

Medium Term Financial Strategy 2021/22 - 2024/25 Budget Pressures

Portfolio Holder	Service Group	Budget Pressure (New or Revision)	New Reference number	Old Reference Number	Lead Officer	Proposal Description	Risk Level	Budget 2020/21	2021/22	2022/23	2023/24	2024/25	Reason	Justification
								£000s	£000s	£000s	£000s	£000s		
						Name, What is the Pressure, Why has it occurred and what are the key assumptions behind the values and dependencies that might impact on this (explain if these change by year)	High, Medium, Low* for definitions see below data Pick from drop down	Current Year Gross Budget					Pick from drop down	Pick from drop down
Hannah O'Neill	Adult Services	Revision	P001-L	P20-1	Victoria Collins	Learning Disability (LD) Services - The budget pressure is modelled on the number of young people with LD reaching adulthood who need support from Adult Services in supported living placements and direct payments. The estimate is based on an anticipated 18 service users transitioning to Adult Services each year from 2021/22 to 2024/25.	MEDIUM	0	380	380	380	380	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	Revision	P002-L	P20-2	Victoria Collins	Learning Disabilities - Care costs due to support breakdown due to ageing parent carers. Estimates for 2021/22 and for future years assume three additional service users per year based on an average cost of care per year of approximately £50k each.	MEDIUM	150	155	159	164	169	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	Revision	P003-L	P20-3	Victoria Collins	Older People - General net demographic growth of 3% based on forecast MK population changes. Principally this will fund growth of home care packages. The increased growth in 2021/22 is to adjust for an understatement in the previous forecast. The forecast for 2022/23 returns to the normal demographic growth based on 3% growth.	HIGH	250	379	327	327	327	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	Revision	P004-L	P20-4	Victoria Collins	Physical Disabilities - General net demographic growth of 2% based on forecast MK population changes. Principally this will fund growth of homecare packages. Growth pressures are lower in 2021/22 than previously anticipated as a result of the impact of demand management initiatives and the reduction in demand for Direct Payments. The reduction in pressure will continue in 2022/23 and plateau at £0.095m for 2023/24 and 2024/25.	MEDIUM	130	121	95	95	95	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	Previously Approved	P005-L	P20-5	Victoria Collins	Mental Health (MH) and Autism Services. The pressure is based on 13 new packages. This is lower than the previous forecast of 20 packages but at a higher average cost because of need. The net effect leaves the total pressures unchanged.	MEDIUM	283	459	459	459	459	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	Revision	P006-L		Victoria Collins	Homeless Prevention & Access and Prevention Fund (part COVID19) - there is an anticipated increase in demand for Temporary Accommodation from 2021/22 onwards due to COVID-19 (the ending of the furlough scheme), growth in unemployment, Private Rented Sector (PRS) Landlord evictions, mortgage reposessions, and Domestic Violence Abuse. The reason for the reduction in costs in the first year (21/22) is that with the exception of COVID19 related costs in homelessness, demand in 2020/21 is lower than at the start of the year and costs are tracking lower than the base budget as a result of the full service review. Future demand is difficult to predict and the actual impact of COVID is difficult to predict so this will need to be carefully monitored. This pressure is offset by a savings proposal (S076-N) which also requires an additional investment in staff (P057-N) in order to manage demand and prevent homelessness and in cases where TA is required, that good value accommodation is sourced.	HIGH	-215	-678	1,528	1,032	712	LEGISLATIVE, INCL NLW	BUSINESS CASE
Hannah O'Neill	Adult Services	Revision	P057-N		Victoria Collins	Homeless Prevention & Access and Prevention Fund - In order to manage the significant anticipated demand for service, whilst continuing to work with the families in TA, additional staff will be required in order to grow the size and mix of skills, expertise and experience within the team to deliver the reduction in the number of households in TA and achieve a saving (S076-N). The strategy proposes to reduce the current number of families and individuals living in TA and the additional demand pressures post-COVID set out in the pressure above (P006-L). The vision is to provide a legally compliant service that is fit for purpose, value for money and ultimately reduces the number of vulnerable households losing their homes and being placed into expensive temporary accommodation (TA).	HIGH	0	554	0	0	-554	LEGISLATIVE, INCL NLW	BUSINESS CASE
