











# Parks and Leisure Committee

## Quarterly Finance Report

Report Period: Quarter 4 2010/11

Revision Record - Please complete to facilitate version control (table will be deleted in final version)			
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C Gillen	20.04.11	1.0	
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J Wilson	04.05.11	2.0	
C Gillen	20.05.11	3.0	BCC Total var(2,208)
C Gillen	01.06.11	4.0	BCC total var (2,580)

## Dashboard: Quarter 4, 2010/11

Strategic Element: Financial Planning	Variance £,000 (under)/ Over Q3	Indicator %  Q3	Variance £,000 (under)/ Over Q4	Indicator %  Q4			Page no
<b>Year to date variance</b>							<b>3</b>
BCC	(728)	(0.8%)	(2,580)	(2.2%)			
• Parks & Leisure Committee	(150)	(0.9%)	187	0.8%			
o Leisure	186	3.0%	170	2.1%			
o Parks & Cemeteries	(221)	(2.6%)	105	0.9%			
o Parks & Leisure Directorate	(115)	(7.7%)	(88)	(4.2%)			

Notes:

1. Negative variances represent an under spend

2. Movement on last quarter:  Better  Worse  Unchanged

3. Tolerance R/A/G guide for % variances:



## Executive Summary

The year end performance of the Parks and Leisure department shows an over spend of £187k compared to an under spend of £150k in quarter three. This is 0.8% over the estimated net expenditure for the year. The key contributors to this position are the £170k (2.1%) overspend in Leisure, the £105k (0.9%) over spend in Parks & Cemeteries and an under spend in directorate of £88k (4.2%).

There are a number of key reasons for the over spend within the department:

The overall employee budget is showing a £380k (2%) overspend at year end. £348k (4%) in Leisure; £44k in Parks (0.4%) and an under spend of £13K (-1%) in Directorate. As reported last quarter operational reviews are underway within the department and recommendations will be presented to committee over the next number of months to finalise structures and methods of working to help reduce the need for agency and overtime.

Utility costs in Parks and Cemeteries specifically in relation to water and sewerage charges are over budget by £250k. This partly relates to the collapse of the borehole at the Zoo which required links to the water network which is not usually budgeted for and new sewerage charges being applied by NI Water.

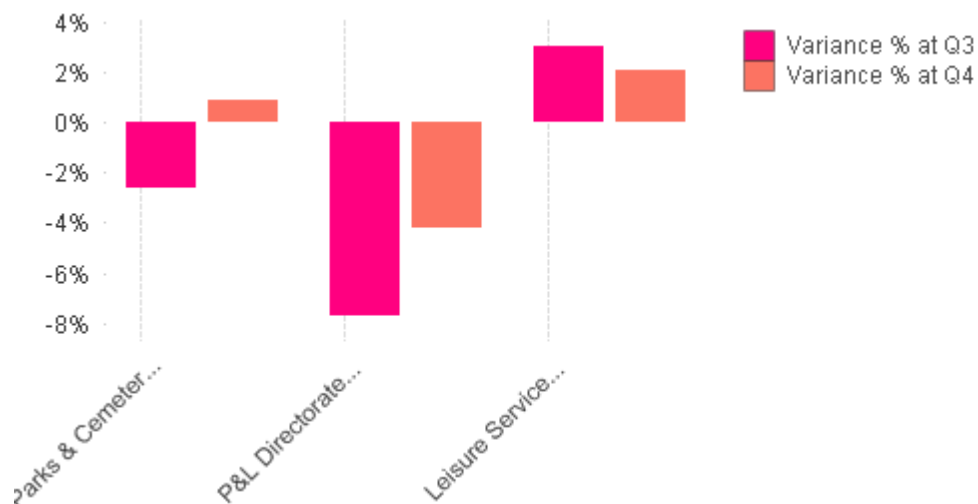
The most significant area of under spend in Leisure is in Advertising and Marketing which is reporting an under spend of £96k as the department's approach to marketing activity is currently being reviewed.

Income from events and outdoor leisure is up by (£280k), and the crematorium is up on budget (£173k). The income in relation to Leisure also looks more favourable due to an insurance claim in relation to damage at Beechmount Leisure Centre (£110k) which was not accrued from 2009/10. Income from Fees and Charges at Leisure Centres is down by £83k.

A final issue for Parks relates to the Playground refurbishment budget. Due to procurement issues the majority of the expenditure in this area was to take place in the last quarter of the year. However, due to planning issues £117k of this budget was not spent in the current financial year.

