









Parks and Leisure Committee



Quarterly Finance Report

Report Period: Quarter 1, 2013/14

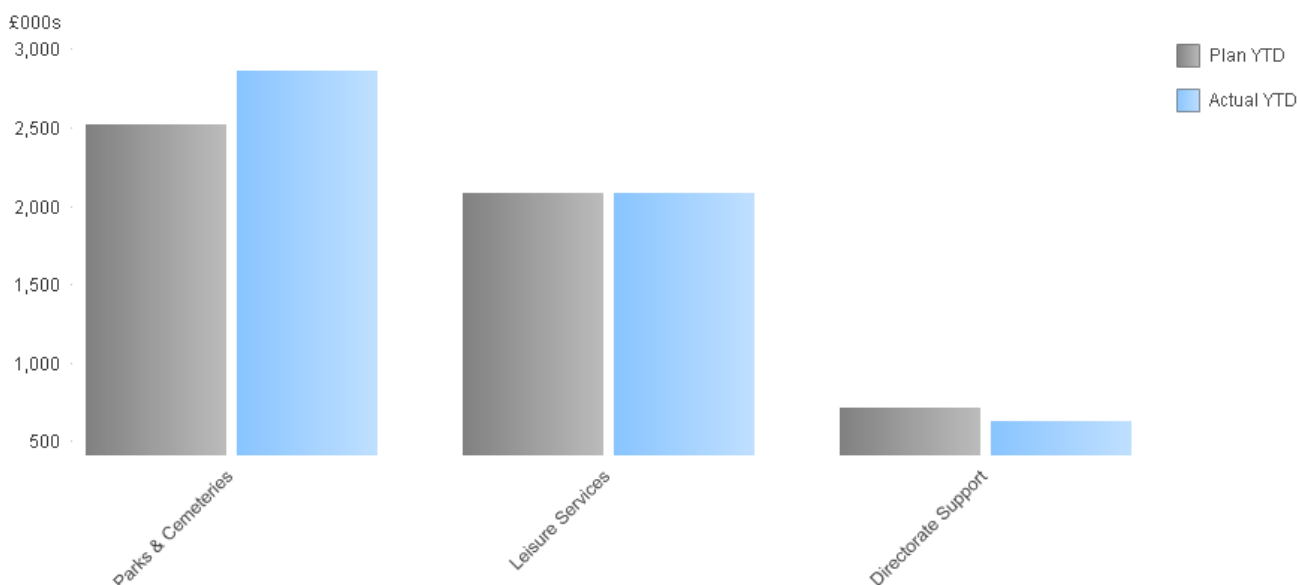
Revision Record - Please complete to facilitate version control (table will be deleted in final version)			
Author	Creation Date	Version	Status
J Morris	10.07.13	1.0	YTD Dashboard Only
Changed by	Revision Date		
J Wilson	24.07.13	2.1	Commentary added
J Morris	26.07.13	2.2	Forecasts added

Dashboard

Revenue Section							Page
Service	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	3&4
Parks & Cemeteries		336	13.3%		20	0.2%	
Directorate Support		(82)	(11.5)%		0	0.0%	
Leisure Services		2	0.1%		145	1.7%	
Committee Total		256	4.8%		165	0.7%	

Key Performance Indicators (KPI)			
KPI	Actual	Target	
Compliant Purchases	82.7%	90.0%	
Timeliness Of Goods On System	68.0%	75.0%	

Committee Net Revenue Expenditure: Year to Date Position



Commentary and action required:

The current performance in quarter one of the Parks and Leisure department shows a 5% variance against the year to date budget; i.e.; an over spend of £255k.

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

Utility costs are currently over budget by £90k and are a concern for the department. Gas, Water and CHP are all overspent within the department with CHP being an ongoing issue within Leisure. The connection to the water mains in the Zoo cost £22k in the first quarter which was not budgeted for however the borehole supply has now been restored.

Vehicle costs within Parks and Cemeteries are overspent by £183k against budget in quarter one due to the timing of the procurement of fuel management systems and new machinery. However this issue should be resolved by quarter 2 and further expenditure managed within profiled budgets. Fuel budgets also remain under pressure due to increased costs and £40k over budget has been charged in the first quarter.

Compensation claims are £88k over budget in Parks and Cemetery Services i.e. 50% of the budget is spent in the first quarter. Again the timing of compensation claims is largely unpredictable but there is a high probability that this budget will be overspent by year end. The department continues to work with Legal Services to improve the reporting of incidents and ensuring these are managed effectively.

Income for the department overall is down 5% or £131k on budget. Leisure Centres are on budget despite losing £33k of income with the Avoniel pool closure. Promotional activities around summer campaigns have been running from April and the summer schemes have all been well received.

