



## Belfast City Council

<b>Report to:</b>	Parks and Leisure Committee
<b>Subject:</b>	<b>Financial Reporting – Quarter 2 2013/14</b>
<b>Date:</b>	14 November 2013
<b>Reporting officer:</b>	Andrew Hassard, Director of Parks and Leisure
<b>Contact officer:</b>	Jacqui Wilson, Business Manager

### 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. 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

The current performance in quarter two of the Parks and Leisure department shows a 1% variance against the year to date budget; i.e.; an over spend of £119k. This overspend has reduced significantly from quarter one.

There are a number of key reasons for the over spend within the

department as follows:

Direct Employee expenses are overspent by 1.6% which relate mainly to overtime and agency costs as reviews are implemented i.e. Zoo, ROSPA. These continue to be monitored and hotspots challenged with managers.

Utility costs are currently on budget however there are ongoing issues with CHP within Leisure and the timeliness of charging. The connection to the water mains in the Zoo cost £40k year to date which was not budgeted for however the borehole supply has now been restored, so this should not be a cost going forward.

Vehicle costs within Parks and Cemeteries are overspent by £26k against budget in quarter two as fuel budgets remain under pressure due to increased costs

Compensation claims are £96k over budget in Parks and Cemetery Services by the second quarter. Again the timing of compensation claims is largely unpredictable but there is a high probability that this budget will be overspent by £90k 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 2% or £113k on budget. Leisure Centres are 2% £36k down on budget due to losing £33k of income with the Avoniel pool closure. Promotional activities around summer campaigns have been running from April and the holiday schemes have all been well received.

Income from fees and charges at the Zoo is down 10% or £113k against budget. This is largely due to the loss of income due to closures over Easter. However the figures for May, June and July are up on the same time last year and the outdoor campaign 'passport to the world' was well received. The good weather has helped increase visitor numbers however August and September were down on expected income and it is unlikely that performance will improve to meet budgeted income. Income at the shop is also down £39k but a reduction on expenditure on supplies will continue to reduce this. The shop will continue to be tightly managed and a trading account is in place for the shop and regular stock takes are in place.

The new Franchise agreement at the Castle and Malone House in place from June will result in a reduced annual income. This currently sits at £58k below budget year to date.

Income from Grants outstanding is £39k and officers are working with funding bodies to ensure all monies are claimed in a timely manner. Income from fees and charges in Parks and Open Spaces is up by 10% or £136k which is mainly from the crematorium (£85k) and pitch hire. However these increases do not offset the underperformance of the Zoo and Estates unit.

	<p>The department will continue to monitor the variance between actual and budgeted expenditure/income during quarter three of the year.</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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<b>3.</b>	<b>Resource Implications</b>
	There is a year to date over-spend of £119k (1%) and a forecast over-spend of some £120k by year end due to issues set out above.

<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>
	None.

<b>8.</b>	<b>Documents Attached</b>
	Appendix 1: Financial reporting pack