







Appendix 1



Development Committee

Quarterly Finance Report

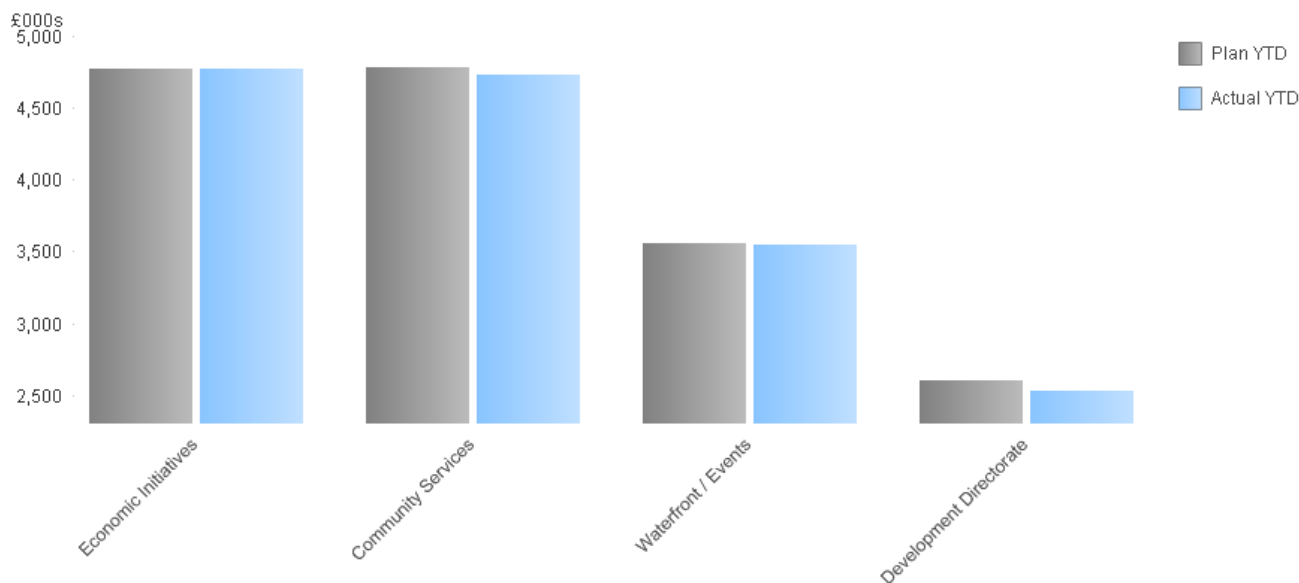
Report Period: Quarter 3, 2012/13

Dashboard

Revenue Section							Page
Service	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	3&5
Development Directorate		(73)	(2.8)%		(90)	(2.4)%	
Community Services		(52)	(1.1)%		(69)	(1.2)%	
Waterfront / Events		(12)	(0.3)%		(16)	(0.4)%	
Economic Initiatives		(0)	(0.0)%		0	0.0%	
Committee Total		(137)	(0.9)%		(175)	(0.9)%	

Key Performance Indicators (KPI)			
KPI	Actual	Target	
Compliant Purchases	81.2%	85.0%	
Timeliness Of Goods On System	52.4%	65.0%	

Committee Net Revenue Expenditure: Year to Date Position



Commentary and action required:

Community Services are under spent by £52k at the end of Quarter Three.

The primary reasons for this under spend are in relation to employee costs (£33k), which is due to delays in filling vacant posts and transport costs (£19k), which relates to the reduced hire of buses during the period.

City Events and Venues are under spent by £12k at the end of Quarter Three.

