

ABERDEEN CITY COUNCIL

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| COMMITTEE | Finance and Resources |
| DATE | 6 December 2012 |
| DIRECTOR | Stewart Carruth |
| TITLE OF REPORT | 2012/13 Financial Monitoring - Corporate Governance |
| REPORT NUMBER: | CG/12/119 |

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to:
- i) Inform the Committee of the 2012/13 revenue budget's financial performance for the period to 30 September 2012, including the forecast outturn for the year to 31 March 2013 for the Services within Corporate Governance; 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 of accrued actual expenditure to period 6, September 2012. The forecast is based on information and feedback from budget holders captured in September 2012.

Financial Position and Risks Assessment

- 5.2 The Service report is attached at Appendix A which shows projected net outturn savings £1M (3.7%), across the current net budget of £28.5M. There are not any significant risks at this time, and while the following items are of note they have been incorporated into the forecast net outturn:-

- Net savings of £1,030K have been identified from careful workforce management, including retention of some vacancies.
- Recharge Income for Corporate Governance is expected to be £360K below budget. A number of specific areas can no longer be recovered due to revised accounting practice and identification of significant cost savings which have reduced the level of recoverable expenditure.
- Savings on the corporate provision of courses to a value of £130k, is forecast based on careful management of this budget.
- Savings relating to financial guarantees of £85K resulting from reduced debt exposure have been identified and this together with other savings within Administration, Supplies & Services account for the remainder of the movement.

6. RISK ASSESSMENT

Heads of Service in conjunction with the line managers continue to monitor budgets and manage services to achieve savings, whilst maintaining and developing service delivery.

7. IMPACT

- 7.1 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.

8. BACKGROUND PAPERS

Financial ledger data extracted for the period 6 (not attached).

9. REPORT AUTHOR DETAILS

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Appendix A

| As at end of September 2012 | | Year to Date | | | Forecast to Year End | | |
|--|-----------------------------------|-------------------------|-----------------------------|--------------------------|----------------------|--------------------------|-----------------------|
| Accounting Period 6 | Full Year Revised Budget £'000 | Revised Budget £'000 | Actual Expenditure £'000 | Variance Amount £'000 | Outturn £'000 | Variance Amount £'000 | Variance Percent % |
| HEAD OF FINANCE - S.95 OFFICER | 6,934 | 4,565 | 4,652 | 87 | 7,001 | 67 | 0.97% |
| HEAD OF LEGAL AND DEMOCRATIC SERVICES | 1,722 | 863 | 698 | (165) | 1,692 | (30) | (1.8%) |
| HEAD OF HUMAN RESOURCES AND ORG DEV | 4,548 | 2,315 | 2,163 | (152) | 4,010 | (538) | (11.8%) |
| HEAD OF PROCUREMENT | 445 | 222 | 176 | (46) | 397 | (48) | (10.8%) |
| HEAD OF CUSTOMER SERVICE AND PERFORMANCE | 14,870 | 7,088 | 6,638 | (450) | 14,371 | (499) | (3.4%) |
| TOTAL BUDGET | 28,520 | 15,053 | 14,327 | (726) | 27,471 | (1,049) | (3.7%) |