









Parks and Leisure Committee



Quarterly Finance Report

Report Period: Quarter 3, 2013/14

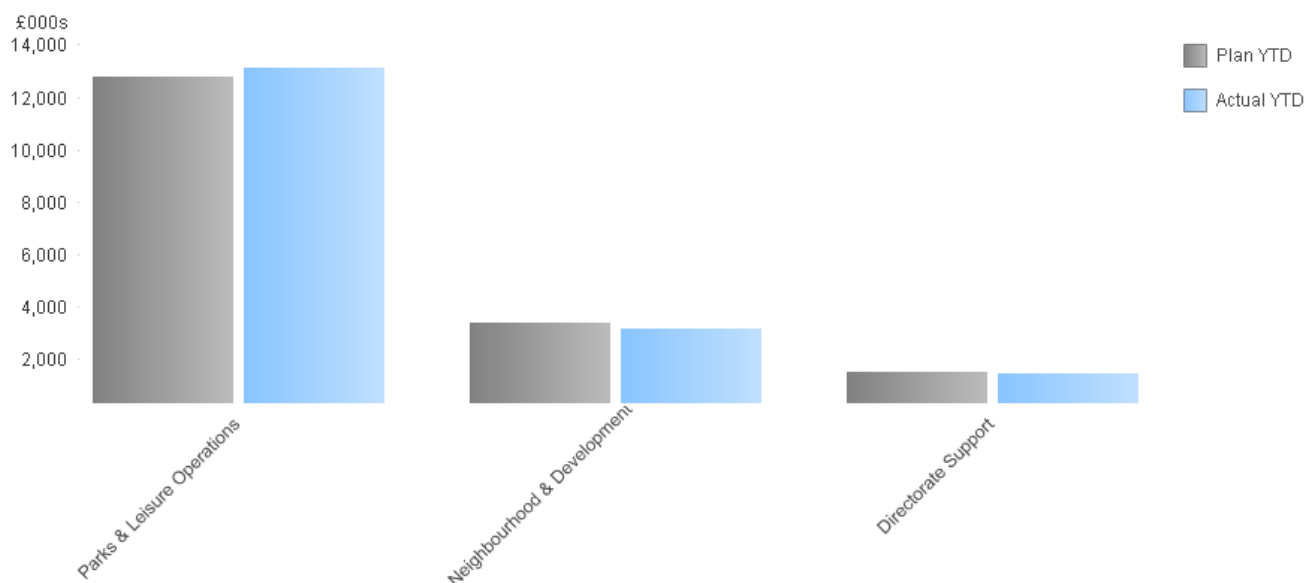
Revision Record - Please complete to facilitate version control (table will be deleted in final version)			
Author	Creation Date	Version	Status
C Gillen	15.01.14	1.0	YTD Dashboard Only
Changed by	Revision Date		
C Bateson	30.01.14	1.1	Compliance KPIs
C Bateson	31.01.14	2.0	Forecast Info
J Wilson	31.01.14	3	Commentary added

Dashboard

Revenue Section							Page
Service	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	3&4
Parks & Leisure Operations		381	3.0%		360	2.1%	
Directorate Support		(43)	(2.8)%		(50)	(2.5)%	
Neighbourhood & Development		(176)	(5.3)%		(190)	(4.2)%	
Committee Total		162	0.9%		120	0.5%	

Key Performance Indicators (KPI)			
KPI	Actual	Target	
Compliant Purchases	85.9%	90.0%	
Timeliness Of Goods On System	67.7%	75.0%	

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 0.9% variance against the year to date budget; i.e.; an over spend of £162k.

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

Direct Employee expenses are overspent by 1.7% which relate mainly to overtime and agency costs as reviews are implemented. These continue to be monitored and hotspots challenged with managers. A number of new posts in relation to the Zoo review and Parks Operational reviews will assist in reducing the reliance on agency and overtime as well as a number of seasonal posts which will impact on outdoor leisure.

Utility costs are currently overspent by £27k and there are ongoing issues with CHP within Leisure. The connection to the water mains in the Zoo cost £40k year to date which was not budgeted for and will continue to impact for year end.

Vehicle costs within Parks and Cemeteries are overspent by £62k against budget in quarter three as fuel budgets remain under pressure due to increased costs but it is hoped that this will be reduced by year end.

Compensation claims are £143k over budget in Parks and Cemetery Services by the third quarter. Again the timing of compensation claims is largely unpredictable but this budget will be significantly overspent by year end. The department continues to work with Legal Services to improve the reporting of incidents and ensuring these are managed effectively. A report last month to committee set out the proposal of a claims investigator to help reduce the level of claims.

Income for Leisure Centres is back on target with fees and charges income £9k over budget. Promotional activities around membership campaigns have been running from December. Income from grant claims has also improved the overall performance

