

## ABERDEEN CITY COUNCIL

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**COMMITTEE:** BUDGET MONITORING BOARD  
**DATE:** 27 NOVEMBER 2009  
**REPORT BY:** CITY CHAMBERLAIN  
**TITLE OF REPORT:** SERVICES – SAVINGS PROGRESS 2009/10  
**REPORT NUMBER:** CG/09/161

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### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update the Committee on the progress being made in achieving the approved savings/income generation for 2009/10.

### 2. RECOMMENDATION(S)

- 2.1 It is recommended that Members:
- (a) consider and note the updates detailed at Appendix A of this report which have been provided by Services; and
  - (b) reinforce the need for all services to identify wherever necessary alternative courses of action to close any gap that may exist in delivering services on budget in 2009/10..

### 3. FINANCIAL IMPLICATIONS

- 3.1 Directors are tasked with setting out the management action they will be taking and the decisions required by Members, if any, to produce compensatory savings where difficulty in meeting financial targets is projected.
- 3.2 The total value of savings which have been approved for 2009/10, and is reported at Appendix A, is £26.625 million. A further £0.268 million has been added to track the savings related to Hazlehead Golf Course at the request of the May 2009 Budget Monitoring Board.
- 3.3 Alternative means of addressing any shortfall in achieving these savings are required and this is covered in more detail in the Revenue Budget 2009/10 Monitoring report also on the Committee agenda.
- 3.4 Financial performance reporting is being provided to Service Committees on a six weekly cycle and overall corporate financial performance reporting is being made to the Finance and Resources Committee.

#### **4. SERVICE & COMMUNITY IMPACT**

- 4.1 There are none directly in relation to this report. However, Directors are required to actively manage their budgets and put appropriate measures in place to counteract adverse movements on the delivery of their overall services budget and specific budget savings

#### **5. OTHER IMPLICATIONS**

- 5.1 None directly in relation to this report.

#### **6. REPORT**

- 6.1 The Council approved a range of budget savings for 2009/10 and the Budget Monitoring Board has previously received progress reports on each saving from each Service.
- 6.2 Appendix A reflects the latest updates that are held on the Covalent system and used by budget holders and project leads to report on progress being made. This level of detail is made available for the Committee's consideration.
- 6.3 The Appendix shows a high proportion of the savings reported as being delivered or on target to be delivered at this time and there are some areas where work is continuing to ensure that savings are delivered in full. A number of significant savings are more difficult to accurately project, for example the exact effect of price changes on volumes and overall income, and therefore a degree of caution needs to be taken around some forecasts. The forecasts remain under review and are subject to regular update.
- 6.4 The impact of not being able to achieve the full value of savings in these areas means that savings from alternative areas are required and each Director has the responsibility to identify where this can be successfully introduced in order to balance their budget overall. Options to do this will include reducing planned purchasing of goods and services, holding an increased number of posts vacant or for longer, and so on, as well as the more significant savings opportunities through changes in service delivery levels.

#### **7. AUTHORISED SIGNATURE**

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#### **9. BACKGROUND PAPERS**

Reports from the Covalent system, which makes up Appendix A