

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	24 April 2018
REPORT TITLE	Council Financial Performance – Quarter 4, 2017/18
REPORT NUMBER	RES/18/001
DIRECTOR	Steven Whyte
CHIEF OFFICER	Sandra Buthlay
REPORT AUTHOR	Lesley Fullerton
TERMS OF REFERENCE	1.3

1. PURPOSE OF REPORT

- 1.1 To provide the full year actual position for the financial year 2017/18, as at 31 March 2018, for the Council, including General Fund and Housing Revenue Account (HRA) revenue and capital accounts and the Common Good Revenue Account and Balance Sheet.

2. RECOMMENDATION(S)

- 2.1 It is recommended that the Committee:
- a) Note the current final outturn position for the financial year 2017/18;
 - b) Approve the various transfers for 2017/18, between Council accounts and earmarked sums for the General Fund, Housing Revenue Account and Common Good as at 31 March 2018 as shown in Appendix 1;
 - c) Note that in accordance with the relevant strategies to maintain revenue balances, the Council's objective of retaining recommended levels of uncommitted balances has been achieved; and
 - d) Note that the unaudited Annual Accounts for 2017/18 will be presented to the Audit, Risk & Scrutiny Committee, along with the Annual Governance Statement and Remuneration Report, at its meeting on 8 May 2018.

3. BACKGROUND

- 3.1 This is the fourth quarterly financial report for 2017/18, representing the final report for the year and the culmination of stepped changes during the year in the way the Council reports its financial position.
- 3.2 This report focuses on the final financial position for the full year for the Council's General Fund, Housing Revenue Account and Common Good.

- 3.3 Quarterly reporting has evolved throughout the year to incorporate further changes such that the aim of achieving a faster year end closedown and the production of the unaudited annual accounts by the end of April 2018 can be achieved. This means the Council will have produced its annual accounts two months earlier than the statutory deadline.
- 3.4 The actual position for the year is reflected in Appendix 1.
- 3.5 Reporting of the Council's financial performance in 2018/19 will be adapted to reflect the Target Operating Model structure.

4. FINANCIAL IMPLICATIONS

- 4.1 The full year financial position is provided in Appendix 1 to this report and is summarised below:

	2017/18 Budget £'000	2017/18 Actual (Surplus)/Deficit £'000	(Favourable)/ Adverse Movement £'000
General Fund	0	(4,483)	(4,483)
Housing Revenue Account	0	(500)	(500)
Common Good	(224)	(879)	(654)

- 4.2 Appendix 1 also includes a Management Commentary providing information on the 2017/18 financial position, including details of the items for which there are specific recommendations above.
- 4.3 The financial position for General Fund revenue is summarised below:

As at 31 March 2018	Budget £'000	Actual £'000	Variance from Budget £'000
Total Net Expenditure	435,925	431,550	(4,375)
Total Funding	(435,925)	(436,033)	(108)
Net Impact on General Fund (Surplus)/Deficit	0	(4,483)	(4,483)
Amounts to be Earmarked (see Appendix 1)		4,483	
General Fund Deficit/(Surplus)		0	

5. LEGAL IMPLICATIONS

- 5.1 While there are no direct legal implications arising from the recommendations of this report, there are additional reporting requirements due to the London Stock Exchange listing and issue of bonds.

6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation
Financial	<p>The main financial risk the Council is managing is the increased demand on services.</p> <p>In relation to capital projects there is a risk that following the procurement process, tendered costs will vary from that assumed at the time of project approval.</p>	<p>L</p> <p>M</p>	<p>Reviewing all areas of expenditure with a view to only incurring essential expenditure.</p> <p>Quantification and review of indicative project costs by suitably qualified staff or external body where appropriate.</p>
Legal	None identified		
Employee	None identified		
Customer	None identified		
Environment	None identified		
Technology	None identified		
Reputational	None identified		

7. OUTCOMES

Local Outcome Improvement Plan Themes	
	Impact of Report
Prosperous Economy	Investment in the city will have a positive impact on the economy.
Prosperous People	Robust management of the Council's finances will ensure that services can continue to be provided.
Prosperous Place	Investment will enhance the place by creating a better and more vibrant city in which to live.

This report does not impact on the design principles of the Target Operating Model.

8. IMPACT ASSESSMENTS

Assessment	Outcome
Equality & Human Rights Impact Assessment	Not required
Privacy Impact Assessment	Not required
Duty of Due Regard / Fairer Scotland Duty	Not applicable

9. BACKGROUND PAPERS

None.

10. APPENDICES

Appendix 1 – Financial Position for the Year 2017/18

11. REPORT AUTHOR CONTACT DETAILS

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