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CABINET

When: 6.30 pm - Tuesday 15 December 2020

Where: online

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Given the current Government advice in relation to public gatherings, members of the public will not be able to physically attend this meeting to observe proceedings. A live stream of proceedings is available at the above link.

Public Questions

The deadline for the submission of public questions is 6:30 pm on Friday 11 December 2020 and should either be delivered to the address below or sent by email to meetings@milton-keynes.gov.uk (one question per questioner).

The Chair has the discretion to extend the deadline if the matter is sufficiently urgent and relates to a matter that has arisen in the last 48 hours, subject to the question being submitted a minimum of 30 minutes before the start of the meeting.

Public Speaking

Persons wishing to speak on an agenda item must give notice by not later than 6.15 pm on the day of the meeting. Requests can be made by email to meetings@milton-keynes.gov.uk

Members of the Cabinet

Councillor Marland (Leader of the Council)
Councillors Baume, Darlington, Middleton, Nolan, O'Neill, Townsend and J Wilson-Marklew.

Enquiries

Please contact Peter Brown on 01908 253671 or Peter.brown@milton-keynes.gov.uk / meetings@milton-keynes.gov.uk.

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AGENDA

- 1. Apologies**
- 2. Cabinet Announcements**

To receive any announcements from the Leader and members of the Cabinet.
- 3. Minutes**

To approve, and the Chair to sign as a correct record, the Minutes of the meeting of the Cabinet held on 1 September 2020 (**Pages 3 to 17**).
- 4. Disclosures of Interest**

Councillors to declare any disclosable pecuniary interests, or personal interests (including other pecuniary interests) they may have in the business to be transacted, and officers to declare any interests they may have in any contract to be considered.
- 5. Questions from Members of the Public**

To receive questions from members of the public of which notification has been received.
- 6. Councillors' Items**

None received.
- 7. Councillors' Questions (15 Minutes)**

Councillors to ask questions of the Leader of the Council or a Cabinet member on issues within their Portfolio.
- 8. References from Other Bodies**

To consider referrals and their responses (circulated separately).
- 9. Strategy for 2050**

To consider Item 9 (**Pages 18 to 36**).
- 10. Child Poverty Commission Recommendations**

To consider Item 10 (**Pages 37 to 62**).
- 11. Sustainability Action Plan**

To consider Item 11 (**Pages 63 to 116**).
- 12. Council Tax Base 2021/22**

To consider Item 12 (**Pages 115 to 121**).
- 13. General Fund Revenue, Housing Revenue Account, Dedicated Schools Grant and Capital Programme Forecast Outturn Report for Quarter 2**

To consider Item 13 (**Pages 122 to 208**).
- 14. Milton Keynes Council Plan – Progress Report**

To consider Item 14 (**Pages 209 to 222**).



Minutes of the meeting of the CABINET held on TUESDAY 1 September 2020 at 6.30 pm.

Present:

Councillor Marland (Leader of the Council).
Councillors Baume, Darlington, Middleton, Nolan, O'Neill and Townsend.

Apologies:

Councillor J Wilson-Marklew

Officers:

M Bracey (Chief Executive), T Aldworth (Deputy Chief Executive), S Bridglalsingh (Director Law and Governance), S Gonsalves (Director Policy, Insight and Communications), S Richardson (Director Finance and Resources), G Snelson (Director Strategy and Futures) P Brown (Head of Democratic Services), N Hutchin (Joint Head of Finance [Deputy Section 151 Officer]), S Lloyd (Policy Manager), M Smith (Strategic Housing Finance Manger), and L Wheaton (Budget and Financial Planning Manager).

Also Present:

Councillors M Bradburn, R Bradburn, Carr, Crooks, Ferrans, D Hopkins, Jenkins, Marlow, McLean, Lancaster, Rankine and Walker.

C12 MINUTES

RESOLVED:

That the Minutes of the meeting of the Cabinet held on 2 June 2020 be approved and signed by the Leader of the Council as a correct record.

C13 DISCLOSURES OF INTEREST

None declared.

C14 ANNOUNCEMENTS

The Leader made announcements:

- (a) welcoming Councillor Townsend to the Cabinet; and
- (b) congratulating Councillors J Wilson-Marklew, the Cabinet member for Climate and Sustainability, and Councillor C Wilson-Marklew on the recent safe arrival of a baby boy.

C15 QUESTIONS FROM MEMBERS OF THE PUBLIC

Question from Dave Adamson to Councillor Darlington (Cabinet member for Public Realm and Housing Services).

Referring to an information note dated 13 August 2020, prepared on behalf of the residents of Oakhill, in relation to the proposal for a children's play area in Oakhill Ward, Mr Adamson asked if Councillor Darlington was able to provide any update on progress and especially in relation to the proposed funding mechanism.

Councillor Darlington referred to the work of Councillor Nolan, dating back to the beginning of 2020, but also noted that the Council's response to the Coronavirus pandemic had impacted the ability of the Environment Team to respond as promptly as it usually would, given the focus on ensuring existing play parks were secured and safe.

Councillor Darlington indicated there were likely to be a number of challenges associated with the proposal, not least the pressure on the Council's finances and the officer resource that could be allocated to the project in the short term. Notwithstanding this, other funding streams were being explored, including grant funding from Wren (FCC Communities Foundation).

As a supplementary question, Mr Adamson asked about potential capital funding from the Council's reserves.

Councillor Darlington, referencing the Council's financial position, indicated that decisions about the use of reserves would need to be carefully considered, which Councillor Middleton would set out in detail, later in the meeting. Councillor Darlington expressed confidence that Councillor Nolan would fully explore potential grant funding opportunities and had a strong track record of having secured such funding.

C16 COUNCILLORS' ITEMS

None received.

C17 COUNCILLORS QUESTIONS

(a) Question from Councillor Crooks to Councillor Marland (Leader of the Council)

Councillor Crooks explained that he was aware of areas of Brooklands and Broughton Gate that remained 'unadopted' despite housing in the affected areas having been completed and occupied. Councillor Crooks asked if it was permissible for developers not to present small areas for adoption and further, what steps the Council would take to prevent such issues in the future.

Councillor Marland confirmed that he would follow up with Councillor Crooks in relation to specific areas after the meeting, but that land generally remained the responsibility of the landowner, until such time as it was transferred to another owner. Most commonly, developed land was transferred to the local authority as part of the development control process. However, more recently, a practice of transferring the land to management or holding companies, who charged residents fees for the maintenance or upkeep of the land had developed. Councillor Marland advised that regrettably, it was the landowner's prerogative to do so, and having reviewed the position carefully, both in respect of residential areas and green spaces, confirmed that the Council could not compel landowners to transfer land to the Council.

As a supplementary question, Councillor Crooks indicated that the two specific cases his question related to, were small numbers of dwellings and confirmed that he would provide the specific details to Councillor Marland so that he could respond in writing.

- (b) Question from Councillor Rankine to Councillor Darlington (Cabinet member for Public Realm and Housing Services)

Councillor Rankine, referring to the provision of new parking bays in the Saints Estate in Bletchley, and the programme of verge conversion agreed between West Bletchley Council and Milton Keynes Council, asked why there had been delays with work commencing on St Catherine's Avenue and an ongoing lack of communication from the Highways Department, despite funding having been allocated by West Bletchley Council in 2019.

Councillor Darlington paid tribute to Councillor Wales work in the West Bletchley Parking Forum and that of West Bletchley Council in this area, advising that she was aware of the issue at St Catherine's Avenue, indicating that officers from both West Bletchley Council and Milton Keynes Council had been on site in the previous week. Acknowledging that there had been some delay caused in part by the Coronavirus pandemic, Councillor Darlington explained that the process was more complicated than perceived, because of utility and other services running below verges and difficulty securing consensus about the location of bays, but that she was confident that the project was now back on track and that the Chair of West Bletchley Council was entirely satisfied with the position.

As a supplementary question, Councillor Rankine, referring the communication issues and the requests to him from a number of West Bletchley Town Councillors to escalate the issue, asked if Councillor Darlington would investigate.

Councillor Darlington committed to investigate the issue but indicated that she did not understand such a view to be held by the Chair, or Clerk of West Bletchley Council, who were understanding of the reasons for the delay and felt the relationship between West Bletchley Council and Milton Keynes Council was effective.

- (c) Question from Councillor Marlow to Councillor Darlington (Cabinet member for Public Realm and Housing Services)

Councillor Marlow, referring to the Council's portfolio of over 11,000 Council homes and acknowledging a reduction in the proportion of homes failing to meet the decent homes standard from 35% to 13% since 2018, noted that the Council's performance was still falling desperately short of the national minimum standard, which was 4%.

Councillor Marlow attributed the improvement to the previous regeneration programme and noted the planned cut of component replacement and planned maintenance budget of £32 million as part of the revised regeneration and renewal strategy, questioning such a heavy focus on renewal, and responsive repairs and maintenance.

Councillor Darlington referred to the HRA business plan which would be considered later in the meeting, suggesting that Councillor Marlow had misunderstood some of the figures.

Councillor Darlington attributed the poor performance in the decent homes standard performance to the lack of planned maintenance undertaken by previous administrations, noting that Councillor Long as her predecessor as portfolio holder, had invested an unprecedented £165 million, five year planned maintenance programme and efforts would continue to deliver decent homes to some of the most vulnerable residents in the Borough.

As a supplementary question, Councillor Marlow asked Councillor Darlington why stakeholders, tenants and leaseholders were only afforded a six-week consultation period to comment on the business plan, suggesting that a longer period would be more appropriate.

Councillor Darlington indicated that as a matter of policy, the standard consultation period at Milton Keynes Council was six weeks, and that this was also reflected in the Council's agreement with Parishes. This was an appropriate amount of time and the consultation would be supplemented by outreach and engagement to ensure those tenants and stakeholders could respond to the consultation, should they wish to.

Councillor Marland added that the original regeneration scheme was brought forward in 2012/13 further to a prevailing view from the previous Conservative administration that many homes that did not meet the decent homes standard were simply not repairable and should be demolished, something which was heavily reflected in the approach to regeneration at the time.

However, upon further inspection it had become clear that the majority of homes could be refurbished and deserved investment. Reflecting on consultation with communities, Councillor Marland indicated that many communities wanted to see community led regeneration as opposed to demolition and commercially driven, privately owned housing.

- (d) Question from Councillor R Bradburn to Councillor Middleton (Cabinet member for Resources)

Councillor Bradburn asked Councillor Middleton for his views on the suggestion from some Councillors that a two-hour free parking scheme for shoppers to Centre:MK be introduced, and what the effect would be on the car parking revenue budget and the Council's broader financial position.

Councillor Middleton, responding to the particular question about the financial impact, noted an existing and very substantial deficit in the parking revenue account, which amounted to £3.5 million less than originally forecasted in the Council's budget.

Councillor Middleton's understanding was that the effect of two hours free parking scheme for shoppers would increase the deficit by around £1 million pounds, which would have to be made up from elsewhere and would simply add to the shortfall and potential cuts to highways and public transport budgets later in the year. Further that no explanation had been forthcoming from the Councillors suggesting where the shortfall caused by such a scheme would be met from.

C18-21 REFERENCES FROM OTHER BODIES

- (a) Referral from Council – 17 June 2020: Social Mobility Pledge

Councillor Marland, updating Cabinet on the progress with the commitment made in a previous resolution of Council, made reference to a written response which had been published on the CMIS pages of the Council's website. Councillor Marland indicated that the Social Mobility Pledge was predominantly for business and academic institutions and that no other Councils had signed the pledge to Councillor Marland's knowledge. Notwithstanding this, Councillor Marland gave a commitment to the associated actions, referring to an example in procurement processes where employers would be encouraged to sign the Social Mobility Pledge as part of tendering processes.

RESOLVED:

That the written response provided by Councillor Marland (Leader of the Council) be noted.

(b) Referral from Health & Adult Social Care Scrutiny Committee – 24 June 2020: Re-opening of Day Centres

The referral was introduced by Councillor Jenkins, the Chair of the Committee, who thanked the Cabinet member for the written response, and reaffirmed the importance of day care services and day centres to those with a variety of different needs, noting the effect of such services having been closed during the initial Covid-19 outbreak, on service users and their carers, who relied on them. Councillor Jenkins asked that these vital services be re-instigated as soon as possible.

Councillor O'Neill (Cabinet member for Health and Wellbeing) referring to the published response, agreed that day care centres provided a vitally important service to the most vulnerable communities, but additionally reflected on the disproportionate effect of Covid-19 on those with learning difficulties, indicating that 70% of deaths in those at risk groups were attributable to Covid-19, compared to 40% in the general population. Councillor O'Neill reminded the Cabinet that the Council's primary responsibility was to protect life and this needed to be balanced against the benefit of centres reopening.

RESOLVED:

That the written response provided by Councillor O'Neill (Cabinet member for Health and Wellbeing) be noted.

(c) Referral from Children and Young Peoples Scrutiny Committee – 14 July 2020: Funding for Child Poverty Commission recommendations.

Councillor Carr, the Chair of the Committee, introduced the referral, requesting clarification of the funding that would be allocated to support the interim recommendations of the Child Poverty Commission. Reflecting on the high priority of the work and its inclusion in the Council plan, assurances were sought that funding would be available to implement the recommendations.

Councillor Nolan (Cabinet member for Children and Families) referred to the written response, emphasizing that the area was a priority for the administration and additionally thanking Councillor Carr for her work to support the establishment of the Commission. Councillor Nolan advised that there would not be a ringfenced budget because of the cross-cutting nature of the work required, but that the final report would be received by Cabinet in December and where the necessary, actions would be considered.

RESOLVED:

That the written response provided by Councillor Nolan (Cabinet member for Children and Families) be noted.

(d) Referral from Regeneration Scrutiny Committee – 25 June 2020

Councillor Crooks, the Chair of the Committee, introduced the referral, thanking Councillor O'Neill and Derys Pragnell (Head of Public Health Programmes) for their excellent presentations at the meeting and further emphasised the Committee's commitment to estate renewal, and the avoidance of demolition, unless absolutely necessary.

Councillor Crooks referred to the emphasis on reducing obesity and the poor state of maintenance of some Redways on very established settlements, which were not conducive to improved usage or levels of physical activity. Secondly that the health and social outcomes for individuals were significantly impacted by early years development and highlighted the need for effective intervention programmes.

Councillor Crooks also referenced the HRA business plan papers and suggested the importance of contemporaneous data, particularly the social deprivation index, so that the focus of work could be adapted as new areas of deprivation arose and could be promptly addressed via regeneration work. Additionally, Councillor Crooks suggested that given the focus on health and other issues, alongside bricks and mortar regeneration, there would be a need for regeneration work to be supplemented with funds from the General Account as well as the Housing Revenue Account.

As the Cabinet member for Health and Wellbeing, Councillor O'Neill responded, referring to the written response and thanking the committee for highlighting the issue of health inequality. Noting that well paid jobs were helpful to improve health and that a focus on attracting employers was understandable, Councillor O'Neill indicated the need to focus on educational attainment and skills in order to support residents to secure better paid employment.

As the Cabinet Member for Public Realm and Housing Services, Councillor Darlington advised that she and Councillor Baume were committed to working together to deliver a revised Regeneration Strategy in line with the HRA business plan and that the indices of multiple of deprivation would be used to prioritise areas for renewal. Councillor Darlington also reminded the Cabinet of the additional £500,000 investment in Annex W of the 2020/21 budget, which was in addition to base funding for Redway improvements and reflective of ambitious plans to extend the network to Newport Pagnell, the Lakes Estate and other areas.

RESOLVED:

That the written response provided by Councillor O'Neill (Cabinet member for Health and Wellbeing) be noted.

C22 COVID-19 ECONOMIC RECOVERY PLAN

The Cabinet considered the Covid-19 economic recovery plan. Councillor Baume (Cabinet member for Economy and Culture) introduced the item, recognising that residents and businesses in Milton Keynes had been badly affected by the pandemic and were entering the worse recession in modern history, adding that businesses were also having to plan for Brexit and the potential of a 'no deal' scenario.

The Cabinet heard that the Council had already done much work to support the recovery, noting section 2.2 of the report, a list of urgent actions already taken, which had benefited one in three local businesses.

Councillor Baume reflected that whilst the Council was facing significant challenges, the extraordinary circumstances and the disproportionate effect of a recession and rising unemployment on young people and women, required an extraordinary response, and that a package of support worth over 2.25 million would support a green recovery and the most vulnerable.

Introducing a short video, which included some of the businesses and stakeholders who helped to develop the action plan, Councillor Baume thanked all those who had contributed to the recovery plan and to Councillor Darlington who had led the work whilst Councillor Baume was recovering from illness, Councillors Middleton and J Wilson-Marklew alongside Councillor McCall, whose Group had contributed time and ideas.

The Cabinet heard that the Economy Team had been strengthened with the creation of a new post of Strategic Lead for Economy and Policy, to ensure there were the resources to ensure the recovery plan would be fully implemented.

The Cabinet heard from Councillors Rankine, Ferrans and Walker, in consideration of the item.

In response Councillor Darlington:

- welcomed any ideas from councillors to strengthen the local recovery;
- advised that whilst one post had been lost from the Economy Team, more had been added, resulting in a net increase in posts, and that demonstrable cross sector engagement work with the business community had been achieved during the pandemic;
- £200,000 was set aside to support Centre:MK's recovery, which would be utilised in conjunction with the Business Improvement District;
- agreed the importance of a 'future focus' with a need for new businesses and employment to stimulate the economy;
- the Covid Recovery Framework had addressed the issue of the need to support BAME communities as part of the recovery, but that this would be at the centre of the Council's thinking throughout the recovery; and

- £2 billion pounds worth of shovel ready schemes were being identified as part of the Covid Recovery Framework, agreed by Councillor Marland, some of which were already being assessed by government.

Councillor Marland thanked officers for their work to develop the plan, highlighting the £500,000 for a green recovery, the need for innovation and technologies that would be in place for generations and that that would power the recovery, as opposed to investing in traditional, conventional technology.

Noting the economic impact of Covid-19 on the hospitality sector and process driven jobs and the disproportionate effect on young people and women Councillor Marland emphasised the importance of retraining and re-skilling to enable those groups to access new and different jobs.

RESOLVED:

1. That the Covid19 Economic Recovery Action Plan be agreed.
2. That funding of £2,162,880 be allocated to the projects listed in Annex B subject to further development, where required, and final sign-off by the S151 officer.
3. That within 6 months:
 - (a) any budget released from schemes in this current round be allocated once they have been subjected to the final sign-off process;
 - (a) a process for schemes to bid for the £500,000 green business recovery fund allocated in Annex B through this decision, be run; and
 - (b) the £87,120 balance remaining of the budget be allocated to further business support schemes.

C23 REFRESH OF THE HRA BUSINESS PLAN AND HRA CAPITAL FINANCING INVESTMENT PLAN

The Cabinet considered the HRA business plan and HRA capital financing investment plan. The item was introduced by Councillor Darlington (Cabinet member for Public Realm and Housing Services), who thanked Council staff for their work to bring the refreshed business plan forward.

Councillor Darlington outlined that the plan was now out to consultation, would be scrutinised by the Community & Housing and Budget & Resources Scrutiny Committees and that the Cabinet were very keen to hear people's views and ideas. Thanking Councillor Middleton for his assistance with the work to prepare the business plan, Councillor Darlington indicated that the plan was fully financed and deliverable.

Noting the ambitious targets, Councillor Darlington referenced the recent dissolution of Your:MK because of its failure of delivery and highlighted key points from the business plan:

- a reconfirmed commitment to 500 new council homes by 2022 and a further 700 homes by 2030;
- an acquisitions programme and regeneration programme, which alongside new build, would increase the Council's total stock from around 11,000 to 13,195 over the ten-year period of the plan; and
- £165 million investment in current council stock of which £50 million would be green investment.

The Cabinet heard from Councillor Ferrans and two members of the public in consideration of the item. In response, Councillor Darlington:

- reminded Cabinet that in addition to the HRA business plan which was a financial plan, the Regeneration Strategy was also out to consultation, which would set out policy positions and would utilise correct data points to inform its delivery;
- advised that the seven original estates would not be forgotten as part of the business plan and that the Council would be led by indices of multiple deprivation data to focus regeneration work, which required more than just bricks and mortar, but also areas such as health and wellbeing, or jobs and skills; and
- emphasised that social value was increasingly important and that there would be a procurement focus on local providers and supply chains wherever possible.

RESOLVED:

1. That the draft Housing Revenue Account Business Plan be approved for consultation with council tenants and leaseholders.
2. That consultation lasts for six weeks starting on 14 September with the final version of the Housing Revenue Account Business Plan being considered by Cabinet at its 15 December 2020 meeting.
3. That the proposed Prudential Indicators set out in Annex D of the report are approved. The financial limits will be presented to Cabinet at its 15 December 2020 meeting as part of the draft budget proposals.
4. That Cabinet note the current draft Business Plan Model at Annex B of the report (which sets out the projected 30 year forecast based on achieving Decent Homes Standard and delivery of the approved new build, acquisition and regeneration capital programme) and at Annex C of the report, which outlines a forecast of the potential cost of future investment based on the ambitions in the HRA Business Plan.

C24 PROCUREMENT STRATEGY OF PHASE A OF THE REGENERATION OF THE LAKES ESTATE

The Cabinet considered the Procurement Strategy for Phase A of the Regeneration of the Lakes Estate. Councillor Darlington introduced the item, noting the many promises of investment that had been made to residents over time and expressing pleasure that progress was now being made.

Referencing the reports' formality in setting out the procurement approach, Councillor Darlington again highlighted the social value, in promoting local providers and employment.

The Cabinet heard from Councillor Rankine in consideration of the item. Referencing Councillor Rankine's concerns about the affordability and effectiveness of proposals for a district heating centre scheme on the estate, Councillor Darlington indicated that reduction in carbon and tackling fuel poverty were critically important to residents, that the technology was not new and that she did not share any of Councillor Rankine's concerns.

RESOLVED:

1. That, subject to planning, approval be given to prepare an open tender to procure contractors to deliver Phase A of the Lakes Estate.
2. That the scheme be packaged and tendered in Lots.

C25 UPDATE ON UNAUTHORISED ENCAMPMENTS

The Cabinet considered an update in respect of unauthorised encampments, which was introduced by Councillor Townsend (Cabinet member for Community Safety). Referring to the Council's Unauthorised Encampment Plan, which had been agreed at Cabinet in July 2108, Councillor Townsend updated Cabinet on progress to date, reflecting on the need to strike a balance between the statutory requirement to meet the accommodation needs of gypsies, travellers and travelling show people and the need to ensure that communities felt safe and listened to.

Noting the importance of effective communication, Councillor Townsend outlined work undertaken in this area and in particular, highlighted joint communications prepared by the Council and Thames Valley Police, which set out the relevant steps required in response to unauthorised encampments. Updating the Cabinet, Councillor Townsend advised that:

- there were presently three reported unauthorised encampments in the Borough;
- there was a continuing reduction in the numbers of encampments;
- the environmental crime team deserved recognition for their responsive and collaborative approach to tackling unauthorised encampments;
- physical security had been improved at sensitive sites;

- a clear procedure had been developed to deal with threats or safety issues that encampments might present, alongside welfare and safeguarding issues; and
- further work was required in relation to long terms solutions.

The Cabinet heard from Councillor Lancaster, Bradburn and Ferrans in consideration of the item.

Responding to points raised, Councillor Townsend advised that the number and incidents of unauthorised encampments had decreased since 2018, but acknowledged that this was in part due to the effects of Covid-19.

Noting that of the funds allocated to defences, around £60,000, remained unspent, Councillor Townsend indicated that not all sites could be protected comprehensively because of cost, or the effect on access and enjoyment of the public to open space, but that the funds remained available for new sites as they emerged.

Additionally, Councillor Townend committed to continue to review communication channels and timeliness with a view to improve the position further and further that a community safety need assessment would need to be undertaken at the transit site.

Councillor Marland advised Cabinet that whilst the matter was indeed an emotive and sensitive one, the Council would work hard to balance protecting settled communities from issues associated with unauthorised encampments, and respecting everyone's rights in law. Councillor Marland also informed Cabinet that the Council had a responsibility under the Equalities Act, reminding all Councillors of the need to be mindful of their responsibilities in this regard.

RESOLVED:

That the Cabinet note the update on the agreed action plan on unauthorised encampments.

C26 FORECAST OUTTURN FOR QUARTER 1, 2020/21: GENERAL FUND REVENUE, HOUSING REVENUE ACCOUNT, DEDICATED SCHOOLS GRANT AND CAPITAL PROGRAMME & COVID-19 FINANCIAL UPDATE

The Cabinet considered the forecast outturn for quarter 1, 2020/21: general fund revenue, housing revenue account, dedicated schools grant and capital programme & covid-19 financial update, which was introduced by Councillor Middleton (Cabinet member for Resources). Referring to the detailed nature of the report, Councillor Middleton thanked the s.151 officer and the finance team for their work to compile the information.

Reflecting on the context to the report and in particular the impact of a global pandemic, Councillor Middleton noted the very modest forecast overspend of £150,000 on day to day operational costs, which excluded direct costs of the pandemic and thanked staff for their financial diligence and management.

Councillor Middleton highlighted particular areas of the report, including:

- the cost of temporary accommodation;
- severe pressures in children's social care;
- pressures in the home to school transport budget; and
- management restructures creating savings of around £500,000.

Referring to Councillor Bradburn's earlier question, Councillor Middleton set out the position in respect of the Council's reduced parking income, noting a 60-75% reduction compared to pre pandemic forecasts and indicating that the position was unlikely to recover in the near future. This represented a £3 million shortfall in the parking revenue account, which would impact on important areas, such as subsidised bus routes and investment in the highway network.

Councillor Middleton drew the Cabinet's attention to Annex M of the report, which set out the effect of the pandemic on the Council's finances over the previous six months, explaining additional funds had been allocated to support the Council's response to the pandemic, particularly and additional £2 million in adult social care, which had included additional payments to care homes, PPE funding and payment guarantees to affected providers.

The Cabinet heard from Councillor Rankine in consideration of the item. Responding Councillor Middleton advised that:

- the £16 million of general support funds provided by government was welcome and had been completely allocated and spent to offset Covid-19 related costs, but was insufficient given the steepest recession in over 300 years;
- the s.151 officer would respond separately and in writing in relation to questions and suggestions related to risk forecasting models and which band applied to the Council; and
- that the biggest threat to local government finances was not a local lockdown scenario, rather the severity of the recession and the levels of support that would be provide by government and the Bank of England.

RESOLVED

1. That the GFRA forecast outturn of £0.153m overspend before the impact of covid-19 be noted, together with the management actions set out at annex a of the report.

2. GFRA planned savings of £0.728m have been achieved (17% of the annual savings target). By the 31 March it is forecast that £3.330m savings will be achieved (77%), leaving a shortfall of £0.997m (23%) which is set out in annex b of the report.
3. That the forecast outturn on the HRA is break even, after an increase in the transfer to reserves be noted, together with the management actions set out at annex c of the report.

C27 MEDIUM TERM FINANCIAL OUTLOOK [2021/22 TO 2024/25]

The Cabinet considered the medium term financial outlook [2021/22 to 2024/25], which was introduced by Councillor Middleton (Cabinet member for Resources). The Cabinet heard that the report forecasted the position in the coming four years, noting the difficulty of doing so given the current recession and financial uncertainty.

Councillor Middleton, referring to an earlier statement from Councillor Walker, offering assistance to relay local financial difficulties to government via the Members of Parliament for Milton Keynes, accepted the offer and made clear that the forthcoming budget round would be extremely challenging, given the likely effect of unemployment and falls to Gross Domestic Product. Councillor Middleton suggested that unless central funding assurances were provided, the Council would need to start considering cuts to subsidised bus services and leisure services.

Councillor Middleton noted some immediate local financial impacts of the pandemic, including:

- a 7% increase in the draw on the Council's Council Tax Reduction Scheme (equivalent to £2 million);
- a 1% drop in Council Tax collection rates (equivalent to £1.5 million); and
- a 3.5% drop on Business Rates collection rates (equivalent to £4 million).

The Cabinet heard that the local government settlement would not be received until December which presented very real difficulties in agreeing a draft budget and consulting, before Council could agree it in time for the new financial year.

The Cabinet heard from Councillor Bradburn in consideration of the item.

RESOLVED:

1. That the budget scenarios out in Table 2 of the report, be noted.
2. That the approach to addressing the Council's MTFP gap, as set out in paras 3.34 to 3.41, be noted.
3. That the Cabinet and Corporate Leadership Team (CLT) continue to develop detailed proposals to facilitate the delivery of a robust and sustainable Medium-Term Financial Plan.

C28 LOCAL COUNCIL TAX REDUCTION SCHEME 2021/22

The Cabinet considered the local Council Tax Reduction Scheme 2021/22, which was introduced by Councillor Middleton (Cabinet member for Resources).

Councillor Middleton advised that a decision was required to amend the scheme 'in year' to adjust notification requirements, meaning that less correspondence would therefore need to be sent to individuals where there were very small changes to their bills.

RESOLVED:

That the proposed change to the Local Council Tax Reduction scheme, introducing a £0.50 a week tolerance rule, to go forward for 8 weeks public consultation.

C29 MILTON KEYNES COUNCIL PLAN

The Cabinet considered and update to progress with the Council Plan which was introduced by Councillor Marland (Leader of the Council), who reminded Cabinet that the Council Plan was agreed in June.

Councillor Marland reflected that the plan had a reduced number of priorities in order to respond to the pandemic and focus on recovery noting that in addition to responding to the pandemic, the Council had continued to deliver day to day operational services, notwithstanding the various challenges presented.

The Cabinet heard from Councillor Rankine in consideration of the item and in response Councillor Marland committed to providing accompanying performance indicators to the Council Plan objectives.

RESOLVED:

That the progress being made on the Council Plan 2016-2022 be noted.

THE CHAIR CLOSED THE MEETING AT 8.40 PM.

Cabinet report



15 December 2020

Strategy for 2050

Name of Cabinet Member	Councillor Pete Marland Leader of the Council
Report sponsor	Geoff Snelson Director of Strategy and Futures
Report author	Fiona Robinson MK Futures Programme Manager fiona.robinson@milton-keynes.gov.uk 01908 252318

Exempt / confidential / not for publication	No
Council Plan reference	Ref number 33
Wards affected	All wards

Executive summary

The Milton Keynes Strategy for 2050 sets the way forward for the next era of making our great city greater. Creating a long-term strategy was a recommendation of the MK Futures 2050 Commission. Public and stakeholder engagement has been extensive and included a draft strategy published for comment in January 2020 for 18-weeks and a subsequent 5-week long review of the impacts of COVID-19. The Strategy sets out a long-term approach to spatial development. It aims for a steady population increase to around 410,000 people in the borough by 2050 as the best means of achieving Seven Big Ambitions.

The Strategy includes a commitment to provide essential infrastructure and services, including a Mass Rapid Transit System. It also commits to keep and strengthen those things that make Milton Keynes special – green spaces and trees, being able to move around easily using grid roads and redways, a vibrant economy and diverse communities and a strong community spirit. It includes proposals to help achieve the council’s ambition to be carbon neutral by 2030 and to support the mental and physical health of the community. The Strategy has been prepared to provide ambition and focus at a time of great uncertainty but to be flexible to adapt to changing circumstances. A revised MK Futures 2050 programme is recommended to re-focus effort on delivery of the strategy, as is a partnership approach with national government.

1. Decisions to be made

- 1.1 That the Milton Keynes Strategy for 2050 be approved.
- 1.2 That Cabinet recommends to Council that the Strategy become an Annex to the Council Plan and is approved as such.
- 1.3 That Cabinet commits to receiving a revised MK Futures 2050 programme by the end of June 2021.
- 1.4 That a partnership approach to implementing the strategy with government and its agencies, including Homes England, be agreed.

2. Why is the decision needed?

Background

- 2.1 The Milton Keynes Strategy for 2050 sets the way forward for the next era of making our great city greater. It is a strategy for everyone living in Milton Keynes today, especially the children and young people who will be our future citizens, as well as those who will choose to move here to be part of a globally leading green city.
- 2.2 The need for a new strategy was identified by the MK Futures 2050 Commission established by the council in 2015 to help create a vision for the next phase of our city's journey. The Commission's report, Making a Great City Greater, was published in July 2016 and proposed that Milton Keynes should grow to a population of around 400,000 people by 2050 and set out a broad approach for where that development could happen. The vision and direction of their findings received unanimous support from the different political groups on Milton Keynes Council and have provided the basis for the Strategy.

Why is a strategy required - now?

- 2.3 Milton Keynes is a living example of how well-planned growth can produce better lives and better places. Effective planning allows us to strengthen what works well and make sure every resident in every part of Milton Keynes can benefit from the city's economic prosperity. This includes making available the infrastructure and services that are essential for both existing and new communities. The Strategy for 2050 includes a commitment to provide city-wide green space alongside other essential infrastructure and services so that development does not put pressure on our communities and environment. It includes proposals that will help achieve the council's ambition to be carbon neutral by 2030, deliver inclusive development that helps reduce poverty, and support the mental and physical health of the community.

- 2.4 By planning upfront and over the long-term we can make the case for investments that will serve us well into the future, rather than reacting as pressures arise. This is especially important in the context of the COVID-19 pandemic and related economic recession. Having a clear vision and commitment to sustained growth will help attract investment from both public and private sector sources in projects such as MK:U, the new city centre university in partnership with Cranfield University. Our strategic ambition has already proved important in helping attract Government investment into the expansion of Milton Keynes University Hospital.
- 2.5 A clear plan created by the council provides more local democratic control over development so we can ensure it is done well and that local people are involved in decisions about their communities. If we lack a clear vision then housebuilders would have greater influence over the timing and location of development, and this would mean unplanned growth without all the infrastructure our communities need.
- 2.6 Failure to build enough homes will lead to even greater increases in house prices than in recent years, making it ever more difficult for our residents and their children to afford a home to buy or rent. Aiming to slow or stop the city from growing would undermine our economy so fewer jobs would be created and we would have less to invest in public services and the upkeep of our existing infrastructure. The heaviest burdens would fall on our most disadvantaged people, a risk that is even more severe as we face the economic challenges triggered by the COVID-19 pandemic.

The process for creating the Strategy for 2050

- 2.7 The strategy has been developed through the MK Futures 2050 programme that has been responsible for delivering the Six Big Projects recommended by the MK Futures Commission. The programme of work has included a series of detailed evidence studies covering issues such as growth locations, Mass Rapid Transit and the city's future economy. Key evidence studies have recently been reviewed to test their assumptions against the impact of the COVID-19 pandemic. The full range of studies has been published on the MK Futures 2050 website (www.MKFutures2050.com).
- 2.8 Public and stakeholder engagement has been a central feature of the MK Futures programme since it was established in 2016. A communications strategy has been delivered over the period of its operation, including regular briefings for city stakeholders and public engagement via social media, regular local radio slots and presentations at numerous public events. A major exhibition was held in Middleton Hall during 4-7 July 2019 and seen by 121,000 people, a 41% uplift in visitors to that part of the shopping building over the same weekend in 2018. A dedicated project stream was created to engage young people which included "Forging the Future", a series of sessions attended by three local secondary schools to look at different aspects of the MK Futures 2050 programme. Outputs from these sessions are included in the Strategy for 2050.

- 2.9 A draft strategy was published on 20th January 2020 for an engagement period that was extended due to the COVID-19 pandemic to 22nd May 2020. This included a programme of public meetings within the borough and immediately neighbouring areas that was largely completed prior to COVID-19 restrictions being implemented. Meetings were subsequently held virtually, where requested, and a narrated version of the engagement presentation was posted on the MK Futures website. A further 5-week long round of engagement was held during June-July 2020 to seek views on the impact of COVID-19 on key elements of the strategy. Dedicated reviews were also undertaken of the potential impact of COVID-19 and the associated economic recession on key policy elements including the prospects for housing and jobs growth, the operation of Mass Rapid Transit, and the design of homes and communities.
- 2.10 A Supporting Statement (Annex B) has been prepared to summarise the engagement process undertaken on the Strategy for 2050 and includes a high-level summary of the comments received during the two engagement periods during 2020. It also explains how this has been used to revise and refine the final Strategy. A more comprehensive summary of the comments received has also been prepared with details of how these have been considered in the final Strategy (available at MKFutures2050.com).

Strategy focus

- 2.11 The Strategy for 2050 offers Seven Big Ambitions which together act as our promise to those living here today and those who wish to make their homes here in future. We will:
- strengthen those qualities that make Milton Keynes **special**;
 - make Milton Keynes a **leading green city** – by global standards;
 - ensure everyone has their own **decent home** to rent or buy;
 - build safe communities that support **health and wellbeing**;
 - **provide jobs for everyone** by supporting our businesses, and attracting new ones;
 - offer better opportunities for everyone **to learn** and develop their skills; and
 - make it **easier for everyone to travel** on foot, by bike and with better public transport.
- 2.12 The Strategy aims for growth by a steady population increase to around 410,000 people living in the borough by 2050 as the best means of achieving the Seven Big Ambitions. The flexible development framework of the Strategy can support growth beyond this total under the right conditions, including a strong working partnership with the government that provides investment in the services and infrastructure that a larger city would require.

2.13 The Strategy for 2050 does not specify development sites in our neighbouring areas as that is a decision for the relevant councils and any homes built are counted towards their housing targets. It does anticipate that growth in immediately neighbouring areas, coupled with the growth of the Borough, will see a “Greater Milton Keynes” population of around half a million people by 2050. We hope to work with our neighbours to develop plans that create high quality development and joined up infrastructure and services.

Implementing the strategy

2.14 The Strategy has been prepared during a time of uncertainty in various projects and events which we know could have an impact on its contents and delivery, including the COVID-19 pandemic and resulting economic recession, a new relationship with the European Union, the government’s intentions for the Oxford-Cambridge Arc, the “pausing” of the proposed A421 expressway, likely changes to the planning system following the Planning White Paper, and the creation of unitary councils in neighbouring areas. We have used the best available knowledge at the time in preparing the Strategy, which is designed to be flexible to adapt to changing circumstances. At a time of great uncertainty and volatility it is even more important for us to have a vision of what we are trying to achieve for Milton Keynes.

2.15 The Strategy for 2050 is not a statutory planning document. If adopted, it will provide a high-level policy framework for future statutory local plans. Cabinet are recommended to adopt the Strategy, but to then additionally recommend that the Strategy becomes an Annex to the Council Plan and be approved as such on 20 January 2021. This will have the effect of making the Strategy for 2050 a policy framework document.

2.16 The Strategy for 2050 has been produced through the MK Futures 2050 programme that includes the Six Big Projects recommended by the MK Futures Commission. Having achieved this important milestone of publication of the Strategy it is an appropriate time to review that programme to ensure it is now more strongly focused on action to implement the Strategy.

2.17 Milton Keynes was created with major national investment to meet national strategic priorities. We now need a new and powerful partnership with government. Working closely with government departments and agencies, such as Homes England, on our shared ambitions for long-term, high quality growth will help secure investment by aligning priorities and resources. It will give confidence to our communities that growth is being done properly. We will also aim to work on delivery in partnership with the housebuilding industry and landowners.

3. Implications of the decision

Financial	N	Human rights, equalities, diversity	Y
Legal	N	Policies or Council Plan	Y
Communication	Y	Procurement	N
Energy Efficiency	Y	Workforce	N

a) Financial implications

None directly from adopting the Strategy. The Strategy includes proposals for development models that will help to secure public and private investment for infrastructure, services and facilities. One-off MKC funding was allocated in the 2020/21 budget to MK Futures implementation studies.

b) Legal implications

The Strategy for 2050 is not a formal planning policy document and so has no weight in the planning process and is not a material consideration in the determination of planning applications.

c) Other implications

Communications – the Strategy for 2050 has been produced through an extensive stakeholder and public engagement programme that is described in the body of the report.

Human rights/equalities. The Strategy for 2050 has been subject to an Equalities Impact Assessment that found the strategy advances equality of opportunity in numerous ways and mentions, and has regard to, the need for inclusivity, diversity and meeting the challenge of child poverty. The Strategy recognises the diversity of Milton Keynes as a great strength and sets out policies that will contribute to delivering inclusive growth that benefits everyone in Milton Keynes and helps address child poverty, including increasing the delivery of truly affordable homes, improving access to skills and better jobs, ensuring local facilities and services are accessible to everyone within easy reach of their homes, and delivering a much improved public transport network to aid mobility for all. These are interventions referenced in the final Milton Keynes Child Poverty Commission report. The Impact Assessment notes that as the Strategy is delivered, we will need to give attention to the factors that have led to persistent child poverty and focus on designing in access to all and developing a ‘welcoming spirit’. These themes are integral to our Strategy but there is a risk they could be disregarded as we deliver our ambitions if they aren’t given the right attention.

Energy efficiency. Chapter 3 of the Strategy for 2050 is titled “A sustainable and Green City” and describes strategic policies that will help reduce carbon emissions and energy consumption and require sustainable construction. Elsewhere, the Strategy promotes energy efficient transport and buildings.

Policies and Council Plan. The Strategy for 2050 helps deliver several actions within the Council Plan:

- Action 19 – Support the delivery of a fully electrified East-West Rail and continue to promote better connectivity and infrastructure across the Oxford-MK-Cambridge Arc.
- Action 23 – Continue to support the development for a Mass Rapid Transport system
- Action 33 – Take back control from developers, progressing a shared vision for the future of the City with MK Futures 2050 and securing proper funding for growth through a Housing Deal
- Action 34 – Progress Plan:MK2 to plan the growth for MK properly, and include appropriate zero carbon housing mix policies that address the needs of Milton Keynes
- Action 41 – Bring forward plans to improve Station Square.
- Action 42 – Bring forward plans to improve CMK market.
- Action 53 – Seek funding from Government for the development of MK:U

The adoption of the Policy is a two-stage process. Cabinet will formally approve its adoption by decision at this meeting, but also recommend that it become an Annex of the Council Plan, effectively becoming a Policy Framework document if agreed by Council in January 2021. Other policies/strategies should then respond accordingly as part of delivery.

4. Alternatives

4.1 The alternative option of delaying the publication of the Strategy has been considered and discounted. The Strategy is deliberately designed to be flexible to adapt to changing circumstances. At a time of great uncertainty and volatility it is even more important for the council to have a vision of what we are trying to achieve for Milton Keynes.

5. Timetable for implementation

- Recommendation to Council for 20th January.
- Revised MK Futures 2050 programme by end April 2021.

List of annexes

Annex A – [Milton Keynes Strategy for 2050, November 2020](#)

Annex B – [Strategy for 2050 Supporting Statement, November 2020](#)

Note: Annex A not supplied printed with this report as previously supplied to all Councillors.

List of background papers

MK Futures 2050 Commission “Making a Great City Greater”, July 2016

Strategy for 2050 – Engagement Draft, January 2020

Available at www.MKFutures2050.com

MILTON KEYNES STRATEGY FOR 2050

SUPPORTING DOCUMENT, NOVEMBER 2020

This document has been prepared to support the adoption of the Milton Keynes Strategy for 2050 in order to explain the engagement process and changes that have been made to the Strategy post-engagement, and the process moving forward.

1. CONTEXT

In 2015, Milton Keynes Council established the MK Futures 2050 Commission to help it plan for the next phase of the city's journey.¹ The Commission's report "Making a Great City Greater" was published in July 2016 and recommended the council took forward Six Big Projects and the preparation of the Strategy for 2050 in order to put the city in the best possible position for the future. The 'Making a Great City Greater' report proposed a high rate of growth to 2050 as the best way of providing the greatest benefit for the city's population and included a broad approach for how that development might be distributed and this has provided core assumptions used in the development of the Strategy.²

The Strategy for 2050 sets out how the long-term future of the city is about achieving quality of life and success that is shared across all our communities, in the context of a scale of growth that would take our borough population to around 410,000 people by 2050.

Geographical Coverage

The Strategy for 2050 has its main focus the future development of the borough of Milton Keynes. But it also considers the wider area and its economy, and the way that people travel day-to-day to access work, shops, leisure and other services in different areas and towns across the wider area, across council boundaries. We think of this area as a 'Greater' Milton Keynes, including neighbouring parts of Northamptonshire, Buckinghamshire and Central Bedfordshire. These areas each have their own unique character, independent of Milton Keynes, but many of their residents work, shop or visit MK on a daily basis and those towns and villages add to the overall attractiveness and prosperity of the wider area.

It is not our intention in the Strategy for 2050 to recommend a distribution of growth in our neighbouring areas; we know that is a job for the local plans of those individual planning authorities and that the homes that are delivered are counted towards their own housing targets. But in developing the Strategy for 2050 and the evidence base that sits behind it, we have sought to consider how growth might work best across boundaries, especially when thinking about how many of us lead

¹ The MK Futures 2050 Commission comprised independent experts and local champions and conducted in-depth research and one of the largest programmes of public engagement in the city's history – direct engagement with 1,051 people and a further 23,105 through social media. The MK Futures 2050 website, www.mkfutures2050.com includes a range of background Commission Working Papers which were developed to inform the preparation of the full report.

² "Making a Great City Greater", July 2016, pages 36 and 37

our lives and the services we use regularly, and in thinking about the natural environment or other constraints and opportunities.

Status of the Strategy

The Strategy is a non-statutory document (i.e. it is not a formal planning policy document prepared in accordance with statutory regulations), but it does create a context and vision for the development of Milton Keynes borough over the coming decades, which future local plans and other Council and partner plans, policies and strategies should respond to and help to deliver.

The Strategy for 2050 has been prepared in the context of a suite of other local plans and strategies, which have helped to guide its ambitions.

2. BACKGROUND EVIDENCE

Evidence Base

The Strategy for 2050 was prepared during 2019 and 2020, informed by a variety of evidence and data sources which are referenced within the document with hyperlinks where available. The evidence that was prepared specifically for the Strategy is available to download at www.MKFutures2050.com, including the comprehensive Strategic Growth Study and supporting studies that were prepared using a grant from the Ministry of Housing, Communities and Local Government.

Following the publication of the Engagement Draft Strategy for 2050 in January 2020, the world was hit by the COVID-19 pandemic and the UK has subsequently gone into recession. This inevitably led to questions about the evidence that was prepared during 2018 and 2019 and the way that has been interpreted in the Strategy. During summer 2020 we commissioned work to review core assumptions in the Strategy and what the pandemic and resulting recession could mean for delivery. These evidence reviews looked closely at our proposed mass rapid transit system and how we can deliver our aim of mobility for all in the light of suppressed levels of commuting and use of public transport, and also the implications of the recession for jobs and housing growth. We also undertook public and stakeholder engagement to seek views on the impact of the pandemic on any aspect of the Strategy (see section 3 below).

Differences between the Strategy and the Strategic Growth Study

While the Strategy takes forward many of the propositions made in the evidence studies, there are some cases where the Strategy takes a slightly different stance, and where that is the case, the approach in the Strategy for 2050 should take precedence as the Council's proposed direction.

Further Evidence

It is important to note that in order to deliver the Strategy, including in how it is translated into future Local Plans, there will be further evidence prepared to test the propositions contained within it in more detail and meet the robust challenges of the Local Plan examination. Examples of this further work

include more detailed modelling and preparation of a full business case for the proposed mass transit system, and a comprehensive, long-term infrastructure assessment.

3. ENGAGEMENT PROCESS

Pre-publication Engagement

There has been ongoing stakeholder and public engagement which has informed the development of the Strategy for 2050, culminating in an extended engagement period in early 2020. This is in addition to the extensive programme that took place as part of the MK Futures 2050 Commission process in 2015 and 2016 which is explained in detail in a Commission Working Paper that informed their final report.³

Through 2018 and 2019, the ongoing engagement programme that informed the drafting of the Strategy for 2050 included

- regular roundtable discussions with civic and city stakeholders
- presentations and discussions with various interest groups including MK Arts and Heritage Alliance, MK Secondary Heads group, MK Business Council, voluntary and community sector, and town and parish councils.
- “Forging the Future” programme with secondary school students
- workshop sessions at MK YCAB (Youth Cabinet) and MySayMK conference
- presentation and discussion at conferences and seminars, including MK Sustainability Conference, Fred Roche Foundation talks, Groundwork Weekender, MK Business Leaders and MK Geek Night.
- Journey to 2050 four-day public exhibition in Middleton Hall, Central Milton Keynes in July 2019.

Engagement Draft – January – May 2020

The Engagement Draft Strategy for 2050 was published in January 2020. Initially, this was intended to be for a ten-week period, due to end on 17th April 2020. At the start of the engagement period, we used the following engagement methods;

- document published online at www.MKFutures2050.com⁴
- hard copies of the Strategy held in libraries, including in neighbouring towns, and in MKC children’s centres
- emails sent to known stakeholders, with encouragement to share widely across their networks
- social media used to pull out bite-size issues and themes – Facebook, LinkedIn and Twitter
- a short YouTube animation shared through social media channels⁵

³ Commission Working Paper 2 “Results from the Commission’s Engagement Programme” at www.MKFutures2050.com/read-our-report

⁴ Strategy for 2050 Engagement Page <https://www.mkfutures2050.com/strategy-for-2050-engagement-page>

⁵ YouTube video is available at <https://www.youtube.com/watch?v=7d6TvsmNpgE>

- series of public meetings in communities within MK and in neighbouring areas
- discussion sessions with stakeholder groups, e.g. civic and city groups, business community, council staff.

