

















City Growth and Regeneration Committee

Quarterly Finance Report

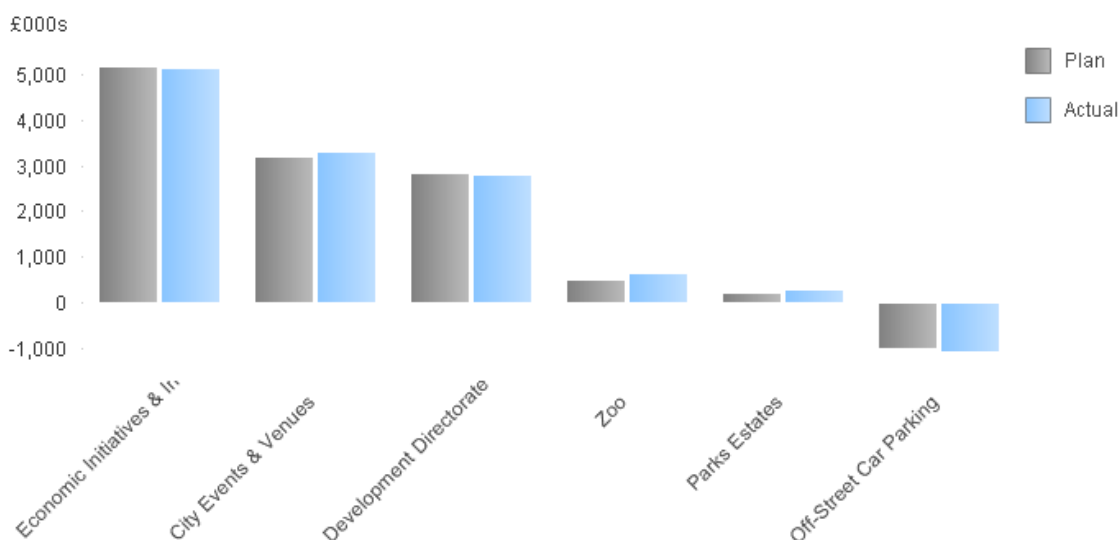
Report Period: Quarter 3, 2015-2016

Dashboard

Quarter 3, 2015-2016

Revenue Section							Page
Committee	YTD	YTD Var £000s	Var %	Forecast	Forecast Var £000s	Var %	
Development Directorate		(19)	(0.7)%		72	1.9%	3 - 5
Parks Estates		73	38.2%		100	28.3%	
City Events & Venues		76	2.4%		45	1.1%	
Economic Initiatives & Internat Devpt		(29)	(0.6)%		(168)	(2.4)%	
Zoo		119	24.4%		100	11.8%	
Off-Street Car Parking		(48)	4.9%		(51)	3.7%	
Total		172	1.6%		98	0.7%	

Committee Net Revenue Expenditure: Year to Date Position



The **City Growth and Regeneration Committee** budget is over spent by £172k, or 1.6% of its net budgeted expenditure of £10.8 million, at the end of quarter three.

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 & International Development (EIID) is under spent by £28,723 (0.6%), Development Directorate is under spent by £19,486 (0.7%); Off Street Car Parking is under budget by £47,962 (4.9%) whilst City Events & Venues are over budget by £76,232 (2.4%), Parks Estates Management are overspent by £72,734 (38.2%) and the Zoo is over budget by £119,488 (24.4%) at the end of period 9.

There are four main areas that give rise to the current overall £172k (1.6%) over spend within the City Growth and Regeneration Committee budget at the end of Quarter 3. These are as follows:

1. Gross Income was £80k less than budgeted income to the end of December 2015. This variance relates to less income being received than planned in the Zoo (£17k), City Events (£41k), Directorate (£45k) and Parks Estates (£135k). These shortfalls are partly offset by additional income in EIID (£40k), Belfast Waterfront (£20k) and Off Street Car Parking (£98k).
2. Employee costs are £49k more than budget with over spends in EIID (£48k) and the Zoo (£90k) offset by under spends in Development Directorate (£64k), Parks Estates (£12k) and Belfast Waterfront (£13k).

3. Premises expenditure was £28k below budget with under spends in the Parks Estates (£19k) and Belfast Waterfront (£21k) offset by an over spend in the Zoo (£12k).
4. Supplies and Services expenditure was £71k above budget. This was due to over spends in Belfast Waterfront (89k) and Off street car parking (£50k) being offset by under spends in EIID (£37k) and Parks Estates (£31k).

