

ABERDEEN CITY COUNCIL

COMMITTEE	Finance and Resources
DATE	25 April 2013
DIRECTOR	Stewart Carruth
TITLE OF REPORT	2012/13 Financial Monitoring - Corporate Governance
REPORT NUMBER:	CG/13/041

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 28 February 2013, 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 11, February 2013. The forecast is based on information and feedback from budget holders captured in February and March 2013.

Financial Position and Risks Assessment

- 5.2 The Service report is attached at Appendix A which shows projected net outturn savings £1.5M (5.5%), across the current net budget of £27.8M. 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 £1.6M have been made within staff costs.
- Income for Corporate Governance is expected to be £200K 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 £250K, is forecast based on careful management of this budget.
- Savings relating to financial guarantees of £80K 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.
- A provision will be made to fund ICT Improvements.

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 11 (not attached).

9. REPORT AUTHOR DETAILS

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Appendix A

As at end of Feb 2013		Year to Date			Forecast to Year End		
Accounting Period 11	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	6,950	7,254	7,237	(17)	6,889	(61)	(0.9%)
HEAD OF LEGAL AND DEMOCRATIC SERVICES	1,492	1,370	934	(435)	1,204	(288)	(19.3%)
HEAD OF HUMAN RESOURCES AND ORG DEV	4,539	4,236	3,512	(724)	3,910	(629)	(13.9%)
HEAD OF PROCUREMENT	445	408	310	(98)	368	(77)	(17.4%)
HEAD OF CUSTOMER SERVICE AND PERFORMANCE	14,380	13,184	12,273	(911)	13,917	(463)	(3.2%)
TOTAL BUDGET	27,806	26,451	24,266	(2,185)	26,287	(1,518)	(5.5%)