



Development Committee


Quarterly Finance Report

Report Period: Quarter 1 2010/11


Dashboard: Quarter 1, 2010/11

Strategic Element: Financial Planning	£'000 (under)/over	Indicator %	Page no
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Year to date % variance

BCC	(1,123)	(4%)		3
• Development Committee	(290)	(5%)		
○ Community Services	(130)	(9%)		
○ City Events and Venues	9	1%		
○ Economic Initiatives	(45)	(2%)		
○ Directorate	(124)	(14%)		

Forecasted % variance

BCC	(2,877)	(3%)		4
• Development Committee	(535)	(3%)		
○ Community Services	(210)	(4%)		
○ City Events and Venues	0	0%		
○ Economic Initiatives	(200)	(3%)		
○ Directorate	(125)	(3%)		

Note: Negative variances represent an under spend

Executive Summary

Year to Date % Variance

Net expenditure for the Development Department was £290,000 below budget for the quarter representing 5% of estimated net expenditure. There are two services which fall outside the target threshold and these are:

- Community Services is under spent by £130,000 (9%)
- Directorate is under spent by £124,000 (14%)

There are 4 key reasons for the current under spend within the department:

- Vacant Posts (£70,000) relates to delays in implementing the structural reviews following the Council's organisational restructuring in April 2007 and Committee Approval in October 2008. Extensive consultation in Community Services and Directorate between Management and Trade Unions to agree structures, associated job descriptions and allocation processes were followed by the implementation of normal council procedures i.e. categorisation and recruitment vetting. With the completion of the voluntary redundancy / supernumerary exercises recruitment is currently being initiated in both areas.
- Delays or non activation in projects and work programmes caused by delays in structural reviews and other external factors (£140,000). The initiation of recruitment in Community Services and the implementation of the new structure will, in time, remove both the delays and non-activation of work programmes e.g Community Facilities, Community Development and Volunteering Strategies The delays to the North Foreshore Masterplan have been caused by external factors.
- More accurate profiling of budgets required (£60,000) – these profiles will be reviewed and corrected in the next period. Financial training will be provided to all budget holders so that annual profiling of estimates will reflect actual payment schedules and timelines.
- In year efficiencies (£20,000) – a number of areas were identified within Directorate at the end of the 2009/2010 financial year and these have been implemented with immediate effect.

In addition to specific actions referred to above, the department will continue to monitor actual / budgeted expenditure variances during quarter 2, especially those areas highlighted during the quarter 1 budget review process.

Forecasted % Variance

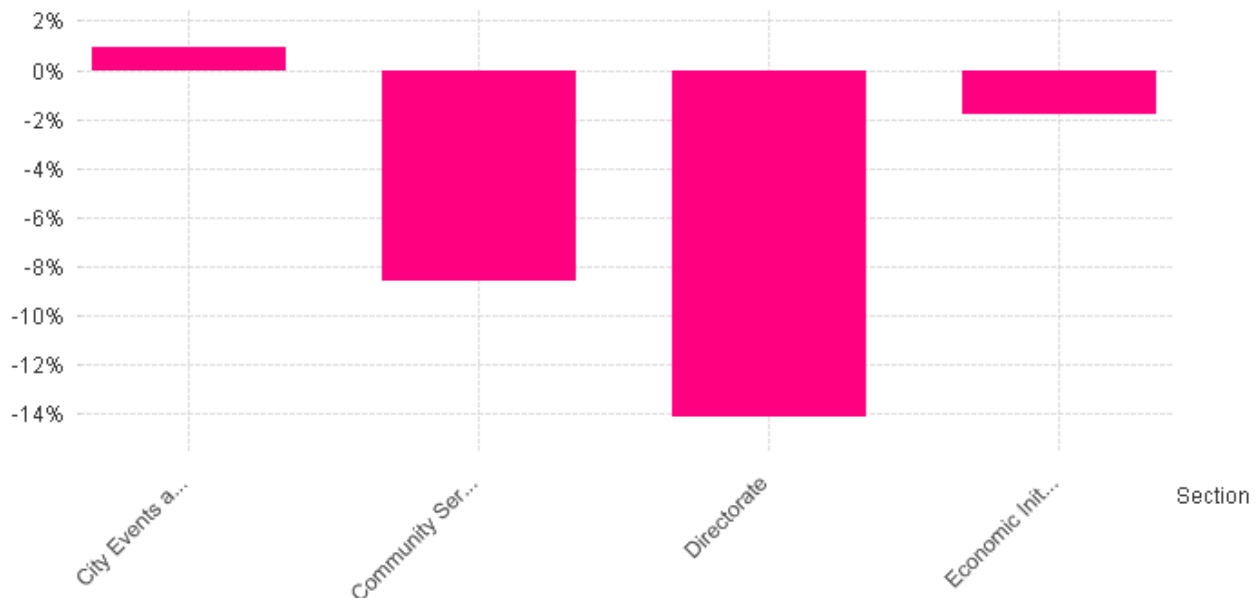
The forecast year end position for the department is estimated to be £535,000, which is 3% below budget. The only service which is forecast to be above the 3% target is Community Services with a 4% underspend (£210,000). It is recommended that the potential use of this forecast under spend is determined by the Strategic Policy and Resources Committee.

