

Medium Term Financial Strategy 2021/22 - 2024/25 - Budget Reductions and Income Growth

ANNEX E

Portfolio Holder Name	Service Group	New Ref No.	Old Ref No.	Reduction or Income	Lead Officer	Proposal Description	Brief Comment on external service delivery impact (restricted to 1000 characters)	Context/ Mitigation of any adverse impact	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	2021/22 Potential FTE Reduction	Primary Strategy Category Chose from drop down	Delivery Risk Rating Chose From Drop down	Status
Hannah O'Neill	Adult Services	S076-N		Reduction	Victoria Collins	<b>Homeless Prevention &amp; Access</b> - Reduction in number of Families and individuals in TA by move on to Assured Shorthold Tenancy or Flexible Tenancy arrangement and reduction in rental rates and length of stay in TA - this addresses Demand Pressures and Invest to Save Cost set out in Demand Pressures Schedule - refer P006-L and P057-L. There will also be more focus on prevention, in areas such as domestic violence, family breakdown.	Significant impact on Nightly Lets rental sector which provide very bad value currently. This can be mitigated where Landlords will be given the opportunity to switch to the new Assured Shorthold Tenancy or Flexible Tenancy arrangements.		-446	-1,597	-1,387	-1,355	0.00	Thinking Differently	Amber	New
<b>Total Adult Services</b>									<b>-446</b>	<b>-1,597</b>	<b>-1,387</b>	<b>-1,355</b>	<b>0.00</b>			
Zoe Nolan	Children's Services	S009-N		Reduction	Mac Heath	<b>Youth Offending Service (YOT)</b> - review of staffing across the service.	There will be less capacity to build partnership arrangements and respond to demand and the potential of rising first time offender rates and continuing a good level of recruitment within the service.	Through a reconfiguration within the service to ensure supervisory and management responsibilities are covered and bringing the service closer to Children's Social Care Services YOT can be safely overseen by one YOT manager.	-74	0	0	0	-1.00	Being Smarter	Green	New
Zoe Nolan	Children's Services	S010-N		Reduction	Mac Heath	<b>School Improvement Service</b> - The service will continue to focus on MK schools to ensure those schools who need support have access to quality advice and support. There will be a reduced drive on trading activity to maximise the focus on MK schools. The Council is continuing to fund above the DSG (School Improvement and Brokerage Grant Funding) level through its General Fund. The grant funding is only confirmed annually so this will need to be monitored.	If the changes are not managed effectively then there is risk that capacity to monitor schools to the same level of could be reduced. This implementation of this will therefore need to be carefully planned and managed.	Further partnership working with schools and academy trusts to build further system wide improvement mechanisms.	-200	0	0	0	-2.00	Being Smarter	Green	New
Zoe Nolan	Children's Services	S011 (i)-N		Reduction	Mac Heath	Review of senior management and leadership positions across Children's Services	This change could limit our capacity to drive forward improvements in Ofsted Inspection Gradings across the Education landscape, dilute strategic oversight and give challenge to our Leadership, Management and Governance capacity across Children's Services. This in turn can impact resilience in inspection gradings and resultant reputational and financial challenges.	By reconfiguring the Children's Services structure and integrating roles and functions into other parts of Children's Services to mitigate external impact and service performance.	-178	0	0	0	-2.00	Thinking Differently	Green	New
Zoe Nolan	Children's Services	S011 (ii)-N		Reduction	Mac Heath	Reduction of business support roles across children's services.	Less capacity in supporting professional roles and lower resilience in service to respond to customer demand.	Increase of IT equipment to support practitioners to be more self managing and changing working practices with agile working arrangements.	-70	0	0	0	-1.88	Being Smarter	Green	New
<b>Total Children's Services</b>									<b>-522</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-6.88</b>			
<b>Total Public Health</b>									<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>			
<b>Total Housing &amp; Regeneration</b>									<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>			
<b>Total Policy, Insight &amp; Communications</b>									<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>			
