











Parks and Leisure Committee

Quarterly Finance Report

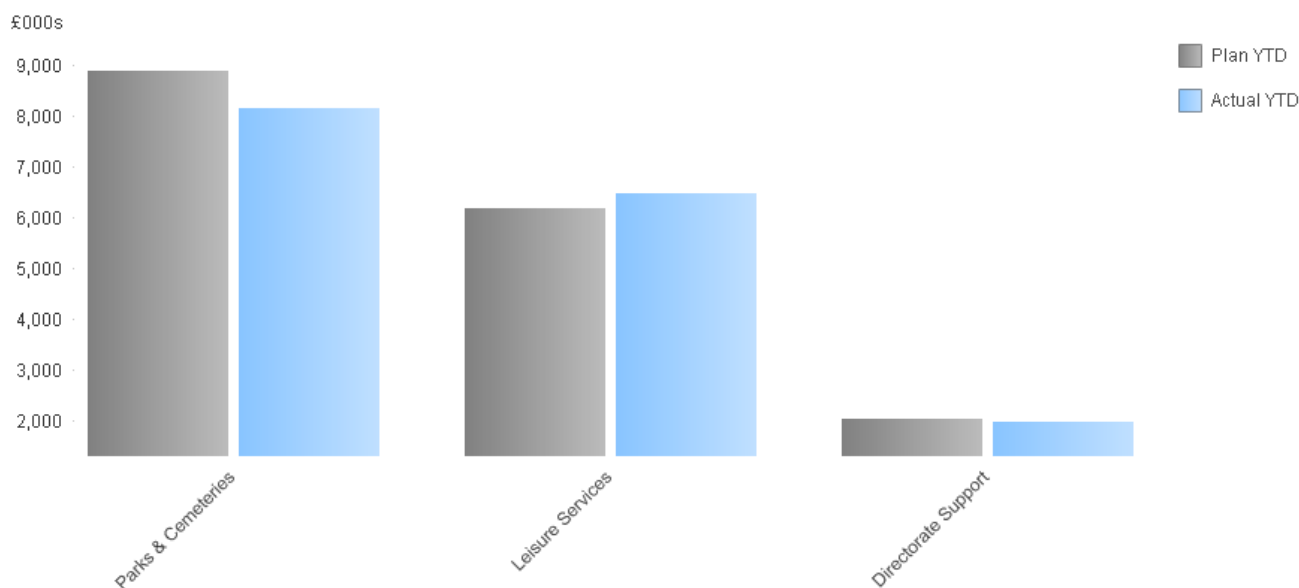
Report Period: Quarter 3, 2012/13

Dashboard

Revenue Section							Page
Service	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	3&4
Parks & Cemeteries		(735)	(8.3)%		(140)	(1.1)%	
Directorate Support		(59)	(2.9)%		(50)	(1.8)%	
Leisure Services		298	4.8%		351	4.3%	
Committee Total		(496)	(2.9)%		161	0.7%	

Key Performance Indicators (KPI)			
KPI	Actual	Target	
Compliant Purchases	81.8%	85.0%	
Timeliness Of Goods On System	49.5%	65.0%	

Committee Net Revenue Expenditure: Year to Date Position



Commentary and action required:

The current performance in quarter three of the Parks and Leisure department shows a (2.9%) variance against the year to date budget; i.e.; an under spend of £496K.

The main issues are:

Income for the department is down 4% or £341k on budget. Leisure Centres are down by 7% or £175k 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 10% or £127k against budget and the income at the shop is also down £88k but this is offset by a reduction on expenditure on supplies by £78k. The poor weather and the opening of other prestigious visitor centres have impacted on the Zoo however promotional activities are taking place to address this.

Income from fees and charges in Parks and Open Spaces are up by 8.5% largely in relation to events and pitch hire and the Crematorium which is up on budget by £116k due to additional slots and increase in price.

Utility costs are currently £131k over spent: 11% in Leisure and 2% in Parks and Cemeteries. The ongoing issues with the borehole at the Zoo are being resolved however the Zoo is currently connected to the mains which incur costs of £17k approx per month. The over spends in leisure relate to water and electricity costs being higher than budget and consumption increasing with the ongoing issues with the CHP units.

