



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Financial Performance
Date:	5 December 2013
Reporting officer:	Andrew Hassard, Director of Parks and Leisure
Contact officer:	Jacqui Wilson, Business Manager

1. Relevant background information
At the end of quarter 2, the department reported an over spend of £119k or 1% which is within the corporately accepted budget variance tolerance. At November committee, Members requested that a follow up report be tabled identifying how the overspend will be reduced and effectively report performance within budget by year end.

2. Key issues
<p>Within the normal budget monitoring and control procedures work is ongoing to ensure the department performs within budget. At the end of October the over spend had reduced to £75k. This is despite the uncontrollable variances reported in quarter 2, notably income loss at the Zoo due to the heavy snow at Easter, the Avoniel pool closure and the issues with the borehole at the Zoo.</p> <p>In early November, a series of budget monitoring meetings took place with operational budget holders. The purpose of these meetings was to identify the anticipated year end financial position, and agree spending limits where relevant. Potential cost controls and reductions in the following areas have been identified, to help achieve a year end zero budget variance;</p> <ul style="list-style-type: none">• Grounds maintenance in parks• Supplies and Services purchases across the department• Suspension, or delay in planned improvement projects• Reduction in Anti Social Behaviour activities <p>However, the 2nd half of the year also traditionally sees less income generation at venues such as Belfast Castle, Malone House, and Belfast Zoo. These factors are reflected in budget profiles but do mean that there are less discretionary funds available. Further actions to reduce projected</p>

	overspend may impact on “business as usual” service delivery. However this position will continue to be monitored on a monthly basis and reported to the director for any operational decisions on the reduction of services.
--	---

3. Resource Implications	
	<p>The department has a £24m net expenditure budget for the 2013/14 financial year. Currently the variance is within the acceptable performance tolerance and the forecast for year end 0.5% of a variance is also within that accepted tolerance.</p> <p>The forecasted overspend reported in quarter 2 will be reviewed for quarter 3 and a detailed report provided at January’s committee on the projected outturn. Officers will continue to endeavour to ensure that only essential planned expenditure is incurred between now and year end.</p>

4. Equality and Good Relations Implications	
	None

5. Recommendations	
	Members are asked to note the contents of this report.

6. Decision Tracking	
	Business Manager to report back in line with the quarterly financial reporting schedule.

7. Key to abbreviations	
	None

8. Documents Attached	
	None