Hannah O'Neill	Adult Services	New	P009-N		Victoria Collins	Learning Disability (COVID-19) - Placement costs in Learning Disability have increased substantially in 20-21, mostly in relation to Supported living due to the absence of Day Care provision. Based on the assumption that the current COVID restrictions and pressures will continue throughout 21-22, that Day Care will continue to run at below capacity a pressure of £0.941m for LD Supported Living is being put forward. An assessment of the service costs has not been made beyond 21/22 due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 21/22 financial monitoring work.	MEDIUM	0	941	0	0	0	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	New	P010-N		Victoria Collins	Internal Day Care Income (COVID-19) - Pressure on income due to CHC funded clients not attending day services due to the impacts of COVID. An assessment of the impact on income beyond 21/22 has not been made due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 21/22 financial monitoring work.	MEDIUM	0	315	0	0	0	DEMOGRAPHY	FINANCIAL Model
Hannah O'Neill	Adult Services	New	P011-N		Victoria Collins	Care Home Market Sustainability (COVID-19) - potential cost of Care Homes closing due to financial loss as a consequence of COVID-19 - identified 7 Care Homes at risk of failing due to loss of income on unoccupied beds. The estimated cost to the service ranges from £13k to £171k to transfer clients to an alternative Care Home. The cost is based on the difference between current rate to the individual Care Home and the average rate across the remaining Care Homes which is £677 per week. The estimate is calculated on the total number of clients for a full year at the increase in weekly rate. The potential cost is shown as part year for 2020/21 and full year effect in 2021/22. An assessment of the impact on income beyond 21/22 has not been made due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 21/22 financial monitoring work.	MEDIUM	33	388	0	0	0	DEMAND: EXCEPTIONAL	FINANCIAL Model

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								£000s	£000s	£000s	£000s	£000s		
Total Adult Services								631	3,014	2,948	2,457	1,588		
Zoe Nolan	Children's Services	Revision	P012-L	P20-7	Mac Heath	Children's Social Care - Increase in the complexities of children becoming looked after and those requiring permanent placements such as special guardianship, adoption, staying put and residence orders. The lack of in-house capacity has resulted in children being placed in external, higher cost placements. The pressure is based on an expected increase of 7% for in-house placements as children transfer to permanent placements such as SGO and recruitment of in-house carers. A 4% increase has been built in for external placements due to the complexity of children's needs and specialist placements being required.	HIGH	18,485	736	0	0	0	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Previously Approved	P013-L	P20-9	Mac Heath	Special Education Needs (SEN) - An increase in the number of children requiring SEN casework support with an additional 500 children now on an Education Health Care (EHC) plan compared to 2013/14 and more children with complex disabilities. Two additional caseworkers and a social work assistant are required to support this growth. At present the pressures are being managed and funded via SEN Reform grant funding which has meant that this pressure has been mitigated in the short term. This is not available after September 2020 so this is the full year effect of last years pressure.	LOW	600	70	0	0	0	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Revision	P014-L	P20-10	Mac Heath	Home to School Travel - the number of pupils entitled to home to schools transport is expected to increase by 3.03% in special schools and 1.88% in mainstream schools in 21/22 and future years. There is a higher increase in 2021/22 to bring the base budget in to line with current spend, the future years pressure is based on the expected increase for new journey's as a result of increasing pupil numbers and their complexities.	MEDIUM	4,630	323	138	145	152	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Previously Approved	P015-L	P20-13	Mac Heath	Children with Disabilities - The number of children with an EHCP has increased from 1,427 in 2014 and currently sits at 2319 (an increase of 63%). This has coincided with an increase in the number of children being supported and receiving a direct payment through the Children with Disabilities team. In March 2018, there were 119 direct payments being paid, which has steadily grown to 149 as of March 2019 and 170 children in October 2020.	MEDIUM	1,022	77	79	80	80	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	New	P016-N		Mac Heath	Supported employment – Due to the disruption caused to normal operations (many of which are food based), the supported employment team are unable to achieve income targets and given the additional needs of the people the project is set up to help (people with substantial learning disabilities and health conditions) it is not at all clear when service can be resumed. When and if it can then the pressure can be removed from the budget. In the meantime the three project staff have been redeployed to our COVID-19 effort.	LOW	-77	165	0	0	0	DEMAND: EXCEPTIONAL	BUSINESS CASE
Zoe Nolan	Children's Services	New	P017-N		Mac Heath	Libraries (COVID 19) - all services were closed during the lockdown, 5 libraries have been open from August, however footfall was much lower than pre COVID figures. There has been a significant loss of income during this period and it is not expected that footfall will return to pre-COVID levels in the short term. An assessment of the service costs has not been made beyond 21/22 due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 21/22 financial monitoring work.	LOW	1,553	113	0	0	0	DEMAND: EXCEPTIONAL	BUSINESS CASE
Zoe Nolan	Children's Services	New	P018-N		Mac Heath	Children's Social Work Staffing - the family support, children and family practice and multi agency safeguarding teams are holding caseloads over and above the Ofsted recommendations. The referrals into the service are increasing at a higher rate than the cases being closed. The current establishment levels need to be maintained on a permanent basis to meet current and future demand, these levels have been temporarily funded in 20/21 from the social care grant. There is a need to create 6 new posts - 4 x Social Workers to meet Ofsted expectations, 1 x Independent Reviewing Officer which has been funded through grant which will cease from April 2021 and 1 x Local Authority Designated Officer in order that increasing demand can be met.	MEDIUM	8,672	635	0	0	0	DEMOGRAPHY	BUSINESS CASE
Total Children's Services									2,119	217	225	232		
Total Public Health									0	0	0	0		
Lauren Townsend	Housing & Regeneration	New	P020-N		Stephen Young	Management Plan for Travellers Sites - There is currently no base budget for 10 x Double Amenity Blocks at the Traveller Sites (Willen and Calverton). Current costs of around £6,000 per quarter.	LOW	0	24	0	0	0	DEMAND: NEW	BUSINESS CASE
Lauren Townsend	Housing & Regeneration	New	P022-N		Todd Ricketts	Management Plan for Travellers Sites - Gypsy & Traveller (G&T) Neighbourhood Officer providing a statutory landlord service. Investment will provide a service for fees paid, reduce and prevent breaches of licences and improve income collection for licences of current pitches, subject to investment in the authorised sites in terms of Repairs and Maintenance	HIGH	0	47	0	0	0	DEMAND: NEW	BUSINESS CASE
Lauren Townsend	Housing & Regeneration	New	P023-N		Todd Ricketts	Management Plan for Travellers Sites - Environmental management and pest control at Willen Road in Newport Pagnell and Calverton Lane in Stony Stratford to reduce vermin, criminal activity, such as fly tipping. See also one-off pressure OP013.	MEDIUM	0	7	0	0	0	DEMAND: NEW	BUSINESS CASE
Total Housing and Regeneration									78	0	0	0		
Total Strategy and Futures									0	0	0	0		

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Lauren Townsend	Policy, Insight & Communication	Previously Approved	P025-L	P20-17	Sarah Gonsalves	Gypsy and Traveller Coordination - Funding of £65,000 for ongoing resource to deliver council commitments. Previously approved under Housing & Regen	MEDIUM	0	-65	0	0	0	POLICY CHOICE	BUSINESS CASE
						Total Policy, Insight & Communications			-65	0	0	0		
						Total Chief Executive, Social Care and Housing			5,146	3,165	2,682	1,820		
Rob Middleton	Finance & Resources	New	P058-N		Steve Richardson	Phone data - due to the move to homeworking during COVID and the policy to maintain this working arrangement, there will be a need for more council mobile phones. This in turn has a revenue impact on the data charges.	MEDIUM	0	50	0	0	0	DEMAND: NEW	BUSINESS CASE
						Total Finance & Resources			50	0	0	0		
Pete Marland	Law and Governance	New	P026-N		Sharon Bridglasingh	Legal Staffing - there has been a historic salary pressure in the legal services . Previously this had been offset by savings in other Law and Governance teams but this is no longer a long term viable solution. The call on the legal team remains high as the authority faces continually complicated court cases and contractual issues to resolve.	LOW	1,727	53	0	0	0	DEMAND: NEW	BUSINESS CASE
Pete Marland	Law and Governance	New	P028-N		Sharon Bridglasingh	Legal Advice Subscriptions - there has been an annual spend on subscriptions to legal advice without budget provision. The service are exploring ways or working with other councils and assessing actual usage of the services to minimise the pressure. Without some level of subscription support, there will be delay in responding to some legal queries.	MEDIUM	0	60	0	0	0	DEMAND: NEW	BUSINESS CASE
