



Service Deficit Mitigation Report

Service Directorate:	Marketing, Communications and Policy
Deficit amount:	£185,000 (already mitigated to £135,000)
Details of Deficit: (Problems/Key Issues/Background) Total £185,000 overspend made up of: <ul style="list-style-type: none"> • RS0021 - £135,000 Underperformance on income driven by ambitious income target, progress of Out of Home advertising site expansion (reliant on planning permissions), poor market performance and removal of small ad site infrastructure on seafront. • WC9000 - £30,000 overspend on salaries due to redundancy pay out in-year (calculated pay back is within the 2 year window). • RS0042 - £20,000 overspend because of vacancy factor but no vacancies. • Remaining budgets are largely salaries. Existing mitigations are therefore limited as any underspend via vacancies is already accounted for in 5% vacancy factor (£121,000). 	
Mitigation already assumed: (Please include details of any mitigation used to bring it down to the level declared) Mitigations already implemented: Current salary underspend to mitigate overspends (after vacancy factor): RS0040, Policy - £30,000 RS0020, Corporate Comms - £15,000 RS0021, Commercial marketing - £5,000 Total: £50,000	
Further Mitigation needed: Recruitment freeze on non-statutory services: RS0040 Senior Policy Officer (J) – Jan – March 26, <u>£20,000</u> <i>(Sep – Dec already accounted for)</i> Impact/risks <ul style="list-style-type: none"> • Will need to reprioritise policy work, impacting speed of EIA assessments • Challenge to support Devolution if sudden demand occurs (low risk) • Unable to support proactive work (eg Policy support for partnership strategies) 	

Spending freeze

- £2,500 – IT equipment

Reprofiling of resource

RS0021 – UKSPF funding for place-based marketing and comms - £15,000 in 25/26

Below are suggested mitigations but will impact other services or need agreement from CMB, so are outlined here as TBC:

Reprofiling Climate budget

Use £97,500 from Climate reserve to promote sustainability work via Comms and Marketing.

Rationale: The Sustainability team has secured external funding for heat networks study (£120,000) and climate literacy funding (£25,000) both previously earmarked in Climate reserve.

Therefore some of this could be redirected to Comms and Marketing to support the Sustainability team to promote local and national carbon reduction schemes, behaviour change campaigns and sign-post residents to funding and resources.

Other income options

- Discussions with internal teams re. funding from grants/capital, eg Poole Museum as current arrangement doesn't cover resource demand. TBC.

Total: £135,000

Conclusion:

£87,500 can be found to mitigate the budget shortfall within service - £50,000 has already been implemented with a further £37,500 expected.

The remainder can be found within service, but needs discussion/decision at CMB with PFH briefing.

Proposal is to use the above mitigations and reassess the position at the end of Q2 – if it improves then we could restart recruitment for paused or reprofiled roles.

Likelihood of success:

Depends on ability to reprofile Climate fund as proposed. If the £97,500 from the Climate budget cannot be used, we would need to freeze recruitment to other roles, which would incur significant risk to the organisation, could affect statutory warning and informing duties, affect other services ability to deliver, and would not meet the full shortfall.