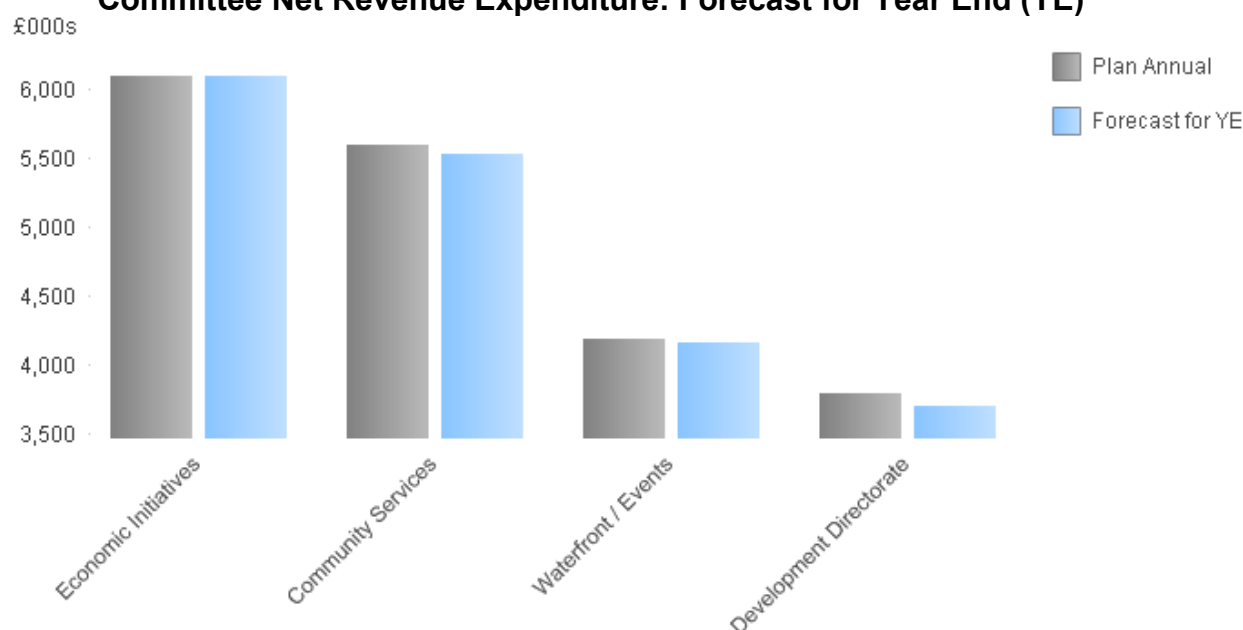
Within City Venues, there is a total under spend of £12k in salary and wages costs which is mainly in relation to the reduced use of casual staff at events in the Waterfront and Ulster Halls.

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

Directorate are under spent by £73k at the end of Quarter Three.

This under spend can mainly be attributed to reduced employee costs in a number of business units as a result of vacant posts.

Committee Net Revenue Expenditure: Forecast for Year End (YE)



Commentary and action required:

It is currently forecast that the Development Department will be under spent by £175k (0.9%) at the year-end.

- Community Services is forecast to be £69k (1.3%) under budget at year end, mainly as a result of vacant posts within the service (£49k), and reduced transport costs (£20k) within Community Services.
- Economic Initiatives are forecast to be more or less on budget at the year-end.
- Directorate is forecast to be £90k (2.5%) under budget as a result of vacant posts within Policy and SNAP units.
- City Events and Venues are forecast to be £16k (0.4%) under spent at the year-end.

Forecast for Reserves

Renewing the Routes and SNAP: £645k

The programme is in the process of being developed as part of the Investment Programme and work is currently under way. Contracts are in place and the next phase of expenditure is expected to take place in the near future. This will be subject to Property & Projects being able to facilitate the delivery of these projects. It is anticipated that this money will be utilised from the start of the 2013/2014 financial year.

