

ABERDEEN CITY COUNCIL

---

COMMITTEE                      Enterprise, Planning and Infrastructure

DATE                              3 June 2014

DIRECTOR                        Gordon McIntosh

TITLE OF REPORT                2013/14 Revenue Budget Monitoring

REPORT NUMBER:                EPI/14/129

CHECKLIST RECEIVED    Yes

---

1.     PURPOSE OF REPORT

- 1.1    The purpose of this report is to:
- i)    bring to Committee members' notice the current year revenue budget performance to date along with forecast outturns for the Services which relate to this Committee;
  - ii)   advise on any areas of risk and management action.

2.     RECOMMENDATION(S)

- 2.1    It is recommended that the Committee:
- i)    note this report on the performance for the 2013/14 financial year and the reasons for the main variances from budget;
  - ii)   instruct that officers continue to review budget performance and report on Service strategies as required to ensure a balanced budget;
  - iii) note that the financial position being reported for the Directorate represents the near-actual position for 2013/14 and is still be subject to external audit adjustment.

3.     FINANCIAL IMPLICATIONS

- 3.1.   The total Enterprise, Planning and Infrastructure budget currently amounts to £40.3M of net expenditure.
- 3.2.   The Directorate recorded a net underspend of £2.2M for the year. This position will be reflected in the overall financial monitoring for the Council when it is reported to Finance and Resources Committee at the end of this committee cycle. The £2.2M underspend is arrived at after taking into account the net income from penalty charges arising as a result of the civil enforcement of bus lanes. This figure was £980K for

2013/14 and will be earmarked for use on future projects in support of the council's Local transport Strategy.

- 3.3. Further details of the financial implications are set out in section 5 and in the appendix to this report.

#### 4. OTHER IMPLICATIONS

- 4.1 None.

#### 5. BACKGROUND/MAIN ISSUES

- 5.1 This report informs Members of the revenue budget performance for the Directorate for the 2013/14 financial year and provides a high level summary for the consideration of Members.
- 5.2 The Directorate report and associated notes are attached at Appendix A. The overall position for the Directorate is a net underspend of £2.2M.

The main factors that contributed to this variance from budget are detailed below:

- Staff costs across the Directorate were £1.5M below budget as a result of the ongoing management of vacancies.
- Premises costs were £720K below budget with the main savings coming from property repairs costs and rates costs.
- Planning application and building application fee income was £1.0M, as a result of a high level of new applications, including a number of large individual applications during the year.
- Fleet Maintenance costs were £710K above budget. It should be noted that this overspend is mitigated in part by corresponding savings in other Directorates but the net overspend reflects the high average age of the vehicle fleet.
- Energy costs for the main office sites exceeded budget by £190K.
- Sponsorship income for the year was £160K below budget.

#### 6. IMPACT

Corporate - as a recognized top priority, the Council must take the necessary measures to balance its budget. Therefore Committees and

Services are required to work within a financial constraint. Every effort is being focused on delivering services more efficiently and effectively.

Public – this report is likely to be of public interest due to the size of the budgets involved and the nature of the services provided by Enterprise, Planning and Infrastructure, a number of which are front line services delivered directly to citizens and the business community within the city.

7. MANAGEMENT OF RISK

There are no risks associated with the decisions required of the Committee in respect of this report.

8. BACKGROUND PAPERS

Financial ledger data extracted for the period.

9. REPORT AUTHOR DETAILS

Brian Downie  
Finance Partner  
bdownie@aberdeencity.gov.uk  
01224 346351