



Parks and Leisure Committee

Quarterly Finance Report

Report Period: Quarter 1 2011/12

Dashboard: Quarter 1, 2011/12

Strategic Element: Financial Planning	Variance £,000 (under)/ Over Q1	Indicator % Q1					Page no
Year to date variance							3
BCC	(1,482)	(4.9%)				A	
• Parks & Leisure Committee	(191)	(3.6%)				A	
o Leisure	158	8.0%				R	
o Parks & Cemeteries	(342)	(12.6%)				R	
o Parks & Leisure Directorate	(6)	(1.1%)				G	
Forecasted % variance							4
BCC	(210)	(0.2%)				G	
• Parks & Leisure Committee	200	0.9%				G	
o Leisure	150	1.9%				A	
o Parks & Cemeteries	50	0.4%				G	
o Parks & Leisure Directorate	0	0.0%				G	

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 current performance in quarter one of the Parks and Leisure department shows a -3.6% variance against the year to date budget; i.e.; an under spend of £191k.

There are a number of key reasons for the under spend within the department as follows:

The direct employee budget is showing a 5% overspend at quarter one. Committee will be aware of the ongoing service reviews within the Department and recommendations will be provided to committee over the next number of months to finalise the structures. An action plan to address issues regarding overtime and agency usage is currently being implemented.

Premises related insurances £25k under spent due to the timing of the charges and should rectify next quarter.

Playground refurbishment is £147k under spent against budget at quarter one however the implementation plan for the refurbishment has been updated to have the majority of this expenditure in the final two quarters of the year.

The borehole at the Zoo has finally been re-connected which means that the water supply at the zoo can be fully provided for without a requirement to connect to the mains supply. However £38k of expenditure over budget has already be spent in this area.

Income from Grants which were expected to be received by Leisure amount to £190k and have not been claimed to date and the related expenditure has not been occurred. This is being addressed with our partner organisation who is delivering this project and this should be rectified for next quarter. All other income in Leisure is on target in quarter one.

£42k of grant income from the Public Health Authority which was not budgeted for has also been received in this quarter for the community gardens and allotments project.

Income from fees and charges at Malone house is down £21k against budget and Belfast Castle £57K. Both sites are currently working on promotional campaigns, aimed at addressing this.

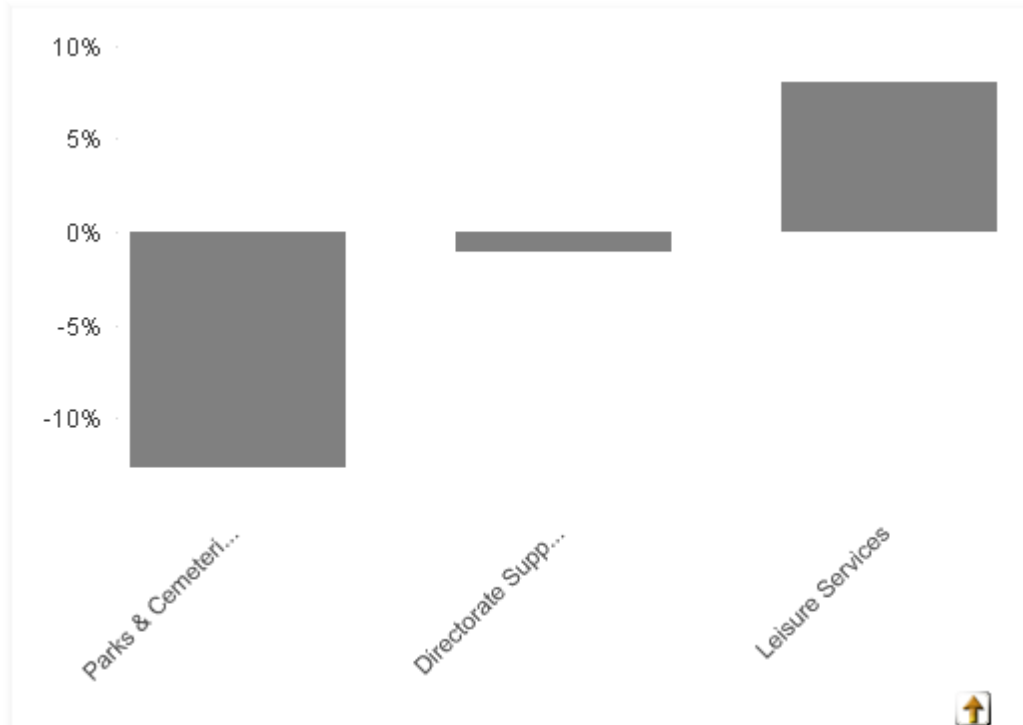
Shop sales are up £35k in the first quarter due to a busy Easter at the Zoo. The budgeted income and expenditure was adjusted to reflect more realistic trading figures in comparison to last year. Zoo income is also up £158k against the expected income year to date due to increased visitor numbers.