## Year to Date % variance

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 year end performance of the Parks and Leisure department shows an over spend £187k at year end compared to £150k under spend in quarter three.

The areas of under spend are in relation to the following issues; one in Leisure in relation to a £110k insurance claim from 2009/10 not accrued and the others in Parks due to £117k of a playground refurbishment not spent due to delays with planning approvals

The key contributors for Parks and Cemeteries, which is £105k over budget, are: the timing of the expenditure on the Playground refurbishment budget. Delays due to procurement and planning issues and ongoing consultation with communities gave a £117k under spend. Other operational overspends in relation to staff; grounds maintenance, transport and utilities were mitigated by additional income from events, outdoor leisure and the crematorium which are up on budget. The charge in relation to the Elite facilities has increased the level of overspend.

Key areas of overspend continue to be Agency and Overtime and reviews and audits are currently being concluded and recommendations will be actioned. Utility costs, specifically water and sewerage charges, are £131k (20%) over budget. These were challenged with NI Water and a significant refund has been received and is reflected in the year end position.

Fees and charges income from the Zoo is also down by £8k and shop sales at the zoo are down by £135k however stock purchases were reduced by £121k to mitigate this situation.

Belfast Castle and Malone House show a reduction of income of £87k and £81k respectively. Internally generated income accounted for £18k and £25k of this reduction respectively. This issue has been addressed for 2011/12 with a reduction in the income budgets. However, income from the crematorium £173k is up on budget while income from burials is down by £72k at Roselawn.

The Leisure Services £170k over spend at year end can be attributed to the employee overspend as highlighted above. The service is currently awaiting audit recommendations on its overtime and agency review. These are currently being reviewed as part of the operational improvement plan. The review is also looking at flexibility of the workforce, provision of facilities, pricing and opening hours. Recommendations from the review will be presented to committee at a later date.

The most significant area of under spend in Leisure is in Advertising and Marketing which is reporting an under spend of £96k as the department's approach to marketing activity is currently being reviewed. In addition to this, subs and grants are under spent by £64k. Grants awarded are not all being drawn down and the support for sport fund is currently under review.

Income from Fees and charges in leisure centres is down by £83k and other sales e.g. Sports consumables down by £35k which is reflecting the pressure on these services in the current economic climate.

A significant insurance claim has been received by the service in relation to fire damage and vandalism in relation to the former Beechmount Leisure centre £110k. This was not accrued for in 2009/10 as the building was not being reinstated and it was felt the claim would not be successful.

Directorate Support has shown an under spend of £87k or (4%) at year end. This partially relates to an under spend on employee costs which is due to the delays in filling posts following the business support review.

The improvement agenda activities were also budgeted for and have been delayed due to approvals and employee relation issues. Some projects were also reviewed in house rather than through external consultancy which has reduced expenditure. Other activities around antisocial behaviour were slow to develop especially around grants for diversionary activities. This scheme has now been fully developed and will be fully in place for 2011/12.

**Comment [m1]:**

Do we want to say something about this being an indication of the wider economic downturn now beginning to impact?

## Parks and Leisure Committee - Main Items of Expenditure

	Plan 10/11 £'000	Actual 10/11 £'000	Variance 10/11 £'000	% Variance
<b>Parks and Leisure Committee</b>	<b>22,291</b>	<b>22,478</b>	<b>187</b>	<b>0.8%</b>
<b>Leisure</b>	<b>8,171</b>	<b>8,341</b>	<b>170</b>	<b>2.1%</b>
Leisure Development	661	635	( 25)	(3.8%)
Leisure Centres	7,510	7,705	195	2.6%
<b>Parks and Cemeteries</b>	<b>12,045</b>	<b>12,150</b>	<b>105</b>	<b>0.9%</b>
Parks & Open Spaces	6,482	6,839	357	5.5%
Zoo	933	980	47	5.0%
Landscape & Planning	809	738	( 71)	(8.8%)
Estates Management	521	507	( 13)	(2.6%)
Cemeteries & Crematorium	434	361	( 73)	(16.8%)
P&C Services Unit	1,015	1,012	( 2)	(0.2%)
P&C Development Unit	1,333	1,262	( 71)	(5.3%)
Conservation & Education	519	451	( 68)	(13.1%)
<b>Parks and Leisure Directorate</b>	<b>2,075</b>	<b>1,987</b>	<b>( 88)</b>	<b>(4.2%)</b>
Antisocial Behaviour	187	163	( 24)	(12.9%)
Directorate Support	1,888	1,824	( 64)	(3.4%)