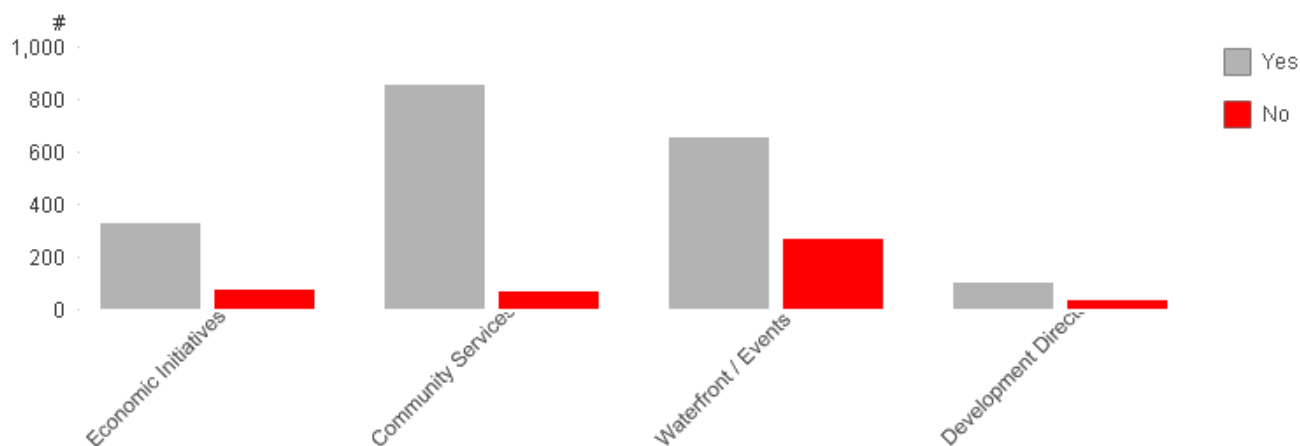
Events 2013-14: £601k

The reserve is scheduled to be released in the financial year of 2013-14, and will be utilised for planned events such as World Police and Fire Games, the All Ireland Dancing Championships and contractual payments in respect of the Tall Ships event in 2015. A further £64k will be allocated to meet the full requirements of these events.

Key Performance Indicators (KPIs): Procurement Compliance

Procurement Compliance refers to the purchases that are made in compliance with the standard procure to pay process in BCC. These processes help ensure that our creditors are paid in a timely fashion and our accounts are accurate and up to date. The following indicators are intended to give a flavour of how well we are doing at adhering to the processes.

Indicator 1: Compliant Purchases (Purchase order created on system before ordering goods)



The impact of ordering goods without a purchase order being created on the system are that a) the authorisation for purchasing goods has not gone through the proper channels, b) incomplete records are available and decisions are being made based on information that is not correct and c) suppliers whose invoices do not have purchase orders take longer to pay and this contravenes an objective of the investment programme, negatively affecting supplier relationships with BCC.

Commentary and action required:

	Yes	No	Total	% Compliant
	1,931	447	2378	81.2%
Economic Initiatives	325	76	401	81.0%
Community Services	856	66	922	92.8%
Waterfront / Events	653	270	923	70.7%
Development Directorate	98	35	133	73.7%

Belfast City Council is currently 83% compliant in terms of the Purchase Order being raised before the supplier invoice date. The Development Department is slightly below the Council average, and is 81.2% compliant. This shows improvement with a 1.0% increase in compliance from the same nine-month period in 2011/12.

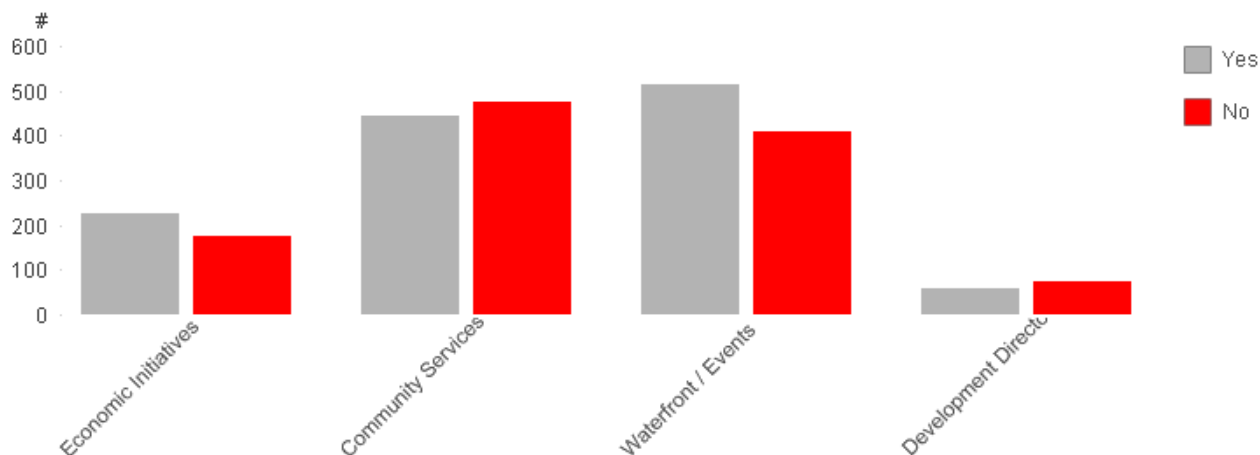
Departmental compliance is affected by the continuous reliance on manual requisitions and processes, collections and delivery of manual requisitions from remote locations, increased processing time as a result of "sourcing", which elongates the approval process, and the recent implementation of the SRM system to specific services.

The Department is currently working to implement and roll out the SRM system to all services within the department, is fully participative in systems improvement via the SAP Improvement Group, the identification of 'hot spots' and the provision of training and re-training of staff, where appropriate.

Procurement compliance is kept under constant review and is reported on a monthly basis to the Development Department Management Team.

Key Performance Indicators (KPIs): Procurement Compliance

Indicator 2: Timeliness of Goods on System (Goods received and marked received on system within 5 days)



The impact of not marking goods as received onto the system is that a) BCC records of goods on site are not up to date and b) there is a risk that a department might overspend its budget as goods have been received but are not showing against the budget and c) it can take longer to pay the suppliers invoices and this contravenes an objective of the investment programme, negatively affecting supplier relationships with BCC.

Commentary and action required:

CostProfit_C...	Yes	No	Total	% Compliant
	1,245	1,133	2378	52.4%
Economic Initiati...	226	175	401	56.4%
Community Servi...	445	477	922	48.3%
Waterfront / Ev...	516	407	923	55.9%
Development Dir...	59	74	133	44.4%

Belfast City Council is currently 56% compliant in terms of the goods received note (GRN) being created before the supplier raises the invoice. Again, the Development Department is slightly below the Council average at 52.4% compliance. This shows improvement from the departmental compliance level for 2011/12 which was 46.8% for the year.

Departmental compliance is affected by the continued reliance on manual processes and paperwork, collections and delivery of manual goods received notes from remote locations and the recent implementation of the SRM system to specific services.

The Department is currently working to implement and roll out the SRM system to all services within the department, is fully participative in systems improvement via the SAP Improvement Group, the identification of 'hot spots' and the provision of training and re-training of staff, where appropriate.

Procurement compliance is kept under constant review and is reported on a monthly basis to the Development Department Management Team.

Development Committee

Service	Section	Plan YTD £000s	Actuals YTD £000s	Variance YTD £000s	% Variance	Annual Plan 2012/2013 £000s	Forecast for Y/E at P9 £000s	Forecast Variance £000s	% Variance
Total		15,716	15,580	(137)	(0.9)%	19,660	19,485	(175)	(0.9)%
Development Directorate	Total	2,598	2,525	(73)	(2.8)%	3,791	3,701	(90)	(2.4)%
Development Directorate	City Development	529	495	(35)	(6.6)%	877			
Development Directorate	Development Business Support	1,359	1,365	6	0.4%	1,811			
Development Directorate	European Unit	184	189	5	2.9%	236			
Development Directorate	Policy & Research	297	272	(25)	(8.6)%	510			
Development Directorate	SNAP	228	204	(24)	(10.5)%	358			
Community Services	Total	4,786	4,734	(52)	(1.1)%	5,598	5,529	(69)	(1.2)%
Community Services	Community Services	4,786	4,734	(52)	(1.1)%	5,598			
Waterfront / Events	Total	3,559	3,547	(12)	(0.3)%	4,182	4,166	(16)	(0.4)%
Waterfront / Events	Events	1,461	1,431	(31)	(2.1)%	1,703			
Waterfront / Events	Waterfront Hall	2,097	2,117	19	0.9%	2,478			
Economic Initiatives	Total	4,774	4,774	(0)	(0.0)%	6,089	6,089	0	0.0%
Economic Initiatives	Economic Development Unit	652	763	111	17.0%	1,173			
Economic Initiatives	Planning & Development	45	(31)	(76)	(169.9)%	(22)			
Economic Initiatives	Planning & Transport	609	509	(100)	(16.4)%	875			
Economic Initiatives	Tourism Unit	3,468	3,534	65	1.9%	4,062			