Service Analysis

EIID are under spent by £28,723 at the end of Quarter 3.

(Budgeted Net Expenditure: £5,129,599; Actual Net Expenditure: £5,100,875).

EIID is under spent by £29k at end of quarter 3. Within EIID, there is increased income received of £40k which relates to increased stallage fees within City Markets. There is also reduced expenditure incurred within supplies and services of £37k which is in regards to lower than planned costs in the European Unit, Tourism Unit and Economic Transfer of Functions. These are profiling issues and will self correct.

These under spends are offset by increased employee costs of £48k in relation to increased weekend supervisory agency costs within Markets.

City Events & Venues are overspent by £76,232 at the end of Quarter 3

(Budgeted Net Expenditure: £3,180,142; Actual Net Expenditure: £3,256,374).

City Events is over spent by £24k and City Venues is over budget by £52k at the end of period 9. The City Events unit has £41k less income than anticipated and this is offset by reduced security costs of £17k. .

In regards to City Venues there is an over spend of £89k, in supplies and services, which is offset by increased income of £20k, under spends in employee costs of £13k and premises costs of £4k.

Please note that City Venues have introduced a cost reduction plan which was presented to the City Growth & Regeneration committee on 9th September 2015. This plan has been reviewed and updated and incorporated into the Committee's year end forecast.

Directorate are under spent by £19,486 at the end of Quarter 3.

(Budgeted Net Expenditure: £2,793,950; Actual Net Expenditure: £2,774,464)

The under spend within Directorate is attributable to decreased spend within employee costs of £64k as a result of vacant posts within Urban Development and Business Support. These are then offset by less income than anticipated within Urban Development of £45k.

The Zoo is overspent by £119,488 at the end of Quarter 3.

(Budgeted Net Expenditure: £489,848; Actual Net Expenditure: £609,336)

Net Expenditure at Quarter 3 is £119k (24%) over budget. Income from Zoo admissions is approximately £28k below the profiled target though the shop continues to perform well and income currently exceeds budget by £15k.

Employee expenditure is over budget by £92k due to the use of overtime and agency. Utility costs are £12k above estimate due to issues with the borehole and the Zoo having to go onto mains supplies which is £38k over budget. This issue is still being resolved and will impact further for year end. As Easter is at the end of March the performance of the Zoo for year end will largely depend on the income generated especially on Easter Monday and Tuesday. Again weather can play a role on the attendance over this period. Last month committee was presented with an

improvement plan for the Zoo which is working towards addressing these overspends and progress is being made in many areas in relation to reducing overtime and generating income through new customer focused activities.

Parks Estates are over spent by £72,734 at the end of Quarter 3.

(Budgeted Net Expenditure: £190,167; Actual Net Expenditure: £262,901)

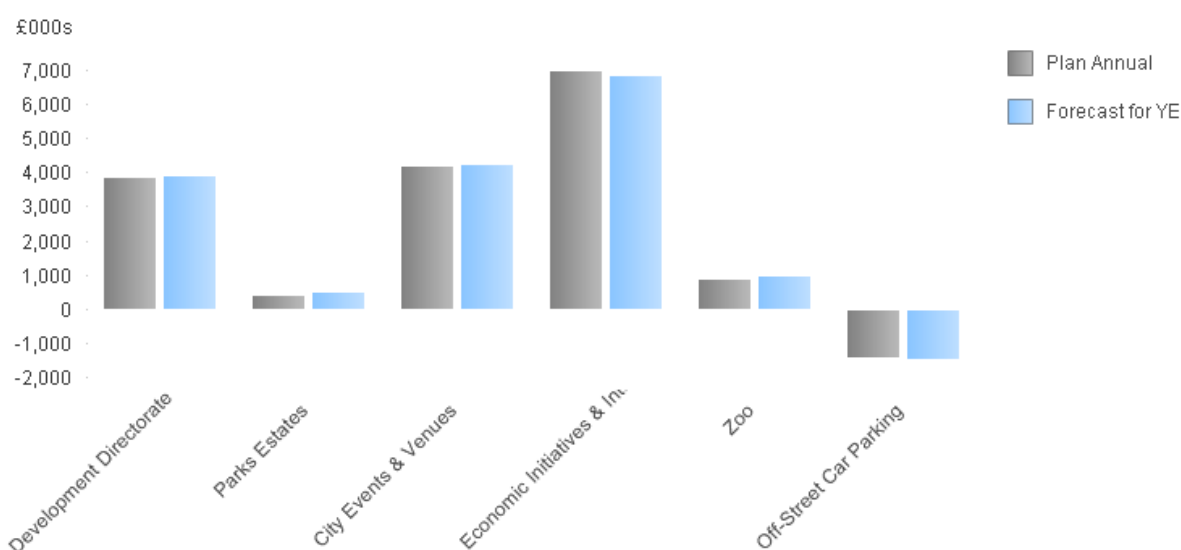
Income from fees and charges is £85k below the profiled budget and the franchise concession, which are under review, are £50k below budget. Other budget headings including supplies and services are under spent by £62k (9%) to try to offset the income position.