However, by mid-March it was obvious that our programme of public meetings would no longer be feasible due to the COVID-19 pandemic and lockdown, and the final sessions were cancelled. The engagement period was extended to Friday 22nd May to allow time for responding via other means, creating an engagement period of 18 weeks in total from the initial publication on 20th January. We also added a narrated version of the presentation that had been used at our public meetings to the website, offered on line briefings, and published answers to the ‘frequently asked questions’ we had received from the meetings that had gone ahead.⁶

Through this January – May 2020 engagement period, we received around 250 emails in addition to the comments made during public meetings and via social media. The headlines from this feedback are presented in Section 5 of this statement, and a more comprehensive summary of the points raised and a brief description of how this has influenced the final Strategy is available online at www.MKFutures2050.com.

COVID-19 Engagement – June – July 2020

Following the main engagement period, we took the decision to ask for views on the potential implications for the Strategy from the COVID-19 pandemic. We wanted to understand people’s thoughts on the potential long-term impacts of the pandemic on the future development of Milton Keynes and any aspect of the draft Strategy we had published. To that end, a note was prepared describing emergent thinking about potential impacts, including a set of questions to help respondents frame their thoughts.⁷ The note was published online on 10th June 2020 with a deadline for comments of Friday 17th July. Emails were sent to the original mailing list plus all those who responded to the earlier engagement draft, with details shared through our social media channels.

Through this five-week engagement period, around 55 responses were received. The headline summary of these comments is included in Section 5, and a more comprehensive summary online at www.MKFutures2050.com.

Respondents

Through both the engagement periods, we received comments from a wide range of sources. The respondents included members of the public, Town and Parish Councils, local planning authorities, local Ward Members and political parties, planning consultants, landowners and developers, council officers, city and civic stakeholder groups and other local interest groups, government agencies, voluntary and community sector organisations, and business groups.

⁶ The FAQs are available at <https://www.mkfutures2050.com/strategy-faqs> and the narrated presentation is on YouTube at <https://www.youtube.com/watch?v=NCaXFvgyJ6o>

⁷ The “Strategic Implications of the COVID-19 Pandemic” note is available at <https://www.mkfutures2050.com/strategy-for-2050-engagement-page>

4. WIDER CONTEXT

As is inevitable in the development of a long-term strategy, there is uncertainty about the status or potential outcomes of a range of variables that could impact on its preparation and delivery. For the Strategy for 2050, these uncertainties include;

- the COVID-19 pandemic and the major changes it has made to the way we live our lives, including new travel and working patterns, increased online shopping and declining city centre footfall, and changing lifestyles and priorities
- the economic recession resulting from the pandemic, including the possible impact on the housing market or increases in unemployment and business failure
- Brexit and a new relationship with the European Union
- the government's intentions for the Oxford-Cambridge Arc, including a proposed cross-corridor long-term, strategic spatial framework
- the "pausing" of the proposed A421 expressway by Highways England and timing of delivery of East-West Rail
- potential changes to the planning system following the Planning White Paper, "Planning for the future" which was published in August 2020 and is likely to have major implications for the way local plans are prepared and operate
- the creation of unitary councils in neighbouring local authority areas.

The Strategy for 2050 has been prepared with the best available knowledge at the time of drafting and is designed to provide the flexibility to adapt to changing circumstances.

In drafting the Strategy, it has also been important to balance a range of interests and aims. For example, we need to ensure that detail is provided on a wide range of issues whilst maintaining a document length that is concise and suitably strategic. Similarly, we have tried to use language that is accessible and easily understood by a range of readers, whilst trying to convey sometimes complex issues.

5. HIGH LEVEL SUMMARY OF FEEDBACK

This summary reflects the headline points that were made. The comments are broadly grouped by topic rather than listing by respondent and repeating similar points. A more comprehensive summary of the feedback received during both the January – May 2020 and June – July 2020 engagement periods is available online at www.MKFutures2050.com.

Feedback on the Engagement Draft Strategy for 2050

- Growth should be within the Milton Keynes boundary; lack of justification for cross-boundary development. Cross-boundary development is unlikely to be deliverable
- Approach to working with neighbouring areas is not clear, has been inadequate, does not align with Neighbourhood Plans or Local Plans or meet the Duty to Cooperate

- Support a boundary blind, strategic approach but it needs political buy-in from partners
- Any future joint working or development of proposals across boundaries needs to be done on the basis of a shared vision, developed by all partners, and with better understanding of governance structures. Not logical for each council to plan alone, but there has been insufficient agreement in developing the approach
- Level of growth is not supported or evidenced. Not credible to plan for growth at this scale. Growth to a population of 400k is far more acceptable.
- Growth target or quality of development is not achievable without a new delivery mechanism. Support consideration of new mechanism
- Do not support a new delivery vehicle, including with powers outside MK boundary
- Strategy should be flexible
- Viability needs to be factored into development assumptions. Make it clear the Council will pursue Government funding for infrastructure
- Lack of targets or detail, including numbers of homes intended in each growth location or type of development
- Support the Strategy in principle
- Support the Strategy and laudable principles, but success will come down to implementation and ensuring there are benefits for all
- COVID-19 and recession will impact the underlying evidence and how we will live in the future
- We need to sort out some of the weaknesses and challenges. Should look after what we already have first
- Ambitions need to be reconsidered and better inter-linked. MK Futures 2050 Six Big Projects should also be included
- Climate change and sustainability aspirations are not sufficiently embedded through the Strategy or ambitious enough
- Develop a comprehensive plan for CMK that considers design, investment, (re)development opportunities, parking and mobility, and takes into account the original city centre principles
- Importance of culture not reflected in the Strategy; should be given greater emphasis throughout and in Ambitions
- Limited scope for densification in the city. Compact communities mustn't be just about maximising development space and profits; consider 'gentle density'.
- Place-making agenda should promote better design, identify and retain MK's unique nature and be sensitive to existing communities
- Recent developments have not been sensitive to existing communities or original principles
- Character of different parts of the area should be reflected, not just all classed as the city
- Support development of a variety of sites, including smaller sites in addition to larger development sites
- Focus on CMK and new areas is at expense of dealing with issues in existing communities. Other places and communities are forgotten about
- Development strategy should prioritise urban development and brownfield sites rather than greenfield and edge-blobbing
- Development on greenfield sites, areas of open countryside and in small villages would irreparably damage those places

- Focus on the local economy and providing access to good jobs as an important route out of poverty, but needs strategic view
- Education system is failing local people. Not enough focus on education outside of MK:U
- Focus on CMK as location for new jobs should be reconsidered
- Green infrastructure issues should be integrated throughout the whole strategy, and be more ambitious. Environmental gains for the city should be included just as they are for transport, skills etc, with a comprehensive landscape and green infrastructure strategy
- Avoid development on existing green spaces. New green space needs to be provided to the same quality and quantity
- Design of homes should meet minimum space standards, with outdoor space and space for home working
- Importance of providing necessary infrastructure at the right time; further work needed to understand what is needed
- Infrastructure costs may not be affordable. And existing infrastructure requires renewal
- Inadequate landscape character and capacity assessment, and water-related infrastructure evidence
- Basing growth strategy around MRT is inappropriate
- Strategy isn't ambitious enough on mobility including walking and cycling. It won't deliver mobility for all principles
- Should provide better options for walking and cycling, but redways might not be the answer in all cases
- Do not perpetuate the grid road structure without considering options
- Maintain the grid roads and dual roads where possible, but new mobility options should not be at the expense of car drivers
- Proposed MRT network needs flexibility and revised routes to reach key locations. CMK-centric/radial network not appropriate
- MRT analysis has not considered full options or is an inappropriate solution
- Further information needed on funding and governance/legislative changes needed to run MRT system
- Support the reinstatement of East West Rail with appropriate improvements, but need to understand implications for some settlements/stations
- Do not support the East West Expressway
- Premature to prepare Strategy ahead of regional decisions and further evidence
- Engagement should have been halted during COVID-19 lockdown
- Strategy preparation and engagement process has not been appropriate; a new approach is needed
- Support for development across a range of specific sites/growth locations
- Against development across a range of specific sites/growth locations
- Detailed proposals for re-wording of sections

Feedback on the Strategic Implications of the COVID-19 Pandemic

- Challenges in the public transport sector from need for social distancing reducing capacity, lack of confidence in safety, fewer journeys being made and use of private cars
- Impact of more online shopping and how to deal with the 'last mile' of delivery journeys
- Walking and cycling increase may be minimal; requires investment in infrastructure maintenance
- Changing travel patterns will impact on demand for car parking and the way people use their cars
- Changing travel patterns and the impact on commuting levels and congestion; impact on the environment, noise and pollution
- All new homes must have gardens or accessible outside space
- New homes should include homeworking space
- Impact of increased home-working and changing need for office space, which may be put to alternative use; opportunities for CMK as a regional office location; need for flexible office/meeting spaces
- High street decline will be accelerated and alternative uses found for shops and ways of attracting people to the city centre
- Still a need for local food shops and local centres, in addition to more online retailing
- Impact on leisure, food and drink, cultural and tourism sectors
- Importance of local facilities near to people's homes that provide a range of services; growing importance of local high streets and hubs
- Opportunities to change the use of existing buildings, but potential impacts on quality of life, including impact of density of development and need to maintain city centre vitality
- Investment in the city may now be very uncertain and the delivery of the Strategy is even more uncertain
- Need for UK-wide strategic action on the economy, but also need to consider changes to local economic structures to build more resilience and focus on new priorities, including green recovery
- Should consider alternative education models, e.g. forest schools, and consider implications for MK:U project
- Investment strategy needed for CMK to address decline
- Need to maintain investment in connectivity and enabling high speed broadband
- Government approach to energy will not deliver carbon neutrality; local policy should go further
- Impact is likely to exacerbate inequality
- Importance of community spirit and local support networks. People's priorities have changed
- Public Health and Voluntary Sector need proper funding and support
- Opportunities to address housing need and affordability, including rough sleepers
- Need to consider other methods for true engagement. Solutions need to be driven by citizens and stakeholder specialists
- Benefit of open spaces for outdoor recreation in lockdown
- Need spaces in the public realm that allow people to come together
- Original principles for MK have meant the city has fared well compared to other places during the pandemic, and those principles should be maintained
- There is still a need for a long-term strategy for the future of Milton Keynes
- Premature to finalise the Strategy for 2050
- Remain opposed to the Strategy and its principles
- Impact on housing market; already unachievable targets should be revised

- Should also think about other behavioural and attitude changes as a result of other calls for change, e.g. BLM movement, as well as impact of Brexit
- Changes to the national planning system are likely to have an impact. Also need local guidance on how spaces could be adapted
- Seize opportunities created, not just try to return to normal
- Government and local authorities need to give confidence to communities; MKC could take a stronger lead.

6. KEY CHANGES SINCE THE ENGAGEMENT DRAFT STRATEGY

Following the feedback received during the two engagement periods and using the outputs of our work to refresh the evidence base in the light of COVID-19, we have made several changes to the structure of the strategy, and further detailed changes throughout the document. The changes described below are not exhaustive; there are many smaller changes to the wording within the Strategy for 2050 that improve clarity or consistency, and update data or references within the document where new information is available. A comprehensive summary of comments is available online at www.MKFutures2050.com and includes further detail of the changes made to the document in response to the comments received, in addition to the more fundamental changes list below.

Changes to the structure of the Strategy for 2050

Many people commented that there was insufficient coverage of issues relating to green infrastructure and the city's green character; sustainability and meeting the city's challenging carbon neutrality agenda; and culture and the creative industries. In order to address these weaknesses, a new chapter has been added in the final Strategy for 2050 called "A Sustainable and Green City" which provides greater detail on green and blue infrastructure and sustainability issues, and more references have been threaded through the document.

A chapter has been added called "Healthy and Creative Places" which now covers our placemaking principles and adds some further focus on cultural issues. We have also added further information within the "Our Diverse and Inclusive Economy" chapter to reference the importance of the cultural and creative sector in our local economy and quality of life. Within the "Healthy and Creative Places" chapter we have explained our placemaking approach with a greater focus on our residents' health and wellbeing, and have removed the extended list of principles. The chapter "Affordable and High-Quality Homes" is now focussed on housing affordability and quality.

The Engagement Draft Strategy for 2050 included an Annex called the "Growth Options Assessment" which included a brief assessment of the potential growth locations that had been assessed as part of the development of the Strategy. This section has now been removed from the final Strategy as originally intended.

The Engagement Draft included a chapter that focussed on Central Milton Keynes and Central Bletchley as two priority areas of change. We received feedback that this section should be expanded

as it meant some parts of the borough were not covered by this approach. This chapter is now called “Central Milton Keynes and Our Centres” and includes discussion about other centres and the opportunities available, including as locations for sensitive intensification, for flexible working space and as nodes on a much improved mobility network.

We have also included an introductory section for each chapter that summarises our vision and approach. These sections also form an Executive Summary which is available separately from the main Strategy for 2050 document.

Major changes to content or approach

Cross boundary growth

The Engagement Draft Strategy for 2050 was prepared on the basis of a metropolitan Milton Keynes area, working on a ‘boundary blind’ basis which recognised the opportunity for growth on a more strategic geography. It was always the intention that growth in those neighbouring authority areas would come forward through the relevant councils’ own local plan processes, but through the Strategy we made a suggestion, on the basis of the Strategic Growth Study prepared in support of the work, for how that wider cross boundary growth could be distributed.

In this final Strategy for 2050 we have only included a proposition for the Milton Keynes borough area and have included a broad ambition for a population of around 410,000 people in the borough by 2050. The final Strategy does include reference to the 10,000 homes that are already in adopted or emerging plans in the areas immediately adjoining the borough boundary, and that we expect that a further c.10,000 will be built in the decades to 2050 due to ongoing demand for new homes and the likely uplift in housing targets in neighbouring areas. It does not, however, put forward a recommendation for how that might be distributed (beyond identifying main settlements which are likely to be the most sustainable locations for future development), and reiterates that this will be an issue for the respective local plan in those areas to determine. Our view is that with the growth envisaged for Milton Keynes borough alongside the planned and probable growth in those neighbouring areas, the population across that greater Milton Keynes area is still likely to reach around half a million people in the middle of this century.

Population growth

The comments on the Engagement Draft also demonstrated that we had not made it clear that the 500,000 population target it discussed was not for Milton Keynes borough alone; many people commented that the annual delivery rates that would be required would not be viable. The change discussed above – making it clear that the borough population ambition is around 410,000 people by 2050 – is intended to help clarify this position. This population is broadly in line with the MK Futures 2050 Commission recommendation in their report “Making a Great City Greater” and would require annual housebuilding rates at a level comparable with that in Plan:MK. It is important to remember that the detail of the phasing and delivery of future housing delivery will be determined through the Local Plan process and the annual housing target may change as a result of new planning requirements (following publication of the Planning White Paper).

Impact of the COVID-19 pandemic

Throughout the document, new wording has been added to reflect the impact of the COVID-19 pandemic and recession where appropriate. We believe the impact will be most significant where the pandemic has accelerated existing trends. Within the “Our Diverse and Inclusive Economy”, for example, we have included discussion about the implications for the city and town centres from changing working patterns and reduced footfall, demand for employment space and the potential for companies to move out from London to regional centres like Milton Keynes. We have included a revised jobs growth target that has been determined using new evidence. Within the “Mobility for All” chapter, we have emphasised walking and cycling as the priority for most journeys and reframed our proposition for a mass rapid transit system in the light of our COVID-19 evidence refresh on mobility, to include a potential phased delivery. The importance of ready access to local neighbourhood services and facilities has always been a feature of Milton Keynes and has been reinforced during the pandemic.

Amendments to images/plans

To reflect the changes mentioned above (in particular around cross boundary growth and phasing of the mass transit network), some changes and updates have taken place to the recommended growth strategy and mobility network plans.

Other changes

In addition to the points raised above, in refining the Strategy for 2050 we have also included some highlights from our engagement with young people in the form of a section on “Postcards from the Future” using the output of our “Forging the Future” programme in local secondary schools.

We have made greater reference to our challenges around child poverty, the important role that placemaking can play in supporting the health of our residents and included more ambitious targets around issues like affordable homes and green space provision.

7. ADOPTION PROCESS

As explained above, the Strategy for 2050 has been prepared and revised using the evidence and feedback collected over the last three years. The final Strategy for 2050 reflects the best available view of the issues and is intended to form a flexible framework for the future development of Milton Keynes, as discussed in section 4.

In order to move forward to delivery of the Strategy, it is intended that it is adopted as policy, as an annex to the Council Plan, and used to inform the development and delivery of other plans, policies and strategies across the authority and where appropriate, by partners. The mechanism for adopting the Strategy will be for the Cabinet to make a recommendation to Full Council. The timetable for this process is set out below, and includes early publication of the Strategy for 2050 ahead of the usual committee papers. Following adoption, the final Strategy for 2050 will be professionally designed and published.

Publication of Strategy for 2050 online	Friday 20 th November 2020
Cabinet report online on Council's CMIS committee papers system at https://milton-keynes.cmis.uk.com/milton-keynes/Home.aspx	Friday 2 nd December 2020
Cabinet meeting to agree a recommendation to Full Council to adopt the Strategy for 2050	Tuesday 15 th December 2020
Council meeting to adopt the Strategy for 2050 as an Annex to the Council Plan	Wednesday 20 th January 2021

Cabinet report



15 December 2020

Child Poverty Commission Recommendations

Name of Cabinet Member	Zoe Nolan Cabinet member for Children and Families
Report sponsor	Sarah Gonsalves Director of Policy, Insight and Communications
Report author	Jeremy Beake Corporate Policy & Equality Manager Jeremy.beake@milton-keynes.gov.uk

Exempt / confidential / not for publication	No
Council Plan reference	5.2
Wards affected	All wards

Executive summary

This is the second report of the Child Poverty Commissioners.

Hannah Markham Chair of the Commissioners writes “The aims throughout were clear; the commission wanted to draw on what we and others have learnt since the last report and to hear from those working on the ground for their views about what best could and should be done. We heard from those directly experiencing poverty and listened to a broad range of life stories from parents and children alike.”

There are three recommendations, which are developed in the report.

- Establish a Child Poverty Challenge Board in Milton Keynes
- Help child poverty work to flourish
- Work to challenge child poverty through actions and influence

The Council has a major role in delivering these recommendations. In responding to the Covid-19 Crisis, the Council made strides in setting its delivery and recovery actions to challenge child poverty. Its long-term plans through the Covid-19 Recovery Plan, Town Bid and the Futures Strategy set goals within the areas of skills, homes, and jobs.

1. Decision/s to be made

- 1.1 That Hannah Markham QC and the Commissioners be thanked for their work in bringing together their final report.
- 1.2 That the second report of the Milton Keynes Child Poverty Commission “Our Children Deserve Better 2” be commended to all services, partners and interested parties in Milton Keynes as a shared beginning to challenging child poverty.
- 1.3 That the Council will lead in the challenge to child poverty using the recommendations of the Commission be affirmed.
- 1.4 That the Director Policy, Insight Communications and Customer, be asked to develop a Communications Plan, as well as the details of Recommendation 1, 2 and 3 and report progress to the Cabinet in six months’ time.
- 1.5 That working with a wide group of organisations, details of what help is offered and what projects are being delivered in Milton Keynes is available for parents online by April 2021.
- 1.6 That a report is published annually starting on the 21 April 2021.

2. Why is the decision needed?

- 2.1 The Commissioners write:

“These reports (Report 1 in March and now this second report) are about children, children who experience barriers to their aspirations, security and well-being. Children who, we were told, face stigma and judgement on a daily basis. They grow up watching their parents face difficult decisions and pressures. As teenagers, they look on as friends and neighbours lead very different lives with very different possibilities. These children and young people live in Milton Keynes.

Since October last year, we have listened to families and professionals, from decision makers and support workers. We have heard widespread praise for what professionals and volunteers do to support people’s basic needs. However, the scale of child poverty in Milton Keynes is shocking.

We have spoken to parents, children and young people. What they told us was a story of frustrations and barriers. What they hoped for was an end to the harsh treatment and a respectful rethinking of services. What they wanted were solutions that were locally focussed, more joined-up and better communicated.

Most of all parents wanted allies who would work with them to change the narrative for their children.”

2.2 From the first report, it is notable that:

- a) The definition of child poverty in the figures is insufficient. We heard of households with higher incomes, who had presented as homeless and were in temporary accommodation. The children in these families experienced poverty, because of their vulnerable situation.
- b) Child poverty is multi-faceted. Children are in poverty when they lack the “resources to obtain the type of diet, participate in the activities and have the living conditions and amenities which are customary or at least widely encouraged and approved, in the societies in which they belong” (Townsend 1979:31)
- c) Children move in and out of poverty. In the Millennium Cohort Study, a representative sample of children from the UK born in 2001, about half (47%) of children experienced relative poverty one or more times between the age of 9 months and 11 years, and 9% of children experienced persistent poverty.

3. Implications of the decision

Financial		Human rights, equalities, diversity	x
Legal		Policies or Council Plan	x
Communication	x	Procurement	
Energy Efficiency		Workforce	

a) Financial implications

There are no direct costs to the recommendations of the report. Any costs proposed for the implementation of the recommendations in Annex A to the report will need to be funded in the revenue budget and capital programme through the usual budget-setting processes, including the preparation of Business Cases setting out the costs, benefits, affordability, value for money, and risk implications.

b) Legal implications

At present, there are no legal implications.

c) Other implications

The outline recommendations include changes to this implications section with the addition of child poverty.

The first report contained an Equality Impact Assessment. It is important to note that the double disadvantage posed by disability either of the child or a parent. We should also be aware that because of historical factors people from BAME backgrounds are less likely to be Council tenants and therefore be subject to the private renting inequalities.

4. Alternatives

4.1 The topic of child poverty attracts a lot of discussion and it is challenging to address. The work of the Commission is now complete, and the resultant change will only come if the Council leads, promotes and shapes the way it delivers for children in material need. Therefore, it is not recommended to disregard these issues.

5. Timetable for implementation

5.1 The Commission suggests that:

- a) A communications plan is developed that widely promotes these reports with the key date of 21 April 2021 to launch “21 for 2021: ways to challenge child poverty.
- b) That the Council’s response to all recommendations is prepared by April 2021.

List of annexes

Annex A – Recommendations

Annex B – “Our Children Deserve Better 2: The final report of the Milton Keynes Child Poverty Commission”

Annex A: Recommendations

1. Establish a Child Poverty Challenge Partnership in Milton Keynes. An empowered group that includes local parents and young people that can inspire and direct the reduction in child poverty, build a commitment amongst all businesses, groups and services, and provide better information about the available projects and services.
2. Make Children and young people's work flourish:
 - With more new projects,
 - changing the focus of existing services,
 - developing existing initiatives in imaginative ways that, and
 - using our 21 ideas for 2021 as inspiration.
 This will require a new funding trust.
3. Organisations like the Council, change the way they work for children and families, using their influence, challenging child poverty and eliminating barriers. No organisation or service can do this work alone.

This recommendation includes

3.1 Support, Benefits, Prevention

- 3.1.1 Lobby national government – forming a broad consensus- to reduce the waiting time for universal credit from 5 weeks to 2 weeks, to ensure that changes in employment do not lead to persistent child poverty.
- 3.1.2 Extend the MK Foodbank partnership to continue providing food to vulnerable people including children in poverty and those in financial difficulty.
- 3.1.3 Focus the work of prevention (such as the Council's social fund and activities under section 17 of the Children Act 1989) to build family resilience based on the principle that "providing early help is more effective in promoting the welfare of children than reacting later".

3.2 Childcare, Homelessness, Children Centres

- 3.2.1 Develop a 'Childcare plus' project to deliver a childcare deposit scheme, increased affordable places and a greater contribution from partners such as schools and providers.
- 3.2.2 Develop an Accommodation plus project, finding ways to prevent homelessness by sustaining people in their own homes by partnering with housing providers and voluntary organisations.

- 3.2.3 Develop a 'Children Centres plus' project forming new partnerships and seeking outside funds to use the children centres to their best potential as centres of delivery in local areas

3.3 Abuse, Rent, Health

- 3.3.1 Reduce domestic abuse related crimes every year for the next five years as a proportion of all crimes as well the number of incidents, using 2019 figures as a benchmark
- 3.3.2 Reduce the gap between the Local Housing Allowance and the bottom quartile mark of local private market rents to zero
- 3.3.3 Improve accessibility to mental health services for parents by stipulating adjustments for childcare responsibilities within contracts
- 3.3.4 All eligible children receive school holiday meals for every holiday periods and increase their available to more children

3.4 Learning, Regeneration & Transport, Employment

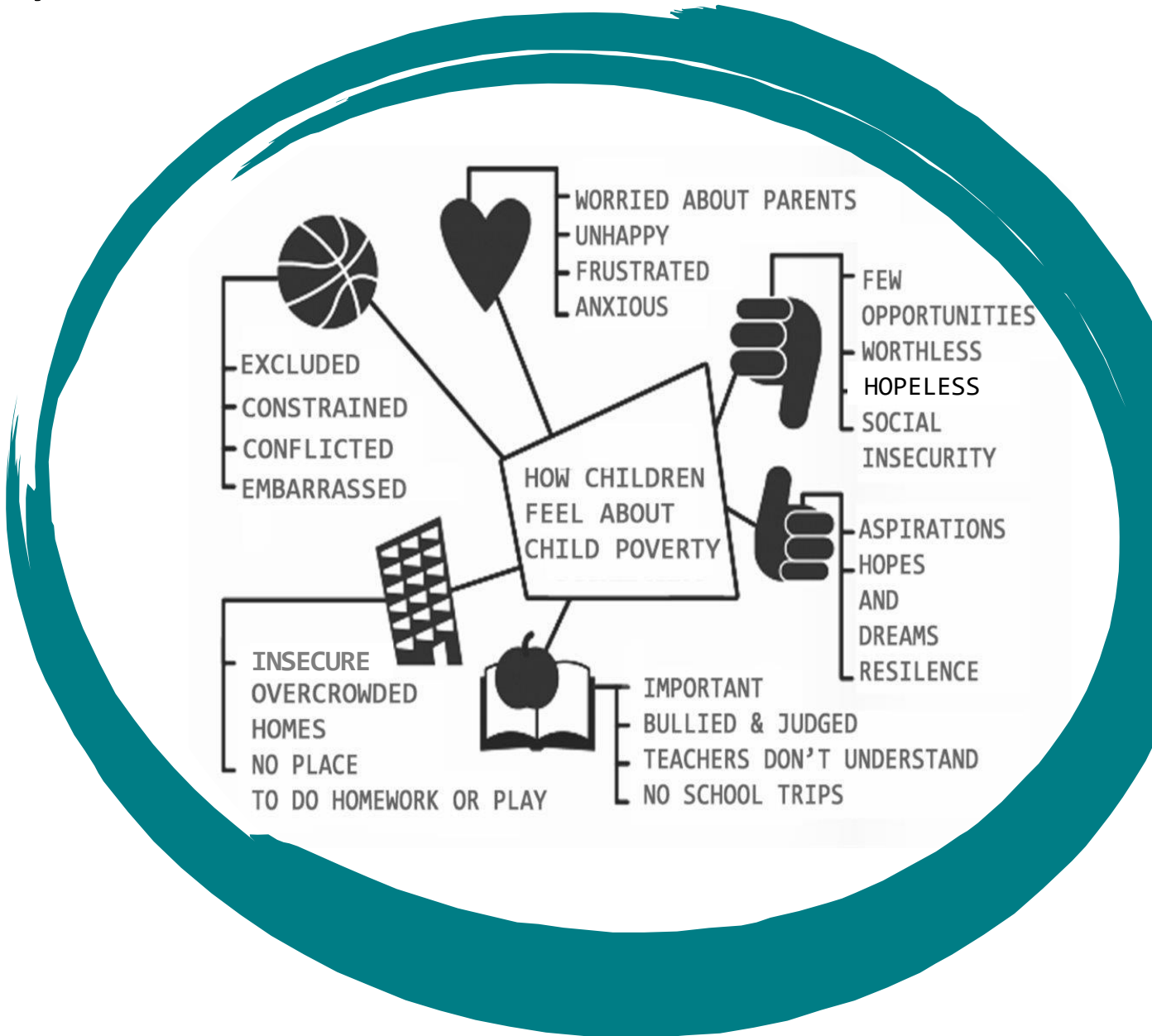
- 3.4.1 Addressing the issues of affordable transport through new responsive schemes
- 3.4.2 Using the leverage to promote sustainable jobs and the living wage
- 3.4.3 Develop more domestic finance information and help
- 3.4.4 Deliver the council's regeneration ambitions
- 3.4.5 An educational electronic device in the hands of every child, a commitment from schools, services and local voluntary groups to ensure every pupil over 12 has access to a Chromebook or higher

3.5 Shaping Services

- 3.5.1 All managers and services shape their work to reduce child poverty, so that the priority of child poverty reduction and alleviation is 'breathed throughout the council
- 3.5.2 Publish a report for Milton Keynes every year regarding progress
- 3.5.3 All managers and services shape their work to reduce child poverty, so that the priority of child poverty reduction and alleviation is 'breathed throughout the council and public services"
- 3.5.4 Publish a report for Milton Keynes every year regarding progress

Our children deserve better ... 2

The final report of the Milton Keynes Child Poverty Commission, March 2020



MK

milton keynes council

The Commissioners were:

Hannah Markham QC, Commission Chair

Cllr Jane Carr

Cllr Zoe Nolan

Cllr David Hopkins

Rev. Paul Oxley

Paul Sedgwick

Maureen Lloyd

Laura Osgathorp

Anita O' Malley

Tina Price

Jeremy Beake, Lead Officer to the Commission

Sarah Gonsalves, Corporate Leadership

We thank each and every one of those who gave their time to share information and provide evidence to the commission. To those who provided more intimate first-hand experiences of living in poverty, the commission extends their sincere thanks.

Our three challenges to child Poverty

“We want people to help us change things for our children, this means the Council and everyone else...” from a Parent from Coffee Hall

We are the Child Poverty Commission, made up of local people from Milton Keynes. We have been investigating child poverty. We reported, firstly in March 2020, that local levels were rising. Now, in this second report, we highlight what we need to do to challenge child poverty and support families.

Summary of our challenges for Milton Keynes

Parents asked for allies. They wanted ‘more than words’, a greater commitment and a voice in the decision-making process.

This requires a Child Poverty Challenge Board in Milton Keynes is established - an empowered group that includes local parents and young people, who can inspire and direct a reduction in the levels of child poverty.

1

Volunteers and project workers talked about the need for more initiatives, better resources and improved collaboration. They told us that from food projects to housing help, the quickest support comes from local groups.

This requires that children and young people’s work flourishes:

- With more new projects,
- changing the focus of existing services,
- developing existing initiatives in imaginative ways that, and
- using our 21 ideas for 2021 as inspiration.

This will require a new funding trust.

2

Local service managers reported how difficult reducing child poverty will be - structural change is necessary, building on what is already being done to meet the challenge with new collaborations that recognise the shared use of resources, the need for resilience and dynamic new partnerships.

This requires that organisations like the Council, change the way they work for children and families, using their influence, challenging child poverty and eliminating barriers. No organisation or service can do this work alone.

3

Child Poverty in MK



22,940
children in poverty
after housing costs



5 weeks
wait for Universal
Credit payments



1,600
households helped
through the Troubled
Families Programme



affording childcare
people said was their
major concern



970
children in temporary
accommodation
Nov 2020



£4.80
the cost of a return
bus journey from
central MK



3730
domestic abuse related
crimes (2019),
16% of all crimes



£220
average difference per
month between HRA
and local private rents



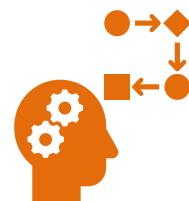
7,251
pupils known to
be eligible for free
school meals



24,000
working age people
without an NVQ 1 and
above qualification



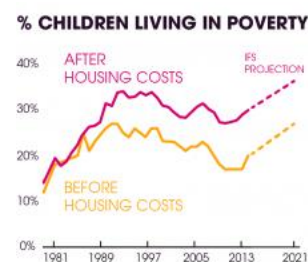
18%
of MK in the bottom
decile for housing
deprivation in England



11,055
(up 320% in a year)
September benefit
claimants

A. Child Poverty in Milton Keynes

It is difficult to grasp the scale of Child poverty in Milton Keynes - over 22,000 children are in poverty after housing cost are taken into account, which is still 10,900 children based only on income levels, 7000 qualify for free school meals (and are at risk of hunger) and 970 are in temporary accommodation. Some of these children face double disadvantage - they they have parents with poor mental health, have a disability or long-term limiting illness.



The numbers of children in poverty has continued to rise, mirroring what is happening nationally, but with two unique local features:

- in all parts of Milton Keynes, meeting housing costs is more of a struggle than it is in many other places outside of London, and
- most of these households have at least one adult working – which was particularly true before the Covid Crisis

In the months since our first report, the Covid Crisis has intensified child poverty in Milton Keynes, most notably benefits claimants have increased from 3,000 to over 11,000. We also know that this includes over 2000 '18-24-year olds' (390 in March) that have over 600 dependent children between them.

B. Children and young people are the focus

This report is addressed to the people and organisations in Milton Keynes. We must challenge child poverty together. This work is about children, children who experience barriers to their aspirations, security and well-being. However, it is often hard to help them directly, instead we must work to change their environment.

The building blocks of a good childhood haven't changed – secure relationships, a stable home and inspiring schools. Parents told us that they need help to provide these basic needs, by dismantling the barriers they face. This will mean a new commitment from businesses, community groups, families and public services across Milton Keynes to work together to challenge child poverty.

Recommendation 1. Establish a Child Poverty Challenge Partnership in Milton Keynes. An empowered group that includes local parents and young people that can inspire and direct the reduction in child poverty, build a commitment amongst all businesses, groups and services, and provide better information about the available projects and services.

C. Increasing support now

What struck people who read our first report was the scale of lost opportunities and the fragmented nature of the response. From food projects to housing help, we heard how people work tirelessly, but our approach needs a higher gear. We don't want this report to gather dust!

Councils cannot do everything. Challenging child poverty will need a myriad of small initiatives and the development of some existing ones. We need to think in a new way. To help inspire this, we present 21 ideas for 2021 – they are not exhaustive nor perfect, but things different groups can be done now. We must:

1. Rethink what we are already do; changing the purpose or aim so that we can focus on child poverty and build resilience.
2. Increase in-kind support and direct funding for small projects. This vision needs a new funding process.
3. Start with 'shovel-ready ideas', changing the way we work to have the greatest potential impact on the persistence of child poverty.

Recommendation 2. This requires that children and young people's work flourishes:

- With more new projects,
- changing the focus of existing services,
- developing existing initiatives in imaginative ways that, and
- using our 21 ideas for 2021 as inspiration.

This will require a new funding trust.

See
pages
5-6

D. Changing the narrative

Parents are frustrated that the story of child poverty seems to repeat itself. They spoke about the wonderful services, but also the way how some services placed barriers or larger burdens or even costs on families. This is not just local public services, but local businesses and national government too. One of the ways the narrative will change is if authorities commit to challenging these barriers and burdens.

Recommendation 3. This requires that organisations like the Council, change the way they work for children and families, using their influence, challenging child poverty and eliminating barriers. No organisation or service can do this work alone.

See
pages
8-16

E. What can we do now?

Challenging Child Poverty: 21 ideas for 2021

- 1. Publish a list of projects and services** that challenge child poverty this will include how to access them and how someone can be referred
- 2. Help people to know “what is out there”** through better promotion using official channels and social media
- 3. Encourage people to support a local initiative** by increasing in-kind and voluntary support to local projects and services and using the list of projects and services
- 4. Better service information to help parents** considering the high percentage of parents in Milton Keynes not born in the UK and the needs for simple explanations
- 5. Reuse ‘pre-loved’ clothes and school uniforms**, refocusing existing schemes to concentrate on supporting the costs of clothing local children
- 6. Stop the stigma of poverty** by including this into our definitions of bullying and abuse in our communities, schools and settings
- 7. Use local centres and facilities better** for in-kind donations of pre-loved items for the 0-5 age group as well as other items, such as clothing, for all age groups
- 8. More storage space for child poverty initiatives** by releasing public owned capacity to projects who are limited by storage space
- 9. Launch a Child Poverty Trust** through the Community Foundation in partnership with local agencies provide grants for small projects to tackle issues within their communities
- 10. Ensure no child is hungry**, supporting to meet basic food needs, including a commitment to providing food in school holidays to those on Free School Meals and those deemed in need



Challenging Child Poverty: 21 ideas for 2021

11. **Employability programmes for lone parents**, bringing together expertise from existing employability projects, focusing on those looking for support
12. **Encourage local employers to pay the Living Wage** based on the true cost of living, increasing the number of employers in Milton Keynes who are accredited living wage employers (presently 126)
13. **Deliver a holiday activities and food programme** to the most vulnerable children
14. **Ensure all children have the digital education tools they need** to aid and improve their learning building upon the government schemes
15. **Widen eligibility of support services** to families with children with a disability such as laundry services
16. **Use a credit union.** These are for everyone but need more investors to provide an alternative to payday loans or illegal money lending.
17. **Launch a deposit scheme for childcare** like the one provided for housing
18. **Change how some services operate**, routinely considering barriers such as childcare for example in mental health or other services
19. **Give parents a better voice** by asking about the barriers they face in accessing and using services
20. **Help parents access Mental Health services** by adjusting to dismantle barriers, such as childcare and needs of dependents
21. **Better 'joined up' referrals** collaboration between services, projects and voluntary groups to refer families directly and speedily to support

.... **But what about structural change?**

F. Necessary structural changes

outlined in our first report

Children & Family Wellbeing



Improved support



Access to affordable childcare



Domestic abuse reduction



A learning culture built

Financial Wellbeing



Improved benefit efficiency



More homelessness advice & prevention



Allowances and rent market match



Better regeneration & transport options

Community Wellbeing



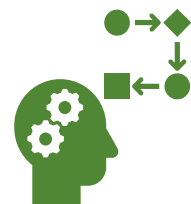
Targeted preventative services



Children Centres Extra



Health outcomes improvement



Employment practices & skills improved

Plus

Due regard to child poverty in all key decisions



Annual report



G. Service Recommendations

1. **Support, Benefits, Prevention**

“Wait 5 weeks for Universal Credit, why so long? Then you need a loan to survive. But when the payment comes through you have to pay back the loan so after bills and rent ... we don't have enough money for food and school clothes. But I make sure the kids eat.”

Parent quoted in our first report

Support

- Milton Keynes entered the coronavirus (COVID-19) pandemic and related economic shock from a starting position of growing child poverty and low levels of financial resilience. 65% of families in the bottom income quintile had either no savings or savings below £1,500.
- The pattern of employment loss and furloughing by income suggests that the future economic consequences of COVID-19 may be borne by those on lower incomes. This in turn heightens the risks of persistent poverty without ongoing support.
- The Council's response through Foodbank Extra provided key insights into how the Council can support the third sector to meet the challenges of support.

Benefits

- Universal Credit provides people in work and on a low income or out of work with a benefit. Providing benefits to bolster people's incomes for as long as necessary should remain a priority. But there is a flaw in the government's current approach to Universal Credit that risks undermining people's resilience to poverty. The wait for Universal Credit puts at risk people's ability to cope, reassurance for renters and quick recovery for people who have lost their jobs.

Prevention

- Preventing child poverty should no longer be regarded as a side programme of the Council, but as an essential instrument to transform the lives of local children. Evidence shows that funds that help build resilience in the face of a crisis are more likely to create opportunities.
- Bringing the Council's various responses to prevention through the Social Fund and statutory funding together and refocusing this work on building resilience and investing more in this service, would strengthen families to tackle the issues they face.

1.



Support, Benefits, Prevention

<p>What is needed?</p>	<p>Over the last two decades various governments have repeatedly stated that work is the best route out of poverty. This implies that work is not the only route but is the preferred or main route in tackling child poverty.</p> <p>However, as we have noted, pre-Covid most children in poverty in Milton Keynes were in working families. A dual process therefore required; sustainable income sources must be accompanied by a strategy to help families be more resilient.</p>
<p>What services are doing?</p>	<p>The Council supported projects and people directly throughout the Covid crisis. Supporting over 1000 households a week throughout the crisis.</p> <p>The Covid-19 Strategic Recovery Framework outlines how Milton Keynes and its people can successfully recover from the impact of COVID-19, including retaining high levels of employment and reducing unemployment, and providing practical help and support to those in need</p>
<p>Recommendation 3.1</p> <p>What more could the Council and its partners do?</p>	<ul style="list-style-type: none"> • Lobby national government – forming a broad consensus- to reduce the waiting time for universal credit from 5 weeks to 2 weeks, to ensure that changes in employment do not lead to persistent child poverty • Extend the MK Foodbank partnership to continue providing food to vulnerable people including children in poverty and those in financial difficulty • Focus the work of prevention (such as the Council’s social fund and activities under section 17 of the Children Act 1989) to build family resilience based on the principle that “providing early help is more effective in promoting the welfare of children than reacting later”.

2.



Childcare, Homelessness, Children Centres

“Being in temporary accommodation feels like having your life on hold. The worst thing for us was the moving around. We were moved from Milton Keynes because of the housing situation to Watford, then Luton, Rugby and then Northampton and finally to Coffee Hall.”

Parent quoted in our first report

Childcare

- High quality early education and early help services directly tackle the effects of poverty on children and families by supporting children’s development and improving educational outcomes. Also, flexible, affordable childcare provision is central to supporting parents to improve their income or accessing education and training.
- Families at risk of poverty, especially those in private rented accommodation are particularly poorly served by the childcare system. Flexible childcare is scarcer and more costly in some areas, early help services have been hit from their highs a decade ago, and a complex system of childcare subsidies and deposit requirements lead to opportunities being lost.

Homelessness

- Whilst living in temporary accommodation may not be the dystopian nightmare of popular thought, it is expensive both for the local authority and the family, and a risk factor for poverty and poor outcomes.
- Changes in approach at the Council have been successful in identifying warning signs and intervening to support people in their own homes.

Children Centres

- Poverty is not just a function of income, but families can be trapped in an emotional whirlpool - not able to be resilient and/or start employment.
- The use of Children Centres as a focus for local services for children a decade ago made a big difference to outcomes. Rebuilding this through partner agreements and/or by leveraging outside funds for projects based out of children centres would address the causes and consequences of child poverty in a more holistic manner, building resilience and addressing basic needs.

2.  **Childcare, Homelessness, Children Centres**

<p>What is needed?</p>	<p>The work of childcare, homelessness prevention and Children Centres in Milton Keynes has increased and improved in the last ten years both in quality and quantity. However, each suffers from a common challenge of delivering for all families in a sustainable way.</p> <p>Children in poverty are more likely to have two parent working families and be in any wards in Milton Keynes. Existing policies do not always consider these factors and therefore the negative effect of homelessness, lack of childcare and access to local services can be greater.</p>
<p>What services are doing?</p>	<p>Services are already:</p> <ul style="list-style-type: none"> ● working with childcare providers, schools and other organisations to ensure safe, affordable childcare places ● ensuring that families that lose their home are placed in decent temporary accommodation ● delivering children centres of outstanding quality
<p>Recommendation 3.2</p> <p>What more could the Council and its partners do?</p>	<ul style="list-style-type: none"> ● Develop a ‘Childcare plus’ project to deliver a childcare deposit scheme, increased affordable places and a greater contribution from partners such as schools and providers ● Develop an Accommodation plus project, finding ways to prevent homelessness by sustaining people in their own homes by partnering with housing providers and voluntary organisations ● Develop a ‘Children Centres plus’ project forming new partnerships and seeking outside funds to use the children centres to their best potential as centres of delivery in local areas <p>It is not a simple matter to project the effect that service improvements could have on reducing child poverty. Instead the aim should be to create a momentum in moving children out of poverty. This is best done through supplementary programmes to mainstream services.</p> <p>These specific programmes need to be focused and time specific.</p>

3.



Abuse, Rent, Health

“We didn’t have any food at home, and I had not had any breakfast today. I was really hungry”

Girl quoted in our first report

Abuse

- There is a complex and often reciprocal relationship between poverty and domestic abuse. With poverty not only the consequence of abuse, but pressures on families due to poverty often exasperates and intensifies such incidents.
- Domestic abuse has increased significantly in Milton Keynes since 2016. Research shows that a variety of factors may contribute to the poverty of women and children who have experienced domestic violence, including lack of affordable housing and barriers to employment.
- Throughout the March to May lockdown the instances of both children and domestic abuse were reported to be down, but after initial lockdown ended there was sharp increase.

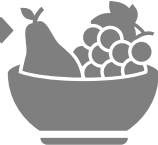
Rent

- The Local Housing Allowance rate only just covers the cost of the lowest market rent for a four bedroomed house in Milton Keynes around £1200 per month. This has increased by nearly £200 in the last two years.
- The Council is both a large influence within the local housing rental market and shares the burden of the differences between local housing allowance and market rents. Changes in approach at the Council have been successful in identifying warning signs and promoting interventions to support people in their own homes.

Health

- Poor diet can be responsible for poor health and costs health services nationally an estimated £6 billion a year even before Covid-19. The post-lockdown recession will see many more families struggle to feed themselves adequately.
- The School Food Plan for government in 2013, proposed three “quick and relatively straightforward steps” to take to tackle the nutritional crisis facing the poorest children. This included an expansion of free school meals to working families and into school holidays. However, little action had occurred until the recent outcry.

3.



Abuse, Rent, Health

<p>What is needed?</p>	<p>Barriers to reducing child poverty are linked to basic human needs of safety, shelter and sustenance. In Milton Keynes we need to address:</p> <ul style="list-style-type: none"> • The rising instances of domestic abuse • The gap in affordability of private rents, which are on and above the local housing allowance • Any child who does not have a proper sustenance, especially in school holidays <p>In our first report we showed that the combination of these factors was regionally unique to Milton Keynes.</p>
<p>What services are doing?</p>	<p>Services have:</p> <ul style="list-style-type: none"> • Launched a new strategy on domestic abuse, including better partnership and referrals • Seen the local housing allowance rise, making lower level rents more affordable • Delivered school holiday meals in 2019 and 2020 to children in need
<p>Recommendation 3.3</p> <p>What more could the Council and its partners do?</p>	<p>The challenge for the council and its partners is in delivery. It may seem impossible to make adequate interventions which will change to eliminate abuse, make housing affordable and change the health of children. In these areas, the task is to change the direction of the ‘supertanker’ so that:</p> <ul style="list-style-type: none"> • Reduce domestic abuse related crimes every year for the next five years as a proportion of all crimes as well the number of incidents, using 2019 figures as a benchmark • Reduce the gap between the Local Housing Allowance and the bottom quartile mark of local private market rents to zero • Improve accessibility to mental health services for parents by stipulating adjustments for childcare responsibilities within contracts • All eligible children receive school holiday meals for every holiday periods and increase their available to more children



Learning, Regeneration & Transport, Employment

“Getting somewhere is the biggest issue, wouldn’t it be great if things were local...”

Parent quoted in our first report

Learning

- We understood the need for family education includes: the need to narrow the gap between those children who experience poverty and their wider cohort and ensuring that parents have the basic skills to be able to take the opportunities of employment.
- However, the most pressing need is to build literacy in managing the resources they have. We heard of families in crisis, unable to manage and the work of centres and credit unions coaching people with personal finance basics. In order to have financial security and independence, knowledge of managing savings and spending is essential.

Regeneration & Transport

- Milton Keynes Council has had big ambitions for child poverty no more so that in its 2015 Regeneration Strategy which said: “We will tackle the root causes of poverty by improving access to employment and increasing income levels.” However, this ambition has not yet been delivered.
- Local people told us that promoting neighbourhood economies in which local shops, services and facilities are developed is fundamental to any action on poverty.
- Transport remains an issue in Milton Keynes, one which does not have any easy answers without large scale investment. Simply put the transport links between some communities and opportunities are poor and the cost of having to come to the centre is not affordable.

Employment

- In our first report we spoke of structural change, building resilience and addressing basic needs. In no place is this needed more than in the area of employment. Post Covid more than ever there will be the need to assist people with training and reskilling, with a focus on groups, like women and young parents, that find themselves at the most disadvantage.
- Sustainable employment must be more than just green companies, but the concept should include building resilient jobs with robust contracts and living wage pay levels.

4.



