

















City Growth and Regeneration Committee

Quarterly Finance Report

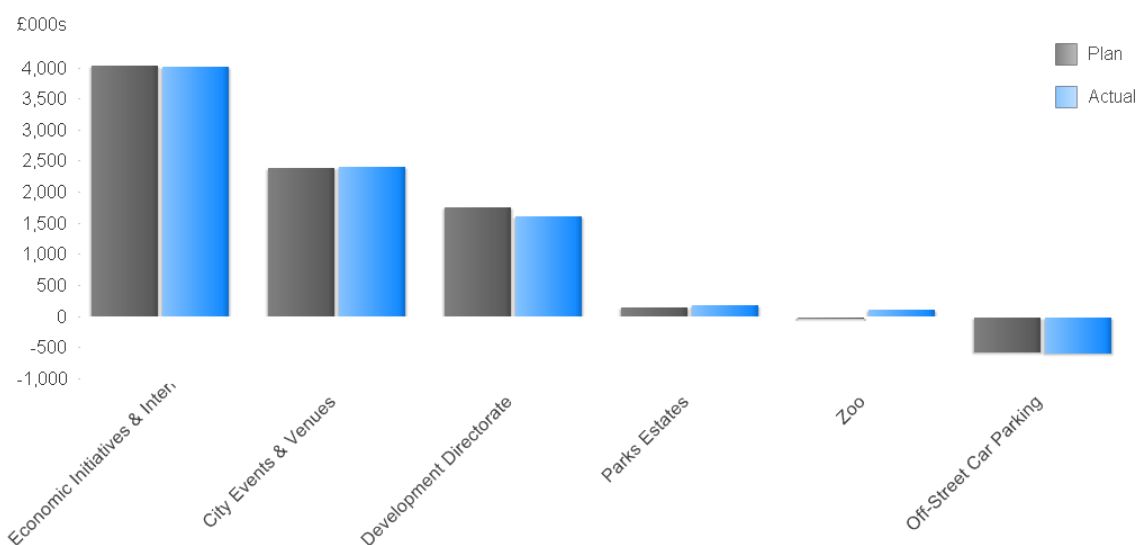
Report Period: Quarter 2, 2015-2016

## Dashboard

Quarter 2, 2015-2016

Revenue Section							Page
Committee	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	3 - 5
Economic Initiatives & Internat Devpt		(17)	(0.4)%		(20)	(0.3)%	
City Events & Venues		16	0.7%		43	1.0%	
Development Directorate		(136)	(7.8)%		(123)	(3.2)%	
Parks Estates		39	29.0%		75	21.2%	
Zoo		139	(503.7)%		100	11.6%	
Off-Street Car Parking		(34)	6.1%		69	(5.0)%	
<b>Total</b>		<b>8</b>	<b>0.1%</b>		<b>144</b>	<b>1.0%</b>	

## Committee Net Revenue Expenditure: Year to Date Position



The **City Growth and Regeneration Committee** budget is over spent by £8k, or 0.1% of its net budgeted expenditure of almost £7.7 million, at the end of Quarter 2.

The Committee's budget is made up of the following profit centres:

- ✚ **Economic Initiatives (DEV)**:- Tourism; Economic Development; Markets; European Unit and International Relations
- ✚ **City Events and Venues (DEV)**: City Events; Belfast Waterfront; Ulster Hall
- ✚ **Development Directorate (DEV)**: Urban Development; Business Research and Development; Directorate
- ✚ **Estates Management (PKS)**: Malone House; Belfast Castle; Stables Restaurant; Adventure Playground
- ✚ **Zoo (PKS)**
- ✚ **North Foreshore (PPD)**
- ✚ **Off Street Car Parking (H&ES)**

Economic Initiatives and International Development (EIID) are under spent by £17k (0.4%); Development Directorate are under spent by £136k (7.8%); Off- Street Car Parking is under spent by £34k (6.1%) whilst City Events and Venues are over spent by £16k (0.7%), Parks Estates Management are over spent by £39k (29%) and the Zoo is over budget by £139k (503%).

There are four main areas which give rise to the current overall £8k (0.1%) over spends within the City Growth and Regeneration Committee budget at the end of quarter two:

1. Gross Income was £94k less than budgeted income to the end of September 2015. This variance relates to less income being received than planned in the Zoo (£22k), Belfast Waterfront (£82k) and Parks Estates (£64k). These shortfalls are partly offset by additional income in EIID (£41k), Development Directorate (£5k) and Off Street Car Parking (£28k).
2. Employee costs were £87k less than budget with over spends in Markets (£38k) and the Zoo (£80k) offset by under spends in Development Directorate (£147k) and Belfast Waterfront (£58k).
3. Premises expenditure was £52k below budget with under spends in the Zoo (£9k), Parks Estates (£11k), Off Street Car Parking (£19k) and Belfast Waterfront (£13k).