Development - Year to Date % variance

Source: SAP

PI definition:

This indicator calculates the difference between the budgeted net expenditure and the actual net expenditure as a percentage. It is reported for the year to date.



Commentary and action required

Community Services are currently under spent by £130,000 (9%) at the end of Quarter 1. The under spend is caused by delays in implementing the structural review following the Council's organisational restructuring in April 2007 and relates to a number of vacant posts which in turn has resulted in work programmes not being activated or delayed.

City Events and Venues are on budget at the end of Quarter 1

Economic Initiatives are under spent by £45,000 (2%) at the end of Quarter 1 and this can be attributed to the North Foreshore Masterplan and has been caused by delays in the implementation of this project.

Directorate is under spent by £124,000 (14%) at the end of Quarter 1. The under spend can be attributed to the following :

- a number of vacant posts following organisational restructuring in April 2007;
- more accurate profiling of certain budgets being required i.e. policy research, SNAP supplies and services and the departmental training budget
- as a result of implementing in year efficiency plans.

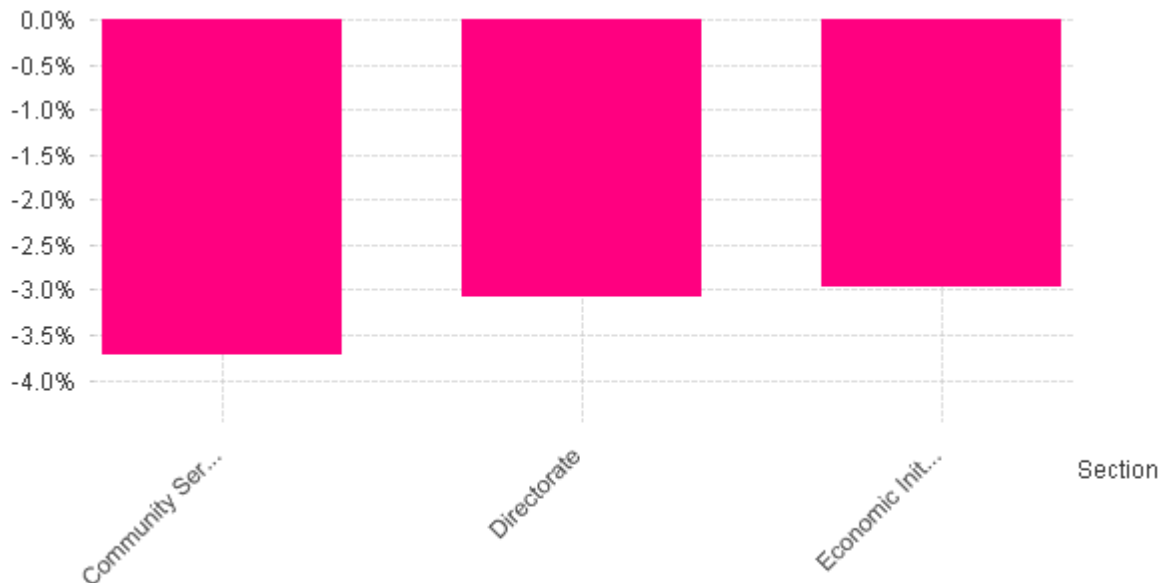
Corrective action will be taken re profiling in the next budget period.

Forecast % variance

Source: SAP

PI definition:

This indicator calculates the difference between the planned net expenditure and the forecasted net expenditure as a percentage. It is reported as a forecast for the end of the financial year.



Commentary and action required

It is forecast that the Development Department will be under spent by £535,000 (3%) at year end.

- Community Services by £210,000 (4%) as a result of the vacant posts and the resultant delays and non-activation of work programmes.
- Economic Initiatives by £200,000 (3%) as a result of delays to the North Foreshore Masterplan
- Directorate by £125,000 (3%) which reflects vacant posts and a number of efficiency plans implemented in year
- City Events and Venues are forecast to be on budget at year end

The department will continue to monitor actual / budgeted income and expenditure variances during quarter 2, especially those areas highlighted during the quarter 1 budget review process.

Development Committee - Main Items of Expenditure

	Variance YTD £'000	% Variance	Plan 10/11 £'000	Forecast for Y/E at P3 £'000	Forecast Variance £'000	% Variance
Development Committee	(290)	(5%)	20,624	20,089	(535)	(3%)
Community Services	(130)	(9%)	5,634	5,424	(210)	(4%)
City Events and Venues	9	1%	4,175	4,175		0%
Waterfront/Ulster Hall	29	6%	2,477			
City Events	(20)	(4%)	1,698			
Economic Initiatives Section	(45)	(2%)	6,756	6,556	(200)	(3%)
Tourism Unit	(62)	(3%)	4,222			
Economic Development	43	17%	1,189			
Planning and Transport	36	16%	885			
North Foreshore	(49)	(63%)	333			
Planning and Development	(13)	(38%)	127			
Directorate	(124)	(14%)	4,059	3,934	(125)	(3%)
City Development	(3)	(5%)	903			
Development Business Support	(18)	(3%)	1,905			
European Unit	(13)	(19%)	267			
Policy and Research	(46)	(31%)	582			
SNAP	(44)	(44%)	402			

Note: Negative variances represent an under spend