<b>Total Chief Executive, Social Care and Housing</b>									<b>-968</b>	<b>-1,597</b>	<b>-1,387</b>	<b>-1,355</b>	<b>-6.88</b>			
Rob Middleton	Finance & Resources	S046-N		Reduction	Steve Richardson	<b>Council Tax Empty Property Discount</b> - reduction of EPD from 1 month to 14 days.	Reduce empty property discount from 1 month to 14 days.		-550	0	0	0	0.00	Being Smarter	Green	New
Rob Middleton	Finance & Resources	S057-L	R20-24	Income Growth	Steve Richardson	<b>Housing Benefit Overpayment Recovery</b> - review and delivery of improved collection rate by ensuring inactive debts are managed effectively.	Increased activity and escalation of debts to legal and agents as appropriate.	Regular monthly monitoring and trend analysis to ensure inactive debt is minimised	-25	0	0	0	0.00	Being Smarter	Green	Previously agreed
Rob Middleton	Finance & Resources	S058-L	R20-25	Income Growth	Steve Richardson	<b>Horsham DC R&amp;B</b> - MKC share of income from 5 year service agreement from LGSS Shared Service	Risk that on-boarding could have short term impact on existing services to MKC residents.	Project Management Approach adopted to minimise risks. Wider review of LGSS.	-27	0	0	0	0.00	Being Smarter	Green	Previously agreed
<b>Total Finance &amp; Resources</b>									<b>-602</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>			
Rob Middleton	Law and Governance	S039-N		Reduction	Sharon Bridglingsingh	<b>Legal services</b> - reduction on external legal advice	Legal Services - reduction in expenditure on external legal advice; work with Council services to review and reduce expenditure on external solicitors and barristers.	Expenditure on external legal fees within the council over the last 2 years has been on excess of £1m. The saving will mean increased reliance on internal legal support which will need to be managed.	-64	0	0	0	0.0	Being Smarter	Green	New
<b>Total Law and Governance</b>									<b>-64</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>			
Pete Marland	Planning, Strategic Transport & Placemaking	S034-N		Reduction	Paul Thomas	<b>Planning Restructure</b>	Planning Staffing Restructure - involving Planning Development Management, Planning Development Plans and Planning Obligations	The restructure is seeking to build more resilience into the service, whilst recognising there has been a recent and significant reduction in the number of major planning applications being submitted. There are significant shortages within the planning profession nationally, which will be addressed by taking a more service-wide approach to the delivery of projects that would support the work of planning officers. This aims to create increased capacity when compared to the establishment in recent years which has included a number of hard-to-fill vacancies. It is all dependant on being able to successfully recruit to all available posts within the new structure, as well as being able to adapt in the future. Should there be significant changes to the number of planning applications submitted, or wider changes to the planning system, additional posts may need to be considered in the future.	-173	0	0	0	-5.00	Being Smarter	Green	New
<b>Total Planning, Strategic Transport &amp; Placemaking</b>									<b>-173</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5.00</b>			

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Rob Middleton	Environment and Property	S060-L	R20-18	Reduction	Stuart Proffitt	Saxon Court savings (S13 2017/18) - sale was originally planned for 20/21. The sale has now been agreed and the council will vacate the building in September 2021. Therefore the saving in 21/22 has been delayed a year. The costs and income for a 6 month period in 21/22 are included in the pressure.	No impact on service delivery	No impact	30	-130	0	0	0.00	Thinking Differently	Green	Revised
Jenny Marklew-Wilson	Environment and Property	S061-L	R20-19	Reduction	Stuart Proffitt	Closure of the Theatre Car Park - closure approved in Delegated Decision 17 November 2020.	No impact on service delivery	The number of sessions in the theatre car park has fallen from around 450,000 sessions a year in 2017/18 to about 300,000 in 2019/20, a 33% drop. This mirrors the changing level of shopping provision in that area of the centre and the provision of new private car parking facilities. When the car park closes, there will be both other MKC on street spaces to take up the demand along with private provision, such as the John Lewis car park	71	-71	0	0	0.00	Being Smarter	Green	Revised
