budget Holder	Estimated Budget 2010/11 £'000	Carry Forward from 09/10 £'000	Revised Budget 2010/11 £'000	Spent/ Legally Committed £'000	Requested but not Committed £'000	Minimum Required 2010/11 £'000	Actual Spend to Sept 10 £'000	Percentage Spend to Requirement %
	Other ICT											
690	Consol Upgrade/Replacement <i>Project Description/Project Cost</i> - Upgrade or replacement of the existing job costing, contract management and management information system for Building Services, Roads services, and Ground Services with possible extension for Environmental Services and	CD11101	Paul Fleming	Allen Small	0	5	5	5	0	5	0	2.00%
746	Application Processing System <i>Project Description/Project Cost</i> - Ongoing review of planning systems to meet the requirements of the Planning etc (Scotland) Act 2006 and the development of e-planning. Underspend of £26,000.	CV70201	Paul Fleming	Sharron Taylor	20	0	20	20	0	20	0	0.54%
771	HR/Payroll <i>Project Description/Project Cost</i> -The current position with the HR/ Payroll project is the ongoing exploration of joint procurement or sharing arrangement options is creating a considerable delay to the HR/ Payroll project time frame.	CT46691	Paul Fleming	Rupali Kulkarni	120	0	120	0	0	0	0	0.00%
					140	5	145	25	0	25	0	0.83%
	Miscellaneous											
769	Police - Capital Grant	CF44720	Barry Jenkins	Barry Jenkins	1,408	533	1,941	1,408	0	1,408	935	66.43%
					1,408	533	1,941	1,408	0	1,408	935	66.43%
Total - Corporate Governance					12,608	850	13,458	3,899	4,504	8,403	2,141	25.48%