Pete Marland	Law and Governance	New	P027-N		Sharon Bridglasingh	Democratic Services - Due to increase in scrutiny committees the current staff structure is higher than the budget provision. Previously funded from underspends on vacant posts the resource review was agreed by Council.	LOW	724	64	0	0	0	DEMAND: NEW	BUSINESS CASE
						Total Law & Governance		2,451	177	0	0	0		
Jenny Marklew-Wilson	Planning, Strategic Transport & Placemaking	New	P030-N		Tracy Darke/Paul Thomas	Planning Income (COVID-19)- decline as a result of the pandemic. A partial recovery is anticipated in 2022/23. This will need to remain under review and aligned with pipeline demand.	HIGH	-2498	674	-337	0	0	DEMAND: EXCEPTIONAL	BUSINESS CASE
						Total Planning , Strategic Transport & Placemaking			674	-337	0	0		
Emily Darlington	Environment and Property	Revision	P031 - L	P20-24	Stuart Proffitt	Demographic Growth - waste contracts (refuse collection, food and garden waste collection and disposal, street cleansing, and household waste sites) based on an increase to reflect additional properties in MK ranging over the next 4 years from 1.95% to 2.17%. Projections are based on rebased waste tonnages and new homes projections.	HIGH	16,074	287	399	423	414	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Environment and Property	Revision	P032 - L	P20-25	Stuart Proffitt	Demographic Growth - landscape maintenance based on 1.5% growth in landscape adopted areas.	LOW	1,970	32	34	35	36	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Environment and Property	Revision	P033 - L	P20-26	Stuart Proffitt	Demographic Growth - highways and street lighting maintenance, winter service and street lighting energy due to 2% growth in adopted highway per annum	LOW	3,117	88	90	92	94	DEMOGRAPHY	FINANCIAL Model
Jenny Marklew-Wilson	Environment and Property	New	P035 - N		Stuart Proffitt	Car Parking Income - has declined steadily since 2016/17, this has then been exacerbated by the impact of the pandemic, which has now led to a significant demand pressure of £8.5m. An assessment of the impact on income beyond 21/22 has not been made due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 21/22 financial monitoring work.	HIGH	-13,808	8,460	0	0	0	DEMAND: EXCEPTIONAL	BUSINESS CASE
Lauren Townsend	Environment and Property	Revision	P036 - L	P20-28	Stuart Proffitt	Crematorium - a new crematorium opened in Aylesbury Vale in January 2019 impacting on income received on cremations undertaken for non Milton Keynes residents.	LOW	-2,046	50	0	0	0	DEMAND: NEW	BUSINESS CASE
Jenny Marklew-Wilson	Environment and Property	Previously Approved	P038 - L	P20-31	Stuart Proffitt	Sustainability Officer - a one off pressure is included in the MTFP for 19/20 and 20/21 to provide resource for delivering the Sustainability Plan and Re:fit project as part of the councils carbon neutral aspirations. In order for this work to continue in the longer term, this post will need to become permanent.	LOW	0	50	0	0	0	POLICY CHOICE	BUSINESS CASE
Emily Darlington	Environment and Property	New	P040 - N		Stuart Proffitt	Contamination at the MRF (COVID-19) - the current contract allows a contamination threshold of 10% and the Council is obligated to pay charges for any contamination above this level. The current reported contamination rate is 20-25%. The COVID-19 pandemic has seen a 5-10% increase in volume of mixed dry recycling delivered to the MRF.	HIGH	724	240	0	0	0	DEMAND: EXCEPTIONAL	BUSINESS CASE
Emily Darlington	Environment and Property	New	P041 - N		Stuart Proffitt	MK Recovery Park, Waste Disposal Charges - as a result of an increase in residual household waste volumes, the MKWRP is receiving more contract waste than was anticipated in the contract which means a gate fee is payable on the "Excess Tonnage". This is estimated as £0.601m. COVID-19 has impacted on the tonnages being processed through the plant, and it is uncertain if these will reduce in the future. A change in law relating to LECS, has resulted in MKC needing to compensate the contractor for loss of income of £0.147m.	HIGH	280	748	0	0	0	CONTRACTUAL CHANGE (NEW CONTRACT WITH HIGHER PRICE)	BUSINESS CASE
Emily Darlington	Environment and Property	New	P043 - N		Stuart Proffitt	Winter Maintenance/Winter Gritting - average annual costs of delivering the service are typically higher than budget. In addition, new guidance is due to be released in 2021, which will prompt a review of the number of roads we currently treat, impacting on future costs.	HIGH	476	260	0	0	0	DEMAND: NEW	BUSINESS CASE

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						Total Corporate			906	-200	-200	-200		
						GRAND TOTAL			18,735	3,481	3,082	2,164		