

Budget Scrutiny Committee

13 October 2016

Budget Pressures & Financial Strategy

HOUSING & COMMUNITY

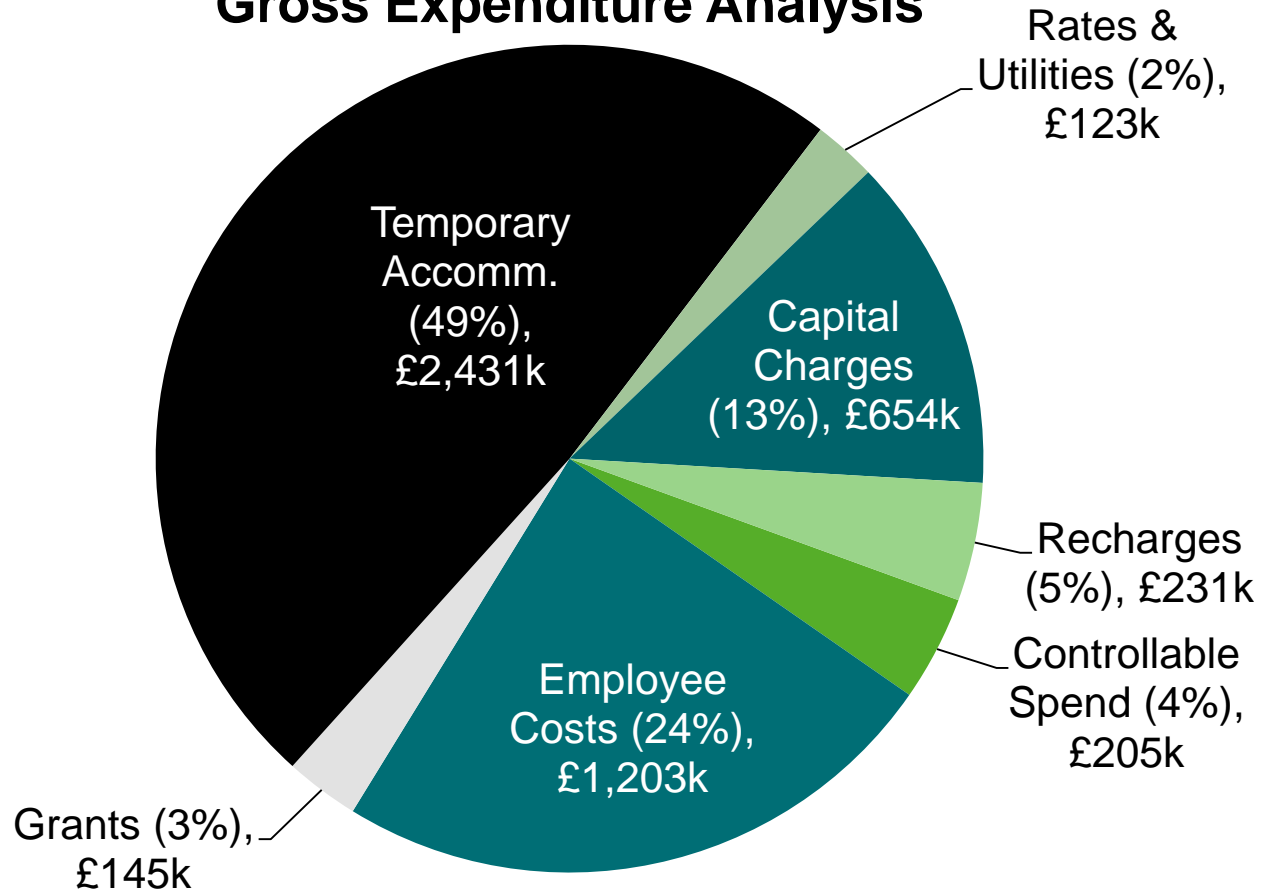
Budget
Analysis

Budget
Pressures

Financial
Strategy

Potential
Savings

Gross Expenditure Analysis



Budget Pressures (Ongoing)

Ref.	Ongoing Pressure Description	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s
P37	Increased demand for temporary accommodation (<i>see detail overleaf</i>)	2,925	27	390	460
P38	Increased staffing in Housing Income to bill and recover the additional income raised as a result of the increased numbers in Temporary Accommodation	76	0	0	0
P54	Estimated additional pressures, based on the trend of budget pressures identified over the last 4 years. General experience is that legislative change and additional service demands tend to be reflected more accurately, closer to the year of implementation.	0	100	900	1,000

Budget Pressure (Temporary Accommodation)

Temporary Accommodation (variable rate, by source)	Families in Temp. Accom.				2017/18 £000s
	Apr 17	Mar 18	Change	Change	
B&B Hotels	173	112	-62	-36%	£1,905
UK Rooms (de Parys Ave)	27	27	0	0%	£274
City Centre Rooms	49	64	15	31%	£525
Rent Connect	107	120	13	12%	£705
National Homeless Property Fund	42	70	33	79%	£74
Enhanced Private Sector Leases	25	50	25	100%	£25
Other non-B&B	26	50	24	92%	£232
Total Temp Accom (variable rate)	449	493	48	11%	£3,741
Less: Base Budget 2016/17					- £1,119
Plus: 2016/17 Savings b/f					£303
Temp Accom (variable rate) Pressure 2017/18					£2,925

Budget Pressures (One Off)

Ref.	One-Off Pressure Description	2017/18 £000s	2018/19 £000s	2019/20 £000s	2020/21 £000s
OP7	To create a demand led reserve, in case the growth in demand for temporary accommodation continues to increase beyond budget estimates.	1,500	0	0	0
OP13	One-Off provision for possible part-year effect of Orchard House conversion to temporary accommodation	108	0	0	0
OP14	One-Off provision for possible part-year effect of other potential temporary accommodation savings	250	0	0	0

- To minimise costs of homelessness, by
 - Increasing prevention work, to prevent families becoming homeless, and to assist families to be able to obtain and sustain Private Rented Sector and Housing Association tenancies
 - Minimising the use of B&B hotels as temporary accommodation, on both cost and suitability grounds
 - Securing additional non-B&B temporary accommodation in and around Milton Keynes, which is less expensive and better suited to families' needs
 - Maximising the use of Housing Association nominations and allocations to our own stock, to provide suitable and affordable permanent housing for families in temporary accommodation
 - Working with partners to deliver innovative solutions

- Increase Enhanced Private Sector Lease properties by at least 25 units during 2017/18
- Work with our own stock to build and/or purchase at least 46 units of new council housing during 2017/18
- Work with YourMK to provide at least 34 new units of temporary accommodation at Orchard House during 2017/18
- Work with YourMK to provide at least 50 new units of temporary accommodation in modular housing during 2017/18