



Belfast City Council

Report to:	Parks and Leisure Committee
Subject:	Financial Reporting – Year end 2013/14
Date:	12 June 2014
Reporting officer:	Andrew Hassard, Director of Parks and Leisure
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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

Final year-end financial position 2013/4

The performance for year ending March 2014 of the Parks and Leisure department shows a (0%) variance against the budget; i.e.; an over spend of £10K.

There are a number of key issues which have impacted on the department's ability to manage within budget::

Income

Income for Leisure Centres is back on target with fees and charges income £107k over budget. Promotional activities around membership campaigns have been running from December.

Income within Parks and Open Spaces is up by £157k (6%). £53k is from the crematorium and £60k events. The Landscape Planning and Development unit also generated additional unplanned income of £135k through the delivery of many grant funded environmental improvement projects.

Income from fees and charges at the Zoo is down 12% or £229k against budget. This is largely due to the loss of income because of the closure over Easter. The good weather helped increase visitor numbers in July 2013 however August and September were down on expected income. Included above is the income at the shop which is £42k down but a reduction on expenditure on supplies has reduced the impact of this from quarter 3. 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.

Income in relation to the Franchise agreement at the Castle and Malone House reflects a reduced annual rate on the catering contract following the retendering of the Franchise. At year end income is below budget for Malone House and Belfast Castle: £62k and £40k respectively. However this is an improvement on quarter 3. The subsidy at both sites continues to be managed and the net expenditure at both sites is currently within budget tolerances.

Utilities

Utility costs were overspent by £45k and there were ongoing issues with the performance and maintenance of the combined heat and power units within Leisure which has contributed to this. As a result of the work on the borehole the connection to the water mains in the Zoo cost £36k year to date which was not budgeted for

Compensation Claims

Compensation claims are £275k over budget in Parks and Cemetery Services. The timing of compensation claims is largely unpredictable and the department continues to work with Legal Services to improve the reporting of incidents and ensuring these are managed effectively. Additional measures to improve claims investigations are currently being considered.

At quarter 3 the department was forecasting an over spend of £120k due to many of the factors set out above including the significant unanticipated events the department experienced in relation to the Zoo

	<p>borehole and closure over Easter 2013. The department responded to these pressures by reducing expenditure in some planned areas to reduce the impact of these events and to ensure the department performed within the agreed financial tolerances set.</p> <p>The financial reporting pack contains more detail on the financial performance in each of the services within the department.</p>
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3.	Resource Implications
	There is a year-end over spend of £10k for the financial year ending 31 st March 2014

4.	Equality and Good Relations Implications
	None.

5.	Recommendations
	Members are recommended to note the above report and associated financial reporting pack.

6.	Decision Tracking
	N/A

7..	Key to abbreviations
	None.

8.	Documents Attached
	Appendix 1: Financial reporting pack