



Service Deficit Mitigation Report

Service Directorate:	Environment
Deficit amount:	£250k
Details of Deficit: (Problems/Key Issues/Background) <ul style="list-style-type: none"> • Neighbourhood Services and Grounds are forecasting a £0.4m pressure due mainly to the salary pressures relating to no uplift being applied to agency budget or ad hoc payment allowances e.g. BH working that require temporary resource producing gap in cost of hourly rate and unbudgeted overtime payments needed within the Waste and Cleansing teams. Within highways there is lower demand for vehicle access crossing installations resulting in lower income, and a pressure for road markings on main roads, but this has been partly offset by lower Tarmac costs. • The Passenger Transport service have forecast a £0.2m underspend entirely due to vacant driver posts. • The strategic waste position is balanced overall, however, within that balanced position there are some individual pressures and savings, as follows. The waste disposal contract recycling price is lower than budgeted for in Q1 and Q2 and the recycling sales income is up. This is offset by pressures in external haulage fees, salary pressures and overtime payments. • There was an overall £0.05m pressure within the Transport & Operating Centres, on parts, external works, tyres and vehicle hire budgets, partly offset by underspends on salaries due to vacant fitter posts. 	
Mitigation already assumed: (Please include details of any mitigation used to bring it down to the level declared) <p>Fleet Operations – subsequent review in July 25 has revised the forecast deficit to a net nil position.</p> <p>Grounds Maintenance – Review of service area ongoing provisional figures indicate an underspend of £160k due to prudent spending controls and favourable weather conditions during growing season.</p> <p>Strategic waste - subsequent review in July 25 has produced variances with further pressures and savings identified resulting in an ongoing overall net nil position whilst absorbing additional external pressures e.g. contractor payment increases, user number decreases and increases in rates charges.</p>	

Further Mitigation needed:

Implementation of revised working arrangements across waste collection to improve efficiency, alongside targeted action against absence management underway.

Conclusion:

Net budget of £33m with forecast variance of £200k following fleet review. Service continues to apply spending prudence and recruitment decision making to produce net nil or better by end of year outturn.

Greatest ongoing risk relates to Highway maintenance ability to respond to statutory defects as identified against Policy within available budgetary assumptions.

Likelihood of success:

Probable