Lauren Townsend	Environment and Property	S066-N		Reduction	Stuart Proffitt	Car Parking and Taxi Licensing Restructure	Improved on line service for taxi driver licences will be more efficient and provide greater personal safety. There will be no in house vehicle testing and repairs so offering a greater level of business to local garages and will free up space in Bleak Hall to progress with the Asset Rationalisation Plan. Due to lower parking levels there is less of a need for parking admin staff and joining parking up with sponsorship looks to develop both the commercial and contract management elements of these 2 services	The key recommendation from the Rapid Service Review of Taxi Licensing was to stop in-house vehicle testing and to change our processes so that the work is carried out externally. Parking requirements have changed considerably since the pandemic, with income levels at a maximum of 40% of historical levels impacting on both revenue and number of Penalty Charge Notices issued. Contract Management for Parking and Sponsorship will be merged with the Property Team.	-148	0	0	0	-6.60	Being Smarter	Green	New
Emily Darlington	Environment and Property	S067-N		Reduction	Stuart Proffitt	Food and Garden waste disposal costs - tonnage has consistently been less than the existing budget for this service	The budget has been underspent for several years: 2018/19 underspend of £179k, 2019/20 underspend of £142k and 2020/21 forecast underspend of £62k.	No impact	-150	0	0	0	0.00	Thinking Differently	Green	New
Emily Darlington	Environment and Property	S068-N		Reduction	Stuart Proffitt	Household Waste Recycling Centres (HWRC's) - implement a permanent booking system	Proposal to retain the HWRC (Household Waste Recycling Centre) booking system. Communications programme to ensure that charging for non-household / building waste to commence from 1 April 2021 and what respective thresholds will be for building and demolition. The charging process will need to be finessed and infrastructure for payments in place. Need to consider the profile for the capital allocation for ANPR implementation.	The permanent replacement of the HWRC booking process would be delivered in three phases: Phase 1 - like for like replacement of function built on our own infrastructure. Phase 2 - Provide an enhanced user experience with amazon style one click bookings. Phase 3- Apps and ANPR integration investing in ANPR at HWRC sites that will integrate with our digital booking solution removing the requirement to have site operatives on the gate.	-150	0	0	0	0.00	Thinking Differently	Amber	New
Emily Darlington	Environment and Property	S017-N		Income Growth	Stuart Proffitt	Charging for non household waste at the HWRC's	Proposal to charge for non-Household waste (construction and demolition) waste. Linked to the proposal to retain the HWRC (Household Waste Recycling Centre) booking systemS068-N. A simplified charging scheme for soil, rubble and hardcore of £1.90 per standard 25kg rubble bag could generate an income of £50k per year assuming 660 tonnes per year is captured and paid for	Savings are based on currently 2-3 months data on the booking system. The saving may result in increased waste being processed through the waste recovery plant.	-50	0	0	0	0.00	Thinking Differently	Green	New
Jenny Marklew-Wilson	Environment and Property	S020-N		Reduction	Stuart Proffitt	Replace subsidised bus services with a Demand Responsive Travel (DRT) service	Delegated Decision approved 10 November 2020 to introduce a DRT service from April 2021	From 1 April 2021, residents in areas with no alternative scheduled buses will be able to use Demand Responsive Transport (DRT).	-789	0	0	0		Being Smarter	Green	New
Jenny Marklew-Wilson	Environment and Property	S021-N		Reduction	Stuart Proffitt	To remove the option to travel before 9:30am for ENCTS pass holders from 1 November 2020	Delegated Decision approved 29 September 2020.	Statutory English National Travel Scheme Concessions (ENCTS) trips undertaken between before 9:30am Monday to Friday are a discretionary concession offered by MK Council.	-57	0	0	0		Thinking Differently	Green	New
Rob Middleton	Environment and Property	S070-N		Reduction	Stuart Proffitt	Property staff re-structure	The primary purpose of this restructure is to implement the services changes which need to take place as a response to the ongoing pandemic and the new ways of working. The new structure will support the Asset Rationalisation Plan which is a key work stream from the Management Action Plan.	No impact.	-41	0	0	0	-1.00	Being Smarter	Green	New
