



## Belfast City Council

<b>Report to:</b>	Parks and Leisure Committee
<b>Subject:</b>	<b>Financial Reporting – Year End 2012/13</b>
<b>Date:</b>	13 June 2013
<b>Reporting officer:</b>	Andrew Hassard, Director of Parks and Leisure
<b>Contact officer:</b>	Jacqui Wilson, Business Manager

<b>1. Relevant background information</b>
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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. 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.

<b>2. Key issues</b>
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Final year-end financial position 2012/3

The performance for year ending March 2013 of the Parks and Leisure

department shows a (0.2%) variance against the budget; i.e.; an over spend of £55K.

There were a number of key issues which impacted on the department's ability to manage within budget.

#### Income

Income for the department was over £256k (2%) on budget. However Leisure Centres were down by £255k (7%) on the budget for fees and charges. The unanticipated closure of Avoniel accounts for £109k of this loss of income and the pool is due to open again in the summer.

The current economic climate continues to impact on our commercial services e.g. the Zoo, Belfast Castle and Malone House. Income from fees and charges at the Zoo was down £184k (13%) against budget and the income at the shop was also down £106k but this was offset by a reduction on expenditure on supplies by £72k.

Belfast Castle and Malone House both continue to experience a reduction in income from fees and charges £40k and £49k respectively. However management has reduced the impact of the loss by delaying expenditure in areas such as equipment and professional services. The new catering contract is due to be awarded this month and management will be working closely with the company to promote and develop the services provided.

The department experienced a growth in income of £353k from events, pitch hire, the crematorium and. through the delivery of many grant funded environmental improvement projects.

#### Utilities

Utility costs were £370k (12%) over spent: £184k (12%) in Leisure and £185k (19%) in Parks and Cemeteries. The over spends in leisure relate to water and electricity costs being higher than budget and consumption increasing with issues with the CHP units. Members were aware of the unanticipated issue with the borehole at the Zoo which has been resolved however the connection to the mains has cost an unanticipated £85k this year.

At quarter 3 the department was forecasting an over spend of £160k due to many of the factors set out above including the two significant unanticipated events the department experienced. The department responded to these pressures by reducing expenditure in some planned areas to respond to these events and to ensure the department performed within the agreed financial tolerances set.

The financial reporting pack contains more detail on the financial performance in each of the services within the department.

<b>3.</b>	<b>Resource Implications</b>
	There was a year-end over spend of £55k (0.2%) for the financial year ending 31 <sup>st</sup> March 2013
<b>4.</b>	<b>Equality and Good Relations Implications</b>
	None.
<b>5.</b>	<b>Recommendations</b>
	Members are recommended to note the above report and associated financial reporting pack.
<b>6.</b>	<b>Decision Tracking</b>
	N/A
<b>7.</b>	<b>Key to abbreviations</b>
	CHP – Combined Heat and Power
<b>8.</b>	<b>Documents Attached</b>
	Appendix 1: Financial reporting pack