- Supplies and Services expenditure was £52k above budget. This was mainly due to over spends in the Zoo (£43k), Belfast Waterfront (£5k), Off Street Car Parking (£14k) and Development Directorate (£16k) which are offset by under spends in EIID (£14k) and Parks Estates (£12k).

**EIID are under spent by £16,687 at the end of period 6.**

**(Budgeted Net Expenditure: £4,018,627; Actual Net Expenditure: £4,001,940).**

EIID is under spent by £17k at end of period 6. Within EIID, there is increased income received of £41k; this relates to increased stallage fees within City Markets and unprofiled CFF grant income received for quarter two. There is also reduced expenditure incurred within supplies and services of £14k which is in regards to lower than planned costs in City Markets, Tourism unit and European Unit. These are profiling issues and will self correct.

Transport costs are below budget by £6k in relation to City Markets.

These are then offset by increased costs incurred for employee costs of £38k in relation to increased weekend supervisory agency costs within Markets, higher than planned salary costs in European Unit. There are further over spends in subscriptions and grants of £2k. In period 6, there were also unbudgeted compensation claims of £4k incurred in regards to Smithfield Market.

**City Events and Venues are over spent by £16,485 at the end of period 6.**

**(Budgeted Net Expenditure: £2,390,440; Actual Net Expenditure: £2,406,925).**

City Events is under spent by £14k and City Venues is over budget by £31k at the end of period 6.

The Belfast Waterfront/Ulster Hall has less income than planned of £34k. Within supplies and services, there is an over spend of £45k, and an over spend of £5k in premises costs. These are then offset by an under spend of £51k within employee costs and £2k in subscriptions and grants.

It is worth noting that City Venues have introduced a cost reduction plan which was presented to City Growth & Regeneration committee on 9<sup>th</sup> September 2015. This plan will be monitored on a monthly basis.

The City Events unit has reduced employee costs of £7k and premises costs of £17k along with transport costs being under budget by £7k and grant expenditure and other establishment costs being under spent by £20k. Supplies & services are also under spent by £11k. These are then offset by £48k less income than anticipated.

These are profiling issues and will self correct.

**Directorate are under spent by £135,728 at the end of period 6.**

**(Budgeted Net Expenditure: £1,742,553; Actual Net Expenditure: £1,606,825)**

The under spend within Directorate is attributable to decreased spend within employee costs of £147k and increased unbudgeted income received within Urban Development unit of £5k in regards to Renewing the Routes scheme. These are then offset by higher than budgeted supplies and services costs of £16k.

**The Zoo is overspent by £139,321 at the end of period 6.**

**(Budgeted Net Income: £27,659; Actual Net Expenditure: £111,662)**

Net Expenditure at Quarter 2 is £139k over budget. Income from Zoo admissions is approximately £22k below the profiled target though the shop continues to perform well and income currently exceeds budget.

Employee expenditure is over budget by £80k due to the use of overtime and agency Supplies and Services are also over budget by £43k, due to increased costs for pest control, and the requirement for additional purchases for shop goods for sale given the successful performance of the shop. At Quarter 1 committee was presented with an improvement plan for the Zoo which aims

to address these overspends and progress is being made in many areas.

**Parks Estates are over spent by £38,589 at the end of period 6.**

**(Budgeted Net Expenditure: £132,878; Actual Net Expenditure: £171,467)**

Net Expenditure at Quarter 2 is £38k (29%) over budget

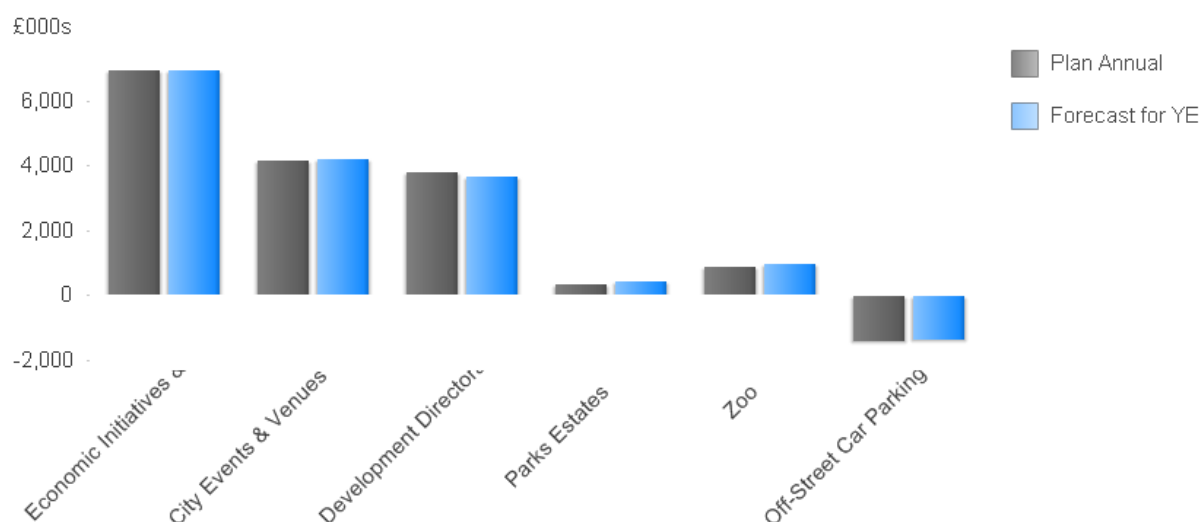
Income from fees and charges is £64k below the profiled budget and the franchise concessions which are under review are £19k below budget. Other budget headings including supplies and services are under spent by £25k (5%).