Jenny Marklew-Wilson	Environment and Property	S071-N		Reduction	Stuart Proffitt	Concessionary Fares - pay on returns (actual trip numbers) from 1 April 2021	Delegated Decision approved 29 September 2020. To reimburse bus operators based on actual trip numbers from April 2021	If a national or local lockdown is implemented, operators will be reimbursed at no lower than 60% of the value of trips taken pre-COVID-19.	-600	0	0	0		Thinking Differently	Green	New
Jenny Marklew-Wilson	Environment and Property	S072-N		Reduction	Stuart Proffitt	Reduced Parking Contract budget	A full analysis of each element of the 2 car parking contracts - enforcement and IT - has been undertaken which has shown that the budget is £100k more than required. This takes into account the new cashless processes and the new ANPR technology.	Some of the costs are linked to the income - the income budget for next year is based on the position as at Sept 2020. The costs are on the same basis. If income increases, so will the costs and both budgets may need adjusting.	-100	0	0	0	0.00	Being Smarter	Green	New
Rob Middleton	Environment and Property	S078-L		Income Growth	Stuart Proffitt	Brooklands Health Centre - the occupancy at the new medical centre was not as high as expected when the property was built and a pressure to cover debt charges was built into the 2020/21 budget. Further tenants have been secured generating additional rental income in 2022/23.	No impact, tenants have been secured.	No impact.	0	-60	0	0	0.00	Being Smarter	Green	Revised
Emily Darlington	Environment and Property	S079-L		Reduction	Stuart Proffitt	Tree Insurance Work - funding was added the base budget in 20/21 to respond to the findings for recent investment in the tree survey. Responsive actions to work to treat, remove and replace trees in areas so that insurance risk can be mitigated have been actioned, reducing the future budget requirement.	Savings to the base are possible as high risk areas have been completed in 20/21	No impact.	-25	-25	0	0	0.00	Thinking Differently	Green	Revised

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						<b>Total Environment and Property</b>			-2,009	-286	0	0	-7.60			
						<b>Total Corporate and Deputy Chief Executive</b>			-2,848	-286	0	0	-12.60			
Hannah O'Neill	Adult Services	S051-L	R20-2b	Reduction	Victoria Collins	<b>Social Care &amp; Homelessness</b> - efficiencies through managing demand. This saving was previously included in the MTFP for £1.000m saving put forward for Social Care Integration. This was revised in 2020/21 to deliver the saving in the following years: £0.250m to be delivered in 2020/21 (achieved), £0.250m to be delivered in 2021/22 and £0.500m to be delivered in 2022/23. The saving for 2021/22 has also been achieved through a reduction in demand for care delivered through direct payments.	Minimal as demand for Direct Payment packages has decreased.	No impact	-250	-500	0	0	0.00	Working Together	Green	Previously agreed
Rob Middleton	Policy, Insight & Communications	S056-L	R20-14	Reduction	Sarah Gonsalves	<b>Digital Transformation &amp; Customer Services.</b> Programme to centralise the Council's customer services arrangements for more front line services, improving performance, access and supporting digital channels, increase responsiveness of service and reduce failure demand.	Phase 1 has been implemented in 2020/21	High level targets included in MTFP. Individual business cases will be considered for each service to be transferred into the Contact Centre which will identify service improvements and cost savings.	-93	-200	-457	0	tbc	Being Smarter	Amber	Revised
Rob Middleton	Environment and Property	S064-L	R20-30	Income Growth	Stuart Proffitt	<b>Property Commercialisation</b> - this will be delivered by MKDP via the Accountability Framework and through commercial activity.	The 2020/21 target of £500k is being delivered by MKDP as part of their Investment Strategy.	The commercial market place has seen a down turn following on from COVID, these savings have been deferred on the assumption that the market will recover in a few years time.	0	0	-500	-250	0.00	Thinking Differently	Amber	Revised