Learning, Regeneration & Transport, Employment

<p>What is needed?</p>	<p>Parents who can address their financial challenge and provide aspiration, support and stimulation to their children.</p> <p>Neighbourhoods and communities that offer a high level of social and cultural benefits that alleviate the material aspects of poverty and provide improved opportunities.</p> <p>Residents of Milton Keynes who meet their potential, with developed skills or can access well paid employment through responsive sustainable transport. Businesses and employers that provide sustainable jobs that pay a living wage.</p>
<p>What services are doing?</p>	<ul style="list-style-type: none"> ● Working together to help deliver major long-term projects to create skills for the future MK economy, including a practical support scheme to help women and young people train or re-skill and find work ● Support for business rebuilding after Covid and future university for Milton Keynes. The Council has included child poverty as a priority in both its Economic Recovery Plan and its Covid Recovery Framework ● Ambitious plans for the regeneration of estates and the town of Bletchley
<p>Recommendation 3.4</p> <p>What more could the Council and its partners do?</p>	<ul style="list-style-type: none"> ● Addressing the issues of affordable transport through new responsive schemes ● Using the leverage to promote sustainable jobs and the living wage ● Develop more domestic finance information and help ● Deliver the council’s regeneration ambitions ● An educational electronic device in the hands of every child, a commitment from schools, services and local voluntary groups to ensure every pupil over 12 has access to a Chromebook or higher.

5.



Shaping Services

towards children in material need

Shaping

- The current situation as we emerge from Covid in Milton Keynes shows a challenging picture. Recessions often falls disproportionately on the poorest and most vulnerable in society. There are none more vulnerable than children in material need.
- All services must use all the tools at their disposal leveraging, promoting and lobbying as well as taking action. It is the hope of the commission that a broad political consensus can be built when approaching national government.
- Everybody should consider what they can do immediately, what is medium term and what are longer term strategies.

<p>What is needed?</p>	<p>A council shaped towards children in material need. This means building on good practice of assessment and priorities and going further. Services will need to refocus to address child poverty more directly in their mainstream services.</p>
<p>What services are doing?</p>	<p>In setting up the Commission, the Council showed itself willing to change. Through the Covid crisis all organisations worked to meet local need and through the recovery plans we have learnt how we can reduce child poverty. The Council has also begun to have due regard to child poverty in all its functions and in all key decisions. This will ensure that small changes will alleviate issues that can widen without action.</p>
<p>Recommendation 3.5</p> <p>What more could the Council and its partners do?</p>	<p>To be more effective all services in statutory services must:</p> <ul style="list-style-type: none"> • All managers and services shape their work to reduce child poverty, so that the priority of child poverty reduction and alleviation is ‘breathed throughout the council’ • Publish a report for Milton Keynes every year regarding progress

Last Word from Hannah Markham Q.C. Chair of the Milton Keynes Child Poverty Commission



The task for the commission and indeed for the Council is a daunting one. Child Poverty across the Country has been increasing and the situation for one in every second child in Milton Keynes has become dire. The commissioners who came together brought a diverse and eclectic range of experiences, opinions and viewpoints, all focused at taking effective and progressive steps towards assisting the Council, business and people of Milton Keynes to come together to work to reduce Child Poverty.

The aims throughout were clear; the commission wanted to draw on what we and others have learnt since the last report and to hear from those working on the ground for their views about what best could and should be done. We heard from those directly experiencing poverty and listened to a broad range of life stories from parents and children alike. Wonderful stories of entrepreneurship shone through as did the remarkable work being undertaken at the Children's Centres throughout the Council and by the food banks and fridges. People who work 'at the coal face' assisting with benefit enquiries and help in housing, shared their views, frustrations and hopes. Taking this evidence enabled a remarkable insight into what works and what might work, looking always to the future and learning from the past.

The advent of Covid-19 served only to highlight and focus the precarious nature of the lives we live and how often so many of us could find ourselves in need of assistance. It also demonstrated how quickly partnerships could be created and new initiatives pursued. In particular, the Community Foundation is bringing to the fore some vital thinking across communities and sectors, including charity work and business links. There is however still much to be done. The businesses, residents and charities of Milton Keynes need to continue to work hard to create opportunities and to provide support. The Council has pledged their support to break the cycle and to challenge child poverty. The aims are set out in the report.

The reality is that green shoots of hope are there, tangible changes are within reach and it is the hope and aspiration of all who have worked on this report that a real change can be brought about through the aims set out in the report so that by the time of the next review it will no longer be one in every second child who lives in Poverty in Milton Keynes. Our 21 ideas for 2021 encapsulate those shoots of hope and build on the creativity, innovative thinking and resilience already in place to turn the tide and bring about a real and tangible change.

Corporate Policy & Equality

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Cabinet report



15 December 2020

Sustainability Action Plan

Name of Cabinet Member	Councillor Jennifer Wilson-Marklew Cabinet member for Climate and Sustainability
Report sponsor	Stuart Proffitt Director Environment and Property
Report author	Neil Allen Head of Regulatory Services Neil.allen@milton-keynes.gov.uk 01908 252365

Exempt / confidential / not for publication	No
Council Plan reference	Section 8 - para 8.1 and 8.3
Wards affected	All wards

Executive summary

The Milton Keynes Sustainability Strategy 2019 – 2050 sets out our long-term vision to create a world-leading sustainable city which embraces innovation, creates high quality jobs and recognises it has a vital role in tackling the global challenges of climate change. In March 2020 Cabinet approved a first draft Sustainability Action Plan, as well as the recommendations of the Scrutiny Committee – Climate Change Task and Finish Group. Cabinet requested that the two sets of actions be drawn together into a combined action plan to ensure an integrated approach.

This update for Cabinet was initially planned for September 2020, but due to COVID-19 priorities was postponed to December 2020. Along with creating a consolidated action list a number of key elements of the plan have been moved forward since March, notably developing a local carbon baseline (for MKC) as the first stage in developing measures to reach carbon neutrality by 2030 and an Energy Prospectus.

The revised Sustainability Strategy Action Plan (Annex A) details the combined set of actions which are identified as short, medium and long term actions. Once the overall plan is approved each will be further developed to understand their full cost and the energy and carbon reduction that can be achieved and then prioritised. Some actions will run concurrently whilst others may not take shape immediately as new technologies and innovations will need to be fully understood and proven in the first instance.

An early consolidation activity has been to produce the Milton Keynes Energy Prospectus (Annex B) and a pathway to zero carbon (Annex C). The Prospectus is also an open invitation to all that Milton Keynes is open for net zero development and investment. It also supports policy objectives in Plan:MK and delivery of the Strategy for 2050 and is an important element in the ambition for MK to become a world leading green city. It outlines how a proposed Energy and Carbon Hub can provide the skills and capacity to deliver the opportunities and projects highlighted in the Prospectus and Action Plan, not only to deliver carbon neutrality against our own activities but also to support wider initiatives and measures for carbon neutrality across the borough. The Prospectus will evolve year on year, as planned measures are delivered and new measures are considered, perhaps because of availability of new funding routes or accelerated advances in technology.

Based on our revised baseline (24,000 metric tonnes of CO₂e), the 'pathway to zero' shows our progress on emission reductions to date and the impact that the planned interventions are forecast to make. It also describes further proposals that have the potential to cover the remaining gap to reach net zero.

Compared to many other local authorities, we are in a relatively good place having identified interventions which are both realistic and achievable, and most of which are already progressing, so take us much of the way to carbon neutrality. It does also show us that we must push very hard over the next 2 to 4 years to identify and begin to implement measures to deliver a demonstrable carbon zero position, and ensure that our pathway follows the exponential trajectory (Annex C) as closely as possible. It will not be easy, as there are areas where our direct control and/or influence can be reduced or require a different approach, but this Action Plan and Prospectus provide a strong basis for our work.

Through the Re:Fit programme of work, success has been achieved in attracting funding from phase one of the Green Homes Grant Local Authority Delivery (GHG LAD) towards two projects in the HRA. This highlights the importance to continue the development of 'shovel ready' projects to ensure the Council is in the optimum position to make future bids against new Government funding

Officers are proposing a yearly update to all Ward Councillors to update on progress, monitor the delivery of benefits and gain support for specific measures, including locally specific activity. The reports will also provide an opportunity to highlight future plans and approaches to securing the collective behavioural change needed across the borough.

1. Decision/s to be made

- 1.1 That this update be noted and the action plan (Annex A) be approved as the starting point for an ambitious implementation programme.
- 1.2 That the progress against the action plan be reported annually to all Ward Councillors.

2. Why is the decision needed?

- 2.1 Milton Keynes Council declared a climate change emergency and adopted the Sustainability Strategy 2019-2050 in January 2019.
- 2.2 Having declared the emergency, we should demonstrate the council's civic and climate leadership by becoming carbon neutral and showing residents, organisations and businesses of the borough how they too can work towards carbon neutrality.
- 2.3 The benefits of achieving carbon neutrality are many, including generating renewable energy thereby providing resilience to the nationwide grid; reducing the levels of carbon emissions and therefore improving the air quality and creating circular economies across the borough, which increase the efficient use of resources to reuse materials, use less water and ensure the best use is made of the land.
- 2.4 The Climate Change Task and Finish Group recommendations covered a wide range of actions to be considered, developed and implemented to contribute to achieving the overall carbon reduction target. They have been integrated into the consolidated Action Plan (Annex A).

3. Implications of the decision

Financial	Y	Human rights, equalities, diversity	N
Legal	Y	Policies or Council Plan	Y
Communication	Y	Procurement	Y
Energy Efficiency	Y	Workforce	Y

a) Financial implications

There are financial implications in delivering this action plan for revenue income and expenditure and for capital expenditure, but these cannot be assessed at this stage. Each of the proposed actions will require its own business plan and be considered as part of the capital programme (where appropriate) or be assessed as part of the existing revenue budget process. A sum of £250k has been provided to pump prime the overall programme as shown in Annex W of the proposed budget for 2020/21, which will be available for 2021/22. The goal of the energy and carbon hub is to be self-sustaining in 2023/24.

b) Legal implications

The Council has general powers of competence under section 1 of the Localism Act 2011 to do anything which an individual can do subject to any limitations. The recommendations proposed within the report, if approved, will facilitate the Council's vision to create a world-leading sustainable city.

c) Council Plan

Action on climate change and sustainability is one of the key commitments; number 8, of the current Council Plan 2016-2022 and the delivery of the action plan and the case for an energy company are two of the specific elements.

d) Other implications

As the action plan will touch all citizens in some way a communications plan will be required to engage; advise and inform; and to introduce changes to the citizens at key points in a number of the actions.

Energy efficiency is a key part of becoming carbon neutral so improvements to the insulation of a building, behavioural change in the use of resources and re-use and recycling all need to be addressed.

Procurement of partners, contracts and services will need to be undertaken progression is made to achieve carbon neutrality.

4. Timetable for implementation

- 4.1 Once approved by Cabinet the work to deliver the actions will continue. Actions have been split into short, medium and long term but how to prioritise actions within each timescale will be subject to funding, ability to deliver and technological advances.

List of annexes

- Annex A – Sustainability Strategy Action Plan 2019 - 2050
- Annex B – Milton Keynes Energy Prospectus
- Annex C – Pathway to Zero

List of background papers

- Sustainability Strategy 2019-2050
- Cabinet Report 10 March 2020
- Task and Finish Group Report – Cabinet 10 March 2020

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Baseline & Target Setting	Trees	Implement Environment Action Plan with Clean Air enhancements (i.e. tree planting)	Short term 2020 - 2022	Low emissions	Clean Air	Hard deliverable	In house	Borough wide
SSAP	Waste	Travel	Implement low emission fleet for Authority fleet(s)	Short term 2020 - 2022	Low emissions	Clean Air	Hard deliverable	In house	Council operation
SSAP	Transport	Travel	Assessment, market consideration and business cases for all MKC vehicles to migrate to lower carbon, clean fuel provision to reduce carbon impact and improve air quality across the entire borough.	Short term 2020 - 2022	Low emissions	Clean Air	Hard deliverable	In house	Council operation
SSAP	Baseline & Target Setting	Healthy lifestyle	Continue to robustly monitor emissions and air quality to maintain and improve the current levels	Short term 2020 - 2022	Low emissions	Clean Air	Strategic change	In house	Council operation
SSAP	Waste	Travel	Complete review of low emission waste, cleansing, landscaping and highways fleet and circular economy fuelling options	Short term 2020 - 2022	Low emissions	Reduce emissions from transport, agriculture and industry	Strategic change	In house	Council operation
SSAP	Transport	Travel	Implement alternative strategies to reduce car use and promote bus, cycling and other more efficient / sustainable modes of transport	Short term 2020 - 2022	Low emissions	Reduce emissions from transport, agriculture and industry	Strategic change	Influence	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Transport	Travel	Implement policies and schemes that encourage ride sharing and reduced single occupancy car use	Short term 2020 - 2022	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	influence	Borough wide
SSAP	Communication, Engagement & Education		Support the establishment of the third sector in working to repair and resell items which have gone through "planned obsolescence" curve	Short term 2020 - 2022	Circular economy	Reduce waste and increase reuse of all materials	Strategic change	influence	Borough wide
SSAP	Communication, Engagement & Education	Education	Expand the Eco-Warrior education programme to focus on material reuse and waste reduction, as well as expand the programme to Secondary Schools	Short term 2020 - 2022	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	In house	Council operation
SSAP	Waste	Waste	Consider options for bulking up carbon intensive materials for reprocessing (bottom ash into aggregates, mattresses to be recycled etc) via a Transfer Station	Short term 2020 - 2022	Circular economy	Reduce waste and increase reuse of all materials	Strategic change	In house	Council operation
SSAP	Waste	Waste	Investigate potential for open windrow composition facility to process borough garden waste and create community compost	Short term 2020 - 2022	Circular economy	Reduce waste and increase reuse of all materials	Strategic change	In house	Council operation
SSAP	Waste	Recycling	Reduce contamination rate in recycling through proactive community engagement	Short term 2020 - 2022	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	Influence	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Energy Efficiencies	Energy	Provide energy transition advice to individuals, organisations and businesses	Short term 2020 - 2022	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	Influence	Council operation
SSAP	Staff & Councillors	Policy	A consistent theme through all MKC policies and procedures to ensure alignment and which include requirements to indicate contribution to lowering emissions	Short term 2020 - 2022	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	In house	Council operation
SSAP	Procurement	Contracts	Ensure all contracts require low carbon suppliers and deliveries to the buildings	Medium term 2023 - 2027	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	In house	Council operation
SSAP	Energy efficiencies	Energy	Retrofit all MKC housing to improve energy efficiency	Long term 2028 - 2030	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	In house	Council operation
SSAP	Energy Supply	Energy	Promote use of decentralised balanced smart energy systems	Short term 2020 - 2022	Circular economy	Inclusive economic growth	Hard deliverable	influence	Borough wide
SSAP	Communication, Engagement & education	Catering	Develop a sustainable food procurement policy for all council premises including schools, nurseries, care homes	Short term 2020 - 2022	Circular economy	Inclusive economic growth	Hard deliverable	Influence	Borough wide
SSAP	Biodiversity	Buildings	Consideration of green roofs on commercial scale and across Council owned buildings	Short term 2020 - 2022	Circular economy	Use land to capture and store carbon	Strategic change	influence	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Biodiversity	Biodiversity	Afforestation of available land, linked to the biodiversity baselining and with partners, such as the Parks Trust	Short term 2020 - 2022	Circular economy	Use land to capture and store carbon	Hard deliverable	In house	Council operation
SSAP	Energy Efficiencies	Energy	Install PV on council owned assets - Refit	Medium term 2023 - 2027	Green energy	High levels of green energy production	Hard deliverable	In house	Council operation
SSAP	Planning Policy	Buildings	Require all new developments to have green energy generation included as part of the building - Plan:MK and SC1/SC2 SPD development	Short term 2020 - 2022	Green energy	High levels of green energy production	Strategic change	In house	Council operation
SSAP	Baseline & Target Setting	Energy	Mobilise an energy and carbon hub to facilitate and accelerate energy generation and carbon reduction opportunities	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Strategic change	in house	Council operation
SSAP	Waste	Travel	Deliver a low emissions fleet for category 1 (waste, cleaning, landscaping community transport, highways fleets etc) with options for fuelling lower emissions fleets to be considered for wider offer to domestic logistics industry.	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	In house	Council operation
SSAP	Communication, Engagement & Education	Travel	Explore how freight transport can reduce its carbon footprint, such as with freight consolidation, cargo bikes etc.	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Strategic change	influence	Council operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Transport	Travel	Create new car parking policy to take account of changes in customer use; new technology and future trends	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	In house	Council operation
SSAP	Transport	Travel	Facilitate the adoption of new forms of e-mobility (e-bikes, e- scooters) that could maximise use of the redways, such as with public charging points, secure storage/parking.	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	influence	Council operation
SSAP	Waste	Travel	Reduce carbon emissions from public transport vehicles through modernisation and electrification of the fleet	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	In house	Council operation
SSAP	Transport	Travel	Implement the Mobility Strategy and deliver the behaviour change aims, by encouraging an increase in the proportion of trips made by non-car modes of travel	Medium term 2023 - 2027	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	influence	Council operation
SSAP	Waste	Recycling	Create a dedicated "reuse" facility at one of the current or future Household Waste Recycling Centres	Medium term 2023 - 2027	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	In house	Council operation
SSAP	Waste	Recycling	Improve quality of recycling in terms of materials	Medium term 2023 - 2027	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	influence	Council operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Waste	Recycling	Source local (UK) markets for recycling where possible and use proximity principle for off-taker destination where viable	Medium term 2023 - 2027	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	In house	Council operation
SSAP	Energy Efficiency	Buildings	Implement a zero-carbon building programme for all MKC buildings and schools	Medium term 2023 - 2027	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	In house	Council Operation
SSAP	Communication, Engagement & Education	Education	Green job creation and skills training, engaging with our partners in the business and education community	Medium term 2023 - 2027	Circular economy	Inclusive economic growth	Hard deliverable	In house	Council Operation
SSAP	Waste	Waste	Investigation of creation of open windrow composting facility to create compost from collected garden waste	Medium term 2023 - 2027	Circular economy	Use land to capture and store carbon	Hard deliverable	In house	Council operation
SSAP	Biodiversity	Biodiversity	Maintain grassed areas to retain carbon in the soil	Medium term 2023 - 2027	Circular economy	Use land to capture and store carbon	Hard deliverable	In house	Council operation
SSAP	Energy Supply	Energy	Identify sites and develop solar farms - Refit & energy and carbon hub	Medium term 2023 - 2027	Green energy	High levels of green energy production	Hard deliverable	In house	Council operation
SSAP	Energy Supply	Energy	Consider options for energy use / production at the new Recycling Centre (Materials Recycling Facility) in Old Wolverton	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	In house	Council Operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
SSAP	Energy Supply	Energy	Establish options for grid upgrade, battery storage and private wire at Milton Keynes Waste Recovery Park (KMWRP)	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	In house	Council operation
SSAP	Energy Supply	Energy	Create new and expand existing District Heating Networks via the energy and carbon hub	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	In house	Borough wide
SSAP	Energy Supply	Energy	Implement electricity storage options including batteries, Ev's via the energy and carbon hub	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	In house	Borough wide
SSAP	Energy Supply	Energy	Establish schemes for residents and businesses to reduce energy consumption during peak demand	Medium term 2023 - 2027	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	In house	Borough wide
SSAP	Waste	Recycling	Increase rate of recycling to 70% by 2030	Long term 2028 - 2030	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	influence	Borough wide
SSAP	Waste	Waste	Reduce landfill to near zero by 2030	Long term 2028 - 2030	Circular economy	Reduce waste and increase reuse of all materials	Hard deliverable	influence	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Baseline & target setting	Education	Initial piece of academic work to be commissioned by the Council should provide the authority with an updated Milton Keynes Greenhouse Gas Inventory, using the World Resources Institute's Global Protocol for Community-Scale Greenhouse Gas Inventories (GPC) - https://www.wri.org/publication/global-protocol-community-scale-greenhouse-gasemission-inventories .	Current	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Baseline & target setting	Education	To better understand the possible pathways towards achieving carbon neutrality, Milton Keynes Council should commission additional work to analyse what a carbon neutral future for Milton Keynes could look like and what the Council will need to do in order to reach that future.	Short term 2020 - 2022	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Baseline & target setting	Education	Commission a local university to provide an initial evidence base to help it ensure that the Council's response to the climate emergency is informed by science (evidence) based targets and expert guidance to ensure it deploys the most effective solutions to help it tackle climate change.	Recommendation	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Biodiversity	Trees	That the Council delivers on a commitment for a Forest for the Borough of Milton Keynes of (at a minimum) an additional one million trees.	Recommendation	Circular economy	Use land to capture and store carbon	Hard deliverable	in house	Council operation
Task & Finish report	Biodiversity	Trees	That the Council include a greater commitment to deliver sustainable planting of trees and increasing biodiversity as part of any planning proposals for 11 dwellings or more including encouraging rewilding projects.	Recommendation	Low emissions	Clean Air	Hard deliverable	influence	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Communication, Engagement & Education	Education	That the Council establishes a dedicated web and social media presence to provide information and news in support of its ambitions for a carbon neutral Milton Keynes.	Recommendation	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Communication, Engagement & Education	Education	That the Council establishes or supports the establishment of a climate change advice service for businesses and residents.	Recommendation	Circular economy	Inclusive economic growth	Hard deliverable	in house	Council operation
Task & Finish report	Communication, Engagement & Education	Education	That the Council develops and delivers a climate change public engagement programme to engage and empower citizens, Town and Parish Councils, community groups, schools and businesses, possibly through a Citizens Assembly, to enable everyone across the borough to achieve the aim of being carbon neutral by 2030. This would include establishing a Green Champions Community across Milton Keynes.	Recommendation	Circular economy	Inclusive economic growth	Hard deliverable	influence	Borough wide
Task & Finish report	Energy Efficiencies	Buildings	That the Council assesses the energy efficiency of all of its properties including offices, social housing and schools, and retrofit these properties to Energy Performance Certificate C or higher and that all new council owned or commissioned properties are built to at least this standard.	Medium term 2023 - 2027	Circular economy	Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Energy Efficiencies	Street Lighting	That the Council speed the progress of and complete the delivery of the switch to LED smart lights action across Milton Keynes.	Medium term 2023 - 2027	Green energy	High levels of green energy production	Hard deliverable	in house	Council operation
Task & Finish report	Energy Efficiencies	Fuel poverty	That the Council develops a Strategy to tackle Fuel Poverty Borough wide.	Recommendation		Inclusive economic growth	Hard deliverable	in house	Borough wide

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Energy Supply	Strategy	That the Council uses the carbon offset fund to establish a programme to deliver innovative and sustainable energy generation projects.	Medium term 2023 - 2027		A secure & resilient energy supply and distribution system	Hard deliverable	in house	Council operation
Task & Finish report	Energy Supply	Energy	That the Council explore the bulk purchase of renewable energy for example from offshore wind farms to provide lower cost sustainable energy options.	Recommendation	Green energy	A secure & resilient energy supply and distribution system	Hard deliverable	in house	Council operation
Task & Finish report	Flooding	Flooding	That the Council invests in service provision in areas such as highways drainage clearance to deal with the increasing number of flash flooding rainfall incidents.	Recommendation			Hard deliverable	in house	Council operation
Task & Finish report	Governance	Policy	That the Council aligns all its strategies and policies to place its carbon neutrality and greenest city ambitions at the heart of all its work effectivity establishing a 'green/golden thread' throughout all its activity and ensuring that the reduction of carbon emissions is assessed as an impact in all reporting and decision making carbon emissions is assessed as an impact in all reporting and decision making processes.	Recommendation		Encourage system wide thinking, design and models	Strategic change	in house	Council operation
Task & Finish report	Governance	Strategy	That the Council ensures that the appropriate staffing is in place to enable the delivery of the work programmes associated with its carbon neutral and greenest city ambitions.	Short term 2020 - 2022		Encourage system wide thinking, design and models	Changes to day-to-day working	in house	Council operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Governance	Strategy	That the Council establishes a permanent cross-party Council Advisory Group or Scrutiny Committee to provide ongoing oversight to the delivery of the Sustainability Strategy Action Plan.	Recommendation		Encourage system wide thinking, design and models	Strategic change	in house	Council operation
Task & Finish report	Governance	Strategy	That a climate change dashboard/scorecard is developed to report regularly the progress of the Sustainability Strategy Action Plan and on annual carbon budget and reduction targets.	Current		Encourage system wide thinking, design and models	Hard deliverable	in house	Council operation
Task & Finish report	Housing	Buildings	That in the review of the new Local Plan, and any related planning policy documents and building regulations, the Council prioritises policies to ensure that all existing and new residential and non-residential dwellings are built or retrofitted to achieve zero carbon standards.	Recommendation	Green energy	High levels of green energy production	Hard deliverable	in house	Council operation
Task & Finish report	Planning Policy	Strategy	That when the relevant planning policies are reviewed, for example Section 106 Agreements, that the Council look to maximise what it can receive for carbon reduction projects.	Medium term 2023 - 2027		High levels of green energy production	Hard deliverable	in house	Council operation
Task & Finish report	Planning Policy	Policy	That the Council place carbon reduction and the consideration of environmental impacts at the heart of the new Local Plan and associated planning policy documents.	Medium term 2023 - 2027		High levels of green energy production	Strategic change	in house	Council operation
Task & Finish report	Procurement	Contracts	That the Council include an agreed sustainability/environmental statement within tender documents and implement a percentage weighting of supplier environmental performance in its supplier/contractor selection process.	Short term 2020 - 2022	Circular economy	Encourage system wide thinking, design and models	Strategic change	in house	Council operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Staff & Councillors	Travel	That the Council defines an optimum flexible working pattern and develops an enabling programme to reduce carbon impact of staff travel.	Current	Low emissions	Reduce emissions from transport, agriculture and industry	Changes to day-to-day working	in house	Council operation
Task & Finish report	Staff & Councillors	Education	That the Council develops and delivers a climate change skills/learning and development programme for staff and councillors to improve understanding of carbon reduction and the wider environmental context.	Recommendation	Circular economy	Encourage system wide thinking, design and models	Strategic change	in house	Council operation
Task & Finish report	Transport	Travel	That the Council undertakes a fleet review of all its vehicles (plus existing and/or potential supporting infrastructures to move towards a fleet of ultra-low emission vehicles.	Current	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	contract	Council operation
Task & Finish report	Transport	Travel	That the Council utilise all measures open to it to ensure that bus services are convenient, frequent, accessible, affordable, reliable, punctual and low carbon emitting and that this ultimately leads to reducing the need for private car use across the Borough.	Recommendation	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	influence	Borough wide
Task & Finish report	Transport	Travel	That the Council commit to pursuing franchising powers under the Bus Services Act 2017	Recommendation	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	in house	Council operation

Annex A SUSTAINABILITY ACTION PLAN

Source	Primary area	Theme	Recommendation / Action	Activity stage	Principle (SSAP)	Priority (SSAP hexagon)	Output	Extent of control	Council operations or Borough wide
Task & Finish report	Transport	Travel	That the Council delivers a borough wide programme to increase the number of journeys taken by walking and cycling.	Recommendation	Low emissions	Reduce emissions from transport, agriculture and industry	Hard deliverable	influence	Borough wide
Task & Finish report	Transport	Travel	That the Council considers the introduction of ultra-low emission zones where the air quality evidence suggests this mechanism would be beneficial.	Recommendation	Low emissions	Clean Air	Hard deliverable	in house	Borough wide
Task & Finish report	Waste	Policy	That the Council adopt circular economy waste policies as well as promoting residents and community sharing, reuse and recycling.	Recommendation	Circular economy	Reduce waste and increase reuse of all materials	Strategic change	influence	Borough wide
Task & Finish report	Working in Partnership	Strategy	That the Council establishes a 'Climate Change Partnership' to include a wide range of organisations in the public, private and voluntary sectors to work together to achieve a carbon neutral Milton Keynes by 2030 and that the Climate Change Partnership be responsible for developing and delivering a borough wide carbon neutral action plan.	Recommendation		Encourage system wide thinking, design and models	Strategic change	influence	Borough wide

Milton Keynes Energy Prospectus

15 December 2020



milton keynes council

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**Foreword by Councillor Jenny Wilson-Marklew,
Cabinet Member for Climate Action and Sustainability**

I'm sure I'm not alone in thinking that Milton Keynes is a pretty special place to have grown up. On its redways I learnt to ride a bike, in its woods I found my deep and enduring love of nature and through its balancing lakes saw the genius of its architects in joining natural mechanisms with a highly planned and considered built environment. It is through this experience, being a child of a place like Milton Keynes, that I find myself writing the foreword to this ambitious document, through which we will lay out our plans to make Milton Keynes carbon neutral by 2030.

We now find ourselves facing new challenges. The spectre of climate change is beginning to seep into our lives - it is no longer a concept or something that happens to people in distant lands. The scientific community has reached a level of consensus rarely seen around the dangers of a rising global temperature and it's causes. It becomes incumbent upon all of us to take responsibility and play our part in limiting climate change's impact and preserving our home, our country and our planet for future generations. Within this document, we provide the background and context within which we are operating.

That said, it's not an easy thing to tackle - if it was, we'd have done it by now. It requires vast amounts of investment and changes to the way we live our lives. For many, this change is beyond their reach. When it is a struggle to get out of the door in the morning to get the kids to school on time, there often isn't the capacity to change the journey so that it can be done using a bus. When the struggle is being able to get food on the table, as it currently is for far too many, making considered choices about where that food has come from simply isn't an option. The burden cannot simply fall on individuals. There must be strong leadership coming from elsewhere.

Milton Keynes Council believes that it has an important role to play in delivering changes that will push us towards Carbon neutrality through investment, innovation, and strong leadership. This document sets out our plan. Through it, we articulate what we're doing and what we plan to do. It also highlights the invaluable role the Task and Finish Group have played. This document will be updated in six months' time to reflect their findings and recommendations.

This action plan is bold and ambitious. Its' purpose is to crystallise the depth and breadth of commitment we have made to reaching carbon zero. But more than that, it is a document of hope; the hope that we can play our part in making our world a better place for future generations.

Purpose of this Prospectus

Background

Milton Keynes Council (MKC) is embarking on an ambitious plan to execute the commitments made by its leadership to achieve net zero by 2030. In pursuit of this plan, MKC are taking a proactive position working across council service functions and with the people and businesses of Milton Keynes. MKC will facilitate progress but not just be a facilitator. The intent is for MKC to play a central co-ordinating role in decarbonising Milton Keynes and leading the way to net zero.

This prospectus sets out the opportunities as currently identified, current strategic partners and key stakeholders with an open invitation for others to engage with the MK Energy and Carbon Hub to open discussions on investment and innovation opportunities to stimulate the post Covid green recovery.

The Sustainability Strategy 2019-2050 sets out the ambition of MKC and its net zero ambition, to become the world's greenest city.

The Sustainability Strategy Action Plan outlines the scale of the challenge and the interventions required to reduce carbon emissions to zero for the council's own operations. Clean growth in the city is paramount to achieving net zero goals for the Borough itself.

This prospectus has been prepared with the following aims:

- To present the opportunities identified within the City for investment in low carbon infrastructure
- Identify priority projects for accelerated delivery
- Provide an overview of the role of the MK Energy and Carbon Hub in accelerating investment and delivery of clean growth and stimulating the local green economy, and Covid-19 recovery
- To support the objective in Strategy for 2050 and Plan:MK (the current local plan) to mitigate the Borough's impact on climate change and reduce CO2 emissions by promoting community energy networks and strategic renewable energy developments
- To support the delivery of the Strategy for 2050 and make Milton Keynes a leading green city

The facilitation and delivery of the opportunities and projects within this prospectus will be via the MK Energy and Carbon Hub, a unit to be initially hosted by MKC, with the aim of becoming self-financing and perhaps a separate entity. This prospectus outlines the role and purpose of this Hub.

With this prospectus MKC are declaring that Milton Keynes is open for net zero development and investment.

Overview of Local Area

Milton Keynes has been the fastest growing city in the UK over the past three decades. With a population of approx. 270,000 and growth anticipated to accommodate around 410,000 people in the borough by 2050, ensuring that all future development is sustainable is key to mitigating the impact of growth on the city and surrounding areas and the utilisation of natural resources.

Milton Keynes is unique in that its very layout means high quality green spaces (parks, lakes, woodlands and rivers) are close to every home. This green and blue infrastructure supports a higher degree of air quality and mitigates flood risk whilst reducing the carbon footprint of the city through the abundance of trees.

Our city is a special place. Everywhere, rich, peaceful landscapes surround our homes. Our networks of parks and lakes are gifts which keep on giving. Our city centre is one of the nation's most popular places to go shopping. We can easily travel around the city by car and our Redways provide traffic-free routes for walkers, cyclists and e-scooters. Being a good place to do business has made Milton Keynes the fastest growing city in the country.

Since the early 1950s, this part of North Buckinghamshire has been popular with families moving from London. Pioneers moved to a Bigger, Better, Brighter Bletchley and then to Milton Keynes: City of Trees. We have thrived by welcoming newcomers from all parts of the world and our diversity is an immense strength. Now, much of our growth comes from our children, and their children, building their families here. But today, not everyone shares in this prosperity. It can be difficult for some residents to get around our city or to access a good job. Too many of our young people live in poverty and do not gain the skills that they need to make their way in life.

By 2050, some 410,000 people will live in Milton Keynes borough, part of a Greater Milton Keynes of around half a million. Our Strategy for 2050 starts with some big promises to the residents of Milton Keynes today and in the decades to come. We will strengthen those things that make Milton Keynes special and deal with our weaknesses. This Strategy is for everyone, but especially our children and young people who are the future of our great city.

Milton Keynes Strategy for 2050

The structure of the city was designed for innovation and to retain the flexibility to adapt over time. On our individual estates, sites were reserved to provide space for future community facilities. At a city scale space was provided alongside grid roads to allow for road-widening or the introduction of mass rapid transport system, as proposed in the

Milton Keynes Strategy for 2050. This foresight on the part of the original city planners means that Milton Keynes is ready to accommodate the acceleration of clean growth activity.

Achievements, Assets and Enablers

In Milton Keynes the drive towards low carbon and sustainability has always been at the forefront of design and development.

Over the years Milton Keynes has established itself as a leader for innovation in low energy buildings. In 1986 the Energy World Exhibition was opened, showcasing energy efficient housing and denoting a significant milestone for progressing design and construction of low-energy housing. In 2005 Oakgrove School became the first secondary school to be built to the highest national environmental assessment method standard at the time, BREEAM “excellent”. The school incorporates high standards of energy-efficiency and low environmental impact, including one of the biggest ground source heat pump installations in Europe.

Striving for a low carbon city has meant that reducing the environmental impact of buildings and transport in Milton Keynes has never been an afterthought. In 1972 the first house in the UK incorporating active solar heating as well as solar heated hot water was established in Milton Keynes. It was one of the few projects exploring alternative energy sources to oil. In 2008 Mercedes-Benz installed a wind turbine and industrial units in Bletchley began receiving supply of electricity from their own wind turbines. In the centre of Milton Keynes is the **CMK heat network**. This was established in 2007 and provides heat to The Hub, Vizion and The Pinnacle in the centre of the town as well as power via private wire and to the grid. We have led the way on carbon offsetting policies.

Over the years Milton Keynes has undertaken and co-ordinated research on sustainable energy technologies, and in 1986 the Open University opened the Energy and Environment Research Unit (EERU). In 1992 the city became the first to offer curb side recycling, and in 1993 it constructed the UK’s first purpose-built Materials Recycling Facility (MRF). Today, in the North West of Milton Keynes lies the **Wolverton Resource Campus (WRC)**. This houses the energy from waste facility that processes 132,000 tonnes of municipal waste per year and generates up to 7MW of electricity. The site has been set up to provide energy for the nearby Materials Recovery Facility (MRF) and other local power demand.

Our innovation continues today with autonomous delivery robots – a scheme that was invaluable to many residents during the 2020 lockdown – and trials of driverless vehicles.

Innovations such as these, throughout the years, are what encourage Milton Keynes to pursue further developments to ensure they will be carbon neutral by 2030. The achievements to date lay a strong foundation for future low carbon development. This prospectus sets out the platform from which Milton Keynes can actively and profitably pursue its net zero ambitions and contribute to the UK Government targets set by the Climate Change Act. Milton Keynes has the opportunity to deliver on net zero ahead of the government target of 2050.

Milton Keynes Council has recently established a strategic partnership with **Engie** for the delivery of the **Re:fit** programme across the council estate. This will accelerate low carbon retrofits for existing building stock owned by the council – residential, commercial or industrial.

In parallel, to facilitate and accelerate investment and delivery of a programme of energy projects across Milton Keynes, the creation of **'The MK Energy and Carbon Hub'** is underway. This will be an MKC led business unit that is designed to ensure the transition to carbon neutrality is possible through a combination of functions that enable rapid low carbon development.

Future Clean Growth Potential

Milton Keynes presents a unique opportunity to deploy localised energy schemes that can supply the needs of heat, power and low carbon transportation, ensuring that all citizens and businesses have the opportunity to benefit from the ambitious net zero plans being put forward by MKC.

Central Milton Keynes (CMK) will be key to accelerating clean growth come forward and to understand which types of facilities and activities we might want to encourage in which places. Through our Renaissance:CMK project we are working with Milton Keynes Development Partnership (MKDP) to create a new framework for growth and investment in CMK.

The potential for the existing heat network to extend its reach to the Milton Keynes University Hospital (MKUH) presents further opportunities to accelerate the delivery of low carbon heat to serve the hospital campus, soon to be extended with a new children's and maternity unit. The hospital campus is flanked by estates to be included in the regeneration programme, with the potential for energy centres to be at the core of a programme of retrofit upgrades.

The MK Waste Recovery Park (MKWRP) to the north west already generates significant power that is either used locally or sold through the grid connection to the grid. The heat output of the MKWRP is not currently utilised, so presents a further opportunity for local integration through for example, the piping of waste heat to the estates within the regeneration programme, connecting to the CMK heat network or providing heat to other local businesses. There is a significant amount of available land adjacent to the MKWRP which could allow for the intensification of energy generation locally.

To the East of the city is Magna Park – a significant business and distribution hub that provides access to the M1 and across the country. Here lies a further opportunity for the development of localised energy solutions to support demand. Working together to secure the supply to the occupiers of Magna Park could be a significant step in underwriting the required investment to build infrastructure.

Figure 1 depicts the above opportunities.

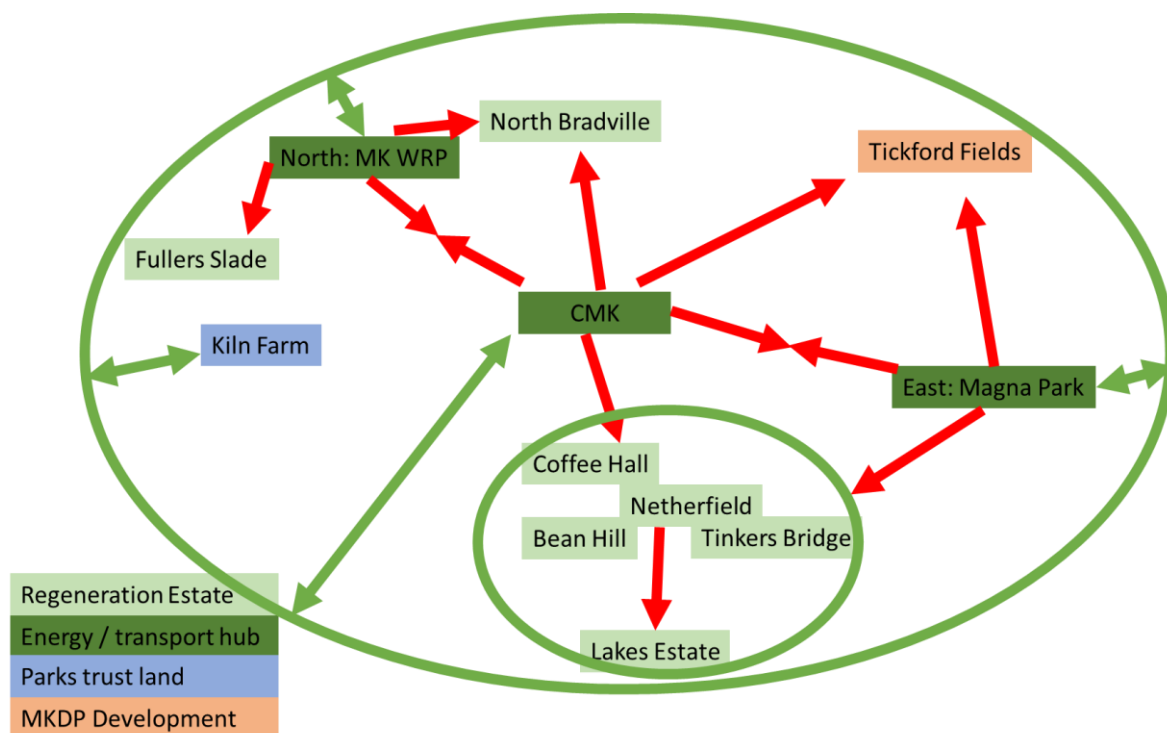


Figure 1 (draft visual)

The council's regeneration programme is focused on making positive and long-lasting differences for people and families in Milton Keynes, and there are at least five upcoming regeneration schemes that will develop over the coming years. Further to this there is the new development in planning at Tickford Fields as well as MKC's ambition to set up a housing development company.

The Milton Keynes Strategy for 2050 highlights the importance of long-term planning for growth, which includes making available the infrastructure and services such as transport, health, social care, schools, shops, leisure, sports and cultural facilities that are essential for existing and new communities. By planning this upfront we can make the case for investments that will serve us well into the future, rather than reacting as pressures arise.

Bringing together a common framework for delivery of heat and power, aligned with infrastructure for low carbon mass rapid transportation, is necessary and provides the opportunity for net zero at inception. The MK Energy and Carbon Hub will work very closely with strategic partners to ensure net zero is at the heart of all investment in the council's assets.

Potential Financial and Investment Opportunity

Developing energy and infrastructure projects is complex and requires a systematic commercial approach in order to achieve the best outcomes. The diagram below illustrates that under MKC leadership there is potential for the MK Energy and Carbon Hub to develop projects from inception through to delivery with potential exit points along the way. A core function of the Hub will be to optimise the balance between risk and return to a manageable level for the Council across its portfolio on energy projects. For some projects it may be appropriate to seek a full or partial exit at a particular stage, whereas others may be acquired part way through the development process or developed through to operation.

By retaining a portfolio-based view of all activities, the Hub will deliver a highly performant suite of interventions which will accelerate the drive towards net zero whilst delivering solid returns. This enables the broadest set of positive outcomes possible to all stakeholders including the council, residents and local businesses. Figure 2 below demonstrates how this could be achieved.

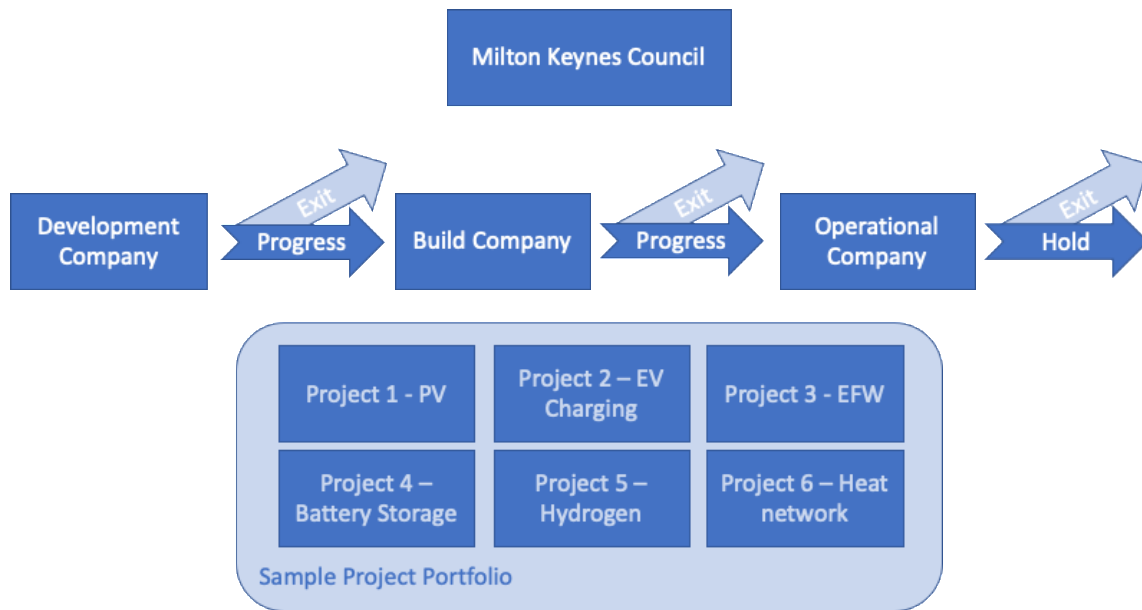


Figure 2 – Project development stages

Enabling Delivery

Project Enabler – MK Energy and Carbon Hub

To facilitate and accelerate investment and delivery of a programme of energy projects across Milton Keynes, the creation of an Energy and Carbon Hub (Hub) for Milton Keynes is underway. This will be an MKC led business unit that is designed to ensure the transition to carbon neutrality is possible through a combination of functions that enable rapid low carbon development.

Governance of the Hub will be led by MKC and to accelerate delivery of the first suite of projects will be set up as an internal function with a clear commercial remit. In time it is likely that the unit may be run as a separate company, and to prepare for that a Shadow Board will be put in place to provide oversight of the programme, alongside a steering committee to support the development of investment ready projects. The Hub will have the overview of opportunities across the city for low carbon investment with key strategic relationships in place to support dialogue with investors and developers who share the ambition for Milton Keynes to become the first net zero city.

The functions of the Hub are shown in Figure 3.

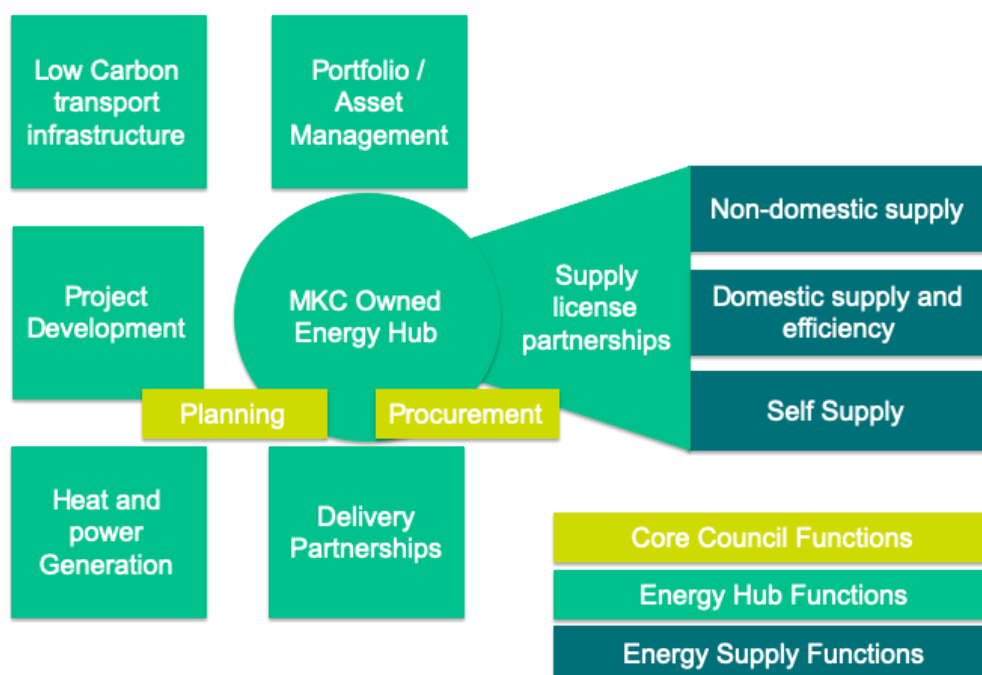


Figure 3 – MK Energy and Carbon Hub functions

The Hub will be an enabler at its core. By being central to the carbon neutral transition and through proactive and positive engagement with the market the Hub will provide **Assurance** to the market by helping to mitigate planning, development and operational risk. It can provide **Stability** through access to market and commercial agreements for the offtake of energy. It will provide a **Framework for Engagement** with all types of energy user. Any generated **Surplus** will be used for MKC improved service provision – including action on fuel poverty and air quality. It will **Deliver** net zero for Milton Keynes.

The MK Energy and Carbon Hub will work hand in hand with our service functions to accelerate development. Within three to five years the Hub will be targeted to become self-funding whilst creating employment and reducing emissions.

Functions of the MK Energy and Carbon Hub

The Hub, upon set up, would be tasked with developing and delivering the net zero ambitions of the council, bringing together a package of deliverable and executable projects that fit within the overall ambition - to help MK become the greenest city in the world. The respective functions will include:

Programme leadership – defining and developing an overall executable masterplan. This function will ensure alignment between policy and delivery, retaining focus on the target of net zero and the interventions possible to achieve that goal. In a phased approach, development is likely to be focused initially on MKC owned assets using Re:fit, with a view to expansion to working with local landowners, occupiers, industrial users and beyond MKC boundaries.