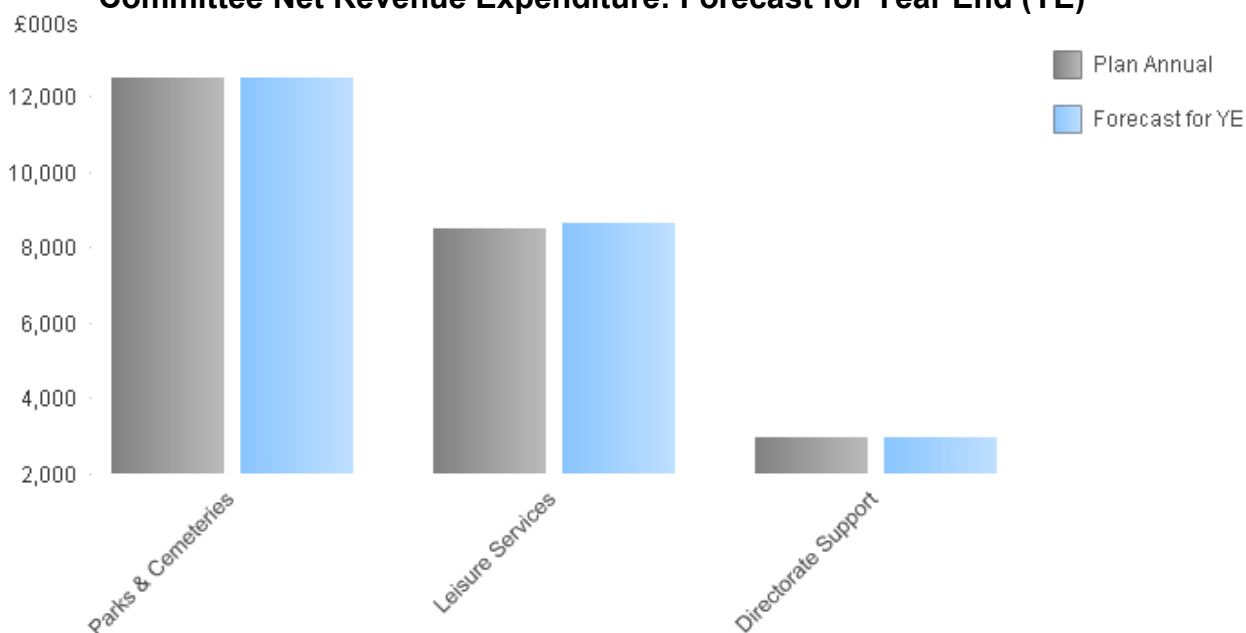
Income from fees and charges at the Zoo is down 23% or £124k against budget. This is largely due to the loss of income due to closures over Easter. However the figures for May and June are up on the same time last year and the outdoor campaign 'passport to the world' is well underway. Also the good weather has helped increase visitor numbers and on the basis of performance forecasts it is expected that this shortfall will be covered. Income at the shop is also down £36k but this is offset by a reduction on expenditure on supplies by £23k in the

same period. This will continue to be tightly managed and a trading account is in place for the shop and regular stock takes are in place.

Income in relation to the Franchise agreement at the Castle and Malone House will continue to underperform as a new contract is now in place from June which reflects a reduced annual rate.

Income from Grants is also outstanding by £57k and officers are working with funding bodies to ensure all monies are claimed in a timely manner. Income from fees and charges in Parks is up by 6% or £44k which is mainly from the crematorium (£27K) and pitch hire.

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



Commentary and action required:

The yearend forecast for the department at Quarter One is reported as £165k overspent; Leisure £145k and Parks & Cemeteries £20k

The key reasons for the overspend is:

Leisure Centres income from fees and charges has been under pressure for the last few years and although memberships are increasing there is a higher increase with the concessionary memberships which results in less income per user. Due to the closure of Avoniel and maintenance upgrades of facilities within Ballysillan and Shankill approximately £58k of income will be lost. However the service will continue to try and recover this through ongoing promotions etc and it is forecast that the service will be approximately £25k under its budgeted income.

Utility costs continue to be a concern for the department and despite the issue with the Zoo borehole being resolved and Avoniel Pool refurbished these costs are rising. It is forecast that the department will be approximately £142k over budget in this area: Leisure centres £120k and the Zoo £22k.

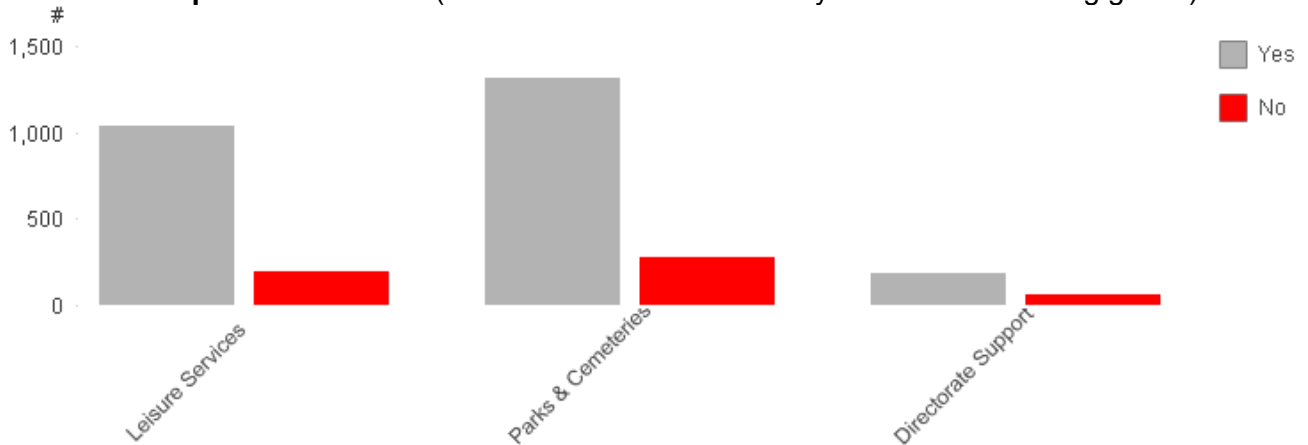
Vehicle fuel costs continue to be an issue and the department has invested in a fuel management system to ensure costs are controlled however it is forecast that the department will be approximately £48k overspend in this area.