Grounds Maintenance expenditure is under spent against budget by £321k. £250k of this relates to the maintenance of playgrounds and £25k in relation to paths but both projects are on schedule to be completed by the end of the year. It is expected that £130k of expenditure for CCG will be used on preparation work for the overall scheme leaving £120k under spent in this financial year.

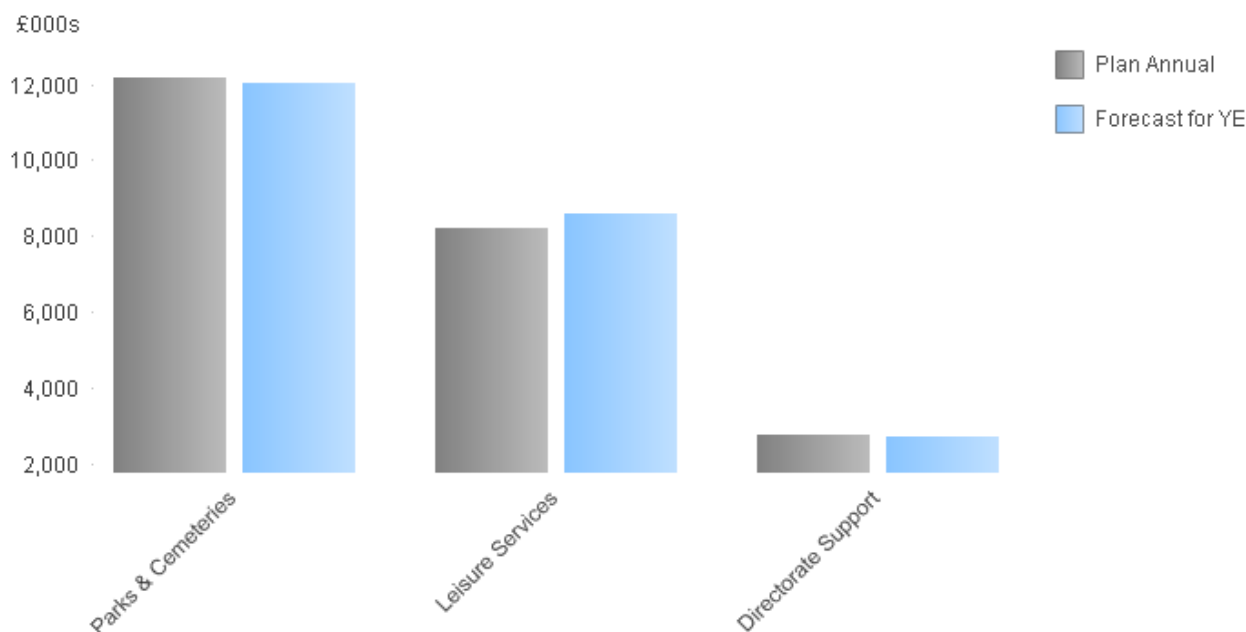
Supplies and Services within the department are under spent by 8% of £364k. This expenditure relates to a number of programmes of work that are being developed and also programmes of work with external partners that are underway and are being monitored on a monthly basis. The corresponding under claimed grant income off sets some of this under

expenditure in relation to a number of key programmes. This also refers to the issue of the Zoo shop referred to above which has reduced its supplies for resale by £78k in response to poor sales

The street trees budget is also showing additional income of £300k against the budget income and there is £156k additional expenditure incurred over budget to offset this additional income. This is partly due to an administration charge that we apply of 15% however the level of work being committed by these agencies' is not guaranteed and therefore not estimated for. The unit overall will be have a net position of £30k over in income.

Directorate support is largely on target however the ASB budget is likely to be under spent by £50k due to planning permission being required for a project and therefore the project has been delayed.

Committee Net Revenue Expenditure: Forecast for Year End (YE)



Commentary and action required:

The yearend forecast for the department at Quarter three is reported as £160k overspent.

The main issues for Leisure Services are in relation to Utility costs and it is expected that water and electricity will be over spent by almost £100k. In relation to income the service is forecasting that its performance will be £250k down on budget potentially £100k of this down to the closure of Avoniel pool. However promotional work is ongoing to improve membership and the Participation Manager is now in post and will be implementing an improvement programme across the city.

