

Environment & Community, Environment – Bereavement Services & Parks Services

Reason for the report

In the Q1 Corporate Budget Monitoring there was a net budget projected deficit of £810k with the pressure purely associated with the Environment Service Area. As part of the second quarter's budget monitoring report the Corporate Director for Environment and Community has been requested to report separately on the significant budget variances, details of the actions being undertaken and the extent to which their Directorate budgets can be brought to a balanced position for 2019/20. Of the £810k total, £610k relates to Bereavement Services and £200k relates to the Parks Service.

Explanation of the issues

Bereavement Services - Until 2017/18 the local authority cremation services operated without any direct competition and generated significant income for the preceding Councils. During 2018/19 a privately operated crematorium opened just outside the BCP conurbation which has directly impacted the number of cremations carried out by the Council. This was recognised during 2018/19 as the services failed to reach income targets, and a reduction of £350k was applied to the annual budget for 2019/20. Despite this, the full impact of the reduced number of cremations continues to adversely affect the service income target.

Parks Service – The concessions and chargeable activities operated within the service are below the budgeted targets, resulting from a combination of lower than forecasted income achievement and higher than budgeted costs. In addition, costs associated with hard landscaping activities are in excess of budget profile.

Next steps.

Bereavement Services - Phase 1 of a business case will be presented to Cabinet for consideration on the 11 December 2019. This will set out proposals for efficiencies within the service and consider options to reduce costs. In order to facilitate the expected options, it is likely that the Bereavement Services earmarked reserve will be used. It is hoped that implementation of the recommendations will begin before the end of the financial year, allowing for some in-year savings to mitigate some of the pressure. In terms of taking immediate action and ahead of the report to Cabinet, it is proposed to harmonise cremation, burial and associated fees and charges across BCP which should mitigate the budget pressure in year by a minimum of £30k. Increased advertising and awareness of the services provided is also underway and these actions have already positively affected the Q2 Corporate Budget Monitoring Report which has seen a reduction in the forecast deficit from £610k in Q1 to £567k in Q2.

Parks Service – The service is scrutinising all areas to increase efficiency and identify any early opportunities to eradicate duplication in service provision, equipment use and staff utilisation. These actions are already having a small impact on the forecast with a £7k reduction in the Q2 Corporate Budget Monitoring; and the Parks team are committed to further reduce operating costs across the BCP area to further mitigate the projected deficit.

In addition, short term savings expected as part of waste management activities should further mitigate the overall Environment Service budget position by £100k.

Consequently, the overall Environment Service projected deficit has reduced from £810k in Q1 to £670k in Q2.