

Development Committee













Quarterly Finance Report

Report Period: Quarter 2 2010/11













Dashboard: Quarter 2, 2010/11

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

BCC	(3,633)	(6%)			3
• Development Committee	(222)	(2%)			
○ Community Services	(126)	(4%)			
○ City Events and Venues	26	1%			
○ Economic Initiatives	(37)	(1%)			
○ Directorate	(86)	(5%)			

Forecasted % variance

BCC	(2,348)	(2%)			4
• Development Committee	(490)	(2%)			
○ Community Services	(230)	(4%)			
○ City Events and Venues	0	0%			
○ Economic Initiatives	(20)	0%			
○ Directorate	(240)	(6%)			

Note: Negative variances represent an under spend

Executive Summary

Year to Date % Variance

Net expenditure for the Development Department was £222,000 below budget for the year to date representing 2% of estimated net expenditure. There are two services which fall outside the target threshold and these are:

- Community Services is under spent by £126,000 (4%)
- Directorate is under spent by £86,000 (5%)

There are 3 key reasons for the current under spend within the department:

- Vacant Posts (£60,000), 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 Business Support 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 ongoing in Community Services but there have been difficulties in securing an internal recruitment for Business Support.
- Delays or non activation in projects and work programmes caused by delays in structural reviews and other external factors (£136,000). 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.
- In year efficiencies (£30,000) – 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 3, especially those areas highlighted during the quarter 2 budget review process.

Forecasted % Variance

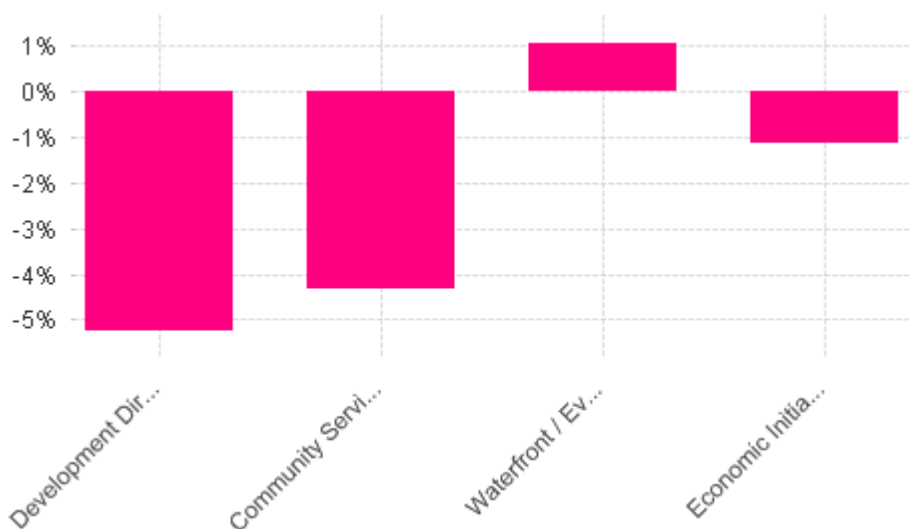
The forecast year end position for the department is estimated to be £490,000 which is 2% below budget. The only services which are forecast to be above the 3% target is Community Services with a 4% underspend (£230,000) and Directorate with a 6% underspend (£240,000). It was agreed at the Development Committee in September 2010 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 £126,000 (4%) at the end of Quarter 2. The underspend 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 2.

Economic Initiatives are on budget at the end of Quarter 2.

Directorate is underspent by £86,000 (5%) at the end of Quarter 2. The underspend can be attributed to the following :

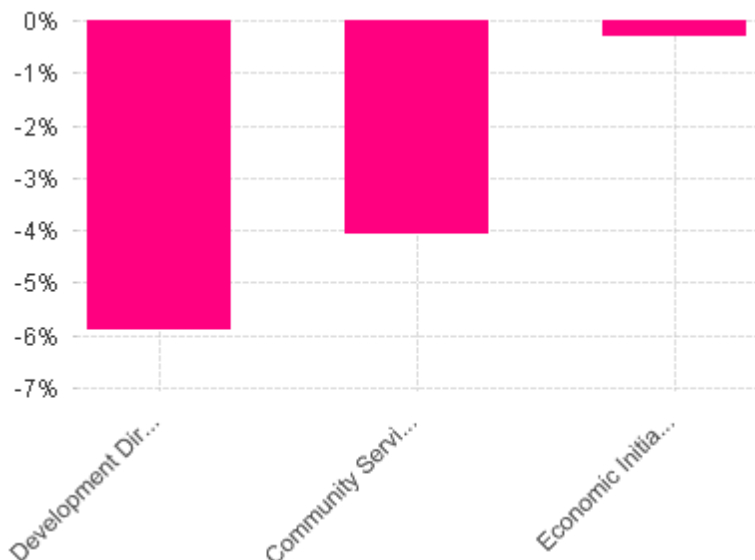
- a number of vacant posts mainly in Business Support following organisational restructuring in April 2007;
- a result of implementing in year efficiency plans.

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.



Note: City events and venues is not showing on the graph because the forecast variance is 0.

Commentary and action required

It is forecast that the Development Department will be under spent by £490,000 (2%) at year end.

- Community Services by £230,000 (4%) as a result of the vacant posts and the resultant delays and non-activation of work programmes.
- Economic Initiatives are forecast to be very slightly underspent by £20,000 (3%) at year end.
- Directorate by £240,000 (6%) which reflects vacant posts and a number of efficiency plans implemented in the year. This forecast has been revised from the quarter 1 position of an underspend of £125,000, due to delays in filling posts which were previously anticipated to have been filled in quarter 2.
- 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 3, especially those areas highlighted during the quarter 1 and quarter 2 budget review process.

Development Committee - Main Items of Expenditure

	Variance YTD £'000	% Variance	Plan 10/11 £'000	Forecast for Y/E at P6 £'000	Forecast Variance £'000	% Variance
Development Committee	(222)	(2%)	20,351	19,861	(490)	(2%)
Community Services	(126)	(4%)	5,642	5,412	(230)	(4%)
City Events and Venues	26	1%	4,182	4,182	0	0%
Waterfront/Ulster Hall	(116)	(9%)	2,480			
City Events	142	13%	1,702			
Economic Initiatives Section	(37)	(1%)	6,458	6,438	(20)	(0%)
Tourism Unit	(16)	(1%)	4,229			
Economic Development	11	2%	1,195			
Planning and Transport	(1)	(0%)	887			
Planning and Development	(30)	(41%)	148			
Directorate	(86)	(5%)	4,069	3,829	(240)	(6%)
City Development	4	2%	905			
Development Business Support	(56)	(6%)	1,886			
European Unit	(14)	(11%)	286			
Policy and Research	(14)	(7%)	588			
SNAP	(6)	(3%)	404			

Note: Negative variances represent an under spend