Parks and Cemetery Services are projecting an under spend of £140k by year end; the key reasons are as follows:

For Parks a number of programmes of work are currently being implemented but have experienced delays which may result in an under spend of approximately £160k. Management may also want to delay projects to try and reduce the level of overspends experienced by the department.

Also the zoo is forecasting approximately £200k reduction in income due to a fall in throughput which it will not be able to pick up during the year. The issue of the borehole at the zoo and the requirement to link to the mains for a period of time could incur charges of up to £100k however despite the current under spend of £120k the net position of the Zoo is likely to be overspent by £140k. The Zoo shop sales have also fallen however the supplies for resale have been reduced to balance this out.

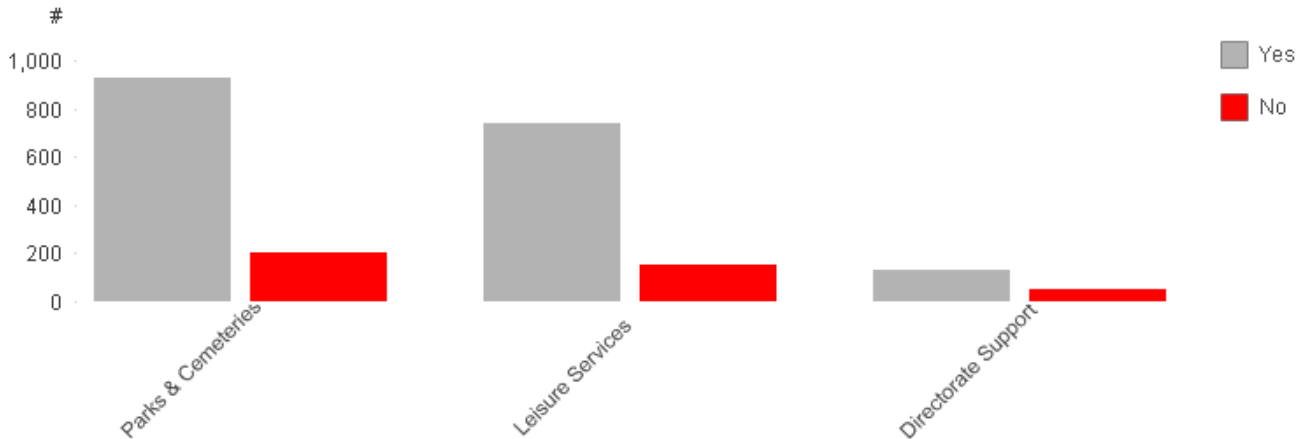
Fees and charges in the crematorium and from pitch hire are looking more favourable and the service is forecasting approximately £120k of additional income by year end

Directorate Support; specifically ASB budget is likely to be under spent by £50k due to planning permission being required for a project.

Key Performance Indicators (KPIs): Procurement Compliance

Procurement Compliance refers to the purchases that are made in compliance with the standard procure to pay process in BCC. These processes help ensure that our creditors are paid in a timely fashion and our accounts are accurate and up to date. The following indicators are intended to give a flavour of how well we are doing at adhering to the processes.

Indicator 1: Compliant Purchases (Purchase order created on system before ordering goods)



The impact of ordering goods without a purchase order being created on the system are that a) the authorisation for purchasing goods has not gone through the proper channels, b) incomplete records are available and decisions are being made based on information that is not correct and c) suppliers whose invoices do not have purchase orders take longer to pay and this contravenes an objective of the investment programme, negatively affecting supplier relationships with BCC.

Commentary and action required:

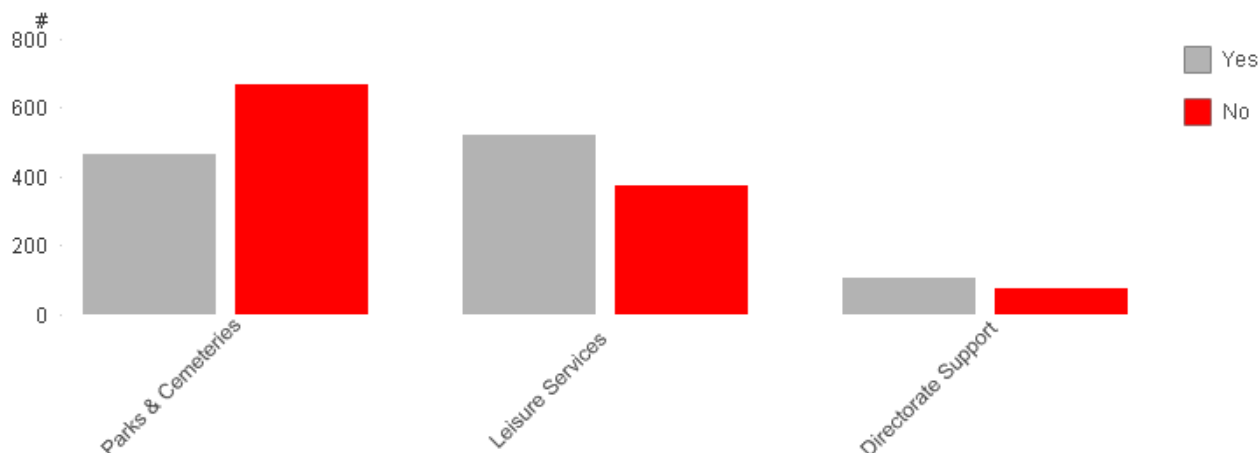
	Yes	No	Total	% Compliant
	1,802	402	2,204	81.8%
Parks & Cemeteries	931	202	1,133	82.2%
Leisure Services	742	152	894	83.0%
Directorate Support	133	50	183	72.7%

The Parks and Leisure Department is 82% compliant in relation to raising purchase order on the system prior to receiving goods and the supplier invoicing for them.

The department is monitoring performance on a monthly basis and identifying any areas where there is non-compliance and reinforcing the policy.

Key Performance Indicators (KPIs): Procurement Compliance

Indicator 2: Timeliness of Goods on System (Goods received and marked received on system within 5 days)



The impact of not marking goods as received onto the system is that a) BCC records of goods on site are not up to date and b) there is a risk that a department might overspend its budget as goods have been received but are not showing against the budget and c) it can take longer to pay the suppliers invoices and this contravenes an objective of the investment programme, negatively affecting supplier relationships with BCC.

Commentary and action required:

CostProfit_C...	Yes	No	Total	% Compliant
	1,092	1,112	2204	49.5%
Parks & Cemeter...	464	669	1133	41.0%
Leisure Services	522	372	894	58.4%
Directorate Sup...	108	75	183	59.0%

The Parks and Leisure Department is approx 50% compliant in relation to goods receiving orders on the system prior to the invoiced being received.

The department is monitoring performance on a monthly basis and is identifying any areas where there is non-compliance to reinforce the policy. On occasions the delivery note is also the invoice and this note would normally generate the goods received on the system. Also in relation to supply of services the receipt of the invoice is the document that informs managers that the service has been completed. The department is working on addressing these issues and also reinforcing the process with our suppliers.

Parks & Leisure Committee

Service	Section	Plan YTD £000s	Actuals YTD £000s	Variance YTD £000s	% Variance	Annual Plan 2012/2013 £000s	Forecast for Y/E at P9 £000s	Forecast Variance £000s	% Variance
Total		17,088	16,592	(496)	(2.9)%	23,166	23,327	161	0.7%
Parks & Cemeteries	Total	8,873	8,138	(735)	(8.3)%	12,178	12,038	(140)	(1.1)%
Parks & Cemeteries	Landscape & Planning	1,489	1,079	(409)	(27.5)%	1,848			
Parks & Cemeteries	P&C Development	133	121	(12)	(9.3)%	178			
Parks & Cemeteries	Parks & Cemetery Services	6,866	6,418	(448)	(6.5)%	9,358			
Parks & Cemeteries	Zoo	385	520	135	35.0%	795			
Directorate Support	Total	2,043	1,984	(59)	(2.9)%	2,768	2,718	(50)	(1.8)%
Directorate Support	P&L Directorate Support	1,326	1,316	(10)	(0.8)%	1,770			
Directorate Support	Policy & Business Development	717	668	(49)	(6.8)%	998			
Leisure Services	Total	6,172	6,469	298	4.8%	8,220	8,571	351	4.3%
Leisure Services	Leisure Centres	5,671	5,872	202	3.6%	7,671			
Leisure Services	Leisure Development	501	597	96	19.1%	549			