Project Development – this is the process of developing ready to build, investible projects and will include initial feasibility studies to ascertain commercial viability of projects. Once viability has been confirmed, this function will ensure that all required aspects of a project are secure and deliverable – including (but not limited to) ground assessments, planning and environmental permitting, grid studies and connections, risk assessments, offtake agreements, feedstock agreements.

Once all aspects of a project are secure it can be traded to realise uplift in value, built out as a going concern council asset or developed in partnership with development partners. Such decisions will be technology, asset and risk based to ensure a balanced portfolio.

Delivery Partnerships – in line with the objectives of the project development function it will be critical to be able to access the market quickly and seamlessly. An important function will be the management of delivery partnerships which will span the land and professional services landscape.

Land – the Hub will actively seek direct and active relationships with local landowners and developers to ensure the flow of land to underpin the ambitions of MKC and the Hub. This may be in the form of securing land for development from local landowners or could equally be the letting of land under option or lease to developers seeking to develop net zero based projects.

Professional Services – there will be a variety of services required for projects depending upon the technology as well as the inputs and outputs of the projects. It is expected that this function will recruit, maintain and manage a range of suppliers of required services that will be called upon as needed through the development process. As a guide, the services to be supplied will include (but may not be limited to):

- Planning
- Environmental permitting
- Land condition
- Grid consultancy
- Specialist legal services
- Design
- Engineering
- Feedstock supply
- Energy brokerage
- Technology suppliers
- Waste contractors
- Engineer, Procure, Construct (EPC) contractors
- Operations and Maintenance contractors

Through careful management, the professional services function will minimise risk on projects through ensuring swift and accurate execution of project development delivered by experienced teams of specialists. Whilst the list above does not cover all potential services requirements the discipline and governance instilled in the delivery management function will enable the Hub to bring new contractors on board quickly as required.

Programme leadership, project development and links to the Council operations will be provided by a core team within the Council of 2FTE, drawing in specialist expertise for each project as the programme develops, identifying funding and financing opportunities for project development and delivery. As the portfolio of projects and renewable assets grows, and revenue streams increase, the Hub will aim to expand to further accelerate investment and develop longer term energy infrastructure projects. The core team supported by the steering committee will be the gateway for low carbon investors to engage with the Hub and MKC to collaborate on the net zero ambition.

We plan to continue to invest in the Hub through 21/22, reducing this through 22/23, with an ambition for it to deliver a surplus in 23/24.

Strategic Partners & Stakeholders

The Hub will utilise the existing strategic partnerships that are in place with the council to deliver on this ambitious programme and seek to forge new partnerships that will complement the ongoing work and support the acceleration of investment and delivery of additional opportunities.

Local Partnerships

Local Partnerships are providing support to MKC across a range of activity related to climate response, including the delivery of the Re:fit programme, the development of the Supplementary Planning Document for Sustainable Construction policy SC1 of Plan:MK and the creation of the MK Energy and Carbon Hub.

Local Partnerships is a joint venture between the Local Government Association, HM Treasury and the Welsh Government and provide an interface between central government policy and local delivery.

Its principal responsibility is to deliver expert support to the public sector, helping make best use of limited resources as demand for services continues to rise. Local Partnerships co-own the Re:fit Energy Performance Contract framework with the Greater London Authority, and are working with a number of councils across England to respond to the climate emergency.

Engie & Re:fit

MKC are partnered with Engie, to deliver a wide ranging programme of energy projects across the council estate via a Re:fit Energy Performance Contract (EPC).

This programme will deliver a programme of works across multiple phases, beginning with corporate council properties with schools, sheltered housing, council owned housing and land assets for renewable energy projects to follow in subsequent phases.

The Re:fit programme has a performance guarantee attached to it, ensuring that the forecast energy and carbon savings are delivered and accelerating the progress to net zero. Engie's role as MKC's Re:fit Service Provider and strategic partner makes the most of the breadth of expertise that they will bring to Milton Keynes, and a major role in delivering the interventions required to reach net zero emissions by 2030.

Western Power Distribution

Western Power Distribution is the company responsible for electricity distribution in the Midlands, South West and Wales. The opportunities within this Prospectus will require connections to the existing grid and early engagement between the Hub and the district network operator (DNO) will facilitate the development and delivery of larger scale projects, where there is limited grid capacity available.

The Parks Trust

The Parks Trust is an independent charity that cares for over 6,000 acres of parkland and green space in Milton Keynes. This includes the river valleys, ancient woodlands, lakesides, parks and landscaped areas alongside the main roads that represent 25% of the city. The Trust leases land from MKC on a 999-year lease and grows its asset portfolio as the city grows and new green space is created and acquired. The Parks Trust will be a key stakeholder for the development of projects and delivery of net zero across the city.

Milton Keynes Development Partnership

Milton Keynes Development Partnership LLP (MKDP) is owned by Milton Keynes Council. It facilitates Milton Keynes' continued growth and economic success by promoting the development of its land assets to deliver economic and social value from its 70+ sites in line with the Council's Plan and Plan:MK. The MKDP estate comprises around 265 developable acres.

Its role is to develop and grow stakeholder relationships with investors, developers, occupiers and others to provide a fair playing field conducive to conducting professional property business.

MKDP is operated by a specialist team who report to MKDP's board and Milton Keynes Council.

Mears

Mears work in partnership with MKC to deliver repairs and maintenance, capital investment programmes and asset management related services to their c.11,500 social housing stock within the City and surrounding areas. The partnership delivers a stock investment

programme; ensures statutory compliance; delivers core maintenance, void and adaptation services and provides a joined up, forward thinking approach to all aspects of the housing stock

Project Development

A number of opportunities across the city have been identified, in addition to the ongoing Re:fit programme and additional sites which are generally clustered in three locations, and summarised in Figure 4.

	Wolverton Resource Campus	Central Milton Keynes	Magna Park	Regeneration and estate renewal	Homes and house building	Schools
Heat	Fuller Slade Local heat Connection to Centre	Connect to hubs Domestic heat	Industrial offtake Local domestic opp'ty	Connect to hubs Domestic heat	Connect to hubs Domestic heat Improve insulation	Connect to heat network Swimming pools – heat sink
Power	Local Private wire Domestic supply Intensify generation	Integrated generation Localised private wire Offtake	Industrial offtake Localised private wire	Small scale energy centres - fuelled by SRF from MKWRP or waste from other sources	Immersive and interaction experience for residents	Solar PV / battery storage
Low Carbon Transportation	Linking to MK Fleet RCV's EV / H2 support	Hub for city centre low carbon vehicles EV / H2 distribution	EV / H2 support at scale Drive the market	Opportunity to develop an energy system that balances generation against demand through the day and night	Minimise infrastructure required by incorporating all needs within the development	Local hubs

Figure 4 – initial opportunity clusters

The opportunities currently identified that are additional to the programme of work to be delivered by Re:fit and Engie are set out in Table 2, followed by detail as to how these are clustered around the Wolverton Resource Campus, CMK and reaching out to the regeneration areas surrounding Milton Keynes University Hospital and the Magna Park distribution hub. The existing and new school estate and new residential development across the eastern and western expansion areas delivering approximately 60,000 new homes, between now and 2050, will contribute to the carbon neutrality target with low and zero carbon placemaking.

Project	Opportunity	Type	Potential Capacity (MW)	Council/MK Energy & Carbon Hub Role	Fuel Poverty/Resilience	Decarbonisation	Climate Emergency
Wolverton Resource Campus	Energy from Waste	Power	6700	Operation		x	x
	Heat offtake	Heat	22000	Opportunity	x	x	x
	Anaerobic Digester	CHP	1200	Opportunity		x	x
	Battery storage	Power	5000	Opportunity			x
	Solar PV	Power	15000	Opportunity		x	x
	Materials Recycling Facility (MRF)	Private Wire	1000	Opportunity		x	x
	Refuse Collection Vehicle (RCV)	Private Wire		Opportunity		x	x
	New Development	Power Transport	tbc	Opportunity			
	CMK Heat Network Expansion	Heat Power	tbc	Operation	x	x	x
	Heat supply	Heat	6400	Facilitator / Owner / Offtaker	x	x	x
Magna Park	Trigeneration	Power	tbc	Opportunity			
		Heat	tbc	Opportunity	x	x	x
		Coolth	tbc	Opportunity			
	Low Carbon Fuels	Heat	6400	Opportunity	x	x	x

Project	Opportunity	Type	Potential Capacity (MW)	Council Role	Fuel Poverty/Resilience	Decarbonisation	Climate Emergency
Regeneration Estates	Micro - energy	Power Heat	tbc	Opportunity	x	x	x
	Solar PV	Power	tbc	Opportunity	x	x	x
	Heat network	Heat	tbc	Opportunity	x	x	x
Development: Tickford Fields	Low carbon homes	Efficiency	tbc	Opportunity	x	x	x
	Digital City	Smart	tbc	Opportunity	x	x	x
	Energy system	Heat Power	tbc	Opportunity	x	x	x
	Transportation	Low carbon	tbc	Opportunity		x	x
Council Homes (11,500 existing homes)	Rooftop solar	Power	tbc	Operation / Opportunity	x	x	x
	Heat networks	Heat	tbc	Opportunity	x	x	x
	Tariff's	Supply	tbc	Opportunity	x		
	Net Zero Housebuilding	Efficiency	tbc	Opportunity	x	x	x
Schools	Solar PV	Power	tbc	Operation / Opportunity		x	x
	Energy Centres	Power Heat	tbc	Opportunity		x	x
	Net Zero	Efficiency	tbc	Opportunity		x	x
Low carbon Fleet (Buses, Fleet, RCV, HGV)	Refuelling stations	Multi-vector	tbc	Opportunity		x	x
	Hydrogen	Power	tbc	Opportunity		x	x
	Electric Vehicles	Power	tbc	Opportunity		x	x

North West: Wolverton Resource Campus

The Wolverton Resource Campus is a core focus for low carbon energy, at the centre of which is the Milton Keynes Waste Recovery Park (MKWRP), which is an energy from waste plant processing 132,000 tonnes of municipal waste per year and capable of generating 7MW of electricity. Nearby is a Materials Recovery Facility (MRF) as well as the siting for the waste fleet. The campus itself is near to Wolverton and the main North / South National Rail route. It is proposed that a direct private wire connection is made between the MKWRP to the MRF and the adjacent Environmental Services Depot to power the recycling facility and potentially a low/zero emissions fleet. The private wire network would utilise approximately 1MW of power from MKWRP maximising the potential of the waste to energy facility and overcoming any export constraints as the MKWRP is optimised.

Opportunities:

Heat – The residual heat of the plant at the Air Cooled Condenser is about 22 MWth, but this is steam at low pressure and only 40C of temperature so very little potential for heating. A turbine bleed to extract heat at better conditions could be considered but this would result in a corresponding reduction to the electricity produced at the plant. This would need to be contractually accounted for with Amey, the operator of the Energy from Waste plant. There is the potential to connect this heat to the nearby development at Fuller Slade for district heating. A connection to the heat network in CMK could also be possible.

Power – Private wire to Network Rail. This could be an ideal export for the electricity from the MKWRP which could yield increased revenues for MKC as well as reducing the cost of power for Network Rail. However, connecting at nearby Wolverton is not possible without constructing a new transformer which for the level of power to be supplied is not viable. The nearest potential connection is at Leighton Buzzard which is too far away to be viable. However, should the potential offtake be increased the economics for building a new substation at Wolverton could be improved. Viability of such a scheme would need to be tested.

Renewable power – There are two main opportunities here with rooftop solar PV for the building facilities on MKWRP and to utilise adjacent land owned by MKC but leased to the Parks Trust on a long-term lease arrangement. There is a proposal to install 200-250kWp of solar capacity at MKWRP in 2021. There are up to 20 hectares which may be available which could house 10-15MW of ground mounted solar and the land could also be considered as potential for wind generation development. Good practice would be to develop such generation facilities in conjunction with battery storage with the output used locally where possible via private wire.

Refuse Deriver Fuel – A potential output of MKWRP is Refuse Derived Fuel (RDF). The bulk, 90,000 tonnes per year, of the RDF is processed on site in an Advanced Thermal Treatment process. There is a potential to accept more waste inputs into MKWRP with a view to producing RDF for exporting

to be a feedstock for localised generation – perhaps on the regeneration estates or new developments across MK supporting a move towards a circular economy.

Transportation / Fleet – Also adjacent to the MKWRP is the Environmental Services depot which operates a fleet of refuse collection vehicles (RCV) and the Arriva bus depot. There is potential for the conversion of these vehicles to electric with the power output from the MKWRP and solar facilities to dramatically reduce the cost of refuelling.

Summary – There is a clear opportunity to build on the current energy facilities in place at the MKWRP to both utilise what is generated currently more efficiently through the use of private wire export and making use of the waste heat as a feedstock for district heating networks. Further to this there is an opportunity to intensify renewable energy generation through the development of solar and wind schemes.

Central Milton Keynes

Low carbon development within CMK will support the aims of the Renaissance:CMK to create an even stronger and more successful city centre that is fit for the challenges of the mid-21st century. Through investment in new employment, residential, retail and leisure opportunities, drawing on the benefits that could be created by a new city centre university, and (re)developing vacant or underused buildings and land, Renaissance:CMK will help to create a prosperous city centre and capitalise on our position at the heart of the Oxford-Cambridge Arc.

The existing heat network in CMK, with the energy centre located behind the CBX complex can present opportunities for the expansion of this network and development for low carbon heat. This includes meeting future heat demand for major development within the city centre.

Opportunities:

CMK District Heat Network – the existing district heat system in CMK is the first place to look to expand and decarbonise energy. Future development in CMK could look to connect to the CMK heat network, adding demand capacity and heat generation capacity and enabling the network itself to grow. By taking such an approach, this could enable the expansion of a CMK heat network hub with future major developments as anchor loads. There may be potential that the heat network could also be extended to the WRP to the North West, Magna Park to the East, the MKUH campus and the regeneration schemes across the city.

Power – Future developments will have significant demand for power so there is likely to be a viable business case for power generation as a component of the development. This may be in the form of an energy centre and almost certainly could benefit from solar PV cladding or rooftop arrays to deliver low carbon power. The energy centre could also be set up as a processing site for SRF from MKWRP generating power and heat for the development and the heat network.

Summary – City centre developments provide unique opportunities from an energy perspective to really drive towards low carbon. By taking a strategic approach it will be possible to deliver a commercially viable low carbon energy system that can support the centre of Milton Keynes as well as exporting to other parts of the City. This alongside the MKWRP can stand as the cornerstone for the net zero ambitions of the council.

East: Magna Park

Magna Park, to the East of Milton Keynes, is a significant logistics and distribution hub. Occupiers at Magna Park are significant users of heat, power, coolth and transport fuel. Consequently, Magna Park is a source of significant emissions for Milton Keynes and therefore becomes a target for low carbon development. At the time of writing there is limited renewable generation on site so there is an opportunity to work with the owners and occupiers of Magna Park as potential offtakers for localised generation.

Opportunities:

Solar PV – with many hectares of roof space this provides a perfect location for rooftop solar. Based on the potential roof space across Magna Park, there could be the potential for 20+ MW of rooftop solar PV to be built in partnership with the owners and occupiers providing low cost, low carbon power.

Tri-generation – with the significant demand for heat, power and coolth there is the opportunity to develop a local energy station and distribution networks for each energy vector, improving the efficiency of the depots on site, reducing costs and lowering the carbon footprint. The feedstock for this could be the Solid Recovered Fuel generated at WRC.

Low carbon transportation fuels – with such demand for transportation fuel locally, there is a natural market for the shift to low carbon fuels – hydrogen, electricity, biodiesel and compressed natural gas. It may be possible to construct the planned biomethane refuelling station adjacent to an energy station to harness low carbon power as the fuel to generate / store / distribute low carbon transportation fuel.

Summary – as such a large occupier and source of demand, Magna Park has the potential to in effect underwrite the energy generation ambitions of MK. With significant and increasing pressure on decarbonisation the owner and occupiers of the park will be ideal partners to develop long term net zero strategies alongside.

Regeneration and Estate Renewal

Across Milton Keynes there are seven identified regeneration estates including Fullers Slade and Serpentine Court.

The Community Led Regeneration and Estate renewal Strategy 2020 will plan and build suitably designed homes and neighbourhoods that reduce carbon consumption, air and noise pollution level and prevent energy and water wastage. For new developments, green energy generation schemes will be included, for example at Serpentine Court there is an energy centre proposed as part of the design. Given these estates are mixed use there is an ideal opportunity to develop an energy system that balances generation against demand through the day and night.

Opportunities:

Micro energy – development of small-scale energy centres to generate heat and power for the local regeneration developments. This could be fuelled by RDF from MKWRP or waste from other sources.

Solar PV – a standard for all development in MK should include a ‘solar where possible’ provision. Thus, where possible through the regeneration sites solar PV on rooftops should be an expectation.

Heat – further to the micro-generation opportunity highlighted, seek to connect localised district heating to the main MK clusters – MKWRP, CMK and Magna Park where possible. Where it is not possible to develop a heat network, ground and air source heat pump technology are to be deployed. Given the multi-use nature of the developments, taking a balanced and integrated view of the energy vectors should be a standard consideration, ensuring that retail, education and business energy demands are balanced against residential demand.

Homes and Housebuilding

Any new development in Milton Keynes will be subject to the same low carbon policy requirements of Plan:MK. The default in all cases is net zero.

The council owns some 11,500 homes and aspire to set up a commercial house builder to grow the council stock and housing capability. This is a significant stock and presents an opportunity to develop modular and “wrap around” solutions that can be retrofitted to homes to reduce carbon footprint, drive and support the transition to net zero. MKDP are developing a Local Housing Company , and alongside the continued house building programme in the eastern and western expansion areas there is a substantial opportunity for Milton Keynes to lead the way with low carbon place making.

As an example, Tickford Fields will generate 928 residential units in a mixed-use development, which opens an opportunity to design the energy system from beneath the ground up with the grandest ambitions for low carbon heat, power and transportation. There is opportunity for ground mount PV to serve the development.

Opportunities:

Low carbon homes – deploy the latest building material and technology to minimise the energy impact of homes to be built on the estate. This can minimise the need even for localised generation schemes through building generation and storage and high-quality insulation.

Walk up areas – minimise the infrastructure required for transportation by incorporating all needs within the development. Where external travel is required, institute low carbon vehicle sharing schemes or home delivery.

Digital City – deploy digital technologies to maximise efficiency opportunities and create a truly smart city including energy as service and real time matching of energy supply and demand. Leverage such achievement to expand out into the rest of the city.

Solar PV – wherever a home has a roof that is not shaded or has plans for development the default position will be to install solar PV, potentially with a battery storage solution to balance and reduce energy bills. This is a simple and proven method to lower the carbon footprint of homes.

Heat – for existing homes, look to improve the insulation deployed on them and aim to connect into district heating networks. For new homes, seek to insulate to the highest standards and use technology to drive efficiency.

Digital – create an immersive and interactive experience for residents such that they can participate in the energy system, see how their actions can save them money and reduce their carbon footprint.

Schools Infrastructure

Milton Keynes is home to more than 120 schools, each of which stands at the centre of the local community providing education and some ancillary services. The energy demand of schools is of course focused on times of operation during term time and much activity has focused in recent years on efficiency related interventions. Across the UK, many schools have invested in solar rooftop systems and some benefit from modern building standards as part of the Building Schools for the Future programme in the mid - late 2000's.

Given the location of most schools are central to communities, there is the potential for them to also play a role within the energy system for both supply and demand. It is recommended that a modular systems-based approach is taken to drive energy interventions that will unlock new generation and aim to match demand to supply in local areas.

Opportunities:

Solar PV – rooftop solar is an obvious starting point for schools that have not already benefited from such interventions. A standardised modular approach to this for the schools of Milton Keynes should enable low cost delivery of systems and low carbon energy to schools. In many cases, this should be considered alongside battery storage to maximise the potential of solar power within the school and allow for grid balancing – particularly not in term time.

Heat – schools have a significant demand for heat during the winter and so where possible should be connected to heat networks. Where schools have swimming pools, these can be a very suitable heat sink – saving heating costs using waste heat and providing a source of heat at times of high demand.

Energy Centres – where space allows, schools can be ideal situations for the development of communal energy generation, both providing heat and power internally to the school and externally to heat and power networks.

Efficiency – along with any energy scheme there should be a focus on efficiency and minimising any wasted heat or power. These can be driven through a mixture of hard and soft interventions – focusing on the upgrade of equipment to the latest efficient standards whilst also driving communication programmes to the teachers and pupils advising and educating on how to minimise

energy use. Experience suggests that such programmes have a positive knock on effect as children take the messages home and question energy related actions in the household.

Summary – schools can be a focal point for local communities and may benefit from a modular approach to delivering efficient energy systems. From a geographic perspective they can be ideally situated to act as local hubs – within new developments, regenerations schemes as well as existing conurbations. There are opportunities for investment in existing schools utilising the Re:fit energy performance contract with Engie.

Low carbon transport and fleet

In terms of emissions a significant proportion is generated from transportation which almost by definition carries pollution to all corners of towns and cities. There is a concerted drive from Central Government to increase the adoption of low carbon vehicles with the electric car leading the way. Further to this, active travel is also being driven as a direct response to the Coronavirus pandemic.

The original 1970 Plan for Milton Keynes created the grid road network with the flexibility and space for a fixed-track public transport system. Through long-term planning a modern version of this in the form of a Mass Rapid Transit (MRT) network can be delivered. This would be a public transport system with frequent services to and from our key destinations, capable of carrying many passengers at times of peak demand with competitive ticket prices. New electric-powered vehicles, similar to a tram in functionality and quality, can run on road surfaces rather than expensive, fixed rail infrastructure, and in future will be driverless.

From a fleet perspective, MK is examining the options for a shift of bus and RCV's across to low carbon vehicles. This as an initiative could be expanded to all municipal fleet across the city as well as working in partnership with other public and private entities to encourage adoption. As adoption rises, there will be pressure on MKC to provide sufficient infrastructure to support it. This will be in terms of the street charging furniture, depot charging infrastructure and the reinforcements required for the local grid to withstand a potential uplift in demand.

Opportunities:

Refuelling stations – provision of multi-vector low carbon refuelling stations for the main transport hubs could help to release any resistance to a transition to low carbon. Such refuelling hubs could be powered by locally generated renewable energy (and as such provide an advantageous offtake opportunity) and provide fuel for electric, hydrogen, biodiesel, compressed or liquid natural gas vehicles.

Hydrogen – hydrogen is seen as a potential answer as a fuel for long distance HGV transportation and citywide bus services. Whilst the market remains fairly new, there is an opportunity to create a local hydrogen market for larger vehicle refuelling, thus underpinning any investment in infrastructure.

Electric Vehicles – these are leading the way in the low carbon transportation sector and require significant infrastructure to reduce range anxiety and issues of queuing for charging. MKC have led the way in recent years with the installation of charging infrastructure which can be built upon, enhanced and developed for the fleet of the future. In the knowledge that a major shift to EV's is coming, the opportunity is for MKC to get ahead of the game and install additional infrastructure. Working closely with EVCP suppliers there may be the opportunity for revenue share or renewable offtake to drive a positive commercial model for the council.

Conclusion

This prospectus sets out the carbon neutral ambitions for Milton Keynes and the delivery mechanism for developing a broad yet deliverable pipeline of low and zero carbon opportunities across sector and stretching across the city. This pipeline will of course flex as new initiatives, technologies and innovations are introduced to the market.

The Energy and Carbon Hub will be an agile unit, resourced to be fleet of foot to identify and deliver worthwhile opportunities as they arise, and to quickly discount activity that could take up valuable resource for little gain on the pathway to carbon neutrality.

The steering committee will support the direction of activity, and an invitation to landowners and investors is extended to engage with the Hub.

PATHWAY TO ZERO EMISSIONS

The pathway to zero emissions started with Milton Keynes Council's commitment to reduce carbon emissions by 40% by 2020 against a 2005 baseline for its own operations. The progress against this target has been regularly reported and utilised the data from the Department for Business, Energy and Industrial Strategy (BEIS). It was primarily based on the data MKC submitted under the Carbon Reduction Commitment (CRC) which had some very specific reporting boundaries. The target has been achieved and the target for MK is now to have net zero emissions by 2030 from a 2018/19 baseline.

To ensure MKC has a transparent and specific reporting boundary for emissions the baseline data has been recalculated for 2018/19 to enable the development of the trajectory to net zero by 2030 to be set. This resetting of the baseline has used the data held by MKC to calculate emissions at a more granular level of detail and setting a wider reporting boundary than the CRC used, and has resulted in an increase in emissions. The increase, however, does ensure that all relevant emissions sources have now been reported for Council operations within financial control. From this, opportunities for interventions that will make the most impact in reducing emissions can be more readily identified.

To become net zero by 2030 for the Council's own operations a trajectory for emissions reductions should be mapped to assist with setting carbon budgets and identify opportunities for emissions reduction.

There are two basic approaches available for building an emissions budget trajectory (or target emissions). These are as follows:

- a) Linear - A simple linear regression with a fixed reduction year on year
- b) Exponential - An approach based more on exponential decay. This approach recognises that there are measures which we can take today at scale and pace which are cost effective and represent good practice. This approach works hardest in the early years, recognising that some of the latter reductions are likely to be harder to achieve and takes a more realistic view that around 5% of emissions will be too difficult to reduce and will need treating in other ways. It is recommended that the MKC pathway to net zero follow the exponential trajectory as close as possible.

The pathway to 2030 has been modelled to show a linear and exponential pathway, and a scenario using planned interventions and assumptions about additional scenarios to identify the "gap" that needs to be addressed by additional carbon reduction programmes and investment. It should be noted that with the exception of the conversion of grey fleet (staff business mileage) to EV, all the interventions that have been modelled are in development – this is in contrast to other councils who are beginning to model the "potential interventions", MKC has a programme of activity planned to reduce emissions by approximately 12,000 tCO₂e by 2024.

The options are.

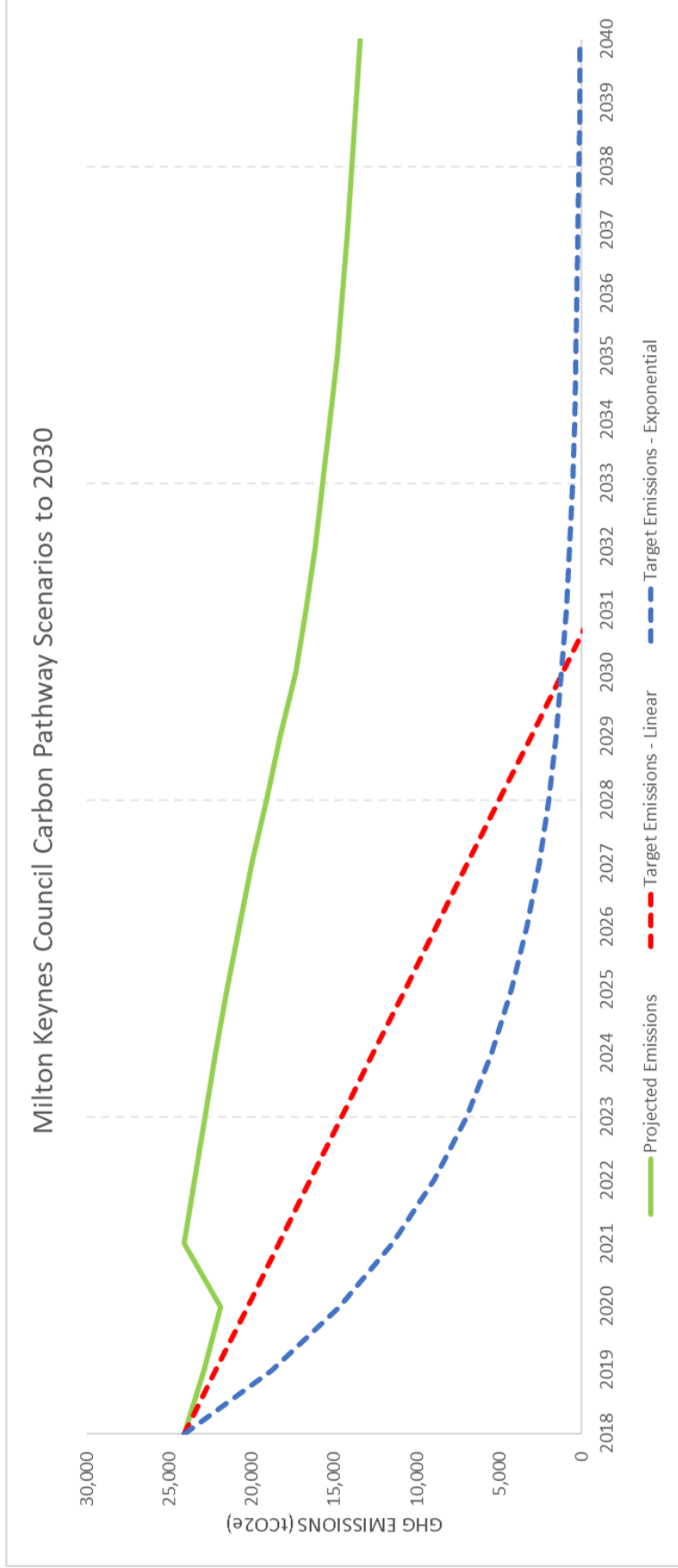
- a) **Do nothing**, rely on decarbonisation of the grid only (figure 1)
- b) **Delivery of a programme of interventions** (figure 2), including
 - Re:fit Energy Performance Contract (planned)
 - Street light LED conversion (planned)

- Fleet conversion to EV and biomethane (planned)
- Grey fleet conversion to EV (staff business mileage – not yet planned)
- Purchase of renewable energy supplies for grid supplied electricity (planned)

The following graphs show that further interventions are required if MKC is to reach net zero emissions for its own operations by 2030.

Figure 1 Target emissions scenarios

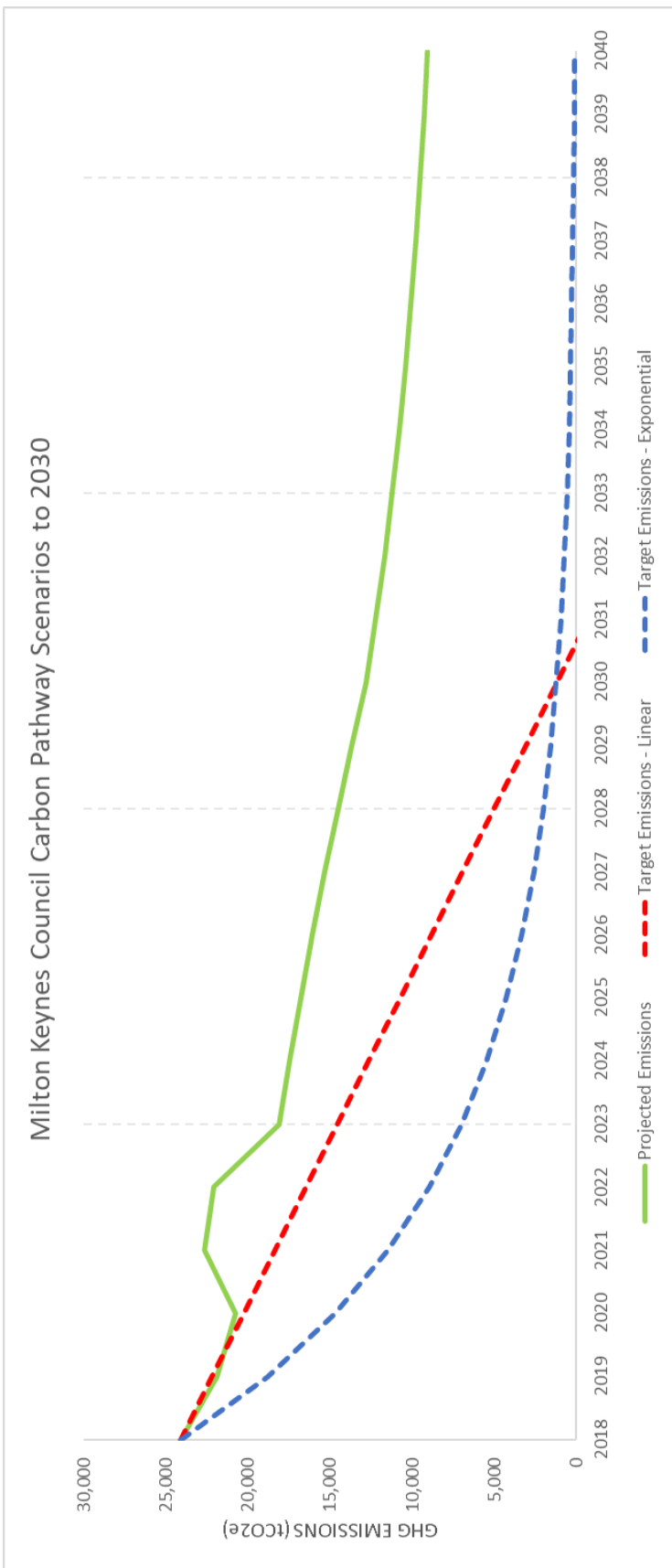
Do nothing scenario – decarbonisation of grid only. Emissions in 2030 17,355 tCO2e



Source: localpartnerships.org.uk

Figure 2 Target emissions scenarios

Planned interventions completed. Emissions in 2030 12,820 tCO2e



Interventions: Re:fit tranche 1, fleet conversions, staff business mileage conversion to EV, street lighting conversion to LED

Increase in projected emissions due to BEIS forecast figures for grid decarbonisation higher than actual.

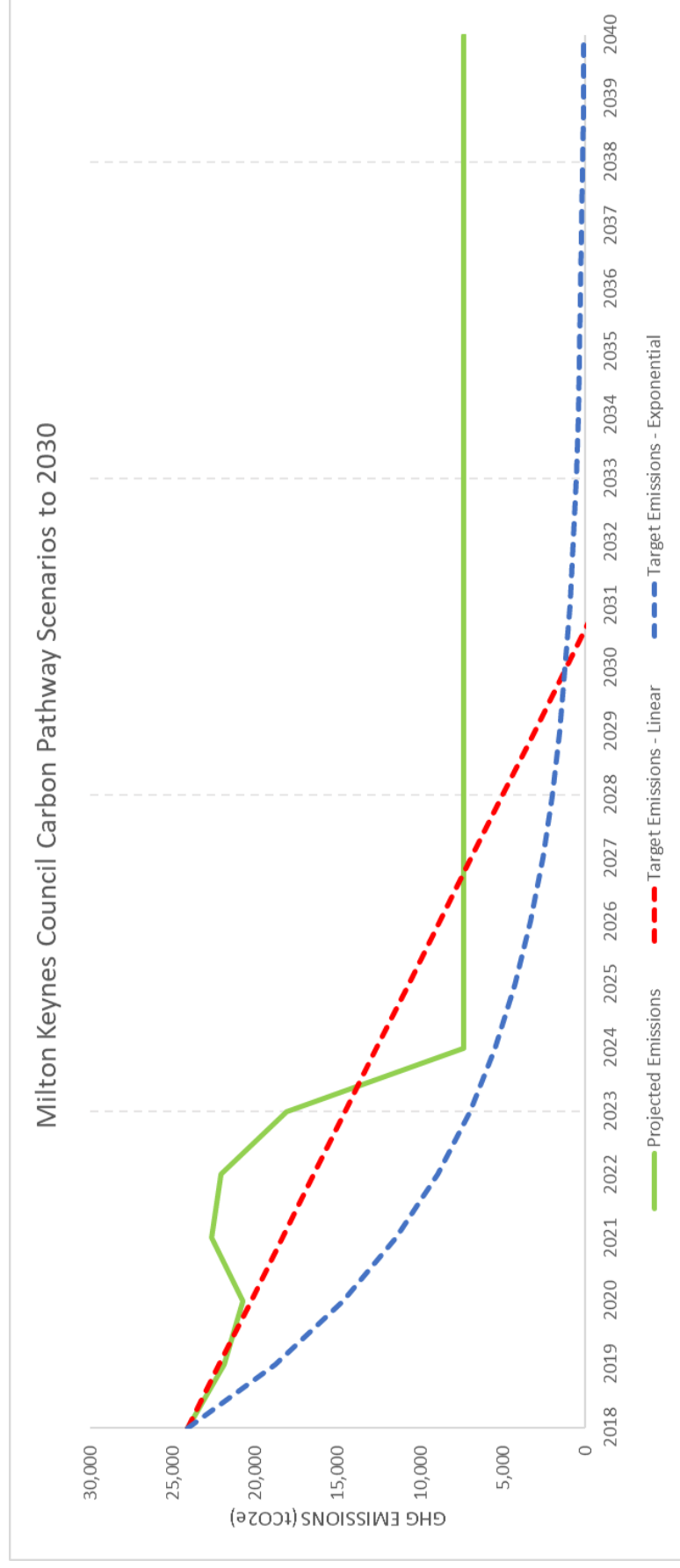
c) **A combination of the decarbonisation of the grid and the delivery of a programme of interventions plus a method to account for the remaining emissions.**

Figure 3 (below) shows what the level of emissions are once all of the planned interventions are accounted for plus a switch to a green electricity tariff to ensure that grid supplied electricity is from renewable sources by 2024 but this highlights that MKC will still need to reduce emissions for its own operations by c 7,000tCO₂e.

To address this emissions gap further, and remain close to the exponential trajectory interventions will be required over the remaining 6 years to 2030. Such interventions will need to become more varied and begin to be designed now, but might include:

- Streetlighting – carbon savings from remainder of the programme to upgrade 19,400 lanterns post 21/22
- Delivery of further tranches of the Re:fit programme across MKC portfolio of buildings and schools.
- Achievement of carbon sequestration from new woodlands – a project currently in development.
- Offset options which could include, for example
 - Development or investment in 31MW of solar would be required to address emissions gap (5MW solar PV requires approx. 6 hectares (c14 acres) or 5 football pitches)
 - Investment in offshore wind farms (RenewableUK/BEIS estimate a single turbine will generate sufficient electricity to offset c25,000 tCO₂e)

Figure 3 Target emissions scenarios
Planned interventions completed, and switch to green tariff. Emissions in 2030 7,370 tCO2e



Interventions: Re:fit tranche 1, purchase of green electricity in 2024, fleet conversions, staff business mileage conversion to EV, street lighting conversion to LED
 Increase in projected emissions due to BEIS forecast figures for grid decarbonisation higher than actual.

Cabinet report



15 December 2020

Council Tax Base 2021/22

Name of Cabinet Member	Councillor Rob Middleton Cabinet member for Resources
Report sponsor	Steve Richardson Director Finance and Resources
Report author	Lisa Wheaton Budget and Financial Planning Manager lisa.wheaton@milton-keynes.gov.uk 01908 254827

Exempt / confidential / not for publication	No
Council Plan reference	1 – Balanced Budget
Wards affected	All wards

Executive Summary

The report sets out; the main assumptions used in calculating the Council Tax Base for 2021/22; confirms the level of funding the Council will pay to town and parish councils for Local Council Tax Reduction and how this funding will be distributed.

The Business Rates Baseline 2021/22 will be included with the Draft Budget report going to Delegated Decision in December.

1. Decision/s to be made

- 1.1 That the 2021/22 Tax Base be set at 86,213.75 Band D equivalent properties.
- 1.2 That the provision for uncollectable amounts of Council Tax for 2021/22 be set at 2.60% producing an expected collection rate of 97.4%.
- 1.3 That the proposed 2021/22 funding contribution to parish and town councils of £0.325m, as set out in Annex D, be noted and recommended to Council for approval as part of the final Budget in February 2021.

2. Why is the decision needed?

2.1 The purpose of this report is to set out:

- the main assumptions used in calculating the Council Tax Base for 2021/22
- the level of Council funding to be distributed to parish and town councils in 2021/22 to offset a proportion of their financial loss as a result of Local Council Tax Reduction Scheme (LCTRS)
- the funding distribution between the individual parishes and town councils

Funding for Parishes

2.2 The introduction of the LCTRS reduces the Tax Base, and therefore the Council Tax income collected by individual precepting bodies. However, Central Government funding to major preceptors offset a significant proportion of the impact for this change, although this is reducing each year.

2.3 Additional Government funding, as part of Revenue Support Grant (RSG) is also provided to major precepting authorities on behalf of town and parish councils to offset a proportion of their reduced Tax Base as a result of the scheme. From April 2013 this grant has formed part of the Council's RSG.

2.4 The RSG is a non ring-fenced source of funding that the Council receives from the Government for the provision of statutory functions and local service provision and together with Business Rates makes up the Council's Formula Grant. In the period 2013/14 to 2019/20 Milton Keynes's RSG had reduced from £61m to £5.5m, a reduction of 90%. Overall Formula Grant had fallen by 48% over this period.

2.5 Following consultation in Summer 2019 the size of funding available was reduced to £0.325m in 2020/21 to reflect the reductions in Formula Grant. A new methodology for distribution was also agreed,

- 50% of grant by notional loss of precept income
- 50% of grant using Index of Multiple Deprivation (IMD2019)

2.6 For 2020/21 transitional funding of £0.125m was also approved.

2.7 For 2021/22 it is proposed that the funding level is maintained at £0.325m and the distribution methodology remains as per paragraph 2.21.

2.8 The provisional funding allocations to parish and town councils are illustrated in Annex D. The final allocations will need to be approved as part of the 2021/22 Budget in February 2021.

3. Implications of the decision

Financial	Yes	Human rights, equalities, diversity	No
Legal	Yes	Policies or Council Plan	Yes
Communication	No	Procurement	No
Energy Efficiency	No	Workforce	No

a) Legal implications

Local Government Finance Act 1992, Local Government Finance Act 2003
Council Tax Reduction Schemes (Prescribed Requirements) (England)
Regulations 2012.

4. Timetable for implementation

4.1 24 February 2021 – Final Budget for Council approval.

