

ABERDEEN CITY COUNCIL

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COMMITTEE	Finance and Resources
DATE	16 June 2011
DIRECTOR	Stewart Carruth, Director of Corporate Governance
TITLE OF REPORT	2010/11 FINANCIAL MONITORING
REPORT NUMBER:	CG/11/063

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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 near actual expenditure for the year to 31, March 2011. Included in the figures are estimates for the recovery of costs from the Housing Revenue Account and Trading Services. Final figures will only be available once the full Central Support Service allocation has been finalised as part of corporate year end procedures. It is estimated that these recoveries could vary by as much as £100K in either direction.

### Financial Position and Risks Assessment

- 5.2 The Service report is attached at Appendix A. There is a projected net reduction in costs of £1.4M (4.1%), across the overall current net budget of £28.0M. The movement in variance from that reported to Committee on 21 April 2011 is accounted for by additional staff savings (£200K).

- The savings of £940K identified within Human Resources and Organisational Development result from a £400K reduction in the costs of Conferences and Courses. In addition £450K of efficiency savings in staff costs have been achieved primarily resulting from the establishment of the Human Resources Service Centre.
- The remaining favorable movement of £500K is accounted for by staff savings within various headings across the Services, offset by additional costs in other areas.

## 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 12 (not attached).

## 8. REPORT AUTHOR DETAILS

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Appendix A

AS AT	31 March 2011	ANNUAL BUDGET	NEAR ACTUAL	VARIANCE FROM BUDGET	
ACCOUNTING PERIOD 12		£'000	£'000	£'000	%
		6,990	6,580	(410)	(5.9)%
		2,234	2,137	(97)	(4.3)%
		5,408	4,539	(869)	(16.1)%
		392	663	271	69.1%
		12,241	11,985	(256)	(2.1)%
		521	470	(51)	(9.8)%
<b>TOTAL BUDGET</b>		<b>27,786</b>	<b>26,374</b>	<b>(1,413)</b>	<b>(5.1)%</b>

PROJECTED VARIANCE AT P11	VARIANCE FROM LAST REPORT	
£'000	£'000	%
(148)	(262)	(177.3)%
105	(202)	(192.4)%
(935)	66	7.0%
76	195	256.6%
(154)	(102)	(66.2)%
(87)	36	41.4%
<b>(1,143)</b>	<b>(270)</b>	<b>(23.6)%</b>