



## Belfast City Council

<b>Report to:</b>	Development Committee
<b>Subject:</b>	Quarterly Financial Report – Quarter 1 2014/15
<b>Date:</b>	19 <sup>th</sup> August 2014
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### Relevant background information

The Strategic Policy and Resources Committee agreed on 18 June 2010 that:

- the Council would produce financial reporting packs for the Strategic Policy and Resources Committee and each Standing Committee on a quarterly basis
- the Budget and Transformation Panel would receive monthly financial updates if there were any significant issues to report.

The reporting pack (Appendix 1) contains a summary dashboard of the financial indicators and an executive summary explaining the financial performance of the Development Committee in the context of the financial performance of the overall Council. It also provides a more detailed explanation of each of the relevant indicators covering the year to date and forecast financial position at the year-end.

The style and layout of the reporting pack reflect much of the discussion and feedback arising from the Members' financial training at the end of September 2010. As we previously advised the Committee, we will continue to develop the style and contents of the reports in liaison with Members.

Central Finance and our departmental management team have worked together to develop the information contained within this financial reporting pack.

### Key issues

#### *Current and forecast financial position 2014/15*

The **Development Department** is under spent by £8,888, or 0.1% of its net budgeted expenditure of just over £6.6 million, at the end of quarter one.

Community Services are under spent by £16,302 (0.9%); Economic Initiatives and International Development are under spent by £7,271 (0.3%) whilst City Events and Venues are over spent by £8,631 (0.5%), and Directorate is over budget by £6,054 (0.8%).

There are four main areas which give rise to the current overall £9k (0.1%) under spend within the Department at the end of quarter one:

1. Gross Income was £1,513k, which was £38k (2.5%) less than budgeted income of £1,551k. This variance relates to £25k of less grant funding received in quarter one in EIID than anticipated and £14k less than planned income received within City Events & Venues.
2. Employee costs of £2,450k were £5k (0.2%) more than the budgeted figure of £2,445k.
3. Supplies and Services expenditure of £1,749k was £5k (0.3%) below the budget of £1,754k. This was mainly due to under spends on equipment, tools and materials and licence fees.
4. Premises costs of £1,173k were £47k (3.9%) less than the budgeted figure of £1,220k reflecting decreased utility, security and insurance costs. These are profiling issues and will self correct within the financial year.

It is currently forecast that the Development Department will be over spent by £5k (0.03%) at year end.

- Community Services is forecast to be £20k (0.4%) over budget at year end.
- Economic Initiatives is forecast to be £30k (0.5%) under budget at the year end.
- Directorate is forecast to be on £15k (0.4%) over budget at year end.
- Finally, the City Events and Venues Section are forecast to be on budget at year end.

The Department will continue to monitor the variance between actual and budgeted expenditure during Quarter Two.

The financial reporting pack contains more detail on both the overall Council position and the financial performance in each of the Services within the Development Department.

### **Resource Implications**

There is a year to date under spend of £9k and the forecast is that the Department will be over spent by £5k at year end.

<b>Recommendations</b>
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Members are recommended to note the above report and associated financial reporting pack.
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<b>Decision Tracking</b>
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N/A
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<b>Key to Abbreviations</b>
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N/A
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<b>Documents Attached</b>
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Appendix 1: Financial Reporting Pack
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