Off Street Parking is under budget by £47,962 at the end of Quarter 3

(Budgeted Net Expenditure: -£976,007; Actual Net Expenditure: -£1,023,969)

Net Expenditure is £48k (10%) under budget mainly due to increased income i.e. (PCN, pay and display, season tickets and advertising hoarding).

Committee Net Revenue Expenditure: Forecast for Year End



It is forecast that the **City Growth and Regeneration Committee** budget will be over spent by £98,000, or 0.7%, 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 £168,000 (2.4%). This relates to increased income received within the Markets unit for additional stallage in St Georges Market and reduced expenditure as the result of delays in planned projects and programme costs.

The City Events and Venues unit are forecast to be over spent by £45,000 (1.1%) by the end of the financial year.

This over spend 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 being closely monitored to ensure that the projected over spend does not increase.

At the end of Quarter 1 it was forecast that the Belfast Waterfront and Ulster Hall would be over budget by £260,000 at year end. This consisted of reduced income of £112,000 and increased expenditure of £148,000. The City Growth and Regeneration Committee at its meeting on 9th September 2015 approved an action plan to reduce the anticipated year end over spend.

We are pleased to report that in terms of income that the plan to reduce the shortfall from £112,000 to £61,000 has been well exceeded and that the shortfall has been reduced by almost £100,000 to leave a shortfall of £12,000.

It is forecast that in terms of expenditure that the actions identified to reduce the anticipated over spend of £148,000 by £166,000 will, in the main, be achieved.

City Events will be on budget at year end.

Directorate are forecast to be over spent by £72,000 (1.9%). This relates to reduced income in Urban Development and additional hired and contracted costs in Business Support.

Zoo is forecast to be at least £100k (11.6%) overspent by year end based on quarter 3 position however this will depend on performance from an early Easter and the success of the improvement plan. Employee expenditure is over budget by £92k due to the use of overtime and agency, while both will reduce through the winter, an overspend at year end is anticipated. Pressures in relation to the mains water usage at the Zoo of £38k also impact on the year end forecast.

Parks Estates is forecast to be £100k (28.3%) overspent by year end due to the current franchise arrangement which is under review and an interim arrangement may result in a shortfall of £120k against the budgeted income. Hire income is also down on budget however other expenditure areas are being delayed to offset this.

Off Street Car Parking

It is forecast that Off Street Car Parking will be £51k (3.7%) under budget at year end, mainly due to increased income. The forecast takes account of the cost of developing a car parking strategy and the compensation by DRD to the council regarding the shortfall in estimated income of £400k.

City Growth and Regeneration Committee

Section Expenditure Budgetary Analysis & Forecast

	Plan YTD £000s	Actuals YTD £000s	Variance YTD £000s	% Variance	Annual Plan 2015/2016 £000s	Forecast for Y/E at P9 £000s	Forecast Variance £000s	% Variance
Economic Initiatives & Internat Devpt	5,130	5,101	(29)	(0.6)%	6,961	6,793	(168)	(2.4)%
City Events & Venues	3,180	3,256	76	2.4%	4,149	4,194	45	1.1%
Development Directorate	2,794	2,774	(19)	(0.7)%	3,804	3,876	72	1.9%
Zoo	490	609	119	24.4%	858	958	100	11.6%
Parks Estates	190	263	73	38.2%	353	453	100	28.3%
Off-Street Car Parking	(976)	(1,024)	(48)	4.9%	(1,393)	(1,444)	(51)	3.7%
Total	10,808	10,980	172	1.6%	14,732	14,831	98	0.7%