Income from the Crematorium and from events in Parks not budgeted for is forecast that £50k of additional income will be generated.

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:

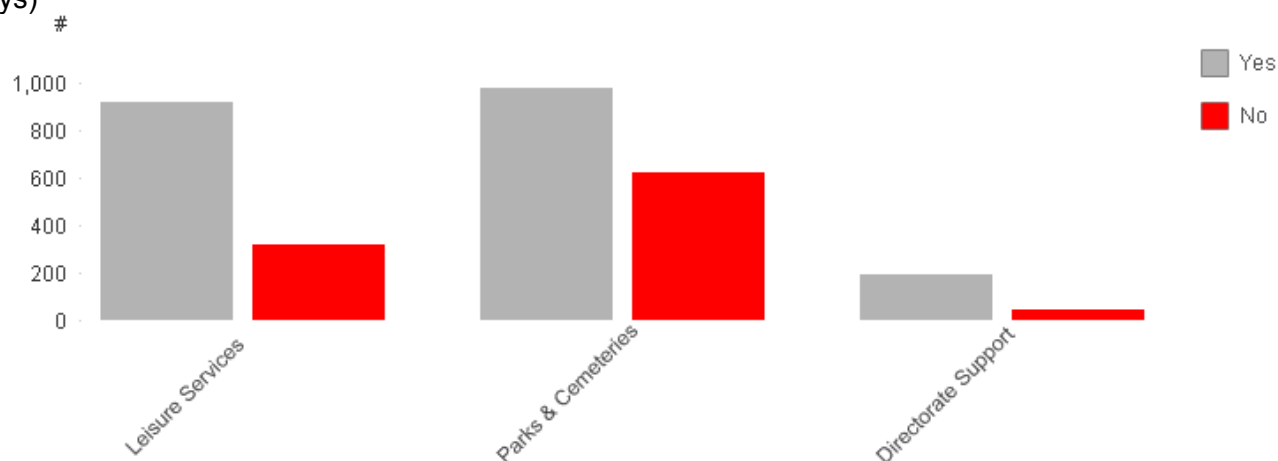
	Yes	No	Total	% Compliant
	2,542	530	3072	82.7%
Leisure Services	1,040	198	1238	84.0%
Parks & Cemeteries	1,320	276	1596	82.7%
Directorate Support	182	57	239	76.2%

The Parks and Leisure Department is 82.7% compliant in relation to raising purchase order on the system prior to receiving goods and the supplier invoicing for them and this is up on the previous quarter.

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:

	Yes	No	Total	% Compliant
	2,089	983	3072	68.0%
Leisure Services	919	319	1238	74.2%
Parks & Cemeteries	979	617	1596	61.3%
Directorate Support	192	47	239	80.3%

The Parks and Leisure Department is 68% compliant in relation to goods receiving orders on the system prior to the invoiced being received which is a significant improvement on the position in the previous quarter

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 continuing to work on 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 2013/2014 £000s	Forecast for Y/E at P3 £000s	Forecast Variance £000s	% Variance
Total		5,320	5,576	256	4.8%	23,891	24,056	165	0.7%
Parks & Cemeteries	Total	2,522	2,858	336	13.3%	12,471	12,491	20	0.2%
Parks & Cemeteries	Landscape & Planning	182	227	45	24.6%	2,133			
Parks & Cemeteries	P&C Development	35	57	22	64.3%	139			
Parks & Cemeteries	Parks & Cemetery Services	2,317	2,416	100	4.3%	9,355			
Parks & Cemeteries	Playing Fields	0	0	0	0.0%	0			
Parks & Cemeteries	Zoo	(12)	157	169	(1,448.4)%	844			
Directorate Support	Total	714	632	(82)	(11.5)%	2,951	2,951	0	0.0%
Directorate Support	P&L Directorate Support	498	478	(20)	(4.1)%	1,995			
Directorate Support	Policy & Business Development	215	154	(61)	(28.5)%	956			
Leisure Services	Total	2,084	2,086	2	0.1%	8,469	8,614	145	1.7%
Leisure Services	Leisure Centres	1,849	1,848	(2)	(0.1)%	7,826			
Leisure Services	Leisure Development	235	238	3	1.4%	643			