Annexes

Annex A - Calculation of Council Tax Base 2021/22

Annex B - Council Tax Base 2021/22 by Parish and Town Council

Annex C - Council Tax Base before Discounts and Exemptions

Annex D – 2021/22 Parish and Town Council Funding Allocations

CALCULATION OF 2021/22 COUNCIL TAX BASE

2020/21		Property Category	2021/22		Notes
Number of Properties	%		Number of Properties	%	
74,729.00	65.9%	Not entitled to Discounts	75,555.00	65.6%	
36,690.00	32.3%	Entitled to 25% Discount	37,675.00	32.7%	
185.00	0.2%	Entitled to 50% Discount	194.00	0.2%	
311.00	0.3%	Entitled to 100% Discount	293.00	0.3%	
<u>111,915.00</u>	<u>98.7%</u>		<u>113,717.00</u>	<u>98.7%</u>	
1,519.00	1.3%	Exemptions/demolished	1,543.00	1.3%	
<u>113,434.00</u>	<u>100.0%</u>	Total Properties	<u>115,260.00</u>	<u>100.0%</u>	1
No of Properties as Band D Equivalents			No of Properties as Band D Equivalents		
95,389.43		Total above as Band D Equivalents	97,074.39		2
1,410.00		Provision for Valuation Change	1,451.50		3
(1,161.58)		Provision for Non Collection	(2,561.70)		4
<u>95,637.85</u>		Total Band D equivalent properties	<u>95,964.19</u>		
(8,947.90)		Impact of Council Tax Reductions	(9,750.44)		
<u>86,689.95</u>			<u>86,213.75</u>		

Notes:

- 1 Numbers of properties are as at 09 September 2019 and 14 September 2020 respectively.
- 2 Tax Base advised to DCLG per CTB1 return. [Band D equivalents of properties at 09 September 2019 and 14 September 2020, adjusted for discounts as at 7 October 2019 and 5 October 2020 respectively].
- 3 The provision for valuation change is for the period from October 2020 to 31 March 2022.
- 4 The provision for non collection is assumed at 2.60% for 2021/22

ANNEX C

MILTON KEYNES COUNCIL TAX BASE - LOCAL TAX BASES BEFORE DISCOUNTS AND EXEMPTIONS

ANNEX C

LOCAL AREAS	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL PROPERTIES
ABBEY HILL	414	373	352	178	392	103	20	0	1,832
ASTWOOD & HARMEAD	2	15	23	10	13	21	32	0	116
BLETCHLEY & FENNY STRATFORD	3,071	2,200	2,063	766	341	59	12	1	8,513
BOW BRICKHILL	7	12	64	45	62	57	17	2	266
BRADWELL	443	1,692	857	548	284	97	22	1	3,944
BROUGHTON & MILTON KEYNES VILLAGE	565	1,674	1,216	1,029	1,262	773	193	1	6,713
CALVERTON	0	6	6	14	15	13	20	3	77
CAMPBELL PARK	966	2,224	1,465	572	331	136	113	5	5,812
CASTLETHORPE	7	57	154	61	95	71	26	3	474
CENTRAL MILTON KEYNES	484	736	1,122	100	78	45	0	1	2,566
CHICHELEY	2	9	14	7	4	5	4	1	46
CLIFTON REYNES & NEWTON BLOSSOMVILLE	3	5	22	11	25	45	51	3	165
COLD BRAYFIELD	3	3	15	13	3	2	7	0	46
EMBERTON	9	41	43	52	29	37	59	5	275
FAIRFIELDS	77	325	162	178	119	136	25	0	1,022
GAYHURST	4	0	4	11	7	8	26	1	61
GREAT LINFORD	1,149	3,166	1,743	1,099	794	380	204	9	8,544
HANSLOPE	78	129	404	160	140	148	77	3	1,139
HAVERSHAM/LITTLE LINFORD	1	13	150	92	32	16	30	7	341
KENTS HILL, MONKSTON & BRINKLOW	172	834	896	518	488	190	37	7	3,142
LATHBURY	0	2	11	11	7	10	7	3	51
LAVENDON	9	51	186	126	103	54	49	4	582
LITTLE BRICKHILL	22	17	55	21	18	17	34	2	186
LOUGHTON	167	456	804	267	300	254	248	7	2,503
MOULSOE	7	21	24	10	22	26	25	1	136
NEW BRADWELL	338	832	157	47	66	9	8	0	1,457
NEWPORT PAGNELL	456	1,878	2,105	1,333	698	163	47	5	6,685
NORTH CRAWLEY	8	37	51	68	91	36	43	3	337
OLD WUGHTON	21	41	37	55	47	121	69	2	393
OLNEY	119	326	956	578	534	268	119	5	2,905
RAVENSTONE	0	2	15	8	17	25	31	5	103
SHENLEY BROOK END	782	2,400	2,702	1,557	1,906	781	322	7	10,457
SHENLEY CHURCH END	458	1,361	1,565	830	578	442	341	15	5,590
SHERINGTON	6	52	60	76	103	47	68	9	421
SIMPSON	111	210	64	142	105	74	15	1	722
STANTONBURY	1,006	1,402	980	562	412	121	5	0	4,488
STOKE GOLDINGTON	14	37	30	40	57	44	40	0	262
STONY STRATFORD	625	646	1,342	487	273	100	62	1	3,536
TYRINGHAM & FILGRAVE	3	4	17	18	13	10	24	6	95
WALTON	508	1,297	1,383	545	599	549	250	2	5,133
WARRINGTON	0	1	1	5	2	1	4	1	15
WAVENDON	24	142	120	143	71	86	28	5	619
WEST BLETCHLEY	1,129	2,533	3,719	1,230	684	239	60	5	9,599
WESTON UNDERWOOD	2	3	20	18	18	16	24	7	108
WHITEHOUSE	77	140	207	260	133	200	13	0	1,030
WOBURN SANDS	78	310	366	457	288	142	33	2	1,676
WOLVERTON	1,020	3,131	1,097	448	132	22	8	0	5,858
WUGHTON	2,782	1,961	385	64	21	1	2	3	5,219
Total by Billing area	17,229	32,807	29,234	14,870	11,812	6,200	2,954	154	115,260

ANNEX D

2021/22 Parish and Town Council Funding Allocations

Parish	Loss of Tax Base Band D equivalents	Estimated Precept pre LCTRS (with 2020/21 band D)	Estimated precept post LCTRS (2020/21 band D)	Loss of precept income	Grant Allocation	Loss of income (% for all parishes)	Percentage Loss	IMD 2019 Score (within highest 30% only)	Grant Allocation	Total 2021/22 Grant Allocation	2020/21 Grant (incl transitional funding)	Loss of Grant/(Increase in Grant)
	£	£	£	£	£	£	%		£	£	£	£
ABBEY HILL	116.03	71,139.98	65,721.38	5,418.60	0.00	5,418.60	7.62%		0	0	231.80	231.80
ASTWOOD and HARDMEAD	4.42	7,308.10	7,069.02	239.08	0.00	239.08	3.27%		0	0	-	(0.00)
BLETCHLEY & FENNY STRATFORD	1,035.27	864,965.41	717,791.43	147,173.98	27,551.20	147,173.98	13.83%	277.63	40,930.65	68,482	75,935.76	7,453.91
BOW BRICKHILL	13.80	17,587.61	16,721.94	865.67	0.00	865.67	4.92%		0	0	-	(0.00)
BRADWELL	410.87	166,378.74	144,158.89	22,219.85	0.00	22,219.85	13.35%	30.70	4,525.26	4,525	10,193.67	5,668.41
BROUGHTON and MILTON KEYNES	331.18	208,468.33	197,310.88	11,157.45	0.00	11,157.45	5.35%		0	0	0.00	(0.00)
CALVERTON	0.23	0.00	0.00	0.00	0.00	0.00	0.00%		0	0	-	0.00
CAMPBELL PARK	651.99	837,975.84	717,625.01	120,350.83	4,460.65	115,890.18	13.83%	87.45	12,893.05	17,354	44,583.99	27,230.28
CASTLETHORPE	27.47	33,935.01	31,942.88	1,992.12	0.00	1,992.12	5.87%		0	0	52.42	52.42
CENTRAL MILTON KEYNES	143.35	163,880.46	152,703.47	11,177.00	0.00	11,177.00	6.82%		0	0	2,370.98	2,370.98
CHICHELEY	5.40	615.27	539.34	75.92	0.00	75.92	12.34%		0	0	21.41	21.41
CLIFTON REYNES and NEWTON	5.91	7,555.67	7,339.19	216.48	0.00	216.48	2.87%		0	0	-	(0.00)
BLOSSOMVILLE	2.06	764.35	727.19	37.16	0.00	37.16	4.86%		0	0	25.22	25.22
COLD BRAYFIELD	16.29	18,579.17	17,562.18	1,016.98	0.00	1,016.98	5.47%		0	0	95.22	95.22
EMBERTON	24.95	46,504.31	45,275.53	1,228.79	0.00	1,228.79	0.00%		0	0	-	(0.00)
FAIRFIELDS	0.64	3,026.22	3,003.72	22.50	0.00	22.50	0.74%		0	0	-	(0.00)
GAYHURST	809.86	476,622.36	420,612.45	56,009.92	0.00	56,009.92	11.75%	35.24	5,195.91	5,196	19,948.16	14,752.25
GREAT LINFORD	62.42	144,112.43	136,015.31	8,097.12	0.00	8,097.12	5.62%		0	0	214.97	214.97
HANSLOPE	13.94	22,933.90	21,972.46	961.44	0.00	961.44	4.19%		0	0	-	(0.00)
HAVERSHAM cum LITTLE LINFORD	194.45	120,310.83	111,696.69	8,614.13	0.00	8,614.13	7.16%		0	0	912.93	912.93
KENT'S HILL, MONKSTON & BRINKLOW	0.00	1,508.55	1,508.55	0.00	0.00	(0.00)	0.00%		0	0	-	(0.00)
LATHBURY	27.45	34,055.83	32,450.55	1,605.28	0.00	1,605.28	4.71%		0	0	50.16	50.16
LAVENDON	11.64	13,339.30	12,530.44	808.86	0.00	808.86	6.06%		0	0	50.16	50.16
LITTLE BRICKHILL	151.29	94,038.39	88,015.53	6,022.85	0.00	6,022.85	6.40%		0	0	410.68	410.68
LOUGHTON & GREAT HOLM	14.88	6,854.67	6,172.87	681.80	0.00	681.80	9.95%		0	0	120.27	120.27
MOULSOE	158.47	81,192.94	68,654.80	12,538.15	1,309.34	11,228.80	13.83%	34.61	5,102.58	6,412	6,483.71	71.78
NEW BRADWELL	355.44	743,748.22	695,756.71	47,991.51	0.00	47,991.51	6.45%		0	0	1,835.80	1,835.80
NEWPORT PAGNELL	17.41	18,977.96	18,047.39	930.56	0.00	930.56	4.90%		0	0	-	(0.00)
NORTH CRAWLEY	19.48	9,388.04	8,969.02	419.01	0.00	419.01	4.46%		0	0	-	(0.00)
OLD WUGHTON	148.24	275,283.41	260,327.48	14,955.93	0.00	14,955.93	5.43%		0	0	-	(0.00)
OLNEY	6.96	9,500.85	8,987.97	512.88	0.00	512.88	5.40%		0	0	-	(0.00)
RAVENSTONE	781.65	764,925.59	701,221.11	63,704.48	0.00	63,704.47	8.33%		0	0	12,932.78	12,932.78
SHENLEY BROOK END	387.56	362,917.31	334,625.43	28,291.88	0.00	28,291.88	7.80%		0	0	6,569.50	6,569.50
SHENLEY CHURCH END	22.45	37,920.58	36,054.31	1,866.27	0.00	1,866.27	4.92%		0	0	0.00	(0.00)
SHERINGTON	57.27	61,496.87	55,784.19	5,712.68	0.00	5,712.68	9.29%		0	0	2,142.56	2,142.56
SIMPSON	421.92	448,607.27	394,420.09	54,187.19	0.00	54,187.19	12.08%	65.80	9,700.53	9,701	21,425.55	11,725.02
STANTONBURY	16.24	16,567.61	15,600.19	967.42	0.00	967.42	5.84%		0	0	76.35	76.35
STOKE GOLDINGTON	296.03	245,777.09	219,871.50	25,905.59	0.00	25,905.58	10.54%	47.95	7,068.81	7,069	8,221.89	1,153.08
STONY STRATFORD	3.17	1,600.35	1,555.65	44.70	0.00	44.70	2.79%		0	0	-	(0.00)
TYRINGHAM & FILGRAVE	369.74	445,664.46	409,267.25	36,397.21	0.00	36,397.21	8.17%		0	0	7,808.41	7,808.41
WALTON	0.00	0.00	0.00	0.00	0.00	0.00	0.00%		0	0	-	0.00
WARRINGTON	26.44	38,506.76	37,296.60	1,210.16	0.00	1,210.16	3.14%		0	0	-	(0.00)
WAVENDON	884.97	1,113,244.71	983,693.96	129,550.76	0.00	129,550.76	11.64%	90.32	13,314.84	13,315	38,314.84	25,000.00
WEST BLETCHLEY	1.90	10,171.53	10,016.41	155.12	0.00	155.12	1.53%		0	0	-	(0.00)
WESTON UNDERWOOD	19.54	61,914.42	60,781.10	1,133.32	0.00	1,133.32	0.00%		0	0	-	(0.00)
WHITEHOUSE	81.19	142,359.56	134,714.71	7,644.85	0.00	7,644.85	5.37%		0	0	355.67	355.67
WOBURN SANDS	626.40	514,760.62	437,907.60	76,853.02	5,662.77	71,516.24	13.83%	118.72	17,502.49	23,165	32,694.11	9,528.84
WOLVERTON	972.18	770,020.01	540,011.94	230,008.07	123,516.02	106,492.04	13.83%	313.82	46,265.88	169,782	155,610.65	(14,171.25)
WUGHTON												
TOTAL	9,750.44	9,537,007	8,390,032	1,146,974.59	162,500.00	984,474.59		1,102.24	162,500.00	325,000.00	449,639.45	124,639.45

Cabinet report



15 December 2020

General Fund Revenue, Housing Revenue Account, Dedicated Schools Grant and Capital Programme Forecast Outturn Report for Quarter 2

Name of Cabinet Member	Councillor Rob Middleton Cabinet member for Resources
Report sponsor	Steve Richardson Director for Finance and Resources
Report author	Anna Rulton Head of Finance (Deputy Section 151 Officer) Anna.Rulton@Milton-Keynes.gov.uk 01908 252482

Exempt / confidential / not for publication	No
Council Plan reference	1 – “A Balanced Budget”
Wards affected	All wards

Executive Summary

This report sets out the 2020/21 Quarter (QTR) 2 forecast outturn for the General Fund (GFRA); Dedicated Schools Grant (DSG); Housing Revenue Account (HRA) Capital Programme and Tariff Programme; based upon income and expenditure as at 30 September 2020.

The financial impact of the pandemic still cannot be fully understood. The level of uncertainty over the wider economic and social impacts and behavioural changes are yet to be felt. The Council has modelled 3 different scenarios to illustrate the scale of the financial impact that the Council could face in 2020/21 and over the medium term. This report is based on the medium impact.

For 2020/21 based on the current level of financial support provided by government these scenarios provide an estimated financial position of between £1.859m underspend and £3.441m overspend.

Using the Medium Scenario, we are currently forecasting a General Fund underspend of £0.182m. Whilst there is an underspend of £1.018m of non-COVID-19 related income and expenditure, the forecast includes £19.029m of additional COVID-19 costs and loss of income, £28.783m of additional Government Grant funding and £10.590m of estimated loss of income on the Collection Fund.

The Housing Revenue Account (HRA) forecast outturn is £0.517m underspend, which will be offset by an increase in the planned level of Revenue Contribution to Capital (RCCO).

The Dedicated Schools Grant (DSG) is forecasting an improved position with an estimated surplus carry forward £2.564m rather than estimated budgeted surplus of £1.937m.

Public Health budget is forecasting an underspend of £0.403m which will be transferred to the Public Health reserve.

The Capital Programme is reporting an in year underspend of £16.556m, of which £19.872m is planned to slip to later years, leaving an in year overspend of £3.316m. The total project cost is currently forecast to be £0.244m underspent after funding is brought forward from future years.

The report also includes recommendations to amend the 2020/21 Capital & Tariff Programmes, details of which are included in **Annex's M & N**.

1. Decisions to be made

- 1.1 That the GFRA forecast outturn of £0.182m underspend be noted, together with the management actions set out at **Annex A** of this report.
- 1.2 That GFRA planned savings of £3.768m savings will be achieved (87% of budget) be noted, which is set out in **Annex B** of this report.
- 1.3 That the forecast outturn on the HRA is break even, after an increase in the transfer to reserves be noted, together with the management actions set out at **Annex C** of this report.
- 1.4 That the DSG forecast surplus carry forward of £2.564m be noted, together with the management actions set out at **Annex D** of this report.
- 1.5 That the reserves position as detailed in **Annex E** are noted.
- 1.6 That the additions and amendments to resource allocation and spend approval for the 2020/21 capital programme, as detailed in **Annex N** be approved.
- 1.7 That the forecast outturn on the Capital Programme of £0.244m underspend for the total project of which £3.316m overspend is in 2020/21 as detailed in **Annex F** of this report be noted.
- 1.8 That the additions and amendments to resource allocation and spend approval for the 2020/21 Tariff programme, as detailed in **Annex M** be approved.

- 1.9 That the current position of the 2020/21 tariff programme as detailed in **Annex G** be noted.
- 1.10 That the debt position of the Council at the end of quarter 2 is detailed in **Annex H** are noted.
- 1.11 That the Treasury Management report as detailed in **Annex I** are noted.
- 1.12 That the virements to the original budget as detailed in **Annex J** are noted.
- 1.13 That the current position on the Collection Fund as detailed in **Annex K** are noted.
- 1.14 That the procurement waiver decisions as detailed in **Annex L** are noted.

2. Why is the decision needed?

- 2.1 To ensure that the Council delivers a balanced budget in 2020/21 in line with the Council Plan.

Key Issues

General Fund Revenue Account (GFRA)

- 2.2 The year to date variation at the end of period 6 showed an overspend of £9.144m of which £14.595m relates to the impact of COVID-19. This is offset by £18.342m grant income to date.
- 2.3 General Fund Revenue Account (GFRA) – is currently forecasting an underspend of £0.182m (£0.836m COVID-19 overspend offset by £1.018m underspend on non-COVID-19 impacted services).
- 2.4 The Impact of COVID-19 has meant additional spending to react to the Pandemic, loss of income to the Council for services being shut or lower demand and lower collection rates of both Council Tax and Business rates leaving a huge impact on the Collection Fund. This has been offset by support from the Government by the income support scheme, which allows the Council to recover up to 70% of fees and charges income losses, forecast to be £8.471m, and £20.312m General Fund Government Support.
- 2.5 A number of other grants have been provided by the Government to support the impact of COVID-19 on the Council. These are detailed in **Annex A**.
- 2.6 Whilst we are immediately seeing the impact of loss of income and additional expenditure on some of our service, we have not yet seen the impact on demand for other services within the Council, in particular Social Care.
- 2.7 The reported expenditure and forecasts do not include provision for the estimated 2020/21 costs of the fire safety issues at the tower blocks, Mellish Court and The Gables. These are currently estimated to be for the General Fund additional Temporary Accommodation costs of £0.104m, and for the Housing Revenue Account additional management & maintenance costs of £2.018m. The estimated costs for 2021/22 will be provided for within the draft revenue budget proposals.

2.8 The GFRA forecast outturn variance, scenario assumptions and management actions set out at **Annex A** of this report.

2.9 The key material Service COVID-19 cost and income losses are:

- a) Income loss from car parking due to demand is currently forecasting a £9.3m pressure. The car parking pressure could be higher if usage reduces and lockdown is prolonged.
- b) Adult Services is forecasting a significant pressure in excess of £3.863m due to COVID-19.
- c) The pressure is due to a combination of increased spend of £1.229m on Supported Living to provide 1:1 care in place of Day Services; provision of direct financial support to Care Homes of £1.007m to cover additional staff and PPE costs; Hotel and Accommodation costs of £0.669m for Rough Sleepers and the balance is made up of a loss of Income on Day Care.
- d) As a result of the pandemic and closure during lockdown impacting on their income stream, a provision has been made for income due from the Casino not being received.
- e) Planning income is currently forecasting a pressure of £1.047m due to the impact of COVID-19.
- f) A leisure contract income has been impacted by covid and the council is having to incur additional one-off costs of £0.140m to support the contract for 6 months.
- g) The Council has also seen an additional cost from waste tonnage and contamination of £0.759m.

2.10 The Council is reporting an improvement of £1.171m since period 3 of non-COVID-19 related forecasts. The Key GFRA Variances since P3 are:

Level 1 – Very High Impact (>£1.000m)

Adult Services Direct Payments (DP), £1.014m - reduction in use of DP as a means of providing care support. The service has found in recent years that DPs are not appropriate or practical, particularly for Frail Elderly. The reduction in use has not been matched by an increase in costs of greater Homecare, Day Care etc.

Level 2 – High Impact (>£0.500m - £1.000m)

Staff, underlying underspend of £0.630m on Assessment, Review, Reablement, Mental Health, Sheltered and Day Services. This is due to a combination of disruption to the recruitment caused by COVID-19 and availability of the right calibre.

Level 3 – Medium Impact (>£0.100m - £0.500m)

- a) Children’s Special Guardianship Order placements is forecasting a potential £0.500m cost as a result of an Ombudsman legal challenge which has resulted in a backdated pay claim to carers relating to May 2018 to March 2020.
- b) Home to school transport is forecasting an underspend of £0.300m as a result of reduced demand in the summer term, government grant funding, re-routing of journeys from September and social distancing measures.
- c) The costs of residual waste have increased during the pandemic as more of us work from home and so generate more waste that goes to the Residual Waste Treatment Facility (RWTF). However, this increase was evident before March 2020 to a degree and meant that the level of tonnage took the council over the zero-gate fee arrangement with the operator. Coupled with this was a change in legislation regarding energy certificates called Levy Exemption Certificates (LEC’s) that was central government funding and formed part of the RTWF operator’s income. This funding has since ceased, and the council is obliged to fund the operator accordingly. The result is that pre 2020/21 costs are £0.270m above that accrued in previous years accounts and £0.187m this year. This is an on-going issue which has been included as a demand in the 2021/22 budget setting process.
- d) There has been a recent DD report regarding a renewed approach to funding concessionary travel. COVID- 19 has highlighted a position that already existed in that fixed funding contracts with a major bus operator was not flexible enough to reflect reduced patronage over the last couple of years. A decision was made recently to fund bus operators at 80% of previous costs from October 2020 which will result in a saving in 20/21 of £0.496m and will increase further in 2021/22.

Housing Revenue Account (HRA)

2.11 The HRA is reporting a projected underspend which will be offset by an increase contribution to Capital, details of which are found in **Annex C**, Table 1.

2.12 All key forecast variances are set out in **Annex C**, Table 2. This includes details of the projected financial impact, action being taken by the responsible Head of Service, timelines and the anticipated outcome.

2.13 Key HRA Variances movements since P3

Level 1 – Very High Impact (>£1.000m)

(£1.164m) Following the review of the non-essential budgets and working closely with budget managers, a total of (£0.479m) has been identified, with further (£0.696m) of vacancy savings, post pay awards and agreed pro-rata in year budgets re-allocation for recruitment, approved by CLT. These savings have resulted in additional Revenue Contribution to Capital, offset by COVID-19 and Non-COVID-19 impact in other service areas.

Level 2 – High Impact (>£0.500m - £1.000m)

The key issue in the HRA is the impact of COVID-19 on rent income. Though the impact is slow to materialise because of delays in Universal Credit payments, the current forecast is for an increase of £0.813m in provisions for arrears and bad debts.

Level 3 – Medium Impact (>£0.100m - £0.500m)

None.

Public Health

2.14 Public Health is forecasting a contribution to reserves of £0.403m (overall there is a net nil variance after use of reserves as the funding is ring-fenced). The in-year underspend is a result of vacancies across Milton Keynes, Bedford Borough Council and Central Bedfordshire Council in a Shared Service operating model and some underspends against contracts (including Substance Misuse and Smoking services) due to activity being lower than anticipated.

Dedicated Schools Grant (DSG)

2.15 When the budget was set, it was anticipated that there would be a surplus carry forward of £2.636m from 2019/20, however the actual carry forward was a surplus of £2.185m. The 2020/21 budget was set with a budgeted surplus carry forward of £1.936m, however the forecast carry forward is expected to be £2.564m. The reduced carry forward from 2019/20 is partially offset with an in-year underspend on the schools and high needs blocks. Further information can be found in **Annex D**.

2.16 The funding blocks within the DSG are now ring-fenced (with effect from 2018/19) and all key forecast variances are set out in **Annex D** to this report.

2.17 The main areas of risk is in high needs where there have been increases in the number of children requiring support at increasing levels of complexity. High needs funding remains a national issue and although we currently have a high needs surplus, this is one off and the future funding increases remain uncertain on the DSG and have not up until now, kept up with demand. The early years block is very volatile and remains uncertain in terms of the level of take up due to the impact of COVID-19. There is a low level of contingency in the block in which to deal with the pressures should they arise.

Delivery of Savings

2.18 Savings of £3.696m were approved for implementation in 2020/21 and £0.631m savings carried forward from 2019/20, a total of £3.518m (81%) are forecast to be delivered in year, £0.250m (6%) saving brought forward from future years and £0.809m (13%) will either not be delivered until next year or are undeliverable. Where the saving cannot be delivered or not the full amount needs to be considered in the 2021/22 budget.

2.19 A full schedule of all delayed and non-deliverable budget reductions and income proposals is attached at **Annex B** to this report and sets out the detailed position on each of the individual proposals.

Collection Fund

2.20 The Collection Fund includes all income generated from council tax and business rates that is due in the year, including arrears, from council taxpayers and ratepayers.

2.21 It is currently forecast that the Collection Fund for both Council tax and business rates will have an in- year deficit for 2020/21 due to the impact of COVID-19. This deficit has been fully funded in 2020/21.

2.22 Regulations have been amended to allow this deficit to be spread over three years rather than having to be paid back fully in the following year.

2.23 The Current Position of the Collection Fund is reported in **Annex K**.

Reserves

2.24 The main reasons the Council holds reserves are to:

- manage known financial risks;
- hold funding as one-off contributions to expenditure, allowing ongoing revenue budget reductions;
- manage timing differences between the receipt of funding and actual spend; and
- hold ring-fenced funds such as specific grants, trusts, schools or the HRA.

2.25 Reserves can only be used once, so should not be used to fund recurring planned spend, in particular they should not be used to balance the budget; this is one of our key financial principles. Reserves are monitored during the year and reviewed at year end and when setting the budget to determine whether any need to be replenished.

2.26 The reserves include uncommitted balance of £4.157m which has been earmarked to offset the impact of COVID-19 and in addition a further £3.5m of uncommitted Social Care Grant. This funding is one-off and should be viewed as a backstop option considering the potential risks for 2021/22. These funds have been moved into a separate 'COVID-19' reserve to help support the Councils budget position.

2.27 The Council also has a working balance of £22.9m. This is slightly above the minimum recommended level. In the current situation it may be necessary to temporarily use some of this funding to help manage the future budget challenges. However, in order to ensure that the Council can set a legally robust budget any use of this would need to be accompanied with a clear plan on how this balance would be restored in the future.

2.28 **Annex E** shows the reserves balances based on actual spending and contributions made as part of the MTFP and new in year movements approved by the Chief Finance Officer in line with the Council’s Constitution.

Revisions to the Capital Programme

2.29 There are a number of schemes that were not included in the original 2020/21 capital programme but have now completed the officer review process. Cabinet approval for resource allocation and spend approval is now sought to include new capital projects (summarised in **Annex N**) in the 2020/21 capital programme.

2.30 **Table 1** summarises the changes on the capital programme.

Table 1 – Summary of the changes to the 2020/21 Capital Programme

	Resource Allocation 20/21	Spend Approval 20/21	Total Resource Allocation	Total Spend Approval
	£m	£m	£m	£m
2020/21 Capital Programme as agreed 1 September 2020 Cabinet	130.685	130.685	358.288	180.103
New Projects	16.117	16.117	16.117	16.117
Amendments to Existing Project agreed by DD 20 Oct 2020	(0.113)	(0.113)	0.462	0.462
Amendments to Existing Project	10.454	10.454	81.346	81.346
Total	157.143	157.143	456.213	278.028

2.31 The new schemes submitted for inclusion in the 2020/21 capital programme are:

- a) **1 Bed Acquisitions £4.539m** - The Council has supported over 150 vulnerable people housed in hotels and other forms of emergency accommodation since the start of the COVID-19 pandemic. The government has stated our attention must now shift to ensure that individuals do not return to the streets following this initial period of emergency accommodation. The Next Steps Accommodation Programme supported by The Ministry of Housing, Communities and Local Government (MHCLG), has made available the financial resources needed to support local authorities to do this work. As part of the bid we have committed to purchase 30x 1 bed/bedsit properties for move on accommodation.

- b) **Granby Court and Everglade House £0.621m** –The Green Homes Grant has been awarded for £0.414m to assist with the delivery of energy efficiency improvements within the Borough. The grant, together with additional funding from the HRA Community Heating Project £0.207m, will fund the energy efficiencies to 268 dwellings/units at Granby Court and Everglade House including the provision of a low carbon heating system, renewable energy sources, fabric insulation, energy efficient lighting and building management systems.
- c) **Fairfields Area 11 Allotment Site £0.243m** - Tariff funding has been allocated to deliver the new Allotments at Fairfields in the Western Expansion Area (WEA) to lay out the Allotment areas as agreed with Fairfields Parish Council. There is an identified need for new facilities of sufficient scale to serve the needs of the expanding population and this includes the requirement for new Allotments.
- d) **Tower Block Improvement Project (Mellish Court & The Gables) £2.891m.** The buildings do not meet current fire safety standards, therefore funding is required to ensure both Mellish Court and The Gables are safe whilst the buildings are emptied to facilitate refurbishment or demolition & new build programme is undertaken. This will be funded from within the HRA programme.
- e) **Fishermead – Modular £6.535m.** Temporary accommodation for 70 homes for homeless households under a licence. The project is intended to reduce the number of homeless people in the borough and reduce the strain in temporary accommodation on the MKC general fund. This will be funded from within the HRA programme.
- f) The Council has received £1m advanced funding obtained from MHCLG in relation to the Bletchley Towns Deal to accelerate key improvement projects within the area. This funding will be used for the following projects:
- **Bletchley Fire Station Site £0.200m** - To prepare the formal Bletchley Fire Stations Site for repurposing/redevelopment
 - **Bletchley Blue Lagoon Redway links £0.671m** - Construction of three new Redway links to improve connectivity within Bletchley and to the Blue Lagoon site.
- g) **VMWare Enterprise agreement £0.417m.** VMWare desktop virtualisation software is used by the Council to provision Windows desktops to the majority (1700) of council employees and delivers the remote working solution that is supporting staff during the pandemic. The Enterprise License is required to maintain the on premises software assurance and upgrade / support rights during the 2 years of the new agreement. This will be funded by single capital pot grant.

2.32 Approval is sought for the following amendments to resource allocation and spend approval:

- a) **Hanslope Primary School and associated Nursery 1FE Expansion - agreed by DD 20 October 2020 £0.462m** - Following the Pre-Construction Service Agreement (PCSA) stage, there is an increase in cost to the construction contract from the original award of £3.2m to the budget sum of £3.69m. A additional contribution of £0.462m, funded by basic need allocation, is sought to deliver this additional contract cost and deliver the project, together with £0.133m being rephased into later years.
- b) **Fullers Slade Regeneration £0.399m** – additional resource allocation and spend approval of £0.399m in 2020/21 has been requested to cover extra costs needed for Design Team fees, additional surveys, and contingency. This project is funded from a HRA revenue contribution.
- c) **5 Year Housing Capital Investment Programme £1.775m** - The purpose of this project is to deliver essential investment works to MKC housing stock. Following an original cautious approach to spend approval request in the July DD due to assumptions around COVID 19 restrictions. Projects including window and fencing replacements have been able to be delivered ahead of initial prudent estimates of delivery, resulting in current allocation being expended. Recourse capacity and availability allows us to increase this year's programme and avoids over demand in future years. This project is funded within existing funding within the 5 year capital programme by revising the allocations for each year.
- d) **Tattenhoe Park Community Wellness Hub £0.146m** - additional resource allocation and spend approval request of £0.146m is requested to cover the additional costs of the build. This project is funded from S106 £0.122m and an underspend on Emerson Valley Sports Pavilion Remedial works £0.024m.
- e) **Purchase of Properties (Council Dwellings)**. The capital programme for 2020/21 was reviewed in July DD to assess the likelihood of delivery of projects in year taking into account the impact of COVID-19, and the resource allocation for this project was reduced in year and pushed back to 2021/22. However, spend has resumed following lockdown and we are anticipating in meeting more than the additional target in year, therefore £5.5m of 2021/22 resource allocation will be brought forward into 2020/21.
- f) **Housing Infrastructure Fund (Highways) £88.824m** A DD was approved on the 28 July to accept £94.6m of grant funding for Highways and Social Infrastructure to support Housing Delivery East of the M1. The grant will fund new highway infrastructure, together with a new primary school and community health hub. Approval is sought to add £88.824m, financed by Government grant, to the capital programme to fund the resources required to progress the highway infrastructure that will be delivered as part of the development.

2.33 Spend approval requests for projects within the 2020/21 capital programme, are summarised in Annex N.

2020/21 Capital Monitoring

2.34 **Table 2** shows a summary of the forecast position for the 2020/21 capital programme compared to budget (resource allocation). The current position shows an underspend of £16.556m; however after forecast slippage of £19.872m, this will result in an overspend of £3.316m in year. Funding already allocated in future years will be used to offset this overspend.

2.35 Detailed individual project forecast, including total project positions are detailed in **Annex F**.

2.36 **Table 2: Capital Programme – 2020/21 Forecast at 30 September 2020**

Capital Summary	Forecast to Year End			Forecast after Slippage	
	2020/21 Project Budget	2020/21 Forecast Outturn	In year forecast Variation	Project Slippage to later Years	2020/21 Forecast Under/Overspend
Service	£m's	£m's	£m's	£m's	£m's
Adult Social Care	0.648	0.648	0.000	0.000	0.000
Children Services	32.759	34.213	1.454	1.472	2.927
Housing and Regeneration - HRA	78.141	64.905	(13.236)	13.437	0.201
Housing and Regeneration - GF	1.124	1.110	(0.014)	0.014	0.000
Corporate Core	5.513	4.994	(0.519)	0.519	0.000
Policy, Insight & Comms	0.063	0.063	0.000	0.000	0.000
Growth, Economy and Culture	7.445	5.843	(1.603)	1.630	0.027
Environment and Property	30.193	27.969	(2.224)	2.384	0.161
Resources	1.258	0.842	(0.415)	0.415	0.000

Capital Programme Requirements	157.143	140.587	(16.556)	19.872	3.316
Capital Financing					
Capital Receipts	(13.880)	(13.880)	0.000	0.000	0.000
Major Repairs Reserve	(27.041)	(27.041)	0.000	0.000	0.000
Government Grants	(44.879)	(44.879)	0.000	0.000	0.000
Prudential Borrowing	(4.206)	(4.206)	0.000	0.000	0.000
Developer Contribution	(15.749)	(15.749)	0.000	0.000	0.000
Third Party Contributions	(4.954)	(4.954)	0.000	0.000	0.000
Parking Income	(0.050)	(0.050)	0.000	0.000	0.000
Revenue Contributions	(40.798)	(40.798)	0.000	0.000	0.000
New Homes Bonus	(5.586)	(5.586)	0.000	0.000	0.000
Total Capital Financing	(157.143)	(157.143)	0.000	0.000	0.000
Net Surplus / Deficit	0.000	(16.556)	(16.556)	19.872	3.316

2.37 Key Project Variances

Glebe Meadows Primary & Secondary School £2.903m - Detailed design work to develop cost plan continues (target completion end Dec 21). Updated cashflow from Contractor has indicated an early ordering of materials to enable starting on site in early Jan instead of early Feb 21 to assist programme. This has resulted in change to spend profile. The project is forecast to meet the total resource allocation for this project.

2.38 2020/21 Key Slippage to later Years

- a) HRA New Build Housing programme £12.742m forecast slippage to 2021/22 due to changes to the procurement process, delays in planning permission process and revisions to the original programme specification. Forecast completion dates for the projects have now been identified as March 22.
- b) Whitehouse Community Facility £1.300m forecast slippage to 2021/22. The existing contractor of school unable to delivery project within current resources. A review of procurement options to deliver project is required. The Project is expected to complete March 2022.

- c) Fairfield Leisure and Community Facilities £0.200m forecast slippage to 2021/22. Works to construct the Fairfields Sports Hub access road, car parking and associated footpaths/fencing plan to start work Oct 2020, completion dependant on changing room work completion. The car park is expected to slip into 2021/22 with Current budget assumes completion of the whole project in year.
- d) Passenger Transport £0.596m forecast slippage to 2021/22. Programme delayed owing to Highways resource issues that are being resolved. Forecast completion date remains at the March 2022.
- e) V6 Grid Road Corridor Improvement Schemes £0.500m forecast slippage to 2021/22. Delays on detailed design due to Utilities COVID-19 restrictions. The forecast completion date remains at the March 2022.
- f) Special Education Needs additional place Programme £0.810m due to delay in the works, forecast completion date remains at the March 2022.

Revisions to the Tariff Programme

2.39 Cabinet approval for resource allocation and spend approval is sought to include new Tariff projects (summarised in **Annex M**) in the 2020/21 Tariff Programme.

Table 3 – Summary of the changes to the Tariff Programme

	Resource Allocation	Spend Approval
	£m	£m
2020/21 Tariff Programme as agreed September 2020 Cabinet	38.203	38.203
Cash Investments	0.170	0.170
Total	38.373	38.373

2.40 The significant amendments to the 2020/21 Tariff programme are:

Wavendon Playing Fields – request for an additional 0.945m, £0.170m in 2020/21. The majority of the works required to lay out and service the playing fields at Wavendon will be carried out early in the 2021/22 financial year in order to have the pitches ready for use at the beginning of the 2022/23 playing season when the Pavilion building will open. However significant preliminary ecology works have to be carried out before groundworks can commence on the site and this has required the project to be brought forward into this years Capital Programme in order to avoid subsequent delay to next years delivery of the pitches and Pavilion.

2020/21 Tariff Monitoring

2.41 **Table 4** shows a summary of the forecast outturn for the Tariff programme compared to budget for 2020/21. The current position shows an underspend of £6.715m; however after forecast slippage of £6.715m, this becomes a nil variance.

2.42 Detailed individual project forecast, including total project positions are detailed in **Annex G**.

Table 4 - Tariff Monitoring

Tariff Summary	Forecast to Year End			Forecast after Slippage	
	2020/21 Project Budget	2020/21 Forecast Outturn	In year forecast Variation	Project Slippage to later Years	2020/21 Forecast Under/Over spend
Service	£m's	£m's	£m's	£m's	£m's
Roads and Highways	1.330	0.980	(0.350)	0.350	0.000
Public Transport	0.598	0.598	0.000	0.000	0.000
Schools	8.095	8.095	0.000	0.000	0.000
Leisure and Culture	8.578	7.213	(1.365)	1.365	0.000
Social Care and Health	5.000	0.000	(5.000)	5.000	0.000
Other Services	2.327	2.327	0.000	0.000	0.000
Costs of Running	0.135	0.135	0.000	0.000	0.000
Works in Kind	12.310	12.310	0.000	0.000	0.000
Tariff Programme	38.373	31.658	(6.715)	6.715	0.000
Tariff Financing					
Tariff Receipts	(38.373)	(38.373)	0.000	0.000	0.000
Total Tariff Financing	(38.373)	(38.373)	0.000	0.000	0.000
Net Surplus / Deficit	0.000	(6.715)	(6.715)	6.715	0.000

2.43 2020/21 Key Slippage to later Years

- a) MKUH Pathway Unit £5.000m – The Hospital Trust have now (October) received planning permission for the Pathway Unit and are mobilising to deliver this new facility once the ambulance service have moved fully to the new Blue Light Hub. However the majority of the build will now take place in the next financial year and hence the requirement for the Council's funding will fall into 2021/22.

- b) Whitehouse Community Meeting Place £1.365m. Project delayed due to the existing contractor of school and community centre unable to deliver project within current resources. A review of procurement options to deliver project is required. The Project is expected to complete in 2021/22.

Debt Collection and Performance

2.44 **Annex H** details the Council's overall debt position and collection performance in quarter.

Treasury

2.45 **Annex I** reports the current treasury management forecast.

Virements

2.46 Financial procedure rules require virements between services to be reported and agreed, **Annex J** details the virements processed in the quarter.

Procurement Waivers

2.47 Financial procedure rules require all variations to the ordering system to be approved by the Director of Finance and Resources. A summary of the procurement waivers are in **Annex L**.

3. Implications of the decision

Y	Capital	Y	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	Y	Asset Management

a) Financial implications

Capital implications are fully considered throughout the report. Revenue implications as a result of capital schemes are built into the Council's debt financing and other revenue budgets as appropriate through the Medium-Term Planning process. Where significant risks are known they are highlighted in this report.

Any overspend on the General Fund position will impact on the General Fund working balance. If amounts go below the minimum working balance actions will need to be taken to increase the minimum level of reserves and may result in the need for changes to spending plans for future years.

The Finance team are working with Directors to ensure that appropriate plans are put in place and implemented to address non-delivery of budgets from 2019/20 to ensure these do not reoccur in 2020/21. We will be reporting on these at future Cabinet meetings.

b) Legal implications

Legal implications may arise in relation to specific capital schemes or revenue projects. In particular a capital scheme or revenue project may be needed to meet a specific legal requirement. These implications are addressed in the individual project appraisals. There are no significant legal implications arising as a result of this report.

c) Other implications

- Policy: The recommendations of this report are consistent with the Council's Medium Term Financial Plan.
- Carbon and Energy Management: All capital schemes consider Carbon and Energy Management implications at the capital appraisal stage before they are added to the capital programme. All new buildings included within the report for inclusion in the capital programme will be built to achieve EPC rating A.

List of Annexes

Annex A	–	GFRA Variances
Annex B	–	Savings Tracker
Annex C	–	HRA Variances
Annex D	–	DSG Variances
Annex E	–	Reserves Position
Annex F	–	Capital Outturn
Annex G	–	Tariff Monitoring
Annex H	–	Debt Position
Annex I	–	Treasury
Annex J	–	Virements
Annex K	–	Collection Fund
Annex L	–	Procurement Waivers
Annex M	-	Tariff Programme Additions
Annex N	-	Capital Programme Additions

ANNEX A – GENERAL FUND - KEY VARIANCES AND MANAGEMENT ACTIONS

Table 1 - GF High Level Revenue Summary

General Fund High Level Service	Year to Date				Forecast Position				Movement in period		
	2020/21 Budget to Date	2020/21 Actuals to Date	2020/21 YTD Variance	Covid 19 Spend/income loss to date	2020/21 Full Year Budget	Medium Scenario Forecast	Revised Variance	Forecast Position - Covid	Forecast position - Non-COVID	Period 3 Non Covid	Movement since P3
	£m's	£m's	£m's	£m's	£m's	£m's	£m's	£m's	£m's	£m's	
Adult Social Care	39.425	40.510	1.086	2.378	71.337	72.737	1.400	3.863	(2.464)	(0.701)	(1.763)
Public Health	5.527	5.527	0.000	0.000	11.650	11.650	0.000	0.000	0.000	(0.000)	0.000
Children's Services	28.095	26.915	(1.181)	(0.079)	54.513	55.086	0.573	1.050	(0.477)	0.471	(0.948)
Policy, Insight & Communications	(0.293)	0.299	0.592	0.785	0.932	2.088	1.157	0.824	0.333	(0.107)	0.440
Strategy and Futures	0.151	(0.074)	(0.225)	0.000	0.210	0.203	(0.007)	0.000	(0.007)	(0.007)	0.000
Housing and Regeneration	0.492	0.447	(0.045)	0.000	0.873	0.866	(0.008)	0.000	(0.008)	(0.020)	0.012
Growth, Economy and Culture	2.109	3.098	0.989	1.202	5.748	7.356	1.608	1.674	(0.066)	(0.524)	0.458
Environment and Property	13.316	18.005	4.689	6.996	57.464	69.353	11.889	10.839	1.049	0.405	0.645
Resources - Retained MKC	0.221	0.392	0.170	0.339	(1.586)	(0.706)	0.880	0.753	0.127	0.148	(0.021)
Resources - LGSS	(0.194)	(0.194)	0.000	0.000	6.056	6.056	(0.000)	0.000	(0.000)	0.000	(0.000)
Law & Governance	0.275	0.345	0.069	(0.027)	1.989	2.074	0.084	0.026	0.058	0.053	0.006
Debt financing, corporate codes	16.774	19.774	3.000	3.000	(2.562)	(2.127)	0.435	(0.000)	0.435	0.435	0.000
Net Cost of Services	105.898	115.042	9.144	14.595	206.623	224.634	18.011	19.029	(1.018)	0.153	(1.171)
Covid Funding	0.000	(18.342)	(18.342)	(18.342)	0.000	(28.783)	(28.783)	(28.783)	0.000	0.000	0.000
General Fund Requirement	105.898	96.700	(9.198)	(3.747)	206.623	195.851	(10.772)	(9.754)	(1.018)	0.153	(1.171)
Financing											
Council Tax	(129.205)	(129.205)	(0.000)	0.000	(129.205)	(129.205)	0.000	0.000	0.000	0.000	(0.000)
Loss of Funding	0.000	0.000	0.000	0.000	0.000	10.590	10.590	10.590	0.000	0.000	0.000
New Homes Bonus	(3.000)	(3.000)	0.000	0.000	(6.000)	(6.000)	0.000	0.000	0.000	0.000	0.000
NINDR	(27.132)	(27.132)	(0.000)	0.000	(54.264)	(54.264)	0.000	0.000	0.000	0.000	0.000
RSG	(5.592)	(5.592)	0.000	0.000	(5.592)	(5.592)	0.000	0.000	0.000	0.000	0.000
Public Health	(5.781)	(5.781)	0.000	0.000	(11.562)	(11.562)	0.000	0.000	0.000	0.000	(0.000)
Total Financing	(170.710)	(170.710)	(0.000)	0.000	(206.623)	(196.033)	10.590	10.590	0.000	0.000	(0.000)
Net Surplus / Deficit	(64.812)	(74.010)	(9.198)	(3.747)	0.000	(0.182)	(0.182)	0.836	(1.018)	0.153	(1.171)

Introduction

The Council are currently forecasting a General Fund underspend of £0.182m. Whilst there is an underspend of £1.018m of non-COVID-19 related income and expenditure, the forecast includes £19.029m of additional COVID-19 costs and loss of income, £28.783m of additional Government funding and £10.590m of estimated loss of income on the Collection Fund.

As the year progresses, expenditure on COVID-19 is becoming intrinsically linked to service expenditure, therefore for that reason the forecast explanation for the year includes both COVID-19 and non-COVID-19 pressures and savings.

The level of uncertainty over the wider economic and social impacts and behavioural changes are yet to be felt. The Council has modelled 3 different scenarios to illustrate the scale of the financial impact that the Council could face in 2020/21 and over the medium term. This report is based on the medium impact. For 2020/21 based on the current level of financial support provided by government these scenarios provide an estimated financial position of between £1.859m underspend and £3.441m overspend.

GFRA Forecast Key Variance and Management Actions

Table 2 - GF High Level Variations

Service Area	Adult Services	Responsible Officer	Victoria Collins	Variance £m	£1.400m
Key Variations:					
Adult Services is forecasting an overspend of £1.400m including committed COVID-19 costs and loss of income on Day Care of £3.863m.					
The COVID-19 pressures are made up of:					
<ul style="list-style-type: none"> • Supported Living care - additional 1:1 cost to cover closure of Day Care, £1.229m • Care Homes – financial support and easement, £1.007m to provide Cashflow support and cover additional staff and PPE cost • Homecare – escalating cost of home care for Service Users unwilling to transfer into more cost-effective residential care, £0.218m • PPE costs, £0.506m • Day Care – loss of Continuing Healthcare (CHC) and Client contributions, £0.234m 					

- Homeless and Rough Sleepers – hotel and accommodation costs as part of Government strategy to get people off the street £0.669m

The COVID-19 costs mask an underspend on non-COVID-19 forecast of £2.464m made up of:

- Direct Payments (DP), £1.014m - reduction in use of DP as a means of providing care support. The service has found in recent years that DPs are not appropriate or practical, particularly for Frail Elderly. The reduction in use has not been matched by an increase in costs of greater Homecare, Day Care etc.

Part of the underspend has been earmarked to cover a shortfall in committed savings in the MTFP in this year and £0.250m in 2021/22.

- Homelessness Prevention & Access, £0.790m including the Homeless Prevention Fund balance.
- Staff, underlying underspend of £0.630m on Assessment, Review, Reablement, Mental Health, Sheltered and Day Services. This is due to a combination of disruption to the recruitment caused by COVID-19 and availability of the right calibre.
- Small balance of £0.060m of underspend across Adult Social Care overheads and running costs which is largely due to disruption due to COVID-19.

Service Area	Public Health	Responsible Officer	Muriel Scott	Variance £m	£0.000m
Key Variations:					
<ul style="list-style-type: none"> • The Public Health grant for 2020/21 is £11.642m. This includes an increase of £0.544m (4.7% increase) that follows successive cuts of 2.3%-2.6% year-on-year since 2016/17. Part of the increase in grant has been earmarked to fund the existing gap between committed expenditure and grant income. • For period 6 the service is forecasting a contribution of £0.403m to the Public Health reserve, increasing the value from £1.222m to £1.625m. This is after allowing for one off expenditure totalling £0.370m to fund projects such as tackling Knife crime and improving health outcomes on regeneration estates. Due to changes in behaviour and reduced access to service during COVID-19, there has continued to be an underspend in Sexual Health service (now totals £0.273m) and the Health Check service (now 					

totals £0.185m), since period 5 this has resulted in additional saving of £0.162m. It is anticipated that demand will remain low for the remainder of the financial year which may have a negative impact on health.

- Further underspends which have been forecasted are attributable to staffing vacancies across the shared service model. In addition, there is a forecast underspend of £0.100m on the 0-19 Children’s commissioned contract due to a reduction on new contract costs (commenced April 2020). There is also a £0.092m forecasted underspend in Substance Misuse due to 2019/20’s payment by outcome not being achieved and a low number of Tier 4 rehab placements due to social distancing measures being enforced. Additionally, there has been a reduced funding allocation from the Casino which has caused a pressure

Service Area	Children’s Services	Responsible Officer	Mac Heath	Variance £m	£0.573m
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Key Variations:

- Children’s Social Work **£0.342m** – legal costs for children’s services are expected to overspend by £0.210m due to the number of cases and complexity of high cost cases. Families with no recourse to public funds forecast overspend of £0.073m as 15 families are now being supported. The Family Support Teams have a staffing overspend of £0.099m due to covering vacant roles and employee absence with agency staff.
- Corporate Parenting **£0.872m** – the regional adoption agency budget is forecasting an overspend of £0.158m due to the number of children being placed and the cost of inter-agency fees. Remand placements forecast overspend of £0.168m due to two young people awaiting court trials. The number of LAC has reduced from a peak in December 2019 at 428, reducing in April 2020 to 404 and reducing further in September 2020 to 393. Whilst the number of LAC remains stable there have been several high cost placements in addition to secure placements being needed. Our care leavers block contract provision is full and there is a lack of move on options for these young people given wider housing accommodation pressures – a focused review of options for this cohort is being undertaken. There has recently been an Ombudsman ruling whereby all special guardianship carers are due a rate revision dating back to May 2018, the cost of this is yet to be quantified but an estimate of £0.500m has been included in the forecast, work is being undertaken to finalise the underpayment.

The impact of COVID-19 on children’s services continues to be difficult to predict at this stage and will need to be monitored. There is a concern that following children returning to school, GP’s and accessing other professional services there is expected to be an increased demand in referrals which will impact on services and could lead to an increase in the number of looked after children and increased demand on social work staff teams.

<ul style="list-style-type: none"> Home to School Transport (£0.297m) – Contract costs overspent in 2019/20, and the higher weekly costs continued into 2020/21. However there have been one-off cost savings in-year due to transport not being delivered as a result of school closures and COVID-19 grant funding from the government. There is a risk that as children return to school that additional transport will be required to replace the use of public buses and respond to any COVID-19 outbreaks. Youth and Community £0.047m – £0.530m pressure across the service due to loss of income as services cease to be offered or are offered at reduced capacity due to the impact of COVID-19. This has been offset by a restructure within Youth MK and reduced spend across the board. Education Attainment and Effectiveness (£0.181m) – reduction in spend due to a reduction in the number of relief staff required during lockdown, however the traded services to schools was able to continue to be delivered resulting in income being achieved over and above the income targets. 				<p>Key Variations:</p> <ul style="list-style-type: none"> The Emergency planning service have been proactive in supporting care homes and raising awareness of COVID-19, and as such spent accordingly to date £0.101m, with a further £0.038m expected for the remainder of the year, to ensure safety measures are in place, as well as providing PPE to care homes and support for the clinically shielded. However, excluding the COVID-19 impact the team would be on target to deliver a break-even budget. As a result of the pandemic and closure during lockdown impacting on their income stream, a provision has been made for income due from the Casino not being received. Net projected excess income over budget (£0.039m) under Milton Keynes intelligence, with income to date in line with 2019/20 and no COVID-19 impact expected on income stream. £0.325m Customer Services saving target is not going to be achieved in this financial year. A business restructure is in progress and the saving is not going to be realised until next financial year. 	
Service Area	Policy, Insight & Communications	Responsible Officer	Sarah Gonsalves	Variance £m	£1.157m

Service Area	Strategy & Futures	Responsible Officer	Geoff Snelson	Variance £m	(£0.007m)
Key Variations:					
<ul style="list-style-type: none"> • Immaterial variance 					

Service Area	Housing & Regeneration	Responsible Officer	Michael Kelleher	Variance £m	(£0.008m)
Key Variations:					
<ul style="list-style-type: none"> • Immaterial variance. 					

Service Area	Growth, Economy & Culture	Responsible Officer	Tracy Darke	Variance £m	£1.608m
Key Variations:					
<ul style="list-style-type: none"> • Planning income is under budget by £1.047m as a mid-point forecast due to the impact of COVID-19. • A leisure contract income has been impacted by covid and the council is having to incur additional one-off costs of £0.140m to support the contract for 6 months. 					

Service Area	Environment & Property	Responsible Officer	Stuart Proffitt	Variance £m	£11.889m
<p>Key Variations:</p> <ul style="list-style-type: none"> • COVID-19 related loss of income totals £10.413m - car parking of £9.3m, new MSCP £0.367m, Sponsorship £0.342m, Registration Services of £0.100m, Building Control of £0.106m, Taxi licencing of £0.158m, Emberton £0.095m. This is a mid-point estimation; car parking could be £1m less income if usage reduces and lockdown prolonged could have a consequence on the other income streams too. • COVID-19 related costs total £1.142m - £0.759m additional waste tonnage and contamination costs and £0.225m temporary mortuary and burial costs along with £0.175m added costs in property for PPE and building related expenses. • There are additional waste tonnage costs and a reduction in energy grants (LECs) that have been incurred since 2018/19 that were under accrued by £0.270m and £0.187m that relate to this year. This is offset to a degree by in year reduced food and garden waste collection and disposal costs of £0.266m. • COVID-19 related savings total £0.513m - £0.444m reduced car parking enforcement costs due to suspension of enforcement during lockdown and £0.069m less costs at the household waste recycling centres after the purchase of a new booking system which will result in on going savings. • Non COVID-19 related pressure relates to £0.480m for Whitehouse Health Centre whereby the premises will not be occupied now until December at the earliest (although this is an in-year pressure as work has been successful in attracting tenants for the building next year). There is also a pressure of £0.119m at Saxon Court due to the early departure of the tenants and £0.120m additional facility management and building repairs costs due to reactive works. In addition, there is £0.135m of income pressures in property relating to rental at Civic and other non-operational buildings that has previously been offset by added income in other areas/reduced costs. More work is being done to understand the on-going nature of these issues. • Finally, there are savings of £0.496m as a result of agreeing a revised, reduced payment mechanism for concessionary fares. 					