Income from Fees & Charges for Parks and Open Spaces is up by 15% or £75k due to price increases not reflected in budgets and increased usage. Income from Belfast in Bloom has been received this quarter which relates to both quarter one and two.

Income from Cremations is up by 11% on budget however burials is down by 5% against budget.

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

Leisure's variance is £158k or 8% over spend. 4% is overspent on employee budgets due to overtime and agency costs. A review of leisure is underway and an action plan on reducing agency and overtime costs is currently being implemented. The support for sport grants have been profiled however only £30k of the projected £57k has been distributed in the first quarter. The Support for Sports grant process is currently under review and recommendations will be reported back to committee separately.

Gas and electricity costs are currently under spent in leisure centres by £110k and consumption is being monitored regularly by managers. Water costs are on budget.

Compensation claims are overspent by £23k Which relate to historical claims however the reporting and inspection processes have been improved which should help to improve our defence of these in the future.

The Active Communities programme is funded by Sport NI and delivered in partnership with Belfast Community Sports Development Network (BCSDN). In quarter 1 £210k of expenditure that had been anticipated has not been incurred, and therefore is shown as an under spend The equivalent income in relation to this project was also expected to offset the expenditure and it too has not been received.

Parks & Cemetery Services budget is showing a variance of £342k or 12% under spent. Direct employee expenditure is overspent by 7% due to overtime and agency costs. A review of Parks is underway and an action plan on reducing agency and overtime costs is currently being implemented.

Utility expenditure is on target and will continue to be monitored. Grounds Maintenance charges are under spent by £65k; This is linked to ongoing programmes of work around paths, pitches etc. Supplies & Services expenditure is reporting an under spend of £267k which relates to a number of projects still in planning stage and other programmes such as the street trees currently being implemented. The playground refurbishment implementation plan has been profiled to spend money in the last to quarters only which needs to be reflected in the budgets.

Income is £313k above target. The zoo has exceeded its profiled income target by £158k, due to increased visitor numbers. Parks and Playing fields, has exceed budgeted income by £108k. Most playing fields are slightly up on target but the main variances are reported at Beechvale, which has received additional income of £33k in relation to Belfast in Bloom. In relation to cemeteries, the increase has predominantly been at the Crematorium. Income from cremations is up by £26k however income from burials at Roselawn is down by £7k. Malone House and Belfast Castle, income is down by £21k and £57k respectively. Weddings continue to perform well at these sites but it is an increasing challenge in relation to securing other commercial use.

Directorate Supports overall position is showing an under spend of 1% or £6k an element of this is in relation to staff costs due to vacancies.

