



Parks and Leisure 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
• Parks and Leisure Committee	183	4%		
○ Leisure	(6)	(0%)		
○ Parks and Cemeteries	211	9%		
○ Parks and Leisure Directorate	(21)	(5%)		

Forecasted % variance

BCC	(2,877)	(3%)		4
• Parks and Leisure Committee	259	1%		
○ Leisure	114	1%		
○ Parks and Cemeteries	171	1%		
○ Parks and Leisure Directorate	(27)	(1%)		

Note: Negative variances represents an under spend

Executive Summary

Year to Date % Variance

The current performance of the Parks and Leisure department shows an over spend of £183k or 4% over the estimated net expenditure for the first quarter. The key contributor to this position is the 9% (£211,000) over spend in Parks and Cemeteries.

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

The overall employee budget is showing a £359k (7%) overspend at quarter one. £218k in Parks & Cemeteries; £176k in Leisure Services and an under spend of £34k in Directorate. The Department has in place protocols for managing overtime and agency spend. Audits are underway on the use of overtime and agency staff and a number of recruitment exercises are also underway which will reduce expenditure in both these areas. Committee will also be aware of the ongoing operational reviews within the Department which have delayed the recruitment of posts on a permanent basis. Recommendations will be provided to committee over the next number of months to finalise the structures.

Utility costs, specifically in Parks are over budget. Water and Sewerage charges at a number of sites are being disputed by the department however some of these costs have already hit the budgets. These additional costs have been included in the final forecast for the department as it is unclear if they will be refunded at this stage.

Members should note, however, income from services within the department is showing a favourable position with income up on budget by 8%. Leisure Centre income from fees and charges is on target although other sales are down e.g. sports consumables. Parks & Cemeteries income is up on the projected position due to additional income for Belfast in Bloom and events in the parks. Cemeteries/crematorium income is 8% up on the budget.

Forecasted % Variance

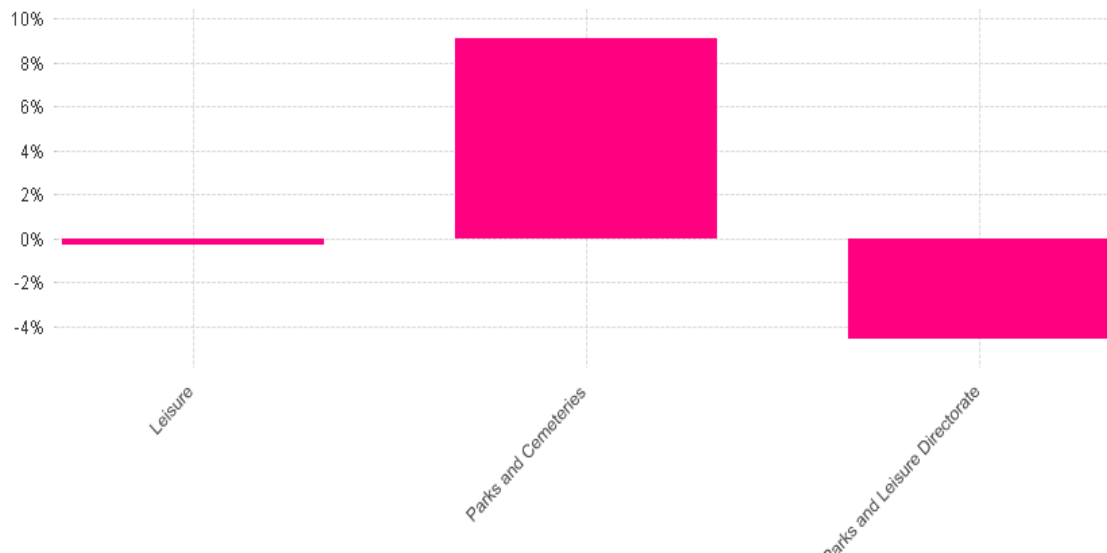
The forecast year end position for the department is estimated at £258k or 1% over budget. This forecast has been made on the basis that a number of the recommendations emanating from the current operational reviews will be implemented during 2010/11.

Parks and Leisure - 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

The overall employee budget is showing a £359k (7%) overspend at the end of quarter one.

Leisure's slight under spent on year to date budget can be attributed to the leisure development unit and the timing of areas of spend including marketing activities and Support for Sport grants. The Support for Sports grant process is currently under review and recommendations will be reported back to committee separately.

The key variance for leisure centres is the employee costs which are currently 8% overspent. The agency and overtime budgets are over spent due to the operational and health and safety demands of the service. Audits are underway on the use of overtime and agency staff and an operational review is due to commence which will look at issues regarding employee terms and conditions; flexibility, provision of facilities and opening hours. Recommendations of the review will be presented to committee at a latter date.

Parks & Cemetery Services budget is showing an overspend of £211k (9%). Parks & Cemeteries income is up on the projected position due to additional income for Belfast in Bloom and events in the parks and an increase in income for the use of facilities. The Zoo shop has sales of £58k less than expected however the Zoo itself is largely on target. This situation will be monitored by the manager marketing activities and regular stock takes put in place to proactively address

this. Belfast Castle is not performing as expected at this stage in the year and income is down by £44k specifically in relation to internally generated business. This will be continually monitored by management. Cemeteries/crematorium income is 8% up on the budget with an increase on budgeted income of £32k.