Service Area	Finance and Resources	Responsible Officer	Steve Richardson	Variance £m	£0.880m
<p>Key Variations:</p> <ul style="list-style-type: none"> • COVID-19 related costs of £0.425m for extensions to IT contracts, additional Vodafone call/network costs from increased homeworking and additional IT licences plus net loss on court costs income from non-payment of council tax and NNDR totalling £0.390m, the latter likely to rise if the cases are not heard in court from October onwards. 					

Service Area	Debt Financing & Corporate Items	Responsible Officer	Steve Richardson	Variance £m	£0.435m
<p>Key Variations:</p> <ul style="list-style-type: none"> • The pay award for 2020/21 is estimated to be 0.25% higher than budgeted leading to an additional pressure of £0.228m • Investment in recovery framework £0.207m 					

Additional Government Funding Allocations – COVID-19

Funding for General Purposes

The Government has allocated a total of £20.725m of funding to offset the impact of COVID-19 on the General Fund budget, together with, support for loss of income on fees and charges, including loss of parking income, and mitigating the impact on our council tax and business rates collection fund, increased expenditure in social care support ,PPE, rough sleeping, increased waste tonnages and so on.

So far, MKC have received £20.725m of Local Authority Support Grant in 4 tranches, with the 4th tranche paid in November. £0.413m was allocated in 2019/20 and the remainder in 2020/21. All of the grant has been committed.

In addition the Council is due to receive £8.4m for the Local Government Income Compensation Scheme, which allows the Council to recover up to 70% of fees and charges income losses.

Funding for Specific Purposes

In addition to the general Government Grant allocation, the council has been managing and accessing various other Government support funds. **Table 3** below shows a list of these grants received and current commitment against each one *.

Table 3 – Specific Grant Funding COVID-19

Grant	Allocation	Commitment
Test and Trace Service Support Grant	1.065	Part allocated, remainder in progress
Reopening High Streets Safely Fund	0.239	Fully Committed £0.239m
Emergency Active Travel Fund	0.228	Fully Committed £0.228m
Food & Essential Supplies	0.268	Fully Committed £0.268m
Home to School Transport	0.245	Fully Committed £0.245m
Local Authority Compliance and Enforcement grant	0.135	Fully Committed £0.135m
Contain Outbreak Management Fund	2.170	In progress
Rough Sleeping Contingency Fund	0.026	Fully Committed £0.026m
Wellbeing For Education Funding	0.043	Fully Committed £0.043m
Total	4.417	

Passported Funding

The Government have also allocated funding which has been passported on to businesses, schools and others within the community. **Table 4** below shows a list of these grants received and current commitment against each one.

Table 4 – Passported Funding COVID-19

Grant	Allocation	Commitment
Hardship Fund	2.322	Fully Committed £2.322m
Business Support Grant	40.156	Fully Committed £40.156m
Local Authority Discretionary Grant Fund	1.256	Fully Committed £1.256m

BID Resilience fund	0.051	Fully Committed £0.051m
Infection Control Fund - round 1	2.012	Fully Committed £2.012m
Infection Control Fund - round 2	2.134	Fully Committed £2.134m
Bus Services Support Grant	0.124	Fully Committed £0.124m
Schools Covid-19 catch up payments	0.887	Fully Committed £0.887
Schools Covid-19 exceptional costs	0.183	Fully Committed £0.183m
Test and Trace Support Payment Scheme	0.216	in progress
Total	49.343	

*Other grant announcements have been made, however they allocation to Milton Keynes has not yet been notified

ANNEX B – BUDGET REDUCTIONS AND INCOME PROPOSALS DELIVERY TRACKER

Savings of £3.696m were approved for implementation in 2020/21 and £0.631m savings carried forward from 2019/20, resulting in a total of target of £4.327m to deliver. £3.518m (81%) of forecast to be delivered in year, £0.250m (6%) saving brought forward from future year and £0.809m (13%) will either not be delivered until next year or are undeliverable.

Table 1 - Budget Reductions & Income Proposals Tracker 2020/21

Savings Status	Number of Savings Targets	Income/Savings Target	2020/21 Forecast value to be delivered by YE	Variance
Achieved	10	1,471	1,471	0
On-track	23	1,789	1,789	0
Saving Bfwd	1	0	250	250
Delayed	2	300	167	(133)
Part delivered	0	0	0	0
Undeliverable	9	767	91	(676)
Grand Total	45	4,327	3,768	(559)

The table on the next page shows the undelivered; part delivered and delayed budget reduction and Income:

Table 2 – Undelivered and Delayed Budget Reductions and Income

Reference	Proposal	Target	Status	2020/21 Forecast	Variance	Comments
R20-2b	<p>Health & Social Care Integration</p> <p>A number of services have currently been identified as in scope for integration with health partners however there is yet to be agreement on some of those areas. There are also a number of other risks with regard to the deliverability including: procurement timing differences (contract end dates etc.) and understanding where the share of the saving will be delivered (i.e. does this fall to health or MKC or do we need a legal risk sharing agreement in place to enable this). The initial 2020/21 savings target of £0.5m will be mitigated through savings identified in children's (CHC income) and adults (a saving on a contract) .</p>	0	Saving Bfwd	(250)	(250)	Saving target has been realigned over the years and changed to different areas within TA / social care.
R20-8	<p>Temporary Accommodation - new actions to reduce average nightly Temporary Accommodation costs</p> <p>Use 3 Conditions Housing Association (3CHA) leased properties, reduce Enhances Private Sector Leases (EPSL) voids average from 14 to 8 units and reduce average repair costs from £2,190 to £1,600 pa.</p>	(188)	Undeliverable	(61)	127	3 Conditions Housing Association (3CHA) leased properties scheme cancelled therefore this element of the saving is undeliverable. Some savings delivered through void reductions, included in overall overspend.
R20-23	<p>Increased revenue from room hire at Children and Family Centres as a result of developing a marketing strategy and developing the parenting programme which will be offered to schools, other local authorities, charities and private companies.</p>	(8)	Undeliverable	0	8	Due to the closure of children's centres during COVID 19 there is currently no opportunity to generate fee and charges income.
R20-3	<p>Libraries: As part of the next stage of achieving efficiencies using technology and working with community organisations and other MKC services.</p>	(35)	Undeliverable	0	35	Due to the closure of libraries during COVID 19 there is currently no opportunity to generate fee and charges income.

R20-21	Organisational efficiency. Review of existing routine expenditure across the organisation.	(250)	Undeliverable	0	250	Due to Covid19 this saving is not going to be achieved. The budget will need to be rebased in future years.
R43 19-20	Full review of the Council's Customer Services offer moving to a comprehensive offer for all Council services, improved use of technology and further efficiency.	(100)	Undeliverable	0	100	There is an overall Customer Transformation target of £350k in 20/21, the £250k showing separately. The current expectation is that the £250k savings will be made but not this £100k savings target. A revised appraisal is required of this target in line with the Rapid Service Reviews and Budget Choices Reviews
R20-18	Saxon Court savings (S13 2017/18). Revised savings position following the exit of MKC staff from Saxon Court; running costs of the building could be covered by service charge income from new tenants. The saving has been phased over 2 years to reflect the expectation that Saxon will be sold Summer 2020.	(100)	Undeliverable	0	100	Saxon Court will be sold in the summer 2021 now and so the saving needs to be rolled forward a year. The existing tenants have also left in 20/21 causing a pressure on the Saxon Court cost centre of around £120k.
R20-19	Closure of the Theatre Car Park - Total annual costs of £200k and annual income of £140k. This is based on current operational costs and doesn't include the fact that the lift is permanently out of order and requires replacement and the barrier system is nearing end of life. Usage of the car park is declining (54% since 2016/17) and there is no obvious prospect of this trend reversing. This closure could also result in a capital receipt or other revenue stream if and when an alternative use is developed. This will be subject to a further business case which is being considered currently.	(31)	Undeliverable	0	31	The car park is not planned for sale yet until the development of that section of the city progresses so that the best opportunity of the land is made. However, work is now underway to close the car park. Due to it being open part of the year, there have been added costs so this saving will not be made.
R20-14	Digital Transformation & Customer Services. 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.	(250)	Delayed	(150)	100	A detailed plan is yet to be presented to articulate these savings but there are some broad projects being pursued. These are expected to be firm up in the coming months.
R6 19-20	The Integrated Audit and Fraud Team - Targeted growth of £50k spread over 2 years in the Audit, Fraud and Risk service customer revenue.	(25)	Undeliverable	0	25	The saving was reduced by LGSS to £10k. This will be picked up in the repatriation of the LGSS budgets.
R20-16	Leisure Contract savings	(50)	Delayed	(17)	33	Crownhill Meeting Place is due to be transferred to the parish council resulting in reduced contract costs, however this has been delayed. It is estimated the transfer will be completed in December. The expectation is that a £17k saving will be achieved in 20/21 and full saving from 21/22 onwards

ANNEX C – HRA FORECAST KEY VARIANCES

Table 1 - High Level Revenue Summary to September 2020 P6

Housing Revenue Account	Year to Date			Forecast to Year End				Movement	
	2020/21 Budget to Date	2020/21 Actuals to Date	2020/21 YTD Variance	2020/21 Full Year Budget	Current Forecast to 31.03.21	Variance to Latest Forecast	Period 3 Forecast	Movement from Period 3	
	£m	£m	£m	£m	£m	£m	£m	£m	
Service Director H+R Total	0.442	0.530	0.088	17.033	15.870	(1.164)	15.937	(0.067)	
Asset Management Total	6.185	6.021	(0.163)	12.876	12.868	(0.007)	12.767	0.101	
Sheltered Housing Total	0.783	0.622	(0.161)	1.510	1.508	(0.002)	1.755	(0.247)	
Housing Regeneration Total	0.897	1.068	0.171	1.576	1.562	(0.015)	1.593	(0.031)	
Housing Operations Total	(24.974)	(22.769)	2.205	(50.977)	(50.320)	0.657	(50.364)	(0.044)	
Prevention + Access Total	0.105	0.112	0.008	0.187	0.187	0.000	0.189	(0.002)	
Housing Allocations Total	0.381	0.294	(0.087)	0.648	0.661	0.013	0.668	(0.007)	
Learning & Development Total	0.018	0.007	(0.010)	0.035	0.035	(0.000)	0.036	(0.001)	
HRA Total	(16.163)	(14.113)	2.050	(17.112)	(17.629)	(0.517)	(17.419)	(0.298)	
Revenue Contribution to Capital	0.000	0.000	0.000	9.853	10.369	0.517	10.160	0.298	
HRA Total	(16.163)	(14.113)	2.050	(7.259)	(7.259)	0.000	(7.259)	0.000	

Table 2 – High Level Variations

Service Area	HRA	Responsible Officer	Michael Kelleher	Forecast Variance £m	(£0.517m)
<p>Key Variations:</p> <ul style="list-style-type: none"> Following the review of the non-essential budgets and working closely with budget managers, a total of (£0.479m) has been identified, with further (£0.696m) of vacancy savings, post pay awards and agreed pro-rata in year budgets re-allocation for recruitment approved by CLT. These savings have resulted in additional Revenue Contribution to Capital, offset by COVID-19 and non- COVID-19 impact in other service areas. Net Additional income from full effect of acquisition of new stock in past years and this year adding to rental stream. This is offsetting rent lost from decommissioning of Buckland, rent lost from higher voids (£0.186m), fall in utility recharges due to decrease in utility prices £0.058m, and estimated increase in tenant rents bad debt due to impact of COVID-19 and Utility charges £0.813m. 					

ANNEX D – DSG FORECAST KEY VARIANCES AND MANAGEMENT ACTIONS

The DSG is reporting an anticipated surplus carry forward at the end of 2020/21 of £2.564m.

Table 1 - The DSG High Level Forecast Summary to September 2020:

DSG Forecast	£m				
	Schools	Central School Services	Early Years	High Needs	Total
2019/20 Budgeted Surplus C/F	(0.727)	0.000	(0.243)	(1.774)	(2.636)
2020/21 Budgeted DSG Allocation	(203.584)	(1.496)	(21.652)	(44.506)	(271.236)
2020/21 Budgeted Expenditure	204.283	1.496	21.651	44.507	271.937
2020/21 Budgeted Carry Forward	(0.028)	0.000	(0.244)	(1.665)	(1.936)
2019/20 Actual Surplus C/F	(0.792)	(0.006)	(0.164)	(1.224)	(2.185)
2020/21 Actual DSG Allocation	(203.584)	(1.496)	(21.652)	(44.506)	(271.236)
2020/21 Forecast Expenditure	203.950	1.496	21.389	44.022	270.857
2020/21 Forecast Carry Forward	(0.425)	(0.006)	(0.427)	(1.707)	(2.564)
Variance to Budget	(0.398)	(0.006)	(0.183)	(0.042)	(0.629)

Table 2 – High Level Variations

Service Area	DSG	Responsible Officer	Mac Heath	Forecast Variance £m	(£2.564m)
Key Variations:					
<ul style="list-style-type: none"> <p>Schools Block 0.2%: Forecast surplus carry forward into 2021/22 of £0.425m which will be held and allocated through the 2021/22 funding formula. The in-year underspend of £0.398m is as a result of an increased surplus carry forward from 2019/20 of £0.065m, a reduction in rates funding to schools of £0.055m and the growth fund contingency for additional places required at secondary schools is not expected to be required resulting in a reduction of £0.278m.</p> <p>Central School Services 0.4%: Forecast surplus carry forward into 2021/22 of £0.006m as a result of a surplus carry forward from 2019/20.</p> <p>Early Years Block 2.0%: Forecast surplus carry forward into 2021/22 of £0.427m which is being held to manage the volatility of take up within the block. The in-year underspend of £0.183m is due to a reduction of £0.079m carry forward from 2019/20 and an underspend of £0.336m on the 3 and 4 year olds, which is to be expected as the increase in grant funding was not fully passed to providers in order to build up a small contingency early in the year to manage fluctuations in take up during the year. An overspend of £0.074m on 2 year olds is forecast as take up is expected to be higher than the funding allocation due to the census being based on January 2020 only this year and therefore any increase in take up will not be funded.</p> <p>High Needs Block 3.8%: Forecast surplus carry forward into 2021/22 of £1.707m. The in-year underspend of £0.042m is as a result of a reduced surplus carry forward of £0.442m from 2019/20 offset with:</p> <ul style="list-style-type: none"> Independent special school placements forecast underspend of £0.376m, based on current packages in place. The number of residential school placement numbers have fallen from 16 in 2019/20 to 14 in 2020/21 with a number of expensive packages coming to an end. Top up funding in mainstream schools is forecast to underspend by £0.234m. This predominantly from seeing a reduction in the amount of SEN support payments being made to children without an EHCP, as schools have been closed due to Covid 19. Special school top funding forecast overspend of £0.102m. The forecasts have been updated to reflect this based on the 					

information known in time for the September payments to special schools, however this will continue to be reviewed to ensure all new starters and leavers are properly accounted for, with the correct bandings for the October payments.

- Funding for special units is forecast to underspend by £0.095m. This is as a result of vacant places within departments during the summer term and therefore reductions in top up spend. The budget was set on 122 places during this period, whilst we have seen 99 places being occupied.

ANNEX E – RESERVES POSITION

This table summarises the reserves position of the Council for the year ending 31 March 2021:

Reserve	Balance 1 April 2020	Reserves removed & Held Centrally	In-Year Movements	P6 Current Balance 31/03/21	Future Commitments / Not Available	Balance remaining
GF Working Balance						
General Fund Balance	(21.155)	0.000	(1.982)	(23.137)	23.137	0.000
GF Budget Management						
Funding Core Responsibilities						
Corporate Property Reserve * <i>sinking funds</i>	(3.204)	0.000	(1.111)	(4.315)	4.315	0.000
HR Manpower Planning Reserve	(2.185)	0.000	0.026	(2.159)	2.159	0.000
Internal Insurance Fund	(1.609)	0.000	0.344	(1.265)	1.265	0.000
Pension Fund	(1.243)	0.000	(0.915)	(2.158)	2.158	0.000
Managing High Volatility						
Covid 19 Reserve	(6.078)	(4.157)	6.078	(4.157)	4.157	0.000
Highways Severe Weather Reserve	(0.423)	0.173	0.000	(0.250)	0.250	0.000
Housing Benefit Subsidy Equalisation	(1.217)	0.717	0.000	(0.500)	0.500	0.000
LCTS & Welfare	(0.961)	0.000	0.171	(0.790)	0.790	0.000
Legal Fees Reserve	(1.533)	(0.073)	0.120	(1.486)	1.486	0.000
Overpayments and Welfare Reform	(1.430)	0.930	0.040	(0.460)	0.460	0.000
Collection Fund Cashflow Reserve	(9.475)	0.000	(3.832)	(13.307)	13.307	0.000
Local Government Reorganisation Debt Reserve	(2.099)	0.000	1.959	(0.140)	0.140	0.000
Delivering Transformation and Change						
Strategic Development Fund (was VFM)	(2.220)	0.000	1.151	(1.069)	1.069	0.000
Office 365 Implementation	(0.300)	0.000	0.150	(0.150)	0.150	0.000
Housing Service Review	(0.140)	0.000	0.140	0.000	0.000	0.000
Customer Service and Digital	(0.964)	0.000	0.167	(0.797)	0.797	0.000

Children's ICT Investment	(0.128)	0.128	0.000	0.000	0.000	0.000	0.000	0.000
Print Room Relocation	(0.050)	0.000	0.050	0.000	0.000	0.000	0.000	0.000
Feasibility Fund	(0.800)	0.700	0.000	(0.100)	0.100	0.000	0.000	0.000
GF Temporary Earmarked Reserves								
Adult Social Care Residency Cases	(0.200)	0.000	0.000	(0.200)	0.200	0.000	0.000	0.000
Bradwell Abbey	(0.361)	0.000	0.361	0.000	0.000	0.000	0.000	0.000
Brexit	(0.160)	0.000	0.000	(0.160)	0.160	0.000	0.000	0.000
Broadband Delivery UK project.	(0.081)	0.000	0.040	(0.041)	0.041	0.000	0.000	0.000
City Archives Project	(0.014)	0.000	0.014	0.000	0.000	0.000	0.000	0.000
Community & Cultural Services Review (CCSR)	(0.060)	0.000	0.060	0.000	0.000	0.000	0.000	0.000
Conservation Areas	(0.016)	0.000	0.004	(0.012)	0.012	0.000	0.000	0.000
Events Reserve	(0.119)	0.019	0.000	(0.100)	0.100	0.000	0.000	0.000
Heritage at Risk	(0.046)	0.000	0.000	(0.046)	0.046	0.000	0.000	0.000
Independent Review of Flooding Incident (May 2018)	(0.026)	0.000	0.000	(0.026)	0.026	0.000	0.000	0.000
NRSA & Permit Funding (City Fibre)	(0.064)	0.000	0.064	0.000	0.000	0.000	0.000	0.000
Parish Partnership	(0.062)	0.000	0.020	(0.042)	0.042	0.000	0.000	0.000
Parks Improvement Funding	(0.047)	0.000	0.023	(0.024)	0.024	0.000	0.000	0.000
Planning Studies	(0.108)	0.073	0.015	(0.019)	0.019	0.000	0.000	0.000
Pocket Parks	(0.008)	0.000	0.008	0.000	0.000	0.000	0.000	0.000
Political Priorities Reserve	0.000	0.000	(10.047)	(10.047)	10.047	0.000	0.000	0.000
Revenue Financing Reserve	(0.003)	0.003	0.000	0.000	0.000	0.000	0.000	0.000
Road Safety Budget	(0.039)	0.000	0.000	(0.039)	0.039	0.000	0.000	0.000
Health & Safety reserve	(0.030)	0.000	0.000	(0.030)	0.030	0.000	0.000	0.000
Highways and E&W transformation reserve	(0.201)	0.000	0.000	(0.201)	0.201	0.000	0.000	0.000
European City of Sport	(0.048)	0.000	0.000	(0.048)	0.048	0.000	0.000	0.000
Bracknell House	(0.015)	0.000	0.015	0.000	0.000	0.000	0.000	0.000
School Mobility Action Plan	(0.022)	0.000	0.022	0.000	0.000	0.000	0.000	0.000
Mobility Action Plan	(0.089)	0.000	0.060	(0.029)	0.029	0.000	0.000	0.000
Hot spot litter pick	(0.017)	0.000	0.000	(0.017)	0.017	0.000	0.000	0.000
Tree management survey and strategy	(0.110)	0.000	0.110	0.000	0.000	0.000	0.000	0.000

Estate regeneration	(0.100)	0.000	0.050	(0.050)	0.050	0.000
Fly tipping	(0.027)	0.000	0.000	(0.027)	0.027	0.000
Illegal encampments	(0.100)	0.000	0.000	(0.100)	0.100	0.000
Project officer	(0.029)	0.000	0.029	0.000	0.000	0.000
Non commercial bus service	(0.058)	0.000	0.058	0.000	0.000	0.000
Environmental Crime Enforcement officers	(0.065)	0.000	0.040	(0.025)	0.025	0.000
3G Pitch sinking fund	(0.101)	0.000	(0.055)	(0.156)	0.156	0.000
Period Poverty	(0.042)	0.000	0.004	(0.038)	0.038	0.000
MK 3D App	(0.014)	0.000	0.014	0.000	0.000	0.000
Ouse Valley Link	(0.006)	0.006	0.000	0.000	0.000	0.000
Parking Facilities	(0.007)	0.007	0.000	0.000	0.000	0.000
Devolved Landscape provision	(0.044)	0.000	0.015	(0.029)	0.029	0.000
Budget Management - Ring-fenced						
Better Care Fund	(0.655)	0.000	0.655	0.000	0.000	0.000
Bereavement Reserve	(2.254)	0.000	(0.816)	(3.069)	3.069	0.000
Parking Reserve	(0.023)	0.000	0.023	0.000	0.000	0.000
Public Health	(1.222)	0.000	(0.103)	(1.325)	1.325	0.000
Tariff Management						
One-off Costs of the HCA Transfer	(0.283)	0.000	0.000	(0.283)	0.283	0.000
Tariff Reserve	(5.341)	0.000	(0.420)	(5.761)	5.761	0.000
Delivering Capital Programme - GF						
Capital Reserve - GF	(15.977)	(1.317)	8.282	(9.012)	9.012	0.000
Feasibility Work for Education Capital Programme	(0.287)	0.287	0.000	0.000	0.000	0.000
Infrastructure Reserve	(18.360)	0.000	0.988	(17.372)	17.372	0.000
New Homes Bonus	(6.468)	2.504	2.728	(1.236)	1.236	0.000
Planning Gain Reserve (S106)	(1.817)	0.000	0.000	(1.817)	1.817	0.000
Waste Cashflow Reserve	(2.644)	0.000	0.858	(1.786)	1.786	0.000
3rd Party						
LGSS Reserve	(0.919)	0.000	0.919	0.000	0.000	0.000
LD Pooled Budget Reserve	(0.048)	0.000	0.000	(0.048)	0.048	0.000
SALIX Reserve	(0.250)	0.000	0.000	(0.250)	0.250	0.000

Schools Balances	(7.966)	0.000	1.673	(6.293)	6.293	0.000
Total General Fund Reserves	(124.264)	0.000	8.267	(115.997)	115.997	0.000
HRA Reserves						
HRA Working Balance						
HRA Balance	(7.259)	0.000	0.000	(7.259)	7.259	0.000
Delivering Capital Programme - HRA						
Block Improvements/Regeneration reserve	(1.487)	1.387	0.100	0.000	0.000	0.000
Capital Reserve - HRA	(56.071)	(1.493)	16.600	(40.964)	40.964	0.000
Lakes Estates Regeneration Project	(0.106)	0.106	0.000	0.000	0.000	0.000
Major Repairs Reserve	(16.280)	0.000	0.000	(16.280)	16.280	0.000
Total HRA Reserves	(81.203)	0.000	16.700	(64.503)	64.503	0.000
Total Reserves	(205.467)	0.000	24.967	(180.500)	180.500	0.000

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project				In Year				Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Total Expenditure Capital Budget	Prior Year Expenditure Actuals	Total Expenditure Actuals to date	Total Scheme Forecast	Current Year Capital Budget	Current Year Actuals	Current Year Actuals to Capital Budget	Current Forecast 2020/21				
507X0010 Adult Social Care and Health		2,350,107	1,774,089	2,350,107	0	648,162	72,144	648,162	0	0	0	Green	
507X0032 Social Care	Sandra Rankin	1,132,775	484,638	1,132,775	0	648,162	71,695	576,467	0	0	0	Green	27/08/20: Planned to spend all budget in 20-21
507X0011 Telecare		1,017,018	484,613	1,017,018	0	562,405	71,695	490,710	0	0	0	On Target	27/08/20: Project on track, additional project resource may be required which could lead to overspend, however currently within track.
50CP000663 Replacement Framework	Victoria Collins	762,000	341,432	762,000	0	420,588	61,982	358,606	0	0	0	On Target	08/02/20: 31/01 update. Project will commence shortly but will not be completed before YE due to lack of IT resource (Office 365)
50CP000896 Adult Social Care Digital Solutions	Philip Jones	115,000	0	115,000	0	115,000	0	115,000	0	0	0	Green	25/09/20: 25/09/20: Work prog to be agreed in line with Flexible Working Plans - Covid 19. Tower Drive Day Care Centre flooring completed.
507X0012 Social Care - Property		85,757	0	85,757	0	85,757	0	85,757	0	0	0	On Target	
50CP000104 Health & Safety in Social Care Buildings	Yvonne Mullens	85,757	0	85,757	0	85,757	0	85,757	0	0	0	Green	
507X0069 Adult Social Care		1,217,332	1,217,332	1,217,332	0	0	449	449	0	0	0	Green	
507X0013 Adult Social Care	Al Dewick	1,217,332	1,217,332	1,217,332	0	0	449	449	0	0	0	On Target	
50CP000678 Enhancement Adult Social Care Day Serv		1,217,332	1,217,330	1,217,332	0	0	449	449	0	0	0	On Target	
507X0011 Children and Families		167,017,555	96,258,302	111,659,341	0	655,602	17,357,756	34,213,095	1,472,470	0	0	Green	17/09/20: Project complete
507X0019 Education, Effectiveness & Participation		166,172,963	95,946,667	111,344,233	0	579,616	16,828,202	33,806,124	1,422,170	0	0	Green	
507X0014 Fire Alarms	Mark McKinlay	735,268	174,102	408,410	0	159,898	230,218	324,638	411,248	126,000	0	Green	08/09/20: ESKK fire door Bradwell Village, E3DK fire doors The Walnuts, E144K FA & EL Giles Brook. COVID-19 has minimised programme this year.
50CP000581 Fire Protection Improvements		335,000	0	335,000	0	335,000	38,170	296,830	209,000	126,000	0	Slippage	02/09/20: 02/09/20 - Project came in under tendered amount. COVID-19 has minimised programme this year.
50CP000743 Gifford Park School - Fire alarm & emergency lighting upgrade	Mark McKinlay	131,708	52,592	117,866	0	118,592	65,274	13,842	66,000	0	-13,116	Green	02/09/20: 02/09/20 - Project came in under tendered amount. COVID-19 has minimised programme this year.
50CP000744 Falconhurst School - Fire alarm & emergency lighting upgrade	Mark McKinlay	125,472	118,691	118,691	0	6,781	0	6,781	0	0	-6,781	Green	02/09/20: 02/09/20 - Project came in under tendered amount. COVID-19 has minimised programme this year.
50CP000746 Stated Row School - Fire alarm & emergency lighting upgrade	Mark McKinlay	143,088	6,819	133,083	0	143,087	126,864	9,405	136,268	0	-4	Green	02/09/20: 02/09/20 - Project complete & in defects period. Final Accounts being drawn up.
507X0015 Heating Installations		1,282,629	863,629	994,801	0	1,278,629	94,172	327,828	248,000	170,000	-4,000	Green	02/09/20: 02/09/20 - Project complete & in defects period. Final Accounts being drawn up.
50CP000580 Boiler & Distribution Replacements & Enhancements	Mark McKinlay	410,000	0	410,014	0	410,000	114,014	295,986	240,000	170,000	0	Slippage	02/09/20: Greenlays boiler upgrade costing £240K exceeded original estimate due to change in specification.
50CP000748 Green Park School - Heating & domestic water upgrade	Mark McKinlay	190,636	188,636	188,266	0	190,636	4,370	6,370	2,000	0	0	Green	02/09/20: Project complete currently in defects period. Project came in under expected amounts originally budgeted.
50CP000749 Coffe School - Heating & domestic water upgrade	Mark McKinlay	22,614	20,614	20,614	0	20,614	463	2,463	0	0	-2,000	Green	02/09/20: Project complete currently in defects period. Project came in under expected amounts originally budgeted.
50CP000750 Home Chase Primary School - Heating & domestic water upgrade	Mark McKinlay	159,028	191,028	186,266	0	159,028	4,488	6,468	2,000	0	0	Green	02/09/20: Project complete currently in defects period. Project came in under expected amounts originally budgeted.
50CP000751 Pepper Hill School - Heating & domestic water upgrade	Mark McKinlay	222,380	220,380	215,266	0	222,380	5,114	7,114	2,000	0	0	Green	02/09/20: Project complete currently in defects period.
50CP000752 Priory Common School - Heating & domestic water upgrade & fire alarm & emergency lighting upgrade	Mark McKinlay	243,971	239,971	234,444	0	241,971	5,427	9,427	2,000	0	-2,000	Green	02/09/20: Project complete currently in defects period.
507X0019 Windows & Doors		498,214	2,298	82,741	0	498,298	80,143	418,155	342,000	114,000	0	Green	02/09/20: 02/09/20: COVID-19 has minimised programme this year.
50CP000582 Roofs, Windows and Doors	Mark McKinlay	400,000	0	47,638	0	400,000	47,638	352,362	286,000	114,000	0	Slippage	02/09/20: ESKK Cotnam flat roof: 180K Summerfield clear storey windows; 144K Wyvern flat roof COVID-19 has minimised programme this year with 2 projects slipping to 2021/22 (Russell St roof & Portfields corridor glazing replacements)
50CP000753 Wyvern School - Strenuous Building - Windows & Doors upgrade & improvement	Mark McKinlay	98,214	2,298	35,031	0	98,298	32,805	65,111	56,000	0	-39,916	Green	02/09/20: 02/09/20 - Project on site working for completion before 15-09-20. Tender came in lower than expected & contractor working well.
50CP000583 Emergency/ reactive improvements (Health and Safety)	Mark McKinlay	315,000	0	300,000	0	315,000	0	315,000	300,000	0	-15,000	Green	02/09/20: COVID-19 has minimised programme this year.
50CP000912 Redway special school - Ceilings	Mark McKinlay	15,000	0	15,000	0	15,000	0	15,000	0	0	0	Green	02/09/20: 02/09/20: works now complete & final retention payments released 02-09-20.
507X0021 External Works		709,680	373,384	487,066	0	565,408	110,682	222,614	189,024	332,296	-144,272	Green	02/09/20: 02/09/20 - Project in defects liability period. Tender came in lower than expected.
50CP000536 The Walnuts (infant) Roof & Roof Lights Upgrade	Mark McKinlay	61,980	57,773	59,097	0	59,097	1,324	2,885	1,324	0	-2,885	Green	02/09/20: 02/09/20 - Project in defects liability period. Tender came in lower than expected.
50CP000537 The Walnuts (nursery) Ceiling	Mark McKinlay	58,642	52,757	52,757	0	52,757	5,885	5,885	0	0	-5,885	Green	02/09/20: 02/09/20 - Project in defects liability period. Tender came in lower than expected.
50CP000579 Lambert at Wyvern School	Mark McKinlay	96,158	101,115	94,816	0	96,816	44,501	41,542	56,706	0	-29,348	Green	02/09/20: 02/09/20 - Project tendered, awarded & completed. Due to design issues tender spec changed which caused delay in completion although came in under budget.
50CP000754 Wood End First School - Flat roof replacement & roof light upgrade	Mark McKinlay	54,065	4,065	38,221	0	46,065	34,056	15,944	42,000	0	-8,000	Green	02/09/20: 02/09/20 - Project complete currently in defects period.
50CP000755 Titchard Park Primary School (then Building) - Upgrade to pitched roof & roof lights	Mark McKinlay	343,282	251,121	245,254	0	254,121	-5,867	96,028	3,000	0	-89,161	Green	02/09/20: 02/09/20 - Project progressing well. Contract tender came in lower than had been expected
50CP000896 Langlands Community School - Emergency works to fire escape	Mark McKinlay	45,553	553	5,162	0	45,553	4,608	40,391	45,000	0	0	On Target	
50CP000916 Cold Harbour School - Emergency Roof Repairs	Mark McKinlay	50,000	0	32,059	0	41,000	32,059	17,941	41,000	0	-9,000	Green	02/09/20: 02/09/20 - Project progressing well. Contract tender came in lower than had been expected
507X0025 Primary - Extension/Structural Works		12,846,528	5,879,570	7,697,836	0	12,846,528	1,318,116	2,309,551	4,098,372	29,295	0	Green	
50CP000888 Folfield Primary Extension	Kathleen Oak	3,072,384	916,544	2,682,205	0	2,767,384	1,765,961	84,879	1,850,840	0	0	On Target	22/09/20: Works completed 28 Aug. Waiting academy moved in and are operational

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Year Actuals Variance to Capital Budget				
50CP00168	Maria Demman	2,533,153	2,428,345	104,808	86,554	-17,654	104,208	86,554	0	Green	On Target
50CP00155	Sarah Bayliss	2,890,053	2,509,060	380,993	183,636	2,643	380,993	183,636	0	Green	On Target
50CP00187	Mark Mackinlay	4,596,238	77,776	4,601,156	2,006,537	67,166	1,939,471	1,977,342	29,295	Green	Slippage
50TAX026	Primary - New Build	17,652,113	17,637,992	14,421	191,012	176,591	191,000	191,000	0	Green	Underspend
50CP00178	Sheila Wood New Primary 2 FDE	8,019,901	8,030,322	-10,421	151,012	161,433	-10,421	151,000	0	Green	On Target
50CP00180	Eagle Farm Primary School	9,632,212	9,607,370	24,842	40,000	15,158	24,842	40,000	0	Green	On Target
50TAX027	Secondary - Extension/Structural Works	256,000	0	256,000	256,000	63,955	192,045	256,000	0	Green	On Target
50CP00192	Sir Herbert Lean Academy Enhancement	256,000	0	256,000	256,000	63,955	192,045	256,000	0	Green	On Target
50CP00182	The Radcliffe School	0	0	0	0	0	0	0	0	Green	On hold
50TAX028	Secondary - New Build	128,391,380	82,597,571	45,793,809	23,685,475	12,364,786	11,320,707	26,939,002	0	Green	On Target
50CP00189	Walton High at Brooklands PH	27,951,363	27,642,893	308,470	193,366	84,896	108,474	193,366	0	Green	On Target
50CP00190	Kens Hill Secondary & Special Sch	25,693,336	25,628,166	65,170	67,000	1,830	65,170	67,000	0	Green	On Target
50CP00184	Whitehouse 12FE Secondary School	39,346,381	28,205,716	11,140,665	21,626,198	11,185,533	10,440,665	21,976,000	0	Green	On Target
50CP00189	Glebe Meadows Primary & Secondary School	35,600,300	1,120,296	34,479,004	1,798,111	1,092,505	706,402	4,702,636	0	Green	Acceleration
50TAX029	Special Schools	2,709,579	797,693	1,911,886	1,599,131	458,521	1,446,610	761,458	810,000	Green	Slippage
50CP00157	Shepherdwell Academy - Special Provision	239,095	20,230	218,865	200,000	0	200,000	15,000	185,000	Green	Slippage
50CP00158	Walmley (Herford Place) - Special Provision	443,278	422,521	20,757	13,731	-6,626	20,357	10,000	0	Green	Underspend
50CP00159	Walmley (Healey) - Special Provision	250,011	195,379	54,632	171,500	116,768	54,732	173,961	0	Green	On Target
50CP00160	The Redway - Special Provision	273,195	265,710	7,485	5,500	-1,985	7,485	5,000	0	Green	Underspend
50CP00163	St Pauls School - Special Provision	290,000	2,940	287,060	200,000	2,940	197,060	0	200,000	Green	Slippage
50CP00168	Hazeley Academy - Special Provision	150,000	123,997	26,003	148,500	122,497	26,003	122,497	0	Green	Underspend
50CP00169	The Meadows (Betchley) Phase Two - Special Provision	260,000	207,468	52,532	259,500	207,368	52,132	260,000	0	Green	On Target
50CP00169	White Spire - Special Provision	350,000	6,800	343,200	300,000	6,750	293,250	60,000	240,000	Green	Slippage
50CP00190	New Broadwell - Special Provision	100,000	10,909	89,091	100,000	30,809	89,191	100,000	0	Green	On Target
50CP00191	Romans Field - Special Provision	300,000	50	299,950	200,000	0	200,000	15,000	185,000	Green	Slippage
50TAX027	Access Initiative	485,421	97,743	387,678	162,678	0	162,678	50,000	112,678	Green	Slippage
50CP00171	Pupil Specific Works Pre & Primary	426,947	39,268	387,679	162,678	0	162,678	50,000	112,678	Green	Slippage
50TAX029	Pupil Specific Works Academy	58,474	58,474	0	0	0	0	0	0	Green	Complete
50TAX028	School Security Programme	290,851	60,324	230,527	80,497	0	80,497	20,000	60,497	Green	Complete

574,601

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Variance to Capital Forecast	Forecast Slippage to Future Years	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Forecast 2020/21				
50CP000712	School Security Programme Pre & Primary	39,048	39,048	0	269,545	269,545	0	80,497	20,000	60,497	Slippage
50CP000715	School Security Programme Special	21,306	21,306	0	21,306	21,306	0	0	0	0	Complete
507AX039	Integrated Support & Social Care Libraries	311,635	311,635	-75,986	768,606	768,606	-75,986	3,483	406,974	50,000	Slippage
507AX048	Self-service kiosks in Libraries	243,818	243,818	-75,986	674,014	674,014	-75,986	3,483	802,699	50,000	Slippage
50CP000283	Library/CT Upgrade	167,701	167,701	-32,299	167,701	167,701	-32,299	0	32,299	0	Underspend
50CP000647	Open Libraries Solutions	22,828	26,311	-27,172	72,828	72,828	-27,172	3,483	75,689	50,000	Slippage
50CP000648	Central Library and City Archive Integration, Phase 1	53,289	53,289	-16,515	233,485	233,485	-16,515	0	196,711	180,196	Slippage
50CP000841	Library Provision for Western Expansion	0	0	0	100,000	100,000	0	0	100,000	100,000	On Target
50CP000949	Adaptation and Enabling services: Building adaptations and car.	62,817	62,817	0	94,892	94,892	0	26,775	26,775	0	On Target
50CP000183	Extension/renovations to care homes	22,767	22,767	0	34,592	34,592	0	11,825	11,825	0	On Target
50CP000803	Housing & Regeneration - HRA	45,050	45,050	0	60,000	60,000	0	14,950	14,950	0	On Target
507AX013	New Council Housing	61,904,364	70,835,533	987,492	344,628,144	344,628,144	987,492	9,331,171	64,905,037	13,436,591	Slippage
507AX021	Coltsport New Council Houses	15,152,193	17,978,005	650,238	51,402,317	51,402,317	650,238	2,825,814	20,320,810	12,742,173	Slippage
50CP000242	Franklin Craft New Council Houses	7,030,513	7,030,513	656,155	30,441,261	30,441,261	656,155	19,923,336	27,814,432	17,742,173	Slippage
50CP000243	Kellen Drive New Council Houses	542,287	567,268	0	3,485,103	3,485,103	0	2,942,816	19,976	2,922,840	Slippage
50CP000244	St Georges New Council Houses	1,907,719	1,811,419	0	1,907,719	1,907,719	0	-96,300	96,300	0	On Target
50CP000245	Gerrardside New Council Houses	1,801,992	1,709,092	0	1,801,992	1,801,992	0	-92,900	92,900	0	On Target
50CP000246	Kirkcaldy New Council Houses	2,120,075	2,004,375	0	2,120,075	2,120,075	0	-115,700	115,700	0	On Target
50CP000782	Kellan Drive Site 2 New Council Houses	125,515	331,331	0	1,064,217	1,064,217	0	938,702	205,616	733,086	Slippage
50CP000774	Tolland Avenue New Council Houses	61,905	78,385	62,222	1,496,222	1,496,222	62,222	1,372,095	13,103	1,241,064	Slippage
50CP000775	Fern Grove New Council Houses	120,101	141,837	115,284	2,954,284	2,954,284	115,284	2,738,899	1,334,183	1,394,716	Slippage
50CP000776	Carre's Road New Council Houses	87,414	87,414	8,016	823,016	823,016	8,016	806,286	52,768	753,518	Slippage
50CP000777	Glovers Lane New Council Houses	49,798	59,746	50,017	1,777,017	1,777,017	50,017	1,673,326	114,614	1,562,598	Slippage
50CP000778	Springfield Boulevard New Council Houses	10,329	10,329	10,175	1,237,176	1,237,176	10,175	1,216,672	119,657	1,097,015	Slippage
50CP000781	Surrey Road New Council Houses	2,915,000	75,651	75,588	3,000,588	3,000,588	75,588	3,281	2,846,068	2,581,314	Slippage
50CP000783	Kellan Drive Site 1 New Council Houses	1,292,999	2,109	126,611	1,419,610	1,419,610	126,611	1,762	1,270,188	86,645	Slippage
50CP000907	Beaufort Chase only new build element 08/04/2019 New Council Houses	3,189,000	85,658	208,242	3,397,242	3,397,242	208,242	2,782	3,100,560	304,705	Slippage
		564,000	42,718	66,770	564,000	564,000	0	51,182	23,752	497,530	Slippage

Capital Expenditure Forecast September 2020

Account/Project	Project Manage Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Actuals	Current Forecast 2020/21	Current Year Actuals Variance to Capital Budget			
507AX038	Conversions	861,000	855,083	-5,917	29,004	73,258	0	-5,917		
50CP00906	159 Ramsons Conversions	40,000	40,000	0	0	40,000	0	0	On Target	
50CP00833	Laurels - Conversion to 3 Council Houses	821,000	815,083	-5,917	29,004	69,258	0	-5,917	On Target	
507AX039	Acquisitions	31,479,973	31,479,973	0	2,796,561	23,478,120	0	0	Acceleration	
50CP00722	Purchase of Properties (Council Dwellings)	20,405,973	20,405,973	0	2,796,561	14,404,120	0	0	On Target	
507AX036	1 Bed Acquisitions	4,539,000	4,539,000	0	0	4,539,000	0	0	On Target	
507AX022	Ferrieston - Modular Regeneration (IRA)	7,350,845	7,543,099	192,254	412,586	4,890,691	588,000	192,254	On Target	
507AX036	Regeneration (IRA)	7,350,845	7,543,099	192,254	412,586	4,890,691	588,000	192,254	On Target	
50CP00785	Cripps Lodge - Land Value Enhancement	469,999	469,999	0	204,395	205,565	0	0	On Target	
50CP00864	Fulkes Lodge Regeneration Hub - Porta Cabin	128,821	128,821	0	462	462	0	0	On Target	
50CP00853	Fulkes Lodge Regeneration	1,529,000	1,529,000	0	0	1,529,000	588,000	0	Slippage	
50CP00784	Lakes Scarping Sites - Land Value Enhancement	1,513,001	1,513,001	0	15,475	345,397	0	0	On Target	
50CP00897	Mellish & Gables Towers	2,891,000	2,891,000	0	0	2,891,000	0	0	On Target	
50CP00897	Beckland Lodge Redevelopment	219,024	411,278	192,254	192,254	192,254	0	192,254	Overspend	

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Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Year Actuals Variance to Capital Budget				
507AX023 507AX018	Asset Management Urgent Roofing Components	69,874,936 3,119,591	69,889,937 3,219,992	115,001 100,001	27,454,752 1,431,978	5,928,786 133,223	21,525,966 1,298,653	27,368,556 1,431,978	101,196 0	Amber	29/09/20: CD: Subject to resources to develop scheme & planning/building control. As will require 14 decants we will need to time works with availability of decant units. Costs likely this year include prep work including any prepayments to utilities. 29/09/20: CD: Costs may exceed due to prolonged time on site due to Covid 19 however overspend can be met within the fire safety budget.
50CP00223	Hare's Court	1,114,457	1,114,457	0	250,000	0	250,000	250,000	0	On Target	29/09/20: CD: Alter investigations prep work has been done including scoping of upgrade works. Some is subject to planning approval may impact the spend profile. The level of upgrading to the building need to be agreed given pending Building Safety Act.
50CP00794	Health and safety works at Kilkenny House	620,534	620,535	1	60,978	3,107	57,871	60,978	0	On Target	29/09/20: CD: This will primarily be design/preparatory works for the capital projects based on options and feasibility for each block.
50CP00830	The Gables Upgrade	564,000	664,000	100,000	300,000	130,216	169,784	300,000	0	On Target	29/09/20: CD: Subject to planning/building control however initial site visit suggests costs will exceed current budget. To be reviewed next period when further scoping works have been done along with stripping out of existing fixtures and fittings.
50CP00832	Granby Court and Everglade House	200,000	200,000	0	200,000	0	200,000	200,000	0	On Target	Based primarily on fire doors, identified from fire door surveys however based on lead in times/resource availability the predicted overspend would be around £350k.
507AX031	Decent Homes Programme	30,340,582	30,385,982	15,000	11,107,578	2,153,384	8,954,194	11,122,578	0	On Target	29/09/20: CD: Based on spend to date since restart of over £300k including 5.22% P&O. Access has been good and if continued could deliver original prog of £50k based on a run rate of approx. 1/day allowing for varying pump sites and window types.
50CP00202	Communal	8,021,933	8,021,933	0	4,596,578	705,676	3,890,902	4,596,578	0	On Target	29/09/20: CD: As Means forecast + 9.22% P&O based on original run rate of 20%/month starting Oct. This is much reduced and only 20% of original. The proposed forecast reflects high anticipated demand, though level uncertain until tenants engaged.
50CP00209	Doors	2,743,616	3,093,616	350,000	1,120,000	397,694	722,306	1,470,000	0	Overspend	29/09/20: CD: Means forecast + 9.22% P&O is above current budget. Subcontractors in place. The works has not recommenced as yet, but tenant access is being sought. The forecast is based on a deficit variance to budget yet, based on 65\$/month.
50CP00204	Windows	2,432,639	2,462,639	30,000	900,000	440,842	479,158	950,000	0	Overspend	29/09/20: CD: Means forecasting higher levels of activity than the current spend approval based on the original forecast. The forecast is based on a deficit variance to budget yet, based on 65\$/month.
50CP00586	Bathrooms	4,760,775	4,645,775	-115,000	675,000	22,055	652,945	560,000	-115,000	On Target	02/10/20: WJ: As Means forecast + 9.22% P&O. Based on original run rate of 20%/month starting Oct. This is much reduced and only 20% of original. The proposed forecast reflects high anticipated demand, though level uncertain until tenants engaged.
50CP00587	Electrics / Wiring	964,855	964,855	0	750,000	126	750,126	750,000	0	On Target	29/09/20: CD: Means forecasting higher levels of activity than the current spend approval based on the original forecast. The forecast is based on a deficit variance to budget yet, based on 65\$/month.
50CP00588	Kitchens	8,904,321	8,064,321	-840,000	1,250,000	75,362	1,174,638	1,000,000	0	Overspend	02/10/20: WJ: As Means forecast + 9.22% P&O. Based on original run rate of 20%/month starting Oct. This is much reduced and only 20% of original. The proposed forecast reflects high anticipated demand, though level uncertain until tenants engaged.
50CP00827	External Walls & Fencing	2,512,843	2,512,843	0	1,796,000	512,081	1,283,919	1,796,000	0	On Target	29/09/20: CD: Means forecasting higher levels of activity than the current spend approval based on the original forecast. The forecast is based on a deficit variance to budget yet, based on 65\$/month.
507AX032	Structural Upgrades	15,048,042	15,048,042	0	6,907,196	1,205,367	5,701,829	6,806,000	101,196	On Target	29/09/20: CD: Costs incurred 19-20 were captured on communal area upgrade line. Remaining works including rest have commenced, with external works complete but not yet lifted and internal works due August.
50CP00211	Sains Georges Walkways	233,511	233,511	0	231,196	0	221,196	120,000	101,196	Slippage	29/09/20: CD: Forecast to spend approval although work is on site on a no. of projects following restart and could feasibly deliver more subject to party wall matters. To be reviewed.
50CP00591	Structural - Roofing	14,860,531	14,260,531	-600,000	6,362,000	1,205,367	5,156,633	6,362,000	0	On Target	29/09/20: CD: Original budget was to replace 6 lifts, but scaled back due to risk of Covid-19 spikes and the shielding sheltered schemes. Possibly could replace 3 this year, despite long lead times, with further budget drawn down from next year.
50CP00930	Lifts at Sheltered Schemes	564,000	564,000	0	324,000	0	324,000	324,000	0	On Target	29/09/20: CD: Means forecast + 9.22% P&O above current budget but including planned replacements during Oct as just those identified through repairs. To be reviewed in next period as planned phase in Q4 to avoid peak in works in following year.
507AX033	Heating Upgrades	7,435,563	7,435,563	0	2,193,000	609,551	1,583,449	2,193,000	0	On Target	29/09/20: CD: As per Means forecast + 9.22% profit & overhead. One project on site/ on project at completion of design.
50CP00590	Boilers & Heating Distribution	4,434,934	4,484,934	50,000	600,000	159,746	440,252	600,000	0	On Target	
50CP00826	Communal Heating	3,000,629	3,000,629	0	1,593,000	449,803	1,143,197	1,593,000	0	On Target	
507AX035	Fire Safety Works	3,391,797	3,391,797	0	3,001,000	439,084	2,561,916	3,001,000	0	On Target	