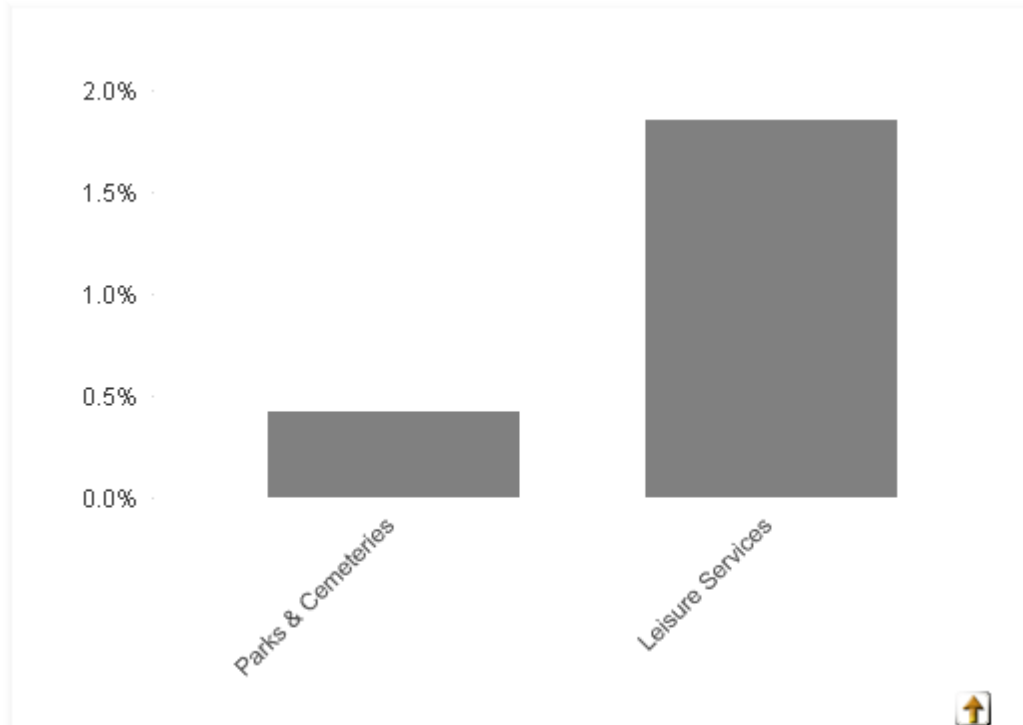
Other specific actions have also been agreed including;

- Promotional campaigns for leisure centre activities
- Promotional campaigns for Malone House and Belfast Castle
- A detailed project plan for playground improvement / refurbishment
- A review of facility management agreements for playing fields

Implementation of a more effective procurement process (SRM) for parks managers, which will ensure a more accurate reporting of commitments

Forecast % variance

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

At this stage the forecasted outturn an £200,000 overspend. ~ £100k in Leisure in relation to staff costs, and potential reduction in income; £50k in relation to overspends on staff costs; offset by increased income from Zoo, crematorium and Parks and Open spaces.

- Agency and overtime costs. Both are reporting an overspend and, while an action plan to effectively manage this is now in place, this may not show a significant reduction for a number of months
- Staff restructuring, especially in leisure. This could result in short term increases in costs before anticipated savings are realised
- The impact of the wider economic downturn on income generation at leisure centres and at Malone House / Belfast Castle.
- Increasing utility costs, particularly in relation to: fuel, water and sewerage.

The department continues to closely monitor expenditure and income and budget holders are required to report monthly on variances. In addition, formal meetings take place each month between members of DMT, senior operational managers, and business support, to ensure that any required corrective action is identified and action plans developed.



Parks and Leisure Committee - Main Items of Expenditure

	Plan YTD £'000	Actual YTD £'000	Variance YTD £'000	% Variance	Plan 11/12 £'000	Forecast for Y/E at P3 £'000	Forecast Variance £'000	% Variance
Parks and Leisure Committee	5,255	5,064	(191)	(3.6%)	22,955	23,155	200	0.9%
Leisure	1,967	2,125	158	8.0%	8,105	8,255	150	1.9%
Leisure Development	125	192	67	53.3%				
Leisure Centres	1,842	1,933	91	4.9%				
Parks and Cemeteries	2,715	2,372	(342)	(12.6%)	12,018	12,068	50	0.4%
Parks & Cemetery Services	2,068	2,168	101	4.9%				
Zoo	227	(18)	(245)	(107.9%)				
Landscape & Planning	343	204	(139)	(40.6%)				
P&C Development Unit	77	18	(59)	(76.7%)				
				0.0%				
Parks and Leisure Directorate	573	567	(6)	(1.1%)	2,833	2,833		0.0%
Policy and Business Development	108	126	19	17.2%				
Directorate Support	465	441	(25)	(5.3%)				

