

General Fund - Changes from Draft Budget to Final Budget

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	Description
Draft Budget Position	0	7,095	12,151	3,488	
Investing in Communities					
Street Homelessness	300	0	0	0	Further funding to work up options and solutions for reducing street homelessness across the borough.
Children's Mental Health	100	0	0	0	Funding to support our most vulnerable children and their families (those in contact with children's social care) to have access to targeted mental health support.
Voluntary Sector Capacity and Infrastructure	30	0	0	0	Funding for information, advice to support local VCS organisations thrive, many of which will be small, community level groups.
Voluntary Sector Match Funding Grant Scheme	50	0	0	0	Funding for a small grants scheme, aimed at smaller, community level groups, to support their work.
Voluntary Sector Resilience Fund	100	(100)	0	0	Funding for a reserve to support local voluntary sector groups who are in financial difficulties.
Voluntary Sector Consortium Support	50	(50)	0	0	Funding to support the development of the emerging MK VCS Consortium. The aim of the Consortium is co-ordinate bids and application, bringing additional funding into MK to support community services.
Youth Cabinet	10	0	0	0	Funding to enable Youth Cabinet to invest in their priorities. Move to base budget rather than one off funding.
Speed Monitoring Equipment	100	(100)	0	0	Investment in speed monitoring equipment to enable community engagement in speed reduction measures
	740	(250)	0	0	
Inflationary Pressures					
Pay Inflation	141	310	0	0	Additional pay inflation following confirmation of 2 year pay offer which included higher uplift for lower graded posts.
ERP Contractual Inflation Omitted	4	4	5	5	RPIX inflation uplift is applicable.
Viridor Contractual Inflation	(23)	(16)	(16)	(17)	RPIX inflation uplift is applicable.
Concessionary Fares Contractual Inflation	158	167	178	191	The level of increase has been revised upwards since the draft budget was prepared to reflect a combination of higher levels of fares and reduced demand against the current Fixed Pot Model following a revised position being provided by the service for 2018/19.
	280	465	167	179	
Demand Pressures					
Parking Permits - Demand Pressure	119	0	0	0	
Government Funding					
Housing Benefit Administration Subsidy grant	(90)	45	45	0	Grant allocations for 2018/19 were confirmed in January 2018. The overall reduction is not projected to change but has been rephased over 2019/20 and 2020/21.
NNDR Rebasing (2020)	0	0	4,000	0	The MTFP has been adjusted to reverse the majority of the growth in 2020/21 on the basis of the national reset which is still expected to take place at this point. No details on how this will be calculated have been provided. A separate reserve is held to manage funding changes should any reduction be greater than this amount.
New Homes Bonus – Capital to Revenue	0	(2,000)	(2,000)	0	To help manage the overall revenue budget a share of forecasted New Homes Bonus Funding is being included in the Council's revenue budget from 2019/20 onwards and will by 2020/21 help to mitigate the financial impact of the business rates reset.
Council Tax 1% Additional Charge	(1,050)	(33)	(34)	(35)	Decision to accept flexibility of further 1% rise in Council Tax from Provisional Finance Settlement
	(1,140)	(1,988)	2,011	(35)	
New Budget Amendments / Revisions					
Members Allowances - revised allowances scheme	73	4	4	4	This reflects the outcome of the review of Councillor Allowances by the Independent Review Panel. This uplift was agreed by Council in January 2018.
Marlborough Gate Car Park - Business Rates	22	0	0	0	New business rates charge for Marlborough Gate Car Park following notification from Valuation Office
Data Hosting Charge LGSS	60	0	0	0	This is the estimated annual charge from LGSS for hosting the Council's ICT infrastructure from Northampton. No allowance for this had been included in the outline business case.
Pink Sacks - Amendment to Budget Reduction	50	0	0	0	The projected level of savings has been revised downwards by £50k per annum to reflect a more cautious view of demand.
Contribution to Bad Debt Provision	100	0	0	0	To ensure that the Council is able to fund the future costs of unpaid debts an annual contribution is being made corporately to replenish the bad debt provision for corporate debts. (Note this excludes Council Tax, Business Rates, HRA debts and Housing Benefit Overpayments for which separate provisions are held).
Contingency Budget	200	0	0	0	This amount of funding is available to meet unbudgeted pressures.
	505	4	4	4	

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Historic Budget Adjustments and Corrections					
Schools Insurance Premiums Recharges Correction	111	0	0	0	Additional budget for Insurance Premiums to bring the budget in line with agreed premiums and to remove income expectation for recovery of a share of management overhead costs to schools. Premiums can only be recharged on an actual cost basis. An annual contribution to the Council's Self Insurance Fund has been created to ensure that the fund continues to be replenished annually as demands are made against this. This contribution is over and above one-off contributions made as part of the 2016/17 outturn to restore the fund to the recommended level.
General Insurance Premiums - Recharge Correction/Contribution to Insurance Fund	206	0	0	0	
ERP Archiving Solution	47	0	0	0	ERP archiving solution for SAP following the introduction of ERP Gold. These costs were not included in the original Outline Business Case and will be required for a period of 6 years.
Customer Services Income and Licensing Budgets	135	35	0	0	Reversal of transformation savings included in the 2017/18 budget which cannot be delivered as cashable savings (£70k net of salary savings) and £100k for software license maintenance costs which has been funded from reserves but should form part of the revenue base budget.
Environment Agency & Drainage Board Levies Budget Correction	25	0	0	0	Additional budget for Drainage Board and Environment Agency levies to bring the budget in line with estimated charge.
Libraries - correction of base budget	60	0	0	0	Increase in base budget for services which had previously been funded from earmarked reserves.
	584	35	0	0	
Debt Financing Savings					
Impact of prior year debt financing decisions	(697)	0	0	0	Historic savings achieved through accelerated Minimum Revenue Provision contributions in 2016/17 which had not been reflected in the 2017/18 budget. There will also be a benefit in 2017/18 outturn that has not yet been reported.
Saxon Court Loan Repayment	(196)	0	0	0	Reduction in debt financing costs following accelerated Minimum Revenue Provision in 2017/18.
Debt Financing savings in Highways	0	0	(200)	(200)	A one-off contribution to the Infrastructure Reserve has reduced the future level of funding needed to support the Highways Capital Programme from 2020/21 onwards which is linked to the profile of the spend and borrowing costs.
	(893)	0	(200)	(200)	
Budget Reductions / Income Re-Profiling					
LGSS Rephased Savings	(195)	(35)	0	(353)	Part of the savings in the Outline Business Case (OBC) have been revised and the profile amended. The additional savings reflected offset previous reductions made and the overall level of baseline savings are now inline with the original OBC.
Net Change to Draft MTFP - February 2018	0	(1,769)	1,982	(405)	
Final Budget Position	0	5,326	14,133	3,083	