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project				In Year				Forecast Reason			
		Total Expenditure Capital Budget	Prior Year Expenditure Actuals	Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Year Actuals to Capital Budget		Current Forecast 2020/21	Forecast Slippage to Future Years	Forecast Variance to Capital Budget
50CP000233	Carol Dowds	1,832,369	110,864	300,779	1,882,369	0	1,500,000	189,895	1,310,105	1,500,000	0	0	Slippage
50CP000829	Mark Johnson	1,559,428	58,428	307,617	1,559,428	0	1,500,000	249,189	1,251,811	1,500,000	0	0	On Target
507AX078		10,538,561	7,724,503	9,112,438	10,538,561	0	2,814,000	1,387,877	1,426,123	2,814,000	0	0	On Target
50CP000593	Mark Johnson	432,535	361,535	392,547	432,535	0	71,000	31,012	39,988	71,000	0	0	On Target
50CP000594	Mark Johnson	691,873	570,873	621,930	691,873	0	111,000	50,757	70,243	121,000	0	0	On Target
50CP000595	Mark Johnson	1,184,861	973,861	1,061,891	1,184,861	0	211,000	87,730	123,270	211,000	0	0	On Target
50CP000596	Mark Johnson	7,186,503	4,894,503	6,065,302	7,186,503	0	2,292,000	1,170,799	1,121,201	2,292,000	0	0	On Target
50CP000597	Mark Johnson	78,007	65,047	68,438	78,007	0	13,000	3,391	9,609	13,000	0	0	On Target
50CP000598	Mark Johnson	964,742	858,742	902,930	964,742	0	106,000	44,188	61,812	106,000	0	0	On Target
507AX025		4,618,792	3,362,169	3,526,154	4,618,791	-1	1,256,622	163,985	1,092,637	1,251,000	5,622	0	On Target
507AX030		4,618,792	3,362,169	3,526,154	4,618,791	-1	1,256,622	163,985	1,092,637	1,251,000	5,622	0	On Target
50CP000585	Sandra Rankin	4,618,792	3,362,169	3,526,154	4,618,791	-1	1,256,622	163,985	1,092,637	1,251,000	5,622	0	On Target
5072X014		6,678,371	5,554,634	5,549,011	6,678,371	0	1,123,737	-5,623	1,129,360	1,110,000	13,737	0	Slippage
507AX020		6,678,371	5,554,634	5,549,011	6,678,371	0	1,123,737	-5,623	1,129,360	1,110,000	13,737	0	Slippage
507AX040		6,678,371	5,554,634	5,549,011	6,678,371	0	1,123,737	-5,623	1,129,360	1,110,000	13,737	0	Slippage
50CP000538	Sandra Rankin	6,678,371	5,554,634	5,549,011	6,678,371	0	1,123,737	-5,623	1,129,360	1,110,000	13,737	0	Slippage

Capital Expenditure Forecast September 2020

Account/Project	Project Name	Total Project				In Year				Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Current Year Capital Budget	Current Year Actuals	Current Year Actuals to Capital Budget	Current Forecast 2020/21						
507X0019	Corporate Core	14,392,737	14,392,737	0	5,512,824	933,783	4,579,041	4,994,157	518,667	0			
507X0019	Innovation	14,392,737	14,392,737	0	5,512,824	933,783	4,579,041	4,994,157	518,667	0			
507X0025	Transport Innovation	9,089,237	9,089,237	0	2,433,667	503,345	1,930,322	1,930,322	188,667	0			Slippage
50CP000518	Go Ultra low - Infrastructure	3,955,803	3,955,803	0	1,073,667	53,345	1,020,322	1,020,322	68,667	0			Green
50CP000519	Go Ultra low - Vehicles	4,800,100	4,800,100	0	1,350,000	450,000	900,000	900,000	450,000	0			Green
50CP000520	Go Ultra low - Experience Centre	533,834	533,834	0	10,000	0	10,000	10,000	0	0			On Target
507X0089	Connectivity Infrastructure	5,303,000	5,303,000	0	3,079,157	430,438	2,648,719	3,079,157	0	0			Green
50CP000894	MKSC - Connecting Communities	5,303,000	5,303,000	0	3,079,157	430,438	2,648,719	3,079,157	0	0			Green
507X0020	Policy, Insight & Comms	250,000	250,000	0	62,500	0	62,500	62,500	0	0			On Target
507X0052	Policy, Insight & Comms	250,000	250,000	0	62,500	0	62,500	62,500	0	0			On Target
507X0090	Policy, Insight & Comms	250,000	250,000	0	62,500	0	62,500	62,500	0	0			On Target
50CP000948	CCTV	250,000	250,000	0	62,500	0	62,500	62,500	0	0			On Target
507X0015	Growth, Economy and Culture	20,609,594	20,630,969	27,375	7,445,499	1,924,776	5,520,723	5,842,673	1,630,200	27,374			
507X0028	Place Making	10,352,768	10,380,149	27,375	6,357,971	1,726,154	4,631,817	4,795,145	1,630,200	27,374			
507X0016	Leisure	7,504,387	7,837,762	33,375	6,127,227	1,693,481	4,433,746	4,830,401	1,630,200	33,374			
50CP000911	Fairfield Pitches	520,000	520,000	0	438,842	162,586	276,254	368,842	70,000	0			Green
50CP000842	MK Arts Centre	421,000	421,000	0	421,000	0	421,000	421,000	0	0			Slippage
50CP000950	Whitehouse Community Facility	1,400,000	1,400,000	0	1,400,000	0	1,400,000	1,400,000	1,300,000	0			Slippage
50CP000129	Tottenham Park Community Wellness Hub	2,896,001	2,835,001	39,000	2,033,218	911,774	1,111,444	2,062,218	0	39,000			Amber
50CP000645	Fairfields (Area 1) MEA Leisure and Community Facilities	1,673,219	1,673,219	0	935,491	571,387	364,104	935,491	0	0			Amber
50CP000910	Fairfield Ground works	450,000	450,000	0	447,575	50,553	397,022	247,575	200,000	0			Green
50CP000279	Fairfields Area 11 Allotment Site	243,000	243,000	0	243,000	0	243,000	243,000	0	0			On Target
50CP000377	Brookside Hall	125,000	125,000	0	5,975	-2,339	8,314	5,975	0	-5,626			Underspend
50CP000640	Drainage Works at Millmead Hall	40,000	40,000	0	9,640	0	9,640	9,640	0	0			On Target
50CP000271	Woolstone Community Centre Refurb	54,600	54,600	1	20,000	5,144	14,856	20,000	0	0			On Target
50CP000639	Enhancements to Community Facilities	142,000	142,000	0	140,200	0	140,200	80,000	60,200	0			Slippage
50CP000641	Refurbishment of Local Community Centres	85,582	85,582	0	42,286	0	42,286	42,286	0	0			On Target
507X0049	Sports	2,848,381	2,842,381	-6,000	2,307,744	32,673	198,071	2,847,744	0	-6,000			On Target
50CP000839	SIA Wavendon Community Facility	1,750,000	1,750,000	0	150,000	21,808	128,192	150,000	0	0			Amber
50CP000230	Conniburrow Project-baseball Provision	903,817	903,817	0	15,573	0	15,573	15,573	0	0			On Target

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	Forecast Variance to Capital Budget	Forecast Reason	
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Actuals	Current Year Actuals Variance to Capital Budget	Current Forecast 2020/21					
50CPW00259	Catherine Bond	145,564	130,121	145,564	0	13,771	4,728	15,043	13,771	0	Green	19/09/20: Quotes being received for the external areas and the fencing required. Works will happen in year.
50CPW00835	Rowette Murphy	49,000	9,737	43,000	-6,000	45,000	6,137	39,263	39,400	0	Green	30/09/20: 30/09/20: To complete NHS works not started in year. To complete handling units and roofing works. To complete December 2020. Any underspend available for Tottenham project.
50TAX029	Glenn Offield	7,480,786	6,645,419	7,480,786	0	742,957	138,622	544,335	742,957	0	Green	26/09/20: Contribution paid. Legal fees around lease completion to be paid.
50TAX050		7,480,786	6,645,419	7,480,786	0	742,957	138,622	544,335	742,957	0	Green	22/09/20: 22/09/20: Farmhouse main works project contact awarded and work to start mid September. Chapel complete.
50CPW00298		5,556,300	5,549,978	5,556,300	0	145,700	139,378	6,322	145,700	0	Green	01/09/20: BDUK 2 final structures around Hardmead now being delivered.
50CPW00297	Al Dewick	1,924,486	1,036,197	1,924,486	0	597,257	59,244	538,013	597,257	0	Amber	01/09/20: Around 1200 properties across the Borough have yet to be covered by superfast broadband. Outreach have been asked to model the properties the remaining funds will cover.
50TAX042		2,770,040	1,636,495	2,770,040	0	344,571	0	344,571	344,571	0	Green	
50TAX045		2,770,040	1,636,495	2,770,040	0	344,571	0	344,571	344,571	0	Green	
50CPW00263	Maryn Smith	550,749	406,749	550,749	0	144,000	0	144,000	144,000	0	Green	
50CPW00264	Maryn Smith	2,219,291	1,229,746	2,219,291	0	200,571	0	200,571	200,571	0	Green	
50TAX010		244,612,061	123,353,473	244,038,761	-573,300	30,192,793	6,961,534	23,231,219	27,965,966	2,394,221	On Target	25/09/20: 3 schemes - Newport Rd Traffic Calming delivered June 20 and Zebra Crossing Counters Vey/Warwick Avenue - statutory consultation Sept and works to start in mid Oct, subject to no formal plans to be complete by end of Dec 2020.
50TAX061		5,418,191	2,399,693	5,418,193	1	1,747,761	560,905	1,186,856	2,272,468	209,128	On Target	25/09/20: To provide an annual programme to introduce 20mph into existing estates. We are currently assessing applications for this project and not all schemes will be completed in 2020.
50CPW00672	Luciana Smart	620,136	381,149	620,136	0	238,387	137,582	101,405	238,387	0	Green	25/09/20: Design completed, construction works to commence on 28th Sept, expected delivery end of Nov 20. Statutory obligation to permanently close Grafton Street (V6) at junctions with Cairngorm and Grafton Street in Wintershill.
50CPW00822	Luciana Smart	814,832	212,437	814,832	0	602,335	332,106	270,229	400,000	202,335	Amber	25/09/20: A traffic management scheme to improve parking and traffic movement on around Ferry Meadows, Comm. Centre and local residents. Design and district licence 50/21 delivery 21/22.
50CPW00824	Luciana Smart	120,000	27,148	120,000	0	42,570	16,397	26,173	42,570	0	Amber	30/09/20: Small dropped down kerb type schemes identified but due to lack of resources will be delivered in 2021/22.
50CPW00931	Luciana Smart	200,000	0	200,000	0	200,000	0	200,000	200,000	0	Green	
50CPW00932	Luciana Smart	140,000	0	140,000	0	20,000	0	20,000	20,000	0	Amber	
50CPW00825	Rachel Munday	25,000	17,751	25,000	0	6,793	0	6,793	0	6,793	Green	

Capital Expenditure Forecast - September 2020

Account/Project	Project Name	Total Project	In Year	Forecast Reason
		Total Expenditure Actuals to date	Current Year Actuals	
507X0062	Transport Policy & Programmes	3,498,224	637,076	Green
50CP00673	CES Real Time Parking Information System	1,761,148	37,300	On Target
50CP00676	Smarter Choices - Cvk Wayfinding	207,289	47,174	On Target
50CP00496	Cycling	4,214	3,600	On Target
50CP00438	Redway Super Routes	690,210	83,551	On Target
50CP00677	Cvk Urban Traffic Management and Control (UTMC) System	683,835	362,150	Green
507X0012	Land Development	2,085,448	200,000	Green
507X0074	Blackley Fire Station Site	1,879,448	-6,000	Green
50CP00955	Clearways/Interruption	1,854,448	200,000	Green
50CP00608	Western Expansion Area Common Infrastructure	0	0	Green
50CP00609	Trafalgar Park Developments	1,172,138	0	Green
507X0013	Property	713,310	6,000	Green
50CP00708	Fire door and glazing unit Enhancement	19,087,659	247,299	Green
50CP00706	Teachfuge Cloud PM Software Solution	12,297,617	205,887	Green
50CP00708	Milmead Hall Enhancement	22,553	379	Green
50CP00909	Greenley Local Centre	14,773	47,655	Green
50CP00617	Whitehouse Health facility	11,665,163	137,668	Green
50CP00836	Brackwell House	17,170	232,830	Green
507X0071	Admin Buildings	6,789,752	172,609	Green
50CP00767	Minor Capital Works to Civic Buildings	118,629	80,351	Green
50CP00489	Future Work Programme	6,444,399	58,298	Green
50CP00709	Civic Offices External Works	132,353	20,000	Green
507X0015	Bridge Programme	11,432,033	3,077,582	Green
507X0051	Bridge Programme	11,432,033	2,676,248	Green
50CP00312	Bridge Approach Safety Barrier Upgrades	1,304,572	230,861	Green
50CP00314	Upgrading of BACO Vehicle Parkers Ph 3	2,227,071	174,158	Green
50CP00315	Protective coating to structural element	599,930	28,545	Green
50CP00316	Porte Cochere Roof Upgrades	2,044,307	234,706	Green
50CP00317	Structural Improvements to structures	1,139,669	20,443	Green
25/09/20:	Funding required to install mesh camera network as part of wider comms network linked to LTM or Red Bull campus programme.			On Target
30/09/20:	Project has been delayed to completion of October due to map updating.			On Target
01/10/20:	Review of cycle parking at 70 locations. Terms product design being reviewed to agree a robust low maintenance product.			On Target
01/10/20:	Way finding (finger posts) - Highways to be completed by end of Oct. Phase 2 which is scheduled to be completed late Nov. Feeder power pillars for future proofing to be delivered. Funding available.			Acceleration
02/10/20:	New project and being progressed.			On Target
02/10/20:	Project Completed			On Target
02/10/20:	Actuals relates to accrual for March from MKCP - to be invoiced.			On Target
25/09/20:	Project completed and retention to be released to contractor in due course.			On Target
25/09/20:	Final elements of Asset software implementation including Fleet, Financials, Direct Labour Organisation & Statutory Health & Safety module. Revenue to Capital transfer to be returned to source.			Underspend
25/09/20:	01/09/20: Project completed. Funding can be returned to source.			On Target
28/09/20:	Scheme to enhance external area in front of shops nearing completion. Minor elements of painting remain. SERCO FABO work delivered. Flyway costs outstanding.			On Target
30/09/20:	30/09/20 Project completed on time in phase. Forecast reflects final account payment to contractor. Professional fees for managing the defects project.			On Target
02/10/20:	Contact awarded, works due to start on site early October and complete January 2021.			Slippage
25/09/20:	25/09/20: First floor alterations, Final Audio Visual installations to meeting rooms, Digital communications Civic front door alterations in progress - All included to support Covid19 risk management.			On Target
28/09/20:	28/09/20: Contractor appointed and works progressing to complete. Resisting. Design being agreed with Fire Risk Assessor before quotes under quarterly review. Current results are positive but area to be subject to further testing.			On Target
01/10/20:	01/10/20: 25/09/20: On site 24th Sept. 1 site complete, on target for completion by end Dec. 3 completions to progress due in Jan. Utilities S0CP00553 Ward Rd for estimated overspend			On Target
01/10/20:	01/10/20: 25/09/20: On site due to complete mid Nov. Additional large replacement identified during the Principal Inspection programme on HD			On Target
22/09/20:	22/09/20: Completed LDH Sept. Some outstanding defects. Awaiting final account Est 6.1k. overspend covered by S0CP00317			On Target
01/10/20:	01/10/20: 25/09/20: Several severe corroded roofs discovered once roof felt removed, requiring new deck. Est. £30k. overspend covered by S0CP00317			On Target
01/10/20:	01/10/20: 25/09/20: One scheme completed 25th Aug. Utilities to cover est £6,100 S0CP00315 Protective Coatings. £30k S0CP00316 Porte Cochere. Est. 3k. S0CP00528 5 bag railway.			On Target

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Forecast 2020/21			
50CPX00318	Susan Keem	918,821	835,985	-82,836	82,836	0	56,359	0	On Target	
50CPX00325	Susan Keem	148,116	44,608	103,508	103,508	0	103,508	0	On Target	
50CPX00326	Susan Keem	78,197	58,197	20,000	20,000	0	26,000	0	On Target	
50CPX00329	Susan Keem	77,673	78,373	7,000	-700	8,383	8,383	0	On Target	
50CPX00332	Susan Keem	125,204	41,652	83,552	83,552	0	45,000	38,552	Slippage	
50CPX00650	Susan Keem	432,369	395,345	37,024	37,224	0	0	0	On Target	
50CPX00652	Susan Keem	57,120	52,355	4,765	4,765	0	0	-4,765	On Target	
50CPX00653	Susan Keem	24,235	6,213	18,022	18,022	0	0	-18,022	On Target	
50CPX00815	Susan Keem	372,549	200,839	205,324	171,710	33,614	311,384	0	Overpend	
50CPX00816	Susan Keem	458,000	7,919	451,141	450,081	1,460	451,141	0	On Target	
50CPX00818	Susan Keem	475,000	19,311	464,793	455,089	9,704	234,793	130,000	Slippage	
50CPX00819	Susan Keem	50,000	5,229	44,771	69,564	24,793	80,000	0	On Target	
50CPX00926	Susan Keem	430,000	0	430,000	430,000	0	430,000	0	On Target	
50CPX00927	Susan Keem	200,000	0	200,000	15,000	0	15,000	0	On Target	
50CPX00928	Susan Keem	275,000	0	283,500	25,000	0	313,500	0	On Target	
507X0016	Andrew Dickson	111,813,704	26,046,325	85,767,379	9,295,950	3,125,464	6,170,226	89,242	On Target	
50CPX00210	Andrew Dickson	443,760	443,760	0	0	0	0	0	On Target	
50CPX00336	Andrew Dickson	14,882,877	14,480,874	4,002,003	1,603,460	598,543	2,292,003	0	On Target	
50CPX00337	Andrew Dickson	30,070,257	8,600,257	21,470,000	930,756	539,244	1,470,000	0	On Target	
50CPX00917	Andrew Dickson	160,000	0	160,000	43,098	116,902	160,000	0	On Target	
50CPX00918	Andrew Dickson	0	0	0	23,726	-23,726	0	0	On Target	
50CPX00919	Andrew Dickson	0	0	0	39,843	-39,843	0	0	On Target	
50CPX00920	Andrew Dickson	0	0	0	64,605	-64,605	0	0	On Target	
50CPX00923	Andrew Dickson	0	0	0	7,329	-7,329	0	0	On Target	
50CPX00938	Andrew Dickson	100,225	0	100,225	0	100,225	100,225	0	On Target	
50CPX00941	Andrew Dickson	500,000	0	500,000	117,084	382,916	500,000	0	On Target	
50CPX00942	Andrew Dickson	75,000	0	75,000	0	75,000	75,000	0	On Target	

Capital Expenditure Forecast September 2020

53,050,009 20,125,584

3,216,096

Account/Project	Project Manager Name	Total Project				In Year				Forecast Variance to Capital Budget	Forecast Slippage to Future Years	Forecast Reason	
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Year Actuals Variance to Capital Budget	Current Forecast 2020/21					
50CP000551	Housing Infrastructure Fund	79,556,089	0	79,556,089	0	3,165,000	0	3,165,000	3,165,000	0	0	Green	Slippage
507AX023	Drainage	1,603,412	1,453,412	1,603,412	0	150,000	57,183	92,817	300,000	50,000	0	Green	On Target
50CP000239	Drainage	590,002	540,002	590,002	0	50,000	0	50,000	50,000	0	0	Green	Slippage
50CP000340	Loveland Drainage	213,675	163,675	213,675	0	50,000	1,018	48,982	0	50,000	0	Green	On Target
50CP000341	Upgrading of Highway Carrier Drains	799,735	749,735	799,735	0	50,000	56,165	-6,165	50,000	0	0	Green	On Target
507AX054	Redway & Footways	3,492,207	2,218,697	3,492,207	0	1,194,210	135,164	998,796	1,894,210	10,000	0	Green	On Target
50CP000451	City Centre Paving Reconstruction	162,218	112,218	162,218	0	50,000	0	50,000	50,000	0	0	Green	On Target
50CP000656	Footways/Redway improvements	2,106,469	2,106,469	2,106,469	0	0	-1,344	1,344	0	0	0	Green	On Target
50CP000933	Redway Resurfacing	400,000	0	400,000	0	400,000	113,203	286,797	400,000	0	0	Green	On Target
50CP000934	Redway Signage	10,000	0	10,000	0	10,000	0	10,000	0	10,000	0	Green	Slippage
50CP000935	Highways and pavement asset enhancement programme	200,000	0	200,000	0	200,000	0	200,000	200,000	0	0	Green	On Target
50CP000936	Redways Improvements	150,000	0	150,000	0	150,000	2,045	147,955	150,000	0	0	Green	On Target
50CP000937	Footpath Improvements	314,220	0	314,220	0	314,220	81,560	232,660	314,220	0	0	Green	On Target
50CP000939	CMK Capital Programme works (Parkways & Street Furniture)	50,000	0	50,000	0	50,000	0	50,000	50,000	0	0	Green	On Target
50CP000940	Supporting Access and Mobility across Milton Keynes	100,000	0	100,000	0	20,000	0	20,000	20,000	0	0	Green	On Target
507AX055	Vehicle Safety Barriers	516,645	266,645	391,650	0	250,000	0	250,000	125,005	0	-124,995	Green	On Target
50CP000345	Vehicle Safety Barriers	516,645	266,645	391,650	0	250,000	0	250,000	125,005	0	-124,995	Green	On Target
507AX072	Signage	611,932	582,690	611,932	0	29,242	0	29,242	0	29,242	0	Green	Slippage
50CP000821	Directional Signs	611,932	582,690	611,932	0	29,242	0	29,242	0	29,242	0	Green	On Target
507AX077	Passenger Transport	4,402,927	1,530,526	1,963,400	0	2,872,401	432,874	2,439,527	1,939,588	853,986	-76,827	Green	On Target
507AX057	Passenger Transport	4,402,927	1,530,526	1,963,400	0	2,872,401	432,874	2,439,527	1,939,588	853,986	-76,827	Green	Slippage
50CP000883	Low Emission Buses Initiative	544,000	156,560	544,000	0	387,440	0	387,440	387,440	0	0	Amber	On Target
50CP000362	Passenger Transport	2,048,708	1,152,342	1,179,880	0	896,356	273,388	869,028	300,000	596,366	0	Amber	Slippage
50CP000729	CMK Passenger Transport	153,012	78,688	153,012	0	74,331	0	74,331	74,331	0	0	Green	On Target
50CP000892	Magna Park and Whitehouse Bus Stops	140,000	5,380	140,000	0	134,620	0	134,620	77,000	57,620	0	Green	Slippage
50CP000895	Smart Ticketing	840,000	137,563	840,000	0	702,437	202,743	499,694	702,437	0	0	Amber	On Target
50CP000843	Real Time Passenger Information	250,000	0	250,000	0	250,000	96,097	153,903	250,000	0	0	Green	On Target

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project				In Year				Forecast Variance to Capital Budget	Forecast Slippage to Future Years	Forecast Reason		
		Total Expenditure	Prior Year Expenditure Actuals	Total Expenditure Actuals to date	Total Scheme Forecast	Current Year Actuals	Current Year Actuals Variance to Capital Budget	Current Forecast 2020/21	Current Forecast					
50CP000944	Adèle Weaving	200,000	0	0	200,000	0	200,000	0	200,000	0	200,000	0	Amber	28/09/20: under review. No spend planned in 20/21 and of Sept. Work continues on the proposed lease scheme.
50CP000945	Kevin Hart	227,207	0	106,096	148,380	-78,827	227,207	106,096	120,511	148,380	0	-78,827	Green	01/10/20: All 21 bikes ordered and to be delivered by end of Sept. Work continues on the proposed lease scheme.
50730024	Road Safety	203,265	193,823	189,329	203,265	0	9,442	-4,694	13,936	3,029	3,029	6,413	Amber	25/09/20: To deliver minor safety school schemes 2020-21. However, there is a lack of internal resources to design and construct these schemes, hence slippage.
5074X058	Safer Journeys to Schools	73,293	63,851	63,851	73,293	0	9,442	0	9,442	0	0	6,413	Green	25/09/20: To be used to deliver minor wig-wags scheme 2020-21. Potentially supplier will provide MFC new equipment for testing.
50CP000364	Luciana Smart	64,768	58,335	58,335	64,768	0	6,433	0	6,433	0	0	0	Green	28/09/20: Contractor credit - project complete.
50CP000370	Wig-Wag Replacement	8,525	5,496	5,496	8,525	0	3,029	0	3,029	3,029	0	0	Green	30/09/20: 25/09/20: Complete August Costs for business as usual to be allocated to capital codes. All free costs included. Contractor and MFC. Current risk of additional cost for Covid 19 claim from contractor - Claim = £125,000 currently being assessed
5074X059	Road Safety	129,972	129,972	129,972	129,972	0	0	-4,694	4,694	0	0	0	Green	02/10/20: New project and being progressed.
50730031	Major Schemes	42,868,809	24,759,934	25,474,445	42,868,809	125,000	5,509,467	715,511	4,793,956	3,000,000	3,000,000	0	Green	28/09/20: 24/09/20: Joint project between MFC and Central Bedfordshire Council (CBC) with CBC as lead contractor. MFC to provide design and cost, CBC providing formal contribution request from CBC.
5074X066	Major Schemes	42,868,809	24,759,934	25,474,445	42,868,809	125,000	5,509,467	715,511	4,793,956	3,000,000	3,000,000	0	Green	25/09/20: Specialist design required as traffic signals and lighting, statutory consultation Oct, works to commence in March 2021, per S106 funding requirement. Delivered by May 21. Delays on detailed design due to Utilities Covid 19 restrictions
50CP000355	V4 Crossings	6,020,602	5,304,831	5,978,899	6,145,602	125,000	715,771	673,865	41,906	840,771	0	125,000	Amber	28/09/20: Spend in 20/21 expected to be higher than 20/20. Further technical studies hence slippage, although subject to further clarification from EMR Company on this.
50CP000954	Bentley to Blue Lagoon Redway Links	671,000	0	0	671,000	0	671,000	0	671,000	0	0	0	Green	28/09/20: 24/09/20: Drainage works complete. Road Safety Audit recommendations being implemented & awaiting final costs. Slippage due to staff availability and repositioning of work.
50CP000658	A421	3,000,000	0	0	3,000,000	0	3,000,000	0	3,000,000	0	0	0	Green	24/09/20: 24/09/20: Final professional fees outstanding.
50CP000773	Section 106 - Vic Side Road Corridor Improvement Schemes	1,389,119	53,413	53,413	1,389,119	0	645,706	0	645,706	145,706	500,000	0	Amber	28/09/20: 24/09/20: Slippage due to the repositioning of tariff funded programme and delay in appointing a Technical Project Manager to complete the feasibility work.
50CP000265	East West Rail	7,650,000	235,388	235,388	7,650,000	0	125,000	0	125,000	80,000	45,000	0	Green	28/09/20: 24/09/20: Anticipated completion date changed in line with the repositioning of the Tariff programme and Transport modelling output.
50CP000351	A421 Fen Farm to Eagle Farm	9,250,742	9,098,732	9,145,121	9,250,742	0	151,936	46,369	105,621	134,936	17,000	0	Green	Actuals to be reviewed.
50CP000352	A421 Kingston Roundabout	9,620,395	9,620,395	9,615,872	9,620,395	0	0	-4,723	4,723	0	0	0	Green	01/10/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000353	Mowlston V12 Improvements	5,113,683	302,892	302,892	5,113,683	0	200,000	0	200,000	100,000	100,000	0	Amber	28/09/20: 24/09/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000354	Crowthill/Loughton Improvements	143,268	143,268	143,168	143,268	0	0	0	0	0	0	0	Green	01/10/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50730033	Street Lighting	31,931,467	28,404,507	29,372,306	31,931,467	0	3,526,900	967,739	2,559,161	3,326,900	200,000	0	Green	28/09/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000395	Street Lighting Column Replacement	31,931,467	28,404,507	29,372,306	31,931,467	0	3,526,900	967,739	2,559,161	3,326,900	200,000	0	Green	Actuals to be reviewed.
50CP000668	Street Lighting Column Replacement & LED	12,897,074	12,497,074	12,496,848	12,897,074	0	0	-425	425	0	0	0	Green	01/10/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000669	Investment in LED lighting in Estates	8,275,933	6,775,933	7,250,945	8,275,933	0	1,500,000	475,012	1,024,988	1,300,000	200,000	0	Green	28/09/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000669	Investment in LED lighting in Estates	7,139,521	5,212,622	5,686,860	7,139,521	0	1,935,900	473,738	1,462,162	1,935,900	0	0	Green	01/10/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50CP000726	Redway Lighting Improvements	4,018,938	3,918,938	3,938,352	4,018,938	0	100,000	19,414	80,586	100,000	0	0	Green	28/09/20: Programme is to convert old and inefficient Street lighting to LED lighting, private cable Network updated estimate costs now lower than original estimate costs hence slippage.
50730034	Parking	11,516,425	10,470,430	10,448,657	11,015,430	-500,995	1,045,995	-21,773	1,067,768	545,000	0	-500,995	Amber	Project completed however over spent due to highway costs. Funding to be identified for over spend. Final project costs finally approved.
5074X081	Other Parking	11,516,425	10,470,430	10,448,657	11,015,430	-500,995	1,045,995	-21,773	1,067,768	545,000	0	-500,995	Green	28/09/20: 01/10/20: Project complete. Scheme in 12 month defect period. Fit out to take place during September. Retention and Pw/Q/S fees due
50CP000680	Upgrade of Parking Machines	1,383,425	1,263,425	1,220,947	1,383,425	240,000	0	-42,798	42,478	240,000	0	240,000	Amber	Project completed however over spent due to highway costs. Funding to be identified for over spend. Final project costs finally approved.
50CP000679	CMK multi-storey car park	10,168,000	9,207,005	9,226,948	9,427,005	-740,995	960,395	19,503	941,492	220,000	0	-740,995	Green	28/09/20: To improve parking at Caldecote business park, by converting verges into parking spaces, introduce restrictions and a bus stop. Project still on course to be completed this financial year.
50CP000605	Caldecote Parking	85,000	0	1,202	85,000	0	85,000	1,202	83,798	85,000	0	0	Green	
50730035	Landscape Services	2,069,219	950,479	1,250,363	2,082,076	-22,857	830,740	299,884	530,856	778,539	75,000	22,857	Green	
5074X064	Landscape Services	2,069,219	950,479	1,250,363	2,082,076	-22,857	830,740	299,884	530,856	778,539	75,000	22,857	Green	

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Actuals	Current Year Actuals Variance to Capital Budget	Current Forecast 2020/21				
50CP000881	Naived Ahmed	72,710	48,248	0	24,462	0	24,462	0	Green	On Target	
50CP000883	Naived Ahmed	448,051	344,250	0	103,801	0	103,801	0	Green	On Target	
50CP000885	Rebecca Trause	110,100	112,480	2,380	0	2,380	2,380	0	Green	Overpend	
50CP000891	Rebecca Trause	598,000	340,080	0	553,850	296,550	257,300	478,850	Green	Slippage	
50CP000892	Susan Keem	450,000	343,477	0	115,523	9,023	106,500	136,000	Green	On Target	
50CP000849	Rachel Munday	321,104	0	0	33,104	0	33,104	33,104	Green	On Target	
50CP000853	Rachel Munday	20,201	22,249	2,020	0	1,948	-1,948	0	Green	On Target	
50CP000856	Rachel Munday	16,029	15,029	1,029	0	1,308	-1,308	0	Green	On Target	
50CP000858	Rachel Munday	8,083	6,954	1,129	0	3,000	-3,000	0	Green	On Target	
50CP000860	Rachel Munday	24,941	11,365	13,576	0	-1,229	1,229	0	Green	On Target	
50CP000866	Phillip Swell	387,926	387,926	0	337,035	-4,020	341,055	337,035	Green	On Target	
50CP000848	Angela Abbott	265,000	140,250	0	265,000	124,750	265,000	0	Green	On Target	
50CP000952	Phillip Swell	143,000	0	0	143,000	0	143,000	0	Green	On Target	
50CP000947	Phillip Swell	55,000	0	0	55,000	0	55,000	0	Green	On Target	
50CP000936	Phillip Swell	75,000	0	0	75,000	0	75,000	0	Green	On Target	
50CP000944	Phillip Swell	55,000	0	0	55,000	0	55,000	0	Green	On Target	
50CP000952	Phillip Swell	143,000	0	0	143,000	0	143,000	0	Green	On Target	
50CP000948	Angela Abbott	265,000	140,250	0	265,000	124,750	265,000	0	Green	On Target	
50CP000948	Angela Abbott	130,000	78,471	0	93,807	42,278	51,529	93,807	Green	On Target	
50CP000951	Peter Roberts	250,000	185,621	0	124,662	60,283	64,379	124,662	Green	On Target	
50CP000952	Luciana Smart	150,000	129,204	0	20,796	0	20,796	0	Green	On Target	
50CP000953	Luciana Smart	150,000	129,204	0	20,796	0	20,796	0	Green	On Target	
50CP000954	David Proctor	220,000	220,000	0	220,000	0	220,000	0	Green	On Target	
50CP000954	Rebecca Trause	300,000	0	0	300,000	0	300,000	120,000	Green	Slippage	
50CP000954	Rebecca Trause	30,077	30,077	0	30,077	0	30,077	0	Green	On Target	
50CP000954	Rebecca Trause	30,077	30,077	0	30,077	0	30,077	0	Green	On Target	

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Project			In Year				Forecast Variance to Capital Budget	Forecast Variance to Capital Budget	Forecast Status	Forecast Reason				
		Total Expenditure Actual to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Prior Year Expenditure Actuals	Total Expenditure Actual to date	Current Year Actuals	Current Year Capital Budget					Current Forecast 2020/21	Forecast Variance to Capital Budget	Forecast Status	Forecast Reason
50CD00486	Registration Service	30,077	30,077	0	30,077	30,077	0	0	4,000	-4,000	0	0	0	0	Green	On Target
Commentary 08/7/20: Project completed. Actuals are Revenue expenses which will be transferred.																

Capital Expenditure Forecast September 2020

Account/Project	Project Manager Name	Total Expenditure			Total Project			In Year			Forecast Variance to Capital Budget	Forecast Slippage to Future Years	RAG Status	Forecast Reason
		Prior Year Expenditure Actuals	Total Expenditure Actuals to date	Total Scheme Forecast	Forecast Variance to Capital Budget	Current Year Capital Budget	Current Year Actuals	Current Year Variance to Capital Budget	Current Forecast 2020/21	Forecast Variance to Capital Budget				
5072X018	Resources													
5073X011	ICT	7,250,015	6,081,374	7,250,014	-1	1,257,710	221,782	1,035,928	842,359	415,311	0			
5074X073	ICT	7,250,015	6,091,374	7,250,014	-1	1,257,710	221,782	1,035,928	842,359	415,311	0			
50CP000700	Revenue & Benefits System	888,699	741,587	888,699	0	162,830	148,800	14,000	162,830	0	0	Green	On Target	
50CP000499	ICT Asset Funding Programme	1,229,157	784,193	1,229,157	0	506,127	61,163	444,964	150,000	356,127	0	Green	Slippage	
50CP000500	Intrusion Detection & Prevention System	58,421	27,266	58,421	0	0	-31,215	31,215	0	0	0	Green	On Target	
50CP000501	Data Hosting & Storage	3,556,020	3,527,157	3,556,919	-1	34,449	4,687	29,762	34,449	0	0	Green	On Target	
50CP000699	VDI Replacement	586,543	584,270	586,543	0	0	-1,673	1,673	0	0	0	Green	On Target	
50CP000701	PCs & Laptops Replacement	187,426	188,521	187,426	0	48,120	29,215	18,905	48,120	0	0	Green	On Target	
50CP000834	VMWare Enterprise agreement	522,849	105,849	522,849	0	417,000	0	417,000	417,000	0	0	Green	On Target	
50CP000702	Network Security & W/F	220,000	141,391	220,000	0	89,184	10,775	78,409	30,000	59,184	0	Green	Slippage	
GRAND TOTAL		606,825,092	347,640,724	606,831,056	-244,036	157,142,691	34,840,606	122,302,085	140,957,008	19,871,697	3,316,015			

Annex G

Tariff Programme Forecast September 2020

Scheme	Current Year Capital Budget - Approved at DD	Amendments	Revised Budget September 2020	Current Forecast 2020/21	Forecast Variance	Forecast Slippage to Future Years	Forecast Variance to Capital Budget after Slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cash Investment							
Roads and Highways							
Monkston Junctions	200	0	200	200	0	0	0
Brinklow Junction	0	0	0	0	0	0	0
Crownhill & Loughton Junctions	0	0	0	0	0	0	0
WEA Junction Improvements	0	0	0	0	0	0	0
CMK Junction Improvements	0	0	0	0	0	0	0
A422 Junction Improvements	0	0	0	0	0	0	0
V2 / H4 Extensions	0	0	0	0	0	0	0
Strategic Land Traffic Mitigation	50	0	50	50	0	0	0
Broughton Brook Fen Street crossing	300	0	300	300	0	0	0
Tariff Local Roads	107	0	107	107	0	0	0
H10 connection to Church Farm	0	0	0	0	0	0	0
Redway Super Routes	75	0	75	75	0	0	0
Fairfields Civils Infrastructure	598	0	598	248	(350)	350	0
Kents Hill School Redway Connections	0	0	0	0	0	0	0
Total Roads and Highways	1,330	0	1,330	980	(350)	350	0
Public Transport							
TP & KS Bus Subsidy	106	0	106	106	0	0	0
Magna Park & Whitehouse Bus Stops	135	0	135	135	0	0	0
P T Patronage and Subsidy	0	0	0	0	0	0	0
East - West Bus	357	0	357	357	0	0	0
Total Public Transport	598	0	598	598	0	0	0
Schools							
Fairfields Early Years Centre	585	0	585	585	0	0	0
WEA Primary 2 (Calverton Lane)	0	0	0	0	0	0	0
Whitehouse 12 FE Secondary School (WEA)	7,510	0	7,510	7,510	0	0	0
WEA Primary 3 ('Gravesend')	0	0	0	0	0	0	0
SLA Primary 2 (Glebe Meadow)	0	0	0	0	0	0	0
Total Schools	8,095	0	8,095	8,095	0	0	0
Leisure and Culture							
MK Archive - STACCess	100	0	100	100	0	0	0
MK Museum Redevelopment	146	0	146	146	0	0	0
Wavendon Community Centre	17	0	17	17	0	0	0
Expansion Area Public Art	56	0	56	56	0	0	0
Fairfields Community Sports	806	0	806	806	0	0	0
Fairfields Community Meeting Place	0	0	0	0	0	0	0
TP Sports & Community Centre	1,727	0	1,727	1,727	0	0	0
Brooklands Community Space	0	0	0	0	0	0	0
Whitehouse (Area 10) WEA Leisure Facilities	0	0	0	0	0	0	0
WEA Community Meeting Place	1,395	0	1,395	30	(1,365)	1,365	0
Wavendon Sports & Community Centre	150	0	150	150	0	0	0
Wavendon Resource Centre	0	0	0	0	0	0	0
WEA Library	100	0	100	100	0	0	0
Fairfields Allotments	237	0	237	237	0	0	0
Fairfields LP4	75	0	75	75	0	0	0
Fairfields Playing Fields	399	0	399	399	0	0	0
Wavendon Playing Fields	0	170	170	170	0	0	0
Brooklands Allotments	46	0	46	46	0	0	0
Whitehouse Allotments	0	0	0	0	0	0	0
SLA Allotments	0	0	0	0	0	0	0
Brooklands Connections	150	0	150	150	0	0	0
Green Spaces	3,250	0	3,250	3,250	0	0	0
Total Leisure and Culture	8,408	170	8,578	7,213	(1,365)	1,365	0
Social Care and Health							
Childrens Respite Care facility	0	0	0	0	0	0	0
MKUH Pathway Unit	5,000	0	5,000	0	(5,000)	5,000	0
Heating & Electrical Supply phase 2	0	0	0	0	0	0	0
Strategic Land GP Surgery	0	0	0	0	0	0	0
Social Care Facilities	0	0	0	0	0	0	0
Adult Supported Housing	0	0	0	0	0	0	0
CAMHS Expansion	0	0	0	0	0	0	0
Learning Disability Resource Centre	0	0	0	0	0	0	0
Childrens Long Term Care facility	0	0	0	0	0	0	0
Total Social Care and Health	5,000	0	5,000	0	(5,000)	5,000	0
Other Services							
Expansion Area Flooding & Drainage Schemes	250	0	250	250	0	0	0
University for Milton Keynes	202	0	202	202	0	0	0
Phase 2 Expansion Teaching & Learning	0	0	0	0	0	0	0
Phase 3 Expansion Chaffron Way Skills Centre	0	0	0	0	0	0	0
Cemetery capacity - West Flank	0	0	0	0	0	0	0
Cemetery capacity - East Flank	0	0	0	0	0	0	0
Community Recycling Facility	0	0	0	0	0	0	0
Carbon Offset Schemes	175	0	175	175	0	0	0
Voluntary Sector	1,500	0	1,500	1,500	0	0	0
Inward Investment	200	0	200	200	0	0	0
Total Other Services	2,327	0	2,327	2,327	0	0	0
Total Cash	25,758	170	25,928	19,213	(6,715)	6,715	0
Works in Kind							
Fen City Street	3,950	0	3,950	3,950	0	0	0
Tariff Local Roads	750	0	750	750	0	0	0
Fen Street Magna Park to Brooklands	1,100	0	1,100	1,100	0	0	0
Calverton Lane/Fairways	1,350	0	1,350	1,350	0	0	0
Stockwell Lane	800	0	800	800	0	0	0
Public Art (Works in Kind)	50	0	50	50	0	0	0
KS Incidental Open Space	58	0	58	58	0	0	0

TP Open Space and Play	100	0	100	100	0	0	0
TP Local Play Area 1	90	0	90	90	0	0	0
EEA Local Play Area 6	315	0	315	315	0	0	0
Brooklands Open Space phase 2	1,250	0	1,250	1,250	0	0	0
EEA District Park and Playing Fields	1,527	0	1,527	1,527	0	0	0
Western Expansion Area Allotments 4 (Area 11)	55	0	55	55	0	0	0
Western Expansion Area Local Play Area 5	125	0	125	125	0	0	0
Western Expansion Area Neighbourhood Play Area 4	150	0	150	150	0	0	0
Strategic Land	640	0	640	640	0	0	0
Total Works in Kind	12,310	0	12,310	12,310	0	0	0
Running Costs	135	0	135	135	0	0	0
Total Tariff Programme	38,203	170	38,373	31,658	(6,715)	6,715	0

**ANNEX H - MKC DEBT COLLECTION PERFORMANCE SUMMARY
QUARTER 2**

The Council collects a large range of different types of debts for the services that it provides to individuals and organisations. Whilst payment for a service in advance is the preferred method of collection there are some services where invoices will be issued.

The collection of debts for General Debtors, Council Tax & Business Rates and Housing Benefit Overpayments is centralised within the Corporate Recovery team based in the Revenues and Benefit service.

The Housing Service is responsible for the collection of debts in the Housing Revenue Account (HRA) with the exception of Former Tenant Arrears which sits with the Corporate Recovery team.

General Debtors

These debts cover a wide range of services that the Council provides such as adult social care, rents and service charges on Council owned commercial properties, planning obligations and traded services such as the community language service, IT and HR for schools etc.

Invoices are issued by the service area and if the invoice is unpaid when its due date is passed it becomes the responsibility of the corporate recovery team.

Recovery is undertaken in accordance with the Council's Income & Collection policy and Debt stream collection guidance. Up to three reminder letters are automatically generated for unpaid invoices and the corporate recovery team will seek to contact the customer to secure payment. If payment is not received, recovery options including the use of a debt collection agency or seeking to obtain a judgment in the County Court which would allow for the use of bailiffs, attachment of earnings, insolvency, charging order or third party payment orders are used as appropriate. Where actions incur upfront costs to the Council these will, where possible be recovered from the debtor.

Table 1 - In year Performance

Invoices Raised in 20/21 £m's	Invoices Written Off £m's	2020/21 Invoices Cleared £m's	In Year Collection Rate %	% of Invoices Cleared Within 3 Months	% of Invoices Cleared Within 6 Months
46.802	0.000	28.826	84.67%	88.83%	92.52%

The in-year collection rate (84.67%) is based on the value of invoices raised with a due date in Q2 that were cleared by the end of the Q2.

The % of invoices cleared within 3 months (88.83%) and 6 months (92.52%) is based on the value of invoices raised in June 2020 and March 2020 respectively that are now cleared. Due to the COVID-19 pandemic proactive debt recovery was suspended at the end of March 2020 however this has recommenced during Q2 and automated reminders are now back in place.

Table 2 – Aged Debt

	1-30 Days Overdue £m's	31-90 Days Overdue £m's	91-183 Days Overdue £m's	184-365 Days Overdue £m's	Over 365 Days Overdue £m's	TOTAL £m's
Q1 end	1.116	4.319	2.438	0.894	2.681	11.449
Q2 end	0.845	3.974	1.607	1.705	3.051	11.182

Breakdown of aged debt by service area

	1-30 Days Overdue £m's	31-90 Days Overdue £m's	91-183 Days Overdue £m's	184-365 Days Overdue £m's	Over 365 Days Overdue £m's	TOTAL £m's
Chief Executive	0.441	0.518	0.897	1.129	2.418	5.403
Corporate	0.000	2.999	0.002	0.148	0.021	3.170
Deputy Chief Executive	0.362	0.431	0.687	0.413	0.571	2.464
LGSS	0.042	0.026	0.021	0.015	0.041	0.145
Grand Total	0.845	3.974	1.607	1.705	3.051	11.182

Council Tax & Business Rates (NDR)

Bills are issued annually for Council Tax and Business Rates and are payable in either 10 or 12 monthly instalments.

Reminders are issued if a payer should fall behind with their monthly instalments and if they fail to bring their instalments up to date, the right to pay in instalments is lost and the balance of the full year becomes payable immediately. Failure to make payment in full will result in the issue of a summons to the magistrates court and at the hearing the Council will be granted a liability order to recover the unpaid debt. Costs become payable by the debtor and are added to the liability order.

Debts may be recovered by payment arrangement, referral to enforcement agents, attachment of earnings or benefits (council tax only), insolvency, charging order (council tax only) or committal to prison for up to 90 days.

Table 3 - In year collection for 2020/21

	Net Collectible Debit	Amount Collected	Target Collection Rate YTD	Actual Collection Rate YTD	Year End Forecast	MKC 2019/20 Collection Rate	Average Collection Rate for Unitary Authorities 2019/20*
	£m	£m	%	%	%	%	%
Council Tax	158.422	89.790	57.90	56.68	97.70	98.0	96.6
NDR	110.512	58.471	57.50	52.91	98.20	98.6	97.9

*Source from MHCLG – latest available data (July 2020)

Given the current economic climate there continues to be expected downturn in collection against target in Q2. Usual recovery processes were suspended since the onset of the COVID-19 pandemic in March but have recommenced with reminder notices being issued in September 2020.

