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**Democratic Services Section
Legal and Civic Services Department
Belfast City Council
City Hall
Belfast
BT1 5GS**

4th November, 2019

MEETING OF PEOPLE AND COMMUNITIES COMMITTEE

Dear Alderman/Councillor,

In addition to those matters previously notified to you, the following item will also be considered at the meeting to be held at 5.15 pm on Tuesday, 5th November, 2019.

Yours faithfully,

SUZANNE WYLIE

Chief Executive

AGENDA:

5. **Finance, Procurement and Performance**

- (b) Update on Committee Financial Position (Pages 1 - 4)

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Subject:	Update on Committee Financial Position
Date:	5 th November 2019
Reporting Officer:	Nigel Grimshaw, Director of City and Neighbourhood Services
Contact Officer:	Jacqueline Wilson, Business Manager, City & Neighbourhood Services Department

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Is the decision eligible for Call-in?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1.0	Purpose of Report or Summary of main Issues	
1.1	In advance of the quarter 2 financial position for the People and Communities Committee; the department is highlighting for committee the financial pressures experienced in year and potential options to bring the department back to an acceptable expenditure position.	
2.0	Recommendations	
2.1	Members are asked to; <ul style="list-style-type: none"> • note the updated current financial position and the corrective action to support an improvement 	

3.0	Main report
3.1	<p>Overall Council Financial Position</p> <p>A report to the Strategic Policy and Resources Committee at its meeting on 23rd August 2019 set out the departmental and district rate forecasts. It was agreed that the committee maintained its position that no further reallocations or cash flow payments are considered until the Quarter 2 position is presented to the Committee in November 2019.</p>
3.2	<p>Committee Financial Position</p> <p>Members are advised that although the Quarter 2 position for People and Communities Committee is an under spend of -£271,492 or -0.7% of the budget, The Quarter 2 forecast year end for the People and Communities Committee is an over spend of £544k or 0.7%. Whilst this is within the acceptable financial variance limit of 3% the Committee has a cash limit for year end and therefore there is a need to undertake corrective action to bring this back to a more neutral position.</p>
3.3	<p>The main reasons for the quarter 2 Committee over spend forecast relates to a number of areas including the following :</p> <ul style="list-style-type: none"> • uncontrollable increased contract costs and waste tonnages; • increases in waste collection staff costs; • vehicle costs and fuel costs • reduction of income against budget for commercial waste. • Additional requests for resource allocation though committee on tackling ASB in parts of the city
3.4	<p>The department has explored a range of options that are now needed to address this forecast overspend position some of these include the following actions:</p> <ul style="list-style-type: none"> • Pulling back on any discretionary spend and on areas such as supplies and services • Reviewing any events/programmes that are not already committed to that may then need to be delayed • Delay any non-essential grounds maintenance activities to the new financial year • Challenge all overtime requests or temporary agency cover that's are not deemed essential

3.5	<p><u>Finance and Resource Implications</u></p> <p>The Quarter 2 forecast for People and Communities Committee is an over spend of £544k or 0.7% whilst this is within the acceptable variance limit of 3% we have a cash limit for committee therefore the department will continue to work to reduce this overspend position by the end of the financial year.</p>
3.6	<p><u>Equality and Good Relations/Rural Needs assessment</u></p> <p>There are no equality implications with this report.</p>
4.0	<p>Appendices – Documents Attached</p>
	<p>None</p>

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