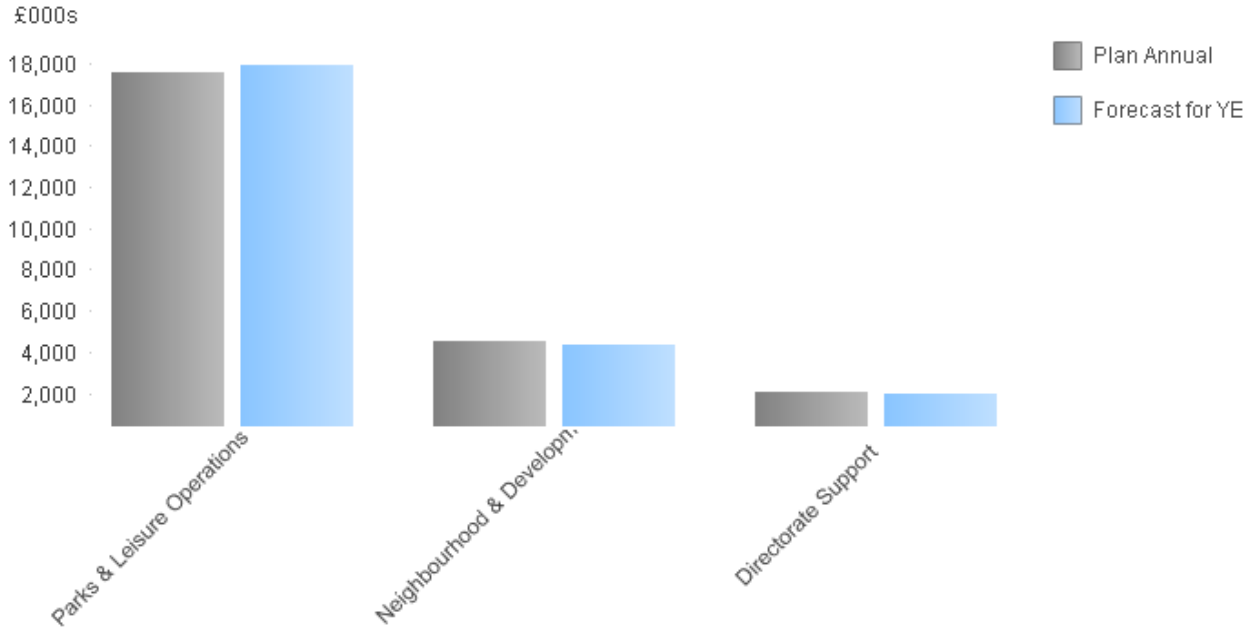
Income from fees and charges at the Zoo is down 11% or £178k against budget. This is largely due to the loss of income due to closures over Easter. The good weather had helped increase visitor numbers in July however August and September were down on expected income.

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 current overspend is £14k.

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. Currently income for Malone House and Belfast Castle respectively is £67k and £88k below budget. However the subsidy at both sites continues to be managed and the net expenditure overspends at each are £11k and £31k

Income from Grants is over by £139k however the same amount of expenditure has been incurred to offset this. This is purely a timing issue and should be resolved for year end. Income from fees and charges in Parks and Open Spaces is up by 11% or £210k which is from the crematorium (£60k) and events. However these increases do not offset the underperformance of the Zoo and Estates unit.

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 £120k overspent; Leisure £100k, Parks & Cemeteries £260k Neighbourhood Development £190k under spent and Directorate under spent by £50k

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 it is forecast that the service will be approximately £50k under its budgeted income. However the service will continue to try and recover this through ongoing promotions etc

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 £90k over budget in this area: Leisure centres £50k and the Zoo £40k.

Compensation Claims within Parks and Cemeteries are forecast to be £150k over budget by the end of the year. The Service continues to work with Legal services to reduce the number of claims coming through however the bulk of current claims are historical.

Income from the Crematorium and from events in Parks not budgeted for is forecast that £140k of additional income will be generated.

Income from the Zoo is expected to be down by £160k and Estates by £50k due to the reduced franchise fee.

Directorate support is forecast to be under spent by £50k due to posts remaining vacant. Delays in the ASB programme and some improvement work within Neighbourhood development will result in a £190k under spend. This includes income generated from the management fee in relation to Tree contracts with DSD and is projected to generate approximately £30k not budgeted for.

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
	3,096	509	3605	85.9%
Parks & Cemeteries	1,608	288	1896	84.8%
Directorate Support	157	48	205	76.6%
Leisure Services	1,332	174	1506	88.4%

The Parks and Leisure Department is 85.9% 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
	2,441	1,164	3605	67.7%
Parks & Cemeteries	1,124	772	1896	59.3%
Directorate Support	171	34	205	83.4%
Leisure Services	1,148	358	1506	76.2%

The Parks and Leisure Department is 68% 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 continuing to work on these issues and also reinforcing the process with our suppliers.

Parks & Leisure Committee

Service	Section	Plan YTD £000s	Actual YTD £000s	Variance YTD £000s	% Variance	Annual Plan 2013/2014 £000s	Forecast for Y/E at P9 £000s	Forecast Variance £000s	% Variance
Total		17,619	17,781	162	0.9%	24,097	24,217	120	0.5%
Parks & Leisure Operations	Total	12,758	13,139	381	3.0%	17,539	17,899	360	2.1%
Parks & Leisure Operations	Estates Management	208	259	51	24.3%	342			
Parks & Leisure Operations	Leisure Centres	5,727	5,830	103	1.8%	7,884			
Parks & Leisure Operations	Parks & Cemetery Services	6,390	6,428	38	0.6%	8,457			
Parks & Leisure Operations	Zoo	433	622	188	43.5%	856			
Directorate Support	Total	1,510	1,468	(43)	(2.8)%	2,014	1,964	(50)	(2.5)%
Directorate Support	Bereavement Administration	191	181	(10)	(5.2)%	255			
Directorate Support	Directorate Support	1,319	1,287	(33)	(2.5)%	1,759			
Neighbourhood & Development	Total	3,351	3,175	(176)	(5.3)%	4,544	4,354	(190)	(4.2)%
Neighbourhood & Development	Anti Social Behaviour	240	134	(106)	(44.3)%	254			
Neighbourhood & Development	Landscape & Planning	1,464	1,619	155	10.6%	2,139			
Neighbourhood & Development	Leisure Development	547	454	(93)	(17.1)%	645			
Neighbourhood & Development	Open Spaces & Active Living	547	497	(50)	(9.1)%	661			
Neighbourhood & Development	P&C Development	104	86	(18)	(17.2)%	140			
Neighbourhood & Development	Policy & Business Devpt Unit	448	385	(63)	(14.1)%	705			