Rob Middleton	Environment and Property	S065-N	NEW	Reduction	Stuart Proffitt	<b>Facilities rationalisation</b> - As part of our COVID-19 Management Action Plan, a savings target of £400K was set for property and facilities management savings linked to a move to greater home working allowing for the consolidation of buildings.	A change programme called 'Every Day Matters – Smarter Working' is now well underway which is making good progress on managing this change carefully, with proper consideration being given to key issues like customer service and IT.	There will be some one-off costs involved in making these changes, for example additional ICT costs, and a steering group is in place to ensure these are well planned and managed.	-250	-150	0	0	0.00	Thinking Differently	Green	New
Pete Marland	Management Action Plan	S073-L	R20-22	Reduction	Michael Bracey	<b>Middle management review</b> - As part of our COVID-19 Management Action Plan a further consolidation of senior manager roles and responsibilities to reduce expenditure by £250K was proposed. This phase will focus on Head of Service and their reports (Tier 3 and 4).	This proposal will be implemented in a careful, managed way in line with the changes made to the Tier 2, for example with consideration given to opportunities created by resignations as well as more management-led changes.	CLT will monitor management changes to ensure any problems are addressed. It is accepted that changes do not always work out as planned and a mitigation is an 'open mind' when it comes to making a further change if required. Some one-off funding likely be required as this proposal will take up to twelve months to implement fully.	-250	0	0	0	tbc	Being Smarter	Green	Revised
Pete Marland	Management Action Plan	S074-N	NEW	Reduction	Steve Richardson	<b>Rapid Service Reviews</b> - As part of our COVID-19 Management Action Plan we have undertaken programme of Rapid Service Reviews to look at the impact of COVID-19 which has also enabled managers to identify areas where operational improvements could be made more generally. This proposal sets a realistic target for making changes which result in a £250K cashable saving.	Many of these changes will be focused on smaller changes to systems and processes behind services as opposed to whether or not we provide the services. Therefore, the impact on the service residents receive should be minimal.	The Rapid Review programme has been comprehensive and generated a well-rounded view of how COVID-19 has impacted on services as well as some wider opportunities for improvement. This should mean we can avoid making changes which lead to unintended consequences operationally.	-250	0	0	0	tbc	Thinking Differently	Green	New
						<b>Total Management Action Plan</b>			-1,093	-850	-957	-250	0.00			
Rob Middleton	Capital Financing	S075-N	NEW	Reduction	Steve Richardson	<b>Debt Financing pooling arrangements</b> - change to arrangements from a single pool to two separate pools from April 2021	A two-pool approach creates clear and immediate distinction between HRA and GF debt and its associated servicing costs, would be straightforward to administer once implemented, and gives the HRA the autonomy to pursue its own unique debt strategy.	1) With HRA broadly fully funded, full internal borrowing risk reverts to GF; this is managed as part of the treasury management strategy. 2) Separate HRA and GF treasury management strategic approaches to be agreed, managed and implemented; Finance/Treasury officers will actively engage HRA senior management in debt management decision. 3) HRA would face immediate debt refinancing decisions; with substantial HRA cash balances and investment returns low, repayment of maturing loans most cost-effective option across MTFP period.	-2,698	388	427	703	0.00	Thinking Differently	Green	New
Rob Middleton	Capital Financing	S077 -L		Reduction	Steve Richardson	<b>Debt Financing</b> - re-profiled savings on Minimum Revenue provision (MRP)	No Impact	No Impact	-1,500	2,000	0	0	0.00	Thinking Differently	Green	Previously Approved
						<b>Total Capital Financing</b>			-4,198	2,388	427	703	0.00			
						<b>GRAND TOTAL</b>			-9,107	-345	-1,917	-902	-19.48			

Strategy Category	Description
Thinking Differently	Long term planning, innovation, new technologies and ways of working, reducing failure demand, commercialism
Being Smarter	Reducing costs, value for money, managing expectations, improving customer services.
Working Together	Co-op council, partnerships, integration, parishes, VCSE sector, growth deals.

Green	- 8,418	1,452	427	703
Amber	- 689	- 1,797	- 2,344	- 1,605
AmberRed	-	-	-	-
Red	-	-	-	-
Total	- 9,107	- 345	- 1,917	- 902