

ABERDEEN CITY COUNCIL

COMMITTEE: Housing and Environment
DATE: 16 February 2010
REPORT BY: Director and City Chamberlain
TITLE OF REPORT: 2009/10 REVENUE BUDGET MONITORING
REPORT NUMBER: H&E/10/017

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 for the services of the which relate to this Committee; and
 - ii) advise on any areas of risk and management action.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee:
- i) consider and 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 as required to ensure a balanced budget.

3. FINANCIAL IMPLICATIONS

- 3.1. The total Housing and Environment budget, amounts to around £49.603 million net expenditure excluding the Housing Revenue Account (HRA) budget.
- 3.2. The HRA which has gross expenditure of £68.677 million is ring-fenced and is funded mainly from housing rents.
- 3.3. The forecast position on the HRA as outlined would suggest that there will be projected working balance of £5.135 million after taking account of the 2009/10 out-turn and other previously agreed commitments. This is within the recommended level of £3.345 million.
- 3.4. Further details of the financial implications are set out in section 6 and the appendices attached to this report.

4. SERVICE & COMMUNITY IMPACT

- 4.1. As a recognised 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.

5. OTHER IMPLICATIONS

- 5.1. Every organisation has to manage the risks inherent in the operation of large and complex budgets. These risks are minimised by the regular review of financial information by services and corporately by Members. This report is part of that framework and has been produced to provide an overview of the current operating position.

6. REPORT

- 6.1 This report informs members of the current year revenue budget performance to date, for the service's budget and provides high level summary for the consideration of Members, to period 9 (end to December 2009). It also outlines whether or not there are any cost pressures that are immediately identifiable from the expenditure incurred to date and actions being undertaken to manage these.
- 6.2 This service report and associated notes is attached at Appendix A

Financial Position and Risks Assessment

In overall terms at this stage, analysing Appendix A, the position reflects there is an anticipated under spend of £405,000 on the total Housing and Environment Budget (excluding the Housing Revenue Account) and reflects a favourable decrease of £545,000 since the last report to this Committee. This is principally as a result of the inclusion of income from the Zero Waste Fund and additional income identified within refuse collection.

The Housing Revenue Account is still anticipated to have a balanced budget, with a potential increase of the capital from current revenue due to the overall favourable position principally the result of reduced capital financing costs.

- 6.3 At this time, the area of risk being identified is Supporting People a review is currently underway to establish a year end out turn however it is anticipated any likely over spend can be funded within Housing and Environment principally and under spend in Homeless Strategy.

7. REPORT AUTHOR DETAILS

Helen Sherrit
Senior Accountant
hsherrit@aberdeencity.gov.uk
01224 523566

8. BACKGROUND PAPERS

Financial ledger data extracted for the period;