



Service Deficit Mitigation Report

Service Directorate:	Customer & Property
Deficit amount:	£673,000
Details of Deficit: (Problems/Key Issues/Background)	
<p>Libraries</p> <ul style="list-style-type: none"> • £133k of accommodation rationalisation savings is allocated to libraries when it was anticipated to come from the vacation and subsequent rental of Northmead House. That building is still required as it is accommodating staff displaced from Poole Library due to as yet unresolved RAAC issue. • Security costs <p>FM</p> <ul style="list-style-type: none"> • 163k forecast overspend on building response repairs (despite only responding to urgent issues) and planned servicing requirements (increased due to insourcing of leisure centres) • 500k cleaning contract pressure due to insufficient resources being transferred in when contract was consolidated in FM, and impact of NLW on contract cost. 	
Mitigation already assumed: (Please include details of any mitigation used to bring it down to the level declared)	
<p>FM</p> <ul style="list-style-type: none"> • Policy of completing urgent repairs only already in place, where failure to respond would result in unacceptable H&S risk or requirement to close building/service • Capitalisation of revenue spend where possible and appropriate • Temp closure of public toilets where temporary justification exists eg, ASB, which limits cleaning costs for that period • Service accountant identified cleaning contract funds from the previous service areas (200k) to mitigate part of shortfall. • £187k of response repairs now capitalised, reducing earlier forecast deficit • £100k of customer staffing savings to be made in year to meet MTFP target 	

Further Mitigation needed:**FM**

- CMB report being prepared to explain the response repairs pressures and gain understanding of the limited opportunities to reduce cost within budget.

General

- Scrutinise all revenue funded vacancies to identify opportunities to delay or freeze.

Conclusion:

Forecast variance is currently 673k against a net budget of £31m, and reflects a number of pressures that are very difficult to mitigate without impact on sensitive services (public toilets, libraries, customer service, building operations etc).

Efforts will continue to identify ways in which to bring the deficit down over second half of year, including spend restraint and vacancy freeze.

Likelihood of success:

Limited without significant decisions around stopping service delivery