**Off-Street Car Parking is under spent by £34,142 at the end of Period 6.**

**(Budgeted Net Income: £559,020; Actual Net Income: £593,161).**

Off Street Car parking is £34k (6.1%) under budget mainly due to increased PCN income of £28k and other receipts and various small over and under spends throughout the budget.

## Committee Net Revenue Expenditure: Forecast for Year End



It is forecast that the **City Growth and Regeneration Committee** budget will be overspent by £144,000, or 0.97%, of its budgeted net expenditure at year end.

**The Economic Initiatives and International Development** unit are forecast to be under spent by a total of £20,000 (0.3%). This relates to increased income received within the Markets unit for additional stallage in St Georges Market.

**The City Events and Venues unit** are forecast to be over spent by £43,000 (1.0%) by the end of the financial year.

This relates to the Waterfront and Ulster Halls projecting reduced income against programmed budget due to a decrease in entertainment and business hire due to the ongoing construction project and as a result of a downturn in bookings, and expenditure not reducing in line with this.

An action plan has been implemented by Senior Management within the Waterfront and the associated risks listed below are being closely monitored to ensure that the projected over spend does not increase:

- Impact of the construction project. This project cannot be delayed due to the additional costs this will incur, the funding cash flow and the reputational damage this will cause for stakeholders, BWUH and clients.
- Contractual – savings may not be achieved due to contractual issues
- Market – the take up on ticket sales may be reduced due to the economic climate in NI.
- Negative PR – could impact on business bookings and ticket sales resulting in loss of income.

City Events will be on budget at year end.

**Directorate** are forecast to be under spent by £123,000 (3.2%). This relates to vacant posts within Urban Development and Business Support.

**Zoo is forecast to be** at least £100k (11.6%) overspent by year end based on quarter 2 position however this will depend on performance from an early Easter and the success of the improvement plan. Employee expenditure is over budget by £80k due to the use of overtime and agency, while both will reduce through the winter, an overspend at year end is anticipated

**Parks Estates** is forecast to be £75k (21%) overspent by year end due to the current franchise arrangement which is under review and an interim arrangement may result in a shortfall of £100k against the budgeted income however other expenditure areas are being delayed to offset this.

**North Foreshore**

It is forecast that the North Foreshore will be on budget at year end.

**Off Street Car Parking**

It is forecast that Off Street Car Parking will be £69k (5.0%) over budget at year end mainly due to the additional cost of the Car Park Manager post following redeployment from the Robinson Centre and the cost for developing a car parking strategy. It is noted that this additional cost will be met from under spends in the Health and Environmental Services of the People and Communities Committee. It is noted that an assumption is being made that the DRD will compensate the Council for the shortfall in estimated income of £400k.

## City Growth and Regeneration Committee

### Section Expenditure Budgetary Analysis & Forecast

Service	Plan YTD £000s	Actuals YTD £000s	Variance YTD £000s	% Variance	Annual Plan 2015/2016 £000s	Forecast for Y/E at P6 £000s	Forecast Variance £000s	% Variance
Economic Initiatives & Internat Devpt	4,019	4,002	(17)	(0.4)%	6,961	6,941	(20)	(0.3)%
City Events & Venues	2,390	2,407	16	0.7%	4,149	4,192	43	1.0%
Development Directorate	1,743	1,607	(136)	(7.8)%	3,804	3,681	(123)	(3.2)%
Parks Estates	133	171	39	29.0%	353	428	75	21.2%
Zoo	(28)	112	139	(503.7)%	858	958	100	11.6%
Off-Street Car Parking	(559)	(593)	(34)	6.1%	(1,393)	(1,324)	69	(5.0)%
<b>Total</b>	<b>7,698</b>	<b>7,706</b>	<b>8</b>	<b>0.1%</b>	<b>14,732</b>	<b>14,876</b>	<b>144</b>	<b>1.0%</b>