Table 4 - In year movement all years

	Council Tax			NDR		
	Previous Year Arrears Outstanding	Current Year 2020/21	Total Outstanding	Previous Year Arrears Outstanding	Current Year 2020/21	Total Outstanding
	£m	£m	£m	£m	£m	£m
01/04/2020	6.853	158.284	165.136	3.405	180.096	183.502
30/04/2020	6.628	142.932	149.560	3.374	104.835	108.209
31/05/2020	6.347	126.284	132.631	3.431	93.962	97.393
30/06/2020	6.144	112.046	118.190	3.369	82.061	85.430
31/07/2020	5.922	97.106	103.029	3.487	72.365	75.852
31/08/2020	5.651	83.135	88.785	3.398	61.952	65.351
30/09/2020	5.432	68.643	74.075	3.301	52.081	55.382

At year end current year outstanding balance will be added to previous years arrears and therefore it is important to ensure that active recovery continues on both current year debt and arrears from previous years.

As with current year collection, the recovery of previous years arrears was suspended in March 2020 and this has resulted in a decrease in % collected compared with previous years. The resumption of previous year debts being passed for further recovery is due to recommence in Q3.

Housing Benefit Overpayment Debt

Housing Benefit overpayments may be recovered in three different ways:

- (1) A standard weekly deduction made from a claimant's ongoing housing benefit claim, (in most cases £11.10 per week)
- (2) Issuing an invoice where the claimant is no longer in receipt of housing benefit; recovery options include payment arrangement, deductions from earnings, referral to debt collection agents or county court action.
- (3) By requesting the DWP to make a standard weekly deduction from other welfare benefits

Table 5 – Housing Benefit Overpayments Aged Debt

	Recovery From Ongoing Benefit	Invoiced Recovery	Deductions From DWP Benefit	TOTAL Overpayment to be Recovered
	£m	£m	£m	£m
Overpayments raised in previous years	1.347	5.377	0.204	6.928
Overpayments raised in current year	0.758	0.638	0.040	1.435
TOTAL overpayment to be recovered	2.105	6.015	0.243	8.363

There continues to be a shift from recovery from ongoing benefit to invoiced recovery as a consequence of the move of claimants from Housing Benefit to Universal Credit.

Table 6 - Recovery from Ongoing Benefit

Balance as at:	Total Overpayment to be Recovered From Ongoing Benefits	Inactive (Claim Suspended or Pending)	In Active Recovery or Queued to Start	% of Total Debt in Active Recovery
	£m	£m	£m	%
01.04.2020	2.328	0.204	2.124	91.23
30.06.2020	2.175	0.189	1.986	91.30
30.09.2020	2.105	0.264	1.841	87.46

Inactive debt is where the Housing Benefit claim is not currently in payment due to an outstanding query and deductions cannot be made until the claim is put back into payment. Again the trend in the reduction in the debt to be recovered from ongoing benefit is demonstrated in Q2.

Table 7 - Recovery by Invoice in year

In Year Collection	Opening Debit 01/04/20	Change in Debit	Cash Collected	Write Offs	Balance Outstanding	2020/21 Collection at End Q1	2019/20 Collection at 31/03/2020
	£m	£m	£m	£m	£m	%	%
	6.070	0.421	(0.543)	(0.066)	6.015	8.28	18.34

As with all other debt streams proactive recovery was suspended in Q1 but has resumed at the end of Q2.

Table 8 – Long Term Collection- since 2012

Opening Debit 01/04/12	Change in Debit	Cash Collected	Write Offs	Balance Outstanding	Long Term Collection Rate	Long Term Write Off Rate
£m	£m	£m	£m	£m	%	%
3.550	15.370	(9.809)	(3.096)	6.015	51.84	16.36

This table shows an analysis of collection since April 2012. The calculation uses the Cash received between 1/4/12 to date, divided by the balance at 1/4/12 together with new debt raised since 1/4/12, to give the long term collection rate.

Housing (HRA & GF)

The Housing Revenue Account (HRA) records all revenue expenditure and income relating to the provision of council dwellings and related services. HRA rents and service charges are billed through the Northgate housing system. In addition to these HRA charges, Temporary Accommodation (TA) and garage rents relating to General Fund housing (GF) are also billed through Northgate. Outstanding debt balances for HRA and GF are shown in table below. Collection of HRA & GF Housing debts sits within the Housing team, with the exception of Former Tenant Arrears which is managed by the Corporate Recovery team in Revenues & Benefits.

Table 9 – HRA Debt

Service	Opening Outstanding Debt April 2020	Current Debt Outstanding at Sept 2020	Movement	0-90 Days *	91-180 Days *	181+ Days *
	£m	£m	£m	£m	£m	£m
HRA	4.210	4.979	0.769	1.704	0.939	2.336
GF	1.563	1.624	0.061	1.055	0.301	0.268

** Aged debt for rents and service charges is calculated on the basis of the total value of arrears divided by the weekly debit.*

Housing debt levels have risen compared to past years as more Housing Benefit Claimants transition to Universal Credit. The roll out of Universal Credit in MK has accelerated and financial implications of COVID-19 will present significant risks to collection rates. It will be a challenge to maintain performance levels at current levels and the service will be seeking to improve processes for income collection to respond to this and maintain performance

2020/21 TREASURY MANAGEMENT Q2 (JUL-SEPT) UPDATE

1. Purpose

- 1.1. Local authorities are under legal obligation by the Local Government Act 2003 to have regard to the treasury risk management framework of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management in the Public Services: Code of Practice 2017 Edition (the Code). The Council is also required to have regard to Ministry of Housing, Communities and Local Government (MHCLG) guidance in relation to Investments and Minimum Revenue Provision (MRP).
- 1.2. The Code requires, as a minimum, the Council to report:
 - a) an annual treasury strategy in advance of the year; this was presented to Council on 26/02/2020;
 - b) a mid-year (minimum) treasury update report (this report);
 - c) an annual report following the end of the year describing the activity undertaken compared to the strategy.
- 1.3. In line with best practice principles, the Council also presents quarterly update reports for Q1 (Cabinet 01/09/20) and Q3.
- 1.4. The CIPFA Prudential Code for Capital Finance in Local Authorities (2017 Edition) includes a requirement for local authorities to produce a Capital Strategy, a summary document to be approved by Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy was also approved by Council on 26/02/2020.

2. External Context

Economic background:

- 2.1. The Bank of England's (BoE) Monetary Policy Committee (MPC) kept Bank Rate unchanged at 0.10% during August and September. It also kept unchanged the level of quantitative easing at £745bn. Its forecasts were optimistic in terms of three areas:
 - The fall in economic growth in the first half of 2020 was revised from -28% to -23% (subsequently revised to -21.8%). This is still one of the largest falls in output of any developed nation. However, it is only to be expected as the UK economy is heavily skewed towards consumer-facing services – an area which was particularly vulnerable to being damaged by lockdown.

- The forecast peak in unemployment rate was revised down from 9% in Q2 to 7.5% by Q4 2020.
 - It forecast that there would be excess demand in the economy by Q3 2022 causing inflation (CPI) to rise above its 2% target in Q3 2022 (based on expectations of further loosening in policy). Nevertheless, even if the BoE were to leave policy unchanged, inflation was still projected to be above 2% in 2023.
- 2.2. The MPC also clarified its position on negative interest rates. It suggested that while negative rates can work in some circumstances, they would be less effective as a tool to stimulate the economy at this time when financial institutions are concerned about potential future loan losses. It has other instruments available, including further quantitative easing and the use of forward guidance, and so negative interest rates is seen as a last resort.
 - 2.3. The MPC expected the £300bn of quantitative easing purchases announced between its March and June meetings to continue until the turn of the year. This implies that the pace of purchases will slow.
 - 2.4. On balance and with the economy was recovering better than expected, the MPC may not take immediate further action. However medium-term projections are a less informative guide of direction of travel than usual and downside risks persist in the short and medium-term.
 - 2.5. The wind down of the Government furlough scheme through to the end of October is another development that could cause a need for more support for the economy later in the year. However, a second six-month package of support for job retention from November, along with further help for the self-employed, freelance and the hospitality industry, may provide some relief.
 - 2.6. Overall, the pace of recovery is not expected to be in the form of a rapid bounce back but a more elongated and prolonged one, as even the sharp recovery in June to August still left the economy 11.7% smaller overall than it was in February. The last three months of 2020 are now likely to show no growth as consumers will likely remain cautious in spending and uncertainty over the outcome of the Brexit trade negotiations dampen sentiment.
 - 2.7. One key addition to the Bank's forward guidance was a new phrase in the policy statement, namely that "it does not intend to tighten monetary policy until there is clear evidence that significant progress is being made in eliminating spare capacity and achieving the 2% target sustainably". That seems designed to say, in effect, that even if inflation rises to 2% in a couple of years' time, do not expect Bank Rate to rise unless it is persistently above target.

- 2.8. The Financial Policy Committee (FPC) report on 6th August revised down their expected credit losses for the banking sector to somewhat less than £80bn. It stated that in its assessment, banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection with unemployment rising to above 15%.
- 2.9. Brexit uncertainties ahead of the end of December deadline are also likely to be a drag on recovery.
- 2.10. A further detailed economic commentary is shown at Appendix 1.

Financial markets:

- 2.11. Gilt yields - upon which Public Works Loan Board (PWLB) rates are derived - were already on a generally falling trend up until the coronavirus crisis hit western economies during March. After an initial spike in March, yields fell sharply in response to major western central banks taking rapid policy action to deal with excessive stress in financial markets and starting massive quantitative easing driven purchases of government bonds. These actions acted to put downward pressure on government bond yields at a time when there has been a huge and rapid expansion of government expenditure financed by issuing bonds. Such unprecedented levels of issuance in normal circumstances would have increased supply so caused bond yields to rise sharply. But at end of September, all gilt yields from 1 to 6 years were negative, while even 25-year yields were only at 0.76% and the 50 year at 0.60%.

3. Borrowing

- 3.1. The Council's primary objective when borrowing is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should long-term plans change is a secondary objective.
- 3.2. Following the changes on 11th March 2020 in margins over gilt yields (G), the current situation is as follows:
- PWLB Standard Rate is gilt plus 200 basis points (G+200bps)
 - PWLB Certainty Rate is gilt plus 180 basis points (G+180bps)
 - PWLB HRA Standard Rate is gilt plus 100 basis points (G+100bps)
 - PWLB HRA Certainty Rate is gilt plus 80bps (G+80bps)
 - Local Infrastructure Rate is gilt plus 60bps (G+60bps)

- 3.3. HM Treasury launched a wide-ranging consultation on the PWLB's future direction to allow key stakeholders to contribute to developing a system whereby PWLB loans can be made available at improved margins to support projects that meet certain qualifying criteria. Proposals include lower rates for authorities not engaged in 'debt for yield' activity, but restricting individual authorities access to PWLB entirely in a financial year in which 'debt for yield' is being pursued within the entire capital programme (regardless of financing means).
- 3.4. Officers took part in consultation discussions with HM Treasury and other Unitary authorities, and the Director of Finance and Resources responded to the consultation on behalf of the Council. The deadline was extended to 31st July 2020 with implementation of the new lending terms expected in the latter part of this calendar year or financial year beginning 2021/22. It is possible that the non-HRA Certainty Rate will be subject to revision downwards when changes are announced; however, the timing of such a change is currently an unknown, although it would be likely to be within the current financial year.
- 3.5. Further updates will be presented through Treasury Management Update reports as they develop.
- 3.6. Tables 1 below sets out the profile of the Council's borrowing portfolio by source of loan:

Table 1: Borrowing profile at 30th September 2020 by loan source

Tenor Bucket	Market Loans		PWLB Loans		Total	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Liquid	£0.00	0.0%	£0.00	0.0%	£0.00	0.0%
< 1 Year	£5,000,000.00	33.3%	£5,190,006.85	1.2%	£10,190,006.85	2.2%
1 - 2 Years	£0.00	0.0%	£9,732,747.02	2.2%	£9,732,747.02	2.1%
2 - 5 Years	£0.00	0.0%	£39,648,657.81	8.8%	£39,648,657.81	8.6%
5 - 10 Years	£0.00	0.0%	£64,697,089.19	14.4%	£64,697,089.19	14.0%
10 - 20 Years	£0.00	0.0%	£141,933,076.58	31.7%	£141,933,076.58	30.6%
20 - 30 Years	£0.00	0.0%	£27,000,000.00	6.0%	£27,000,000.00	5.8%
30 - 40 Years	£0.00	0.0%	£109,000,000.00	24.3%	£109,000,000.00	23.5%
40 - 50 Years	£10,000,000.00	66.7%	£51,360,000.00	11.4%	£61,360,000.00	13.2%
> 50 Years	£0.00	0.0%	£0.00	0.0%	£0.00	0.0%
Total	£15,000,000.00	100.0%	£448,561,577.45	100.0%	£463,561,577.45	100.0%

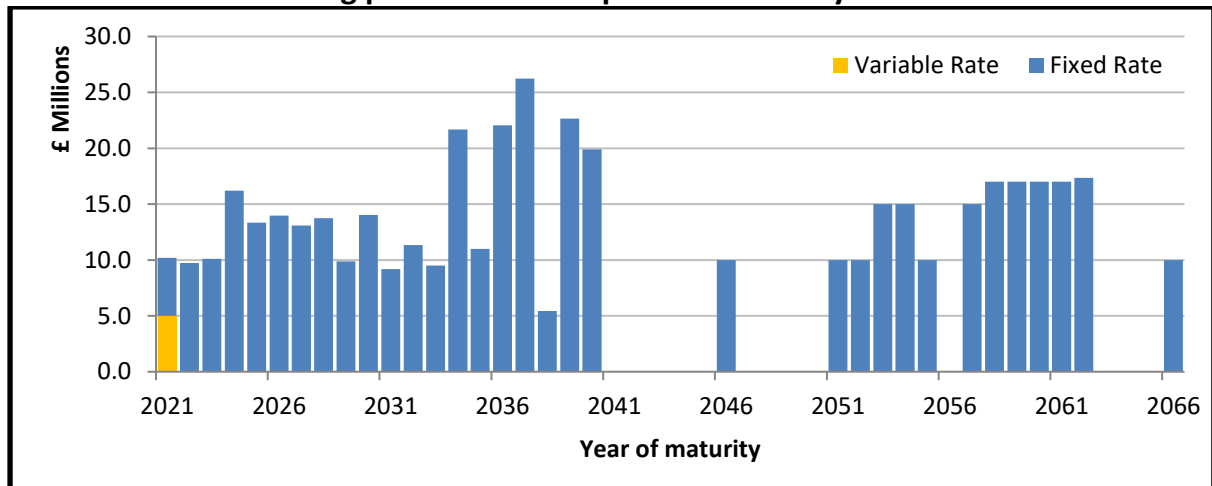
- 3.7. Tables 2 below sets out the profile of the Council's borrowing portfolio by interest rate structure/exposure:

Table 2: Borrowing profile at 30th September 2020 by interest rate structure

Tenor Bucket	Fixed Rate Loans	% of Total	Variable Rate Loans	% of Total	Total	% of Total
Liquid	£0.00	0.0%	£0.00	0.0%	£0.00	0.0%
< 1 Year	£5,190,006.85	1.1%	£5,000,000.00	100.0%	£10,190,006.85	2.2%
1 - 2 Years	£9,732,747.02	2.1%	£0.00	0.0%	£9,732,747.02	2.1%
2 - 5 Years	£39,648,657.81	8.6%	£0.00	0.0%	£39,648,657.81	8.6%
5 - 10 Years	£64,697,089.19	14.1%	£0.00	0.0%	£64,697,089.19	14.0%
10 - 20 Years	£141,933,076.58	31.0%	£0.00	0.0%	£141,933,076.58	30.6%
20 - 30 Years	£27,000,000.00	5.9%	£0.00	0.0%	£27,000,000.00	5.8%
30 - 40 Years	£109,000,000.00	23.8%	£0.00	0.0%	£109,000,000.00	23.5%
40 - 50 Years	£61,360,000.00	13.4%	£0.00	0.0%	£61,360,000.00	13.2%
> 50 Years	£0.00	0.0%	£0.00	0.0%	£0.00	0.0%
Total	£458,561,577.45	100.0%	£5,000,000.00	100.0%	£463,561,577.45	100.0%

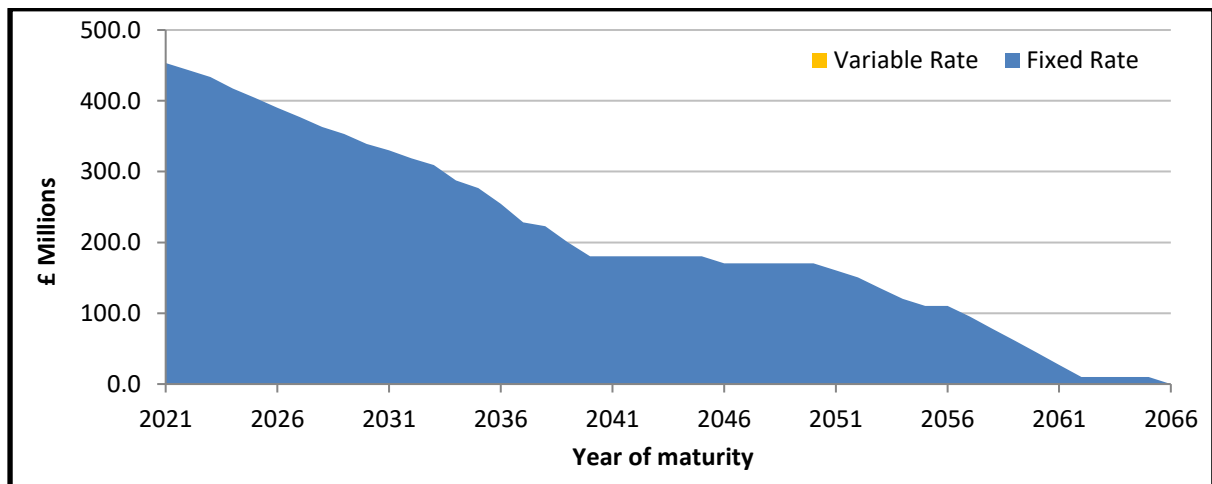
3.8. Chart 1 below shows the annual maturity profile of the Council’s borrowing portfolio:

Chart 1: Borrowing profile at 30th September 2020 by annual maturities



3.9. Chart 2 below shows the fallout structure of the Council’s borrowing portfolio:

Chart 2: Borrowing profile at 30th September 2020 by cumulative annual maturities



3.10. No new borrowing was undertaken during Q2.

3.11. PWLB principal repayment of £1.837m were made; a legacy 30 year loan for £0.414m that carried a 10.875% interest rate reached maturity at the end of September, and scheduled repayment of £1.423m were made against 10 annuity loans. As a result, the weighted average rate across the Council's borrowing portfolio at 30th September 2020 dropped to 4.34% (4.35% in Q1).

3.12. The Council continues to hold a £5m Lender's Option Borrower's Option (LOBO) loan where the lender has the option every 6 months to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. Treasury management practice is to present such loans at their next potential maturity date (in this case a rolling 6-month exposure) rather than their backstop maturity date (in this case November 2041). Given underlying market conditions the lender did not exercise their option during the quarter and is not expected to do so soon, so officers are considering this loan to be long term funding.

4. Debt Restructuring

4.1. No debt rescheduling was undertaken during the quarter. Debt rescheduling opportunities have been limited due to the current economic climate and consequent structure of interest rates. Officers and the Councils treasury advisors continue to monitor this position.

5. Housing Revenue Account (HRA) Debt Pooling arrangements

5.1. The 1st April 2012 saw the introduction of the Housing Self-Financing regime. As previously reported this Council adopted a single pool approach, whereby the Council manages its overall debt as a single portfolio and apportions costs to the General Fund (GF) and HRA at a consolidated rate in proportion to the debt held by each.

5.2. By adopting a single pool approach, any borrowing decisions by the GF impact upon the consolidated rate and therefore the debt costs apportioned to the HRA, and vice versa. As long as borrowing decisions are relatively balanced, then the impact is mitigated.

5.3. But on 30th October 2018, the Government removed the imposed debt caps which restricted how much housing authorities could borrow against their HRA. This opens up significant freedoms for additional borrowing by the HRA to support housing regeneration and new housing stock build programmes subject to the usual assessment criteria of the Prudential Code in demonstrating affordability, prudence and sustainability. In addition the Council would need to

establish a clear metrics for assessing HRA debt that may include commercial costing measures such as capital risk buffers, debt interest cover ratios and loan-to-value limits.

- 5.4. This increased capacity for significant HRA borrowing means that the Council's single pool approach to managing debt may no longer be most appropriate, and the GF and HRA may be better suited pursuing separate debt strategies. Officers, in consultation with the Council's treasury advisors, are refining proposals present to Cabinet on 01/09/2020 to change to a two-pool approach to future debt management arrangements before a final decision is made in February 2021.

6. Annual Investment Strategy

- 6.1. The Treasury Management Strategy Statement (TMSS) for 2020/21, which includes the Annual Investment Strategy, was approved by the Council on 26th February 2020. It sets out the Council's fundamental investment priorities as being (in order):

1. Security of Capital;
2. Liquidity; and
3. Yield

- 6.2. The Council's investment activity during the quarter conformed to the approved strategy, and the Council had no difficulties meeting its liquidity requirements.

- 6.3. The Council's investment portfolio represents the short-term holding of positive cashflows at any given time, plus prudent medium and long term provisions, balances and reserves. During the quarter, the Council's investment balances ranged from a low of £302.3m to a high of £334.6m, in part due the receipt and distribution of coronavirus related funding as well as normal cashflow timing differences between income and expenditure. The average balance held was £310.8m. Table 3 below shows the Council's investment maturity position at 30th September 2020:

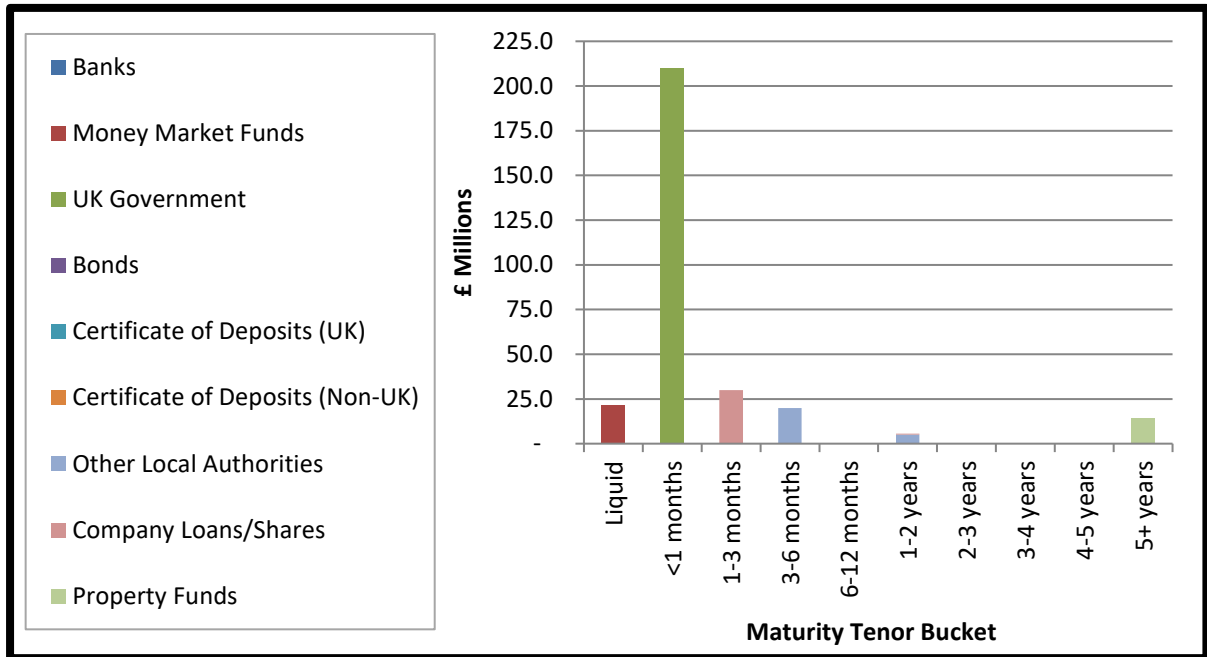
Table 3: Investment Maturity Position at 30th September 2020

Counterparty	Start Date	Maturity Date	Interest Rate	Interest Rate Structure	Principal O/S (£)
Same-day access: Banks					
Barclays Bank plc	n/a	n/a	0.0000%	Variable	15,013.45
National Westminster Bank plc	n/a	n/a	0.0100%	Variable	26.98
Handelsbanken plc	n/a	n/a	0.2000%	Variable	2,303.85
					17,344.28
Same-day access: Money Market Funds					

Counterparty	Start Date	Maturity Date	Interest Rate	Interest Rate Structure	Principal O/S (£)
Federated	n/a	n/a	0.2452%	Variable	6,470,000.00
Aberdeen	n/a	n/a	0.2426%	Variable	15,000,000.00
					21,470,000.00
UK Government:					
Debt Management Office	14/09/20	05/10/20	0.0100%	Fixed	120,000,000.00
Debt Management Office	21/09/20	12/10/20	0.0100%	Fixed	40,000,000.00
Debt Management Office	28/09/20	28/10/20	0.0100%	Fixed	50,000,000.00
					210,000,000.00
Other Local Authorities:					
Folkestone and Hythe District	25/03/20	25/03/21	1.6500%	Fixed	5,000,000.00
South Somerset District Council	27/03/20	26/03/21	1.6000%	Fixed	5,000,000.00
Telford and Wrekin Borough Council	25/03/20	31/03/21	1.6500%	Fixed	5,000,000.00
Armagh City Banbridge and Craigavon Borough Council	27/03/20	31/03/21	1.6000%	Fixed	1,000,000.00
Gwynedd County Council	30/03/20	31/03/21	1.6000%	Fixed	4,000,000.00
Cheshire West and Chester Council	31/03/20	31/03/22	1.8000%	Fixed	5,000,000.00
					25,000,000.00
Company Loans/Shares:					
Milton Keynes Development Partnership LLP	12/11/19	12/11/20	2.7700%	Fixed	30,000,000.00
YourMK LLP (shares)	09/08/16	n/a	0.0000%	Fixed	100.00
YourMK LLP	09/08/16	09/08/22	3.8116%	Variable	561,205.26
					30,561,305.26
Property Funds (variable net asset value [VNAV]):					
CCLA Local Authorities Property Fund	30/03/15		4.3038%	Variable	9,699,861.74
CCLA Local Authorities Property Fund	26/02/16		4.3038%	Variable	4,560,859.19
					14,260,720.93
					301,309,370.47

6.4. Chart 3 below shows the investment portfolio maturity profile by tenor buckets per category type at 30th September 2020:

Chart 3: Investment profile at 30th September 2020 by maturity category & tenor buckets

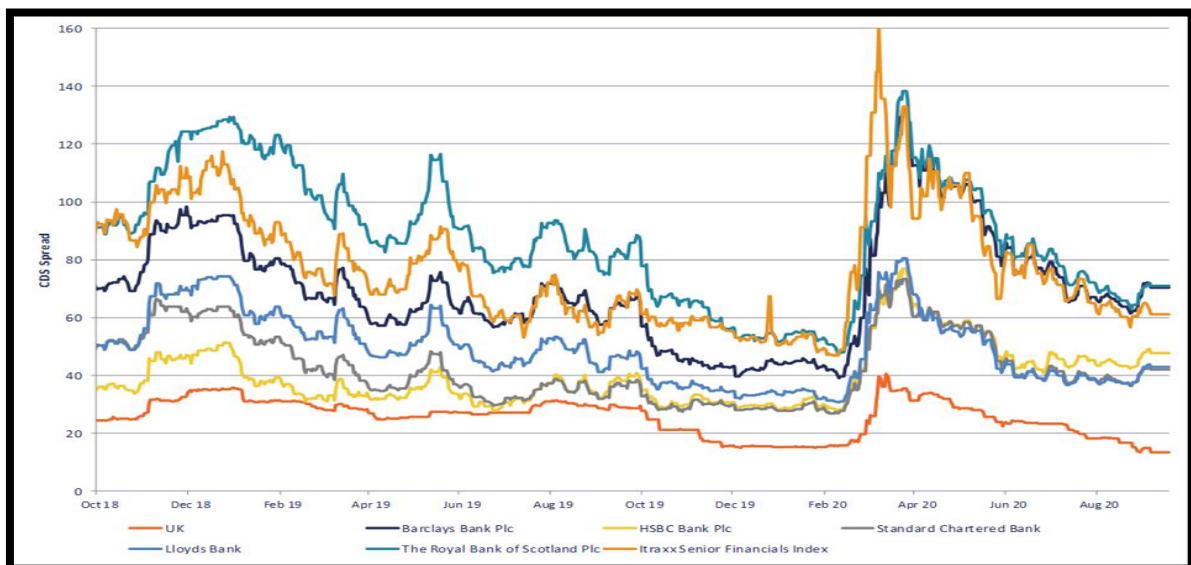


Credit background:

6.5. In addition to credit ratings and market intel, officers monitors price spreads on credit default swaps (CDS) – the market-traded insurance against borrower defaults. By their nature credit ratings are reactive, whereas the CDS market is live and demonstrates confidence in financial institutions in real-time, with sharp or sustained rises seen as an early warning indicator.

6.6. Chart 4 below plots spreads on CDS's over the past two years. After rising sharply in late March, spreads have eased but remained above their pre-crisis levels.

Chart 4: UK Banks 5 Year senior debt CDS spreads



- 6.7. Although credit rating agencies changed their rating watch outlooks on many UK banks from stable to negative during Q1 - due to upcoming risks to banks' earnings and asset quality during the economic downturn caused by the pandemic - the majority of ratings have been affirmed due to the continuing strong credit profiles of UK banks. However, during Q1 and Q2 2020, banks did make provisions for expected credit losses. As we move into Q3 and Q4, more information will emerge on actual levels of credit losses. This has the potential to cause rating agencies to revisit their ratings later in 2020. These adjustments could be negative or positive, although for context UK banks went into this pandemic with strong balance sheets. As stated in paragraph 2.8 above, the FPC report in August revised down expected credit losses for the banking sector to somewhat less than £80bn citing that, in their assessment, banks have buffers of capital more than sufficient to absorb the losses that are likely to arise under the MPC's central projection. The FPC stated that for real stress in the sector, the economic output would need to be twice as bad as the MPC's projection, with unemployment rising to above 15%.
- 6.8. There is a similar picture for non-UK banks, with being placed on negative watch outlooks but only a small number of actual rating downgrades.
- 6.9. Stress testing on the Council's indicative counterparties list shows that for a 1 notch downgrade to all Long-Term Ratings from all agencies, 6 counterparties would no longer be considered for new investments. However, a further 17 counterparties would see their suggested durations reigned in but would remain potentially available for use. Note for comparative purposes that this scenario is based on credit ratings alone, overlaying potential movement in CDS spreads may as ever exasperate any restrictions applied.
- 6.10. Restricting the number of counterparties and duration of investment under consideration as a risk-aversion action is necessary but does consequently severely restrict options available to the Council and rate of return. It is likely therefore in the short-term that the Council's holdings with the UK Government's Debt Management Office (no upper counterparty limit) will continue to remain significant.
- 6.11. The Council also utilises AAA rated Money Market Funds for short-term liquid cash investments. These pooled funds represent well-diversified, same-day access options with assets under management usually in the tens of billion pounds at any given time from many business sectors, including local authorities. Each fund with assets of more than one billion pounds under management is considered by the Council as comparatively secure as its peers, yet the Council limits investments to up to £15m per fund to spread counterparty risk. Officers continue enhanced monitoring of the performance of these funds given the widespread financial market volatility. The difference in return between individual fund remains marginally low, so in this heightened state of alert, added

emphasis is instead being placed on the stability of each fund's underlying total assets.

Negative investment rates:

- 6.12. To date, the Council has always achieved a positive return on its investments. While the BoE has indicated it is unlikely to introduce a negative Bank Rate, at least in the next 6 to 12 months, some deposit accounts are already offering negative rates for shorter periods. And with most of the Council's investment portfolio highly liquid, negative returns is a significant risk.
- 6.13. As part of the response to the coronavirus pandemic and lockdown, the BoE and the Government have provided financial markets and businesses with plentiful access to credit, either directly or through commercial banks. At the same time, the Government has provided large sums of grants to local authorities to help deal with the coronavirus crisis, which temporarily inflated cash balances until those sums were able to be passed on.
- 6.14. The need to prioritise security of capital and maintain liquidity in these unprecedented times has meant there is a glut of money swilling around at the very short dated range of the market. This has seen several market operators, now including the Debt Management Office, offer zero or negative returns for short term maturities.
- 6.15. This is not entirely universal just yet. Some high creditworthy financial institutions and money market funds are still offering marginally positive return - the latter by reducing or waived management fees to ensure that net yields for investors remain above zero where possible and practical - but that may not remain the case. Ordinarily there would be little value in the trade-off between keeping investments short and liquid against depositing for an extended period at elevated risk for a marginal return, but this may become necessary as a means of preserving capital.
- 6.16. Inter-local authority lending and borrowing rates have also severely declined due to the surge in the levels of cash seeking a short-term home, mostly due to many local authorities balancing difficulties over accurately forecasting cashflows and funding requirements against potential for further large-scale injections of cash from Government.

Externally managed strategic funds:

- 6.17. The Council invested a cash sum of £15m into an externally managed strategic pooled property fund with the CCLA; £10m in March 2015 and a further £5m in February 2016. Short-term security and liquidity are lesser considerations for this

type of investment with the primary objectives instead being regular revenue income and long-term price stability.

6.18. At 30th September 2020, the Council's holdings had decreased to £14.261m (£14.288m at 30th June), representing a £0.027m fall in fair value. Excluding accrued interest, this fair value is £0.739m lower than the Council's initial £15.0m cash investments, which represents an unrealised loss. The Council has no plans to liquidate this investment and expect the funds value to recover in time.

6.19. In March 2020, CCLA suspended purchase and redemption transactions in direct response to the pervasive effects of Covid-19 coronavirus. Sharp falls in economic activity and relative infrequency of transactions in the property sector mean that it is not possible for the CCLA's valuers to be confident that their valuations will truly reflect prevailing conditions at this time.

6.20. This temporary suspension has now been lifted, but with the ongoing introduction of a redemption notice period of 90 days. This does not have an immediate or significant impact on the Council's investment, which has always been treated as its holdings as a strategically long term. During the period of suspension, the Council continued to accrue full dividend returns but received approximately 75% in cash with the remaining 25% deferred until later in this financial year.

6.21. The CCLA takes a distinct approach to its asset acquisitions in that it does not buy assets simply for short-term gain, but a diversified range of long-term and adaptable assets that could, in most cases, be repurposed. Evidence so far suggests the current impact upon commercial property markets is contained and focused on those already underperforming specific sub-categories like, high street retail. The reality is that retail markets were evolving this way beforehand, and this crisis has simply accelerated those trends. Other than housing, there is high demand for long-term commercial warehousing as well as flexible multi-purpose office spaces.

6.22. Officers receive regular updates from the CCLA fund management team. The fund effectively entered this period of global crisis from the impact of coronavirus from a well-managed base risk position, on back of over a decade of market instability since the 2008 financial crisis as well as the more recent and continuing heightened risks surrounding Brexit.

Investments for policy reasons outside of normal treasury management operations:

6.23. Although not classed as treasury management activities per se, the 2017 CIPFA Code now requires the Council to report on investments for policy reasons outside of normal treasury management operations. This includes service

investments for operational and/or regeneration as well as commercial investments made primarily for financial income reasons. These investments typically earn a higher rate of return compared to normal treasury management investments, which reflects the additional risks that the Council is exposed to.

- 6.24. The Council has advanced a £30.0m 1-year loan to its wholly owned subsidiary company Milton Keynes Development Partnership (MKDP) LLP, used to finance the acquisition of assets from the Homes and Communities Agency (HCA) in 2012/13. The loan rate of 2.77% was set with reference to State Aid regulations and prevailing market rates. This loan matured in November 2020 and a direct replacement has been agreed under the same terms for a further 1-year at 2.63% to mature in November 2021.
- 6.25. The Council has also lent £0.5m in tranche payments to its 50% joint-owned partnership company YourMK LLP. YourMK is a partnership between the Council and Mears Group to deliver regeneration, management of council housing stock, and other development on council land and it is responsible for all Housing Land under the Council. At 30th September 2020, the Council's investment holding was valued at £0.561m, of which £0.061m represents an unrealised gain through accruing compound interest since advanced.
- 6.26. The Council holds a £5.0m principal investment (match-funded by external investment) in a National Homelessness Property Fund, the assets of which are for use as housing temporary accommodation in Milton Keynes. Accepting that this investment constitutes a greater risk than traditional treasury management investments, a return of £0.024m was made in Q1 this year (awaiting Q2 figures), representing a rate of return of 1.92%. This investment is not shown within the tables and charts above as it was funded through the capital programme and reported through the capital monitoring process.

Investment income performance:

- 6.27. Investment income performance against the 3-month London Interbank Bid Rate (LIBID), which is the bidding rate at which banks are willing to borrow from each other, is shown in Table 4 below. Income return projections for the financial year are reported through the Budget Monitoring process and although investment returns are lower than expected, the amount of cash the Council holds is higher than anticipated when setting the 20/21 budget, with the two directly offsetting each other.

Table 4: Investment income performance against 3-month LIBID benchmark

Period	MKC Performance	Benchmark Performance	Difference
Q1 (Apr-Jun)	0.94%	0.26%	+0.68%
Q2 (Jul-Sept)	0.64%	0.11%	+0.53%
Mid-Year	0.78%	0.21%	+0.57%

7. Outlook for the remainder of 2020/21

- 7.1. Bank Rate is not expected to change from 0.10% within a forecast horizon ending on 31st March 2023, as the economic recovery is expected to be only gradual and prolonged. Additional monetary loosening through quantitative easing is highly likely.
- 7.2. As outlined above, negative returns on the Council's investments is a significant risk, and mitigating actions will be taken where possible.
- 7.3. The medium-term global economic outlook remains very weak. It is likely to be some time before consumer spending patterns recovers to pre-crisis levels due to rises in unemployment, the potential on-going need for virus control measures and the impact on consumer/business confidence. The responses from the BoE, HM Treasury as well as other central banks and governments have been significant and will act to support recovery.
- 7.4. Gilt yields are expected to remain very low in the medium term. Some shorter-term gilt yields will remain negative or close to zero until growth prospects improve.
- 7.5. Brexit remains a further prominent economic risk and so far, no agreement has been reached. A no-deal on 31st December could lead to a reduction in economic growth depending on the type of no-deal scenario, setting back the UK's recovery from recession.

8. Change of Treasury Advisors

- 8.1. In August 2020, the Council undertook a competitive market procurement tender to appoint treasury and leasing advisors on a 3-year contract with a possible up-to 2-year extension period. The contract has been awarded Link Asset Services.

9. Compliance with Treasury and Prudential Limits

- 9.1. It is a statutory duty for the Council to determine and keep under review the affordable borrowing limits. The Council's approved Treasury and Prudential Indicators are set as part of the Treasury Strategy and Capital Strategy.
- 9.2. During the quarter the Council has operated within its treasury limits and Prudential Indicators, shown in Table 5 below.

Table 5: Prudential and Treasury Indicators

Prudential Indicator	2020/21 Indicator	Q2 2020/21
Authorised limit for external debt	----- £770.000m -----	
Operational boundary for external debt	----- £740.000m -----	
Gross borrowing	£458.372m	£463.562m
Capital Financing Requirement (CFR)	£709.081m	£709.055m
Ratio of financing costs to net revenue streams:		
GF	8.82%	8.81%
HRA	37.50%	37.50%
Limit of fixed interest rates based on net debt	£770.000m	£193.562m
Limit of variable interest rates based on net debt	£77.000m	-£31.309m
Principal sums invested > 365 days	£75.000m	£19.839m
Maturity structure of borrowing limits:-		
Under 12 months	Max. 15% Min. 0%	2.2%
12 months to 2 years	Max. 15% Min. 0%	2.1%
2 years to 5 years	Max. 50% Min. 0%	8.6%
5 years to 10 years	Max. 50% Min. 0%	14.0%
10 years and above	Max. 100% Min. 50%	73.1%

DETAILED ECONOMIC COMMENTARY – Q2 2020/21

1. During the quarter ended 30th September 2020 (quarter 3 of 2020):
 - There was a quicker-than-expected recovery in GDP in June and July;
 - Retail spending rose 4.0% above its pre-virus level, but the recovery in investment lagged behind;
 - There was a second wave of the virus and a tightening in COVID-19 restrictions in September;
 - In September, the Chancellor announced further fiscal measures to support the economy;
 - Concerns about a second wave and a no deal Brexit weighed on the FTSE 100 and the pound;
 - There were divisions on the Bank of England’s Monetary Policy Committee (MPC) over the possible use of negative interest rates;
2. The initial economic recovery appears to have been quicker than anticipated. Gross Domestic Product (GDP) rose by 2.4% month-on-month (m/m) in May as manufacturing and construction work resumed, by 8.6% m/m in June as non-essential retail stores reopened, and by 6.6% m/m in July as pubs and restaurants reopened. The rise in the all sector Purchasing Managers Index (PMI) in August suggests that recovery continued at a strong pace.
3. Consumer spending appears to have recovered strongly. Retail sales rose by 0.8% m/m in August, pushing them 4.0% above their pre-pandemic level. The mini-boom in the housing market meant transactions rose by 28.9% year-on-year (y/y) in August. Nationwide house prices rose by 0.9% m/m in September, which pushed up the annual rate to 5% – a four-year high. The Eat Out to Help Out, (EOHO), restaurant discount scheme and pent-up demand, also suggest that non-retail spending did well in August.
4. But this strength largely reflects the Government’s fiscal support since March. It is encouraging that the bulk of the 4 million workers that have come off the furlough scheme between May and the end of July have gone back to their jobs rather than into unemployment or inactivity.
5. Even so, there have been signs that households’ appetite for credit is waning. Consumer credit rose by only £0.3bn in August compared to July’s £1.1bn rise. Admittedly, it could be that consumers are just using cash saved during lockdown to finance big ticket purchases. Indeed, the household saving rate surged from 9.6% in Q1 to a record-high of 29.1% in Q2. But consumer confidence has also weakened, slipping from -16.6 in August to -17.9 in September.

6. What's more, having fallen by 26.5% quarter-on-quarter (q/q) in Q2, business investment still seems to be well below pre-pandemic levels. According to the latest Office for National Statistics (ONS) Business Impact of the COVID-19 Survey (BICS), 38% of businesses said their plans to expand had been scaled back or cancelled since the pandemic. And the Bank of England's Agents survey suggested that investment intentions remain close to their record lows.
7. Meanwhile, there have been worrying signs that activity started to drop in September. Footfall on UK high streets had fallen to -45% y/y by mid-September. And despite not even having returned to its pre-crisis level, seasonally adjusted car production dropped by 24% m/m in August.
8. Further Government fiscal support was announced in September. The centrepiece of the Winter Economic Plan (WEP) was the six-month long "Job Support Scheme" starting on 1 November. Under the scheme, the Government will pay a maximum of 22% of worker's salaries and the company pays a minimum of 55%, as long as the employee is working a third of normal hours. The WEP also included an extension of the VAT cut for hospitality/tourism from 20% to 5% from 13 January to 31 March. It is estimated these new measures will probably cost around £5bn, bringing the total cost of the Government's direct fiscal measures to about £220bn (10% of GDP 2019).
9. The mounting fiscal cost of the crisis is being reflected in public finance figures. The Government borrowed £35.9bn in August, leaving borrowing in the year to date at £173.5bn (the highest cash figure on record, with seven months of the financial year still to go - the previous record was £158.3bn in 2009/10). Add in the effects of the weak economy and borrowing could end up at £370bn (18.4% of GDP) in total in 2020/21.
10. But the new package is unlikely to fully offset the hit to GDP and employment from the Government's COVID-19 restrictions. Indeed, the UK has begun to grapple with a second wave of coronavirus infections.
11. The Bank of England are expected to ease monetary policy further. Admittedly, the sharp drop in inflation (CPI) from +1.0% in July to +0.2% in August, due to the effects of the cut in VAT for hospitality/tourism and August's EHO restaurant discount scheme, probably represents the low point for inflation. We expect inflation (CPI) to have risen to +0.6% in September and it could temporarily rise to 2.0% at the end of 2021. But the big picture is that it will be a few years before the economy is strong enough to sustain inflation (CPI) at the Bank of England's 2% target.
12. In its September minutes, the MPC commented that it "had been briefed on the Bank's plans to explore how a negative Bank Rate could be implemented effectively". MPC member Silvana Tenreyro noted the "encouraging" evidence

on the use of negative rates in Japan and the euro-zone. But Bank of England Governor Andrew Bailey and others have talked down the prospect. So, for the next 6-12 months, it is likely that further quantitative easing will remain the tool of choice and that another £250bn could be used over the next year, significantly more than previously forecast.

13. There are two key downside risks to this outlook:
 - i. The first of these is the possibility that restrictions are tightened much further to contain the spread of coronavirus. This would also increase the possibility that the Bank of England has to do more at a later stage.
 - ii. The second risk is a no deal Brexit at the end of the transition period on 31st December 2020.
14. The concerns about the consequences for the economy from a second wave of COVID-19 and a no deal Brexit have reduced the FTSE 100 almost back to May's level and weakened the pound from \$1.35 to \$1.28. Some spreads of corporate bonds over gilt yields have started to tick up. With COVID-19 and a no deal Brexit risks rising, the risks that the FTSE 100 will rebound to its pre-crisis level by the end of 2022 and that the pound will climb back to \$1.35 if there is a Brexit deal are firmly on the downside.
15. In the euro-zone, there is further evidence that the economic recovery is grinding to a halt. This has resulted in short time working policies being extended in Europe's Big Four until the end of the year at a minimum. And there is a good chance that the European Central Bank will provide additional stimulus soon.
16. The continued economic recovery in the US in the face of its second wave in June and July has been impressive, but GDP remains below pre-virus levels. And while the Federal Bank adopted "a flexible form of average inflation targeting" in August, it has offered no hints it is contemplating adding more stimulus soon. But the calls for more stimulus may grow louder if the recovery slows, particularly if Congress cannot agree on more fiscal support.

Annex J - List of Virements Posted in Quarter 2 – 2020/21

ANNEX J

Service Area	Note	Permanent Virement	Temporary Virement
		£'000	£'000
Adult Services	Pay Increase	556	0
	Pension Rate Increase	202	0
	CLT Award vouchers	0	2
	Removal of Non-essential spend budgets	0	(1,024)
	Moving P4-P12 budget for pos no. 335000011	17	0
Children's Services	Pay Increase	659	0
	Pension Rate Increase	621	0
	Removal of Non-essential spend budgets	0	(1,368)
Environment & Property	Pay Increase	260	0
	Pension Rate Increase	88	0
	Removal of Non-essential spend budgets	0	(785)
	12 hrs caretaker back to resources	(8)	0
	Data comm (PECUA) sim	0	0
	Electricity costs	6	0
	Highways term contract	(15)	0
	MKDP Income removal	12	0
Corporate Codes	Pay Increase	(2,082)	0
	Pension Rate Increase	(1,509)	0
	Removal of Non-essential spend budgets	0	4,322
	CLT Award vouchers	0	(2)
	Economic Development restructure savings	54	0
Finance & Resources - MKC	Pay Increase	71	0
	Pension Rate Increase	86	0
	Removal of Non-essential spend budgets	0	(96)
	12 hrs caretaker back to resources	8	0
Growth, Economy and Culture	Pay Increase	92	0
	Pension Rate Increase	71	0
	Removal of Non-essential spend budgets	0	(497)
	Electricity costs	(2)	0
	Grant budget for DMK contribution- transfer from Economic Development	20	0
Housing & Regeneration	Pay Increase	19	0
	Pension Rate Increase	7	0
	Removal of Non-essential spend budgets	0	(161)
Law & Governance	Pay Increase	58	0
	Pension Rate Increase	46	0

	Removal of Non-essential spend budgets	0	(70)
LGSS	Pay Increase	293	0
	Pension Rate Increase	327	0
Policy, Insight & Communications	Pay Increase	66	0
	Pension Rate Increase	57	0
	Removal of Non-essential spend budgets	0	(318)
	Moving P4-P12 budget for pos no. 335000011	(17)	0
Strategy & Futures	Pay Increase	8	0
	Pension Rate Increase	3	0
	Removal of Non-essential spend budgets	0	(4)
	Move grant budget for DMK contribution to Art	(20)	0
	Moving Core budget as part of management restructure savings	(54)	0
Total		0	0

Collection Fund

- 1.1. The Collection Fund includes all income generated from council tax and business rates that is due in the year, including arrears, from council taxpayers and ratepