



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Financial Reporting – Quarter 3 2011/12
Date:	15 March 2012
Reporting officer:	Andrew Hassard, Director of Parks and Leisure
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1. 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 also 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 Parks and Leisure 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 the year end forecast position.

The style and layout 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 within this financial reporting pack.

2. Key issues

Current and forecast financial position 2011/12

The current performance in quarter three of the Parks and Leisure department is a 3.5% variance against the year to date budget; i.e.; an under spend of £584k.

There are a number of key reasons for this position:

The direct employee budget is showing a 1% overspend at quarter three which is a reduction from the position in quarter 2. 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. Measures regarding overtime and agency staff are currently being implemented to curtail the increase.

The borehole at the Zoo has finally been re-connected which means that the water supply at the zoo can be fully provided without a requirement to connect to the mains supply. However £82k of expenditure over budget has already be spent in this area.

Playground refurbishment is £150k under spent against budget at quarter three and the resurfacing of paths is under by £70k however there are agreed programmes of work in these areas which will be completed by year end.

Grounds Maintenance budgets in Parks are reporting an under spend of £800k which is linked to delays in programmes of work however some of these will not be completed by year end.

The budget for compensation claims is overspent by £56k in Leisure and £187k in Parks & Cemeteries. Most of this relates to historical claims. However the reporting and inspection processes have been improved.

Income from Grants has been received by Leisure Development. Applications were speculative in nature and were therefore the income was not budgeted for. Expenditure against these projects and others has not yet been incurred. Income from Leisure Centres continues to feel the impact of the economic climate and is currently 2.9% or £74k below target. Promotions over the Christmas and New year period have taken place to help address this and increase memberships which may improve this situation by year end.

Income from fees and charges at Malone house is down £25k against budget and Belfast Castle £13K. This represents an improvement on the quarter two position. Both sites are currently running promotional campaigns particularly around weddings which may help to improve this by year end.

Zoo income is down £155k against the expected income year to date as a result of a reduction in visitor numbers and poor weather over the summer. Income from the shop is also down however expenditure on stock for the shop has not reduced to balance this and management are currently addressing this issue.

Income from Fees & Charges for Parks and Open Spaces is up by 10.9%

	<p>or £136k due to price increases not reflected in budgets and increased usage.</p> <p>Income from Cremations is up by (7%) £53k on budget however burials is down by £25k or 5% against budget.</p> <p>Directorate support is currently under spent due to delays in filling budgeted posts and the timing of marketing and promotions activities however this should be reduced by year end.</p> <p>The department will continue to monitor the variance between actual and budgeted expenditure/income during quarter 4</p> <p>The financial reporting pack contains more detail on both the overall council position and the financial performance in each of the Services within the Department.</p>
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3.	Resource Implications
	There is a year to date under-spend of £0.5m and a forecast under-spend of some £0.2m or 1% by year end.

4.	Equality and Good Relations Implications
	None.

5.	Recommendations
	Members are recommended to note the above report and associated financial reporting pack.

6.	Decision Tracking
	N/A

7..	Key to abbreviations
	None.

8.	Documents Attached
	Appendix 1: Financial reporting pack