



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Financial Reporting – Quarter 2 2012/13
Date:	6 December 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 overall financial performance of the 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 2012/13

The current performance in quarter two of the Parks and Leisure department shows a (0.2%) variance against the year to date budget; i.e.; an under spend of £25K

There are a number of key reasons for the department's current financial position.

Income for the department is down 8% or £443k on budget:-

- Leisure Centres are down by 15% or £190k on the budget for fees and charges. Promotional activity especially around the new membership scheme is ongoing and campaigns have been underway from June.
- Income from fees and charges at the Zoo is down 15% or £119k against budget and the income at the shop is also down £81k but this is offset by a reduction on expenditure on supplies. Visitor numbers are currently down slightly on the same period as last year despite 100,000 visitors to the Zoo in July and August. The poor weather and the opening of other prestigious visitor centres have impacted on the Zoo.
- Income from fees and charges in Parks and Open Spaces are up by 8.2% largely in relation to events and pitch hire and the Crematorium which is up on budget by £55k.

Utility costs although currently on budget are a concern the department. However the Zoo has been experiencing recent problems with the use of water from the existing borehole which has resulted in the Zoo being reconnected to the mains water supply which will have financial consequences for the revenue budget and potentially the capital budget..

Grounds Maintenance expenditure is currently under spent against budget by £320k. £106k of this relates to the maintenance of paths and £85k in relation to playgrounds but both projects are on schedule to be completed by the end of the year.

Supplies and Services within the department are under spent by £125k. This expenditure relates to a number of programmes of work that are being developed and also programmes of work with external partners that are underway and are being monitored on a monthly basis. This also refers to the issue of the Zoo shop referred to above which has reduced its supplies for resale by £60k in response to poor sales.

The department will continue to monitor the variance between actual and budgeted expenditure/income during quarter 3

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.
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3. Resource Implications

	There is a year to date under-spend of £25k and a forecast over-spend of some £0.35m or 1.5% by year end mainly due to utility costs, the impact of maintenance closures and the issue with the borehole at the Zoo and the predicted income for the year.
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4. Equality and Good Relations Implications
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5. Recommendations

	Members are recommended to note the above report and associated financial reporting pack.
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6. Decision Tracking

	N/A
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7.. Key to abbreviations

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8. Documents Attached

	Appendix 1: Financial reporting pack
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