Parks & Cemeteries employee budgets are 9% overspent in quarter one. The majority of this overspend relates to the operation of Parks and Open Spaces which is currently under review and a separate report will provide recommendations on structures and operational efficiencies. Seasonal activities impact on this area particularly in relation to events, the opening of bowling pavilions and additional customer support staff at the zoo. Audits are underway on the use of overtime and agency staff and recommendations to reduce spend in this area will be made.

Parks & Cemeteries premises budgets are 38% overspent in quarter one against the estimated position. There have been charges for water and sewerage at the Waterworks; £54k and Sir Thomas and Lady Dixon Park; £37k both of which the service is disputing with NI Water. However these have been paid and at this stage it is not clear if they will be refunded. These costs have therefore been reflected in the final year end forecast.

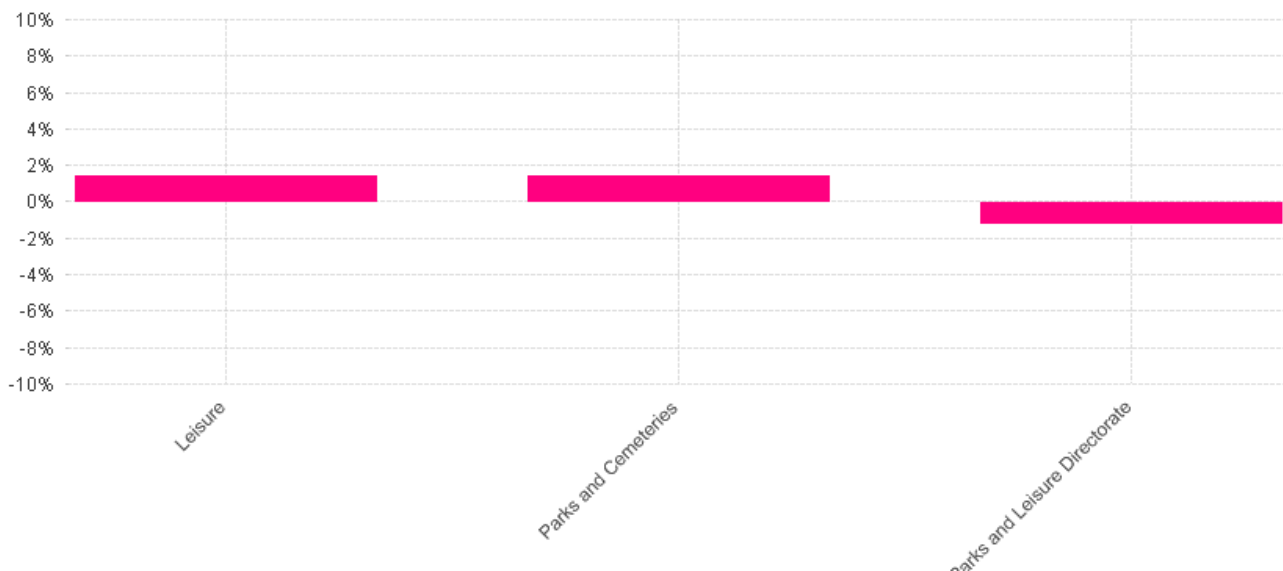
Directorate Supports overall position is showing an under spend of 5% or £21k. This is mainly due to the ongoing review of business support and the budget provision of a new business support structure which is yet to be filled. Recruitment exercises are currently underway to fill these posts. However an under spend of £26k for the year is being projected due to the impact of these posts being vacant for a number of months.

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

The year end forecast for the department is projecting a £259k (1%) over spend which reflects the position at quarter 1. Controls are in place regarding overtime and agency and audits will be carried out to identify hot spots and ensure compliance with the process to reduce the actual level of usage. Operational reviews are currently underway in Parks and about to commence in Leisure regarding operational requirements and it is hoped that working practices can be challenged and agreement reached ways of achieving a more effective service provision within the right structures.

Premises costs will continue to be monitored and CTU are reviewing processes to ensure the appropriate operational manager signs off any charges prior to the bills being processed.

Parks and Leisure Committee - Main Items of Expenditure

	Variance YTD £'000	% Variance	Plan 10/11 £'000	Forecast for Y/E at P3 £'000	Forecast Variance £'000	% Variance
Parks and Leisure Committee	183	4%	22,328	22,587	259	1%
Leisure	(6)	(0%)	8,099	8,213	114	1%
Leisure Development	(150)	(67%)				
Leisure Centres	143	8%				
Parks and Cemeteries	211	9%	12,079	12,250	171	1%
Parks & Open Spaces	92	6%				
Zoo	8	35%				
Landscape & Planning	(50)	(26%)				
Estates Management	70	69%				
Cemeteries & Crematorium	10	11%				
P&C Services Unit	77	24%				
P&C Development Unit	(28)	(15%)				
Conservation & Education	32	27%				
Parks and Leisure Directorate	(21)	(5%)	2,150	2,124	(27)	(1%)
Antisocial Behaviour	1	5%				
Directorate Support	(22)	5%				

Note: Negative variances represents an under spend