

Delivery of Budget Reductions and Income Proposals**UNDELIVERABLE SAVINGS**

Savings of £22.915m were approved for implementation in 2017/18. At the end of the financial year, £17.614m (77%) were implemented, £4.901m (21%) including £2.020m related to the Residual Waste Plant, will either not be delivered until next year or are undeliverable and £0.400m (2%) was delayed as part of the budget resolution.

The following commentary explains why some savings were not achieved.

- Public Realm - net coring income of £0.178m was not achieved. The scheme was introduced in 2016/17 on the basis of consultancy work which suggested that income could be gained from sampling highway resurfacing carried out by utility companies. This assumed that the work would be found to be defected and that permit income would be generated from the road closure to carry out the resurfacing work. In reality, the defects were not as high as expected so the associated permit income was not received. On that basis, this sampling work was not undertaken in 2017/18.
- Adult Social Care - additional income of £0.050m from the potential purchase of Five Acres Dementia Care Centre was achieved and it's no longer going ahead. Other saving and income opportunities are currently being explored.
- Growth, Economy and Culture – the £0.024m saving due from the reconfiguration of the Economic Development and Inward Investment team has not been delivered. In the longer term, the service will be re-shaped to cover these savings.
- Growth, Economy and Culture – the £0.060m saving due from efficiencies and reductions within the remaining controllable library spend have not been delivered. This is offset in year by the use of the CCSR reserve. Net in-year impact nil. In the longer term, the service will be re-shaped to cover these savings.
- Resources LGSS – £0.068m of shared services savings delayed by slippage with the data centre move. Further modelling of the saving highlighted additional server costs in the data centre, resulting in the saving not being achieved.
- Resources MK - £0.159m of customer service savings are no longer deliverable and have been addressed as part of the 2018/19 budget.
- Resources MKC – budget reduction of £0.311m for Saxon Court and Civic Offices is no longer achievable due to amended Future Working Programme timelines and planned increased occupancy of Civic Offices by MKC staff. Work continues to find ways to mitigate the pressure, through reviewing future office accommodation needs and use of other council buildings.

DELAYED DELIVERY SAVINGS

Savings totalling £3.934m were due to be achieved in 2017/18 but have been delayed to 2018/19 for the following reasons:

- Adult Social Care – six savings totalling £1.061m have been delayed due to delays in contract awards including the homecare contract, new support planning services and the extra care contract, offset by £0.361m use of one-off reserves to mitigate the impact in year. The remainder has been mitigated by service underspends £0.580m.
- Temporary Accommodation (TA) - £0.081m slippage on the delivery of modular housing (approved by Delegated Decision November 2017) and £0.18m due to Orchard House not opening until May 2017.
- Children and Families – office accommodation move saving of £0.050m is delayed. The reorganisation of teams in external buildings was delayed to the timeline of other wider council moves. However these are now in progress and will be completed by the end of the year. This is been mitigated by alternative underspends within the service. Net impact nil.
- Children and Families – delays in the Regional Adoption Agency (RAA) collaboration work means that the £0.035m saving will not deliver this year. This saving is tied in with the government timescales around RAA. The final partner has only been recently confirmed and now work is commencing to join together and deliver a saving. This has been mitigated by use of grant funding. Net impact nil.
- Growth, Economy and Culture - savings totalling £0.105m undelivered due to delays in procurement and building works on Bletchley and CMK libraries, these have been mitigated in year by use of the CCSR reserve. Net impact nil.
- Public Realm – savings totalling £2.020m were delayed due to later than planned service commencement of the Residual Waste Plant. The plant is now operational and savings will be monitored in 2018/19. Savings were mitigated in year through the use of planned one off funding and because of this were not previously shown as undeliverable.
- Public Realm – additional income of £0.050m was not achieved for bereavement services, due to delayed implementation of the memorial garden. This work was completed in April 2018, but mitigated in year through savings on premises costs within the service.
- Resources LGSS - £0.119m benefits from a new shared service model based on the LGSS business case. Transactional services savings delayed due to the later implementation of new ERP system. The impact of the move to a later go live date will be a net nil impact.
- Resources LGSS - £0.268m benefits from a new shared service model based on the LGSS business case. Revenue and Benefits savings partly delayed due to a revised business case. Net nil impact.
- Resources MKC - £0.015m energy efficiency in civic offices has been delayed due to re-profiling of the Future Working Programme. Net £0.015m.
- Resources MKC - £0.098m digital sign advertising from the existing free standing units has been delayed due to delays in the supply of the units. Net £0.098m.