

## ABERDEEN CITY COUNCIL

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COMMITTEE	Finance and Resources
DATE	1 February 2011
DIRECTOR	Stewart Carruth, Director of Corporate Governance
TITLE OF REPORT	2010/11 FINANCIAL MONITORING
REPORT NUMBER:	CG/11/003

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to
- i) Bring to Committee members notice the current year revenue 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) 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 provides a high level summary with accrued actual expenditure to period 8, November 2010. The forecast is based on Collaborative Planning input by budget holders to period 7, end of October 2010.

### **Financial Position and Risks Assessment**

- 5.2 The Service report is attached at Appendix A. There is a projected net reduction in costs of £900K (3.3%), across the overall current net budget of £28 M.
- The projected savings identified within Human Resources and Organisational Development primarily result from a £300k reduction in the costs of Conferences and Courses.
  - The £400k under spend projected for Customer Service and Performance relates to £350k saving in ICT Supplies and Services, both Hardware and Software. In addition £200k staff savings have been identified as well as £100k relating to Grants. The foregoing is offset by a reduction in expected recharges of £300k.
  - The remaining favorable movement is accounted for by staff savings within various headings across the Services.
- 5.3 The forecast figures for Head of Finance excludes the unrecoverable costs relating to homelessness as this is now within Housing and Environment. This is not yet reflected in the year to date results and has resulted in a £950k overspend on the budget.

## 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 8 (not attached).

## 8. REPORT AUTHOR DETAILS

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## Appendix A

		Year to Date			Forecast to Year End			
AS AT	30 November 2010	Full Year Revised Budget	Revised Budget	Actual Expenditure	Variance Amount	Out-turn	Variance Amount	Variance Percent
ACCOUNTING PERIOD 8		£'000	£'000	£'000	£'000	£'000	£'000	%
Head of Finance - S.95 Officer		6,730	5,113	6,068	954	6,533	(197)	(2.9%)
Head of Legal and Democratic Services		2,231	1,468	1,744	276	2,402	171	7.7%
Head of Human Resources and Org Dev		5,323	3,569	2,858	(711)	4,851	(473)	(8.9%)
Head of Procurement		393	265	33	(232)	414	21	5.4%
Head of Customer Service and Performance		12,567	8,171	7,606	(566)	12,101	(466)	(3.7%)
Operational Support Manager		515	362	313	(48)	551	36	6.9%
TOTAL BUDGET		27,760	18,949	18,622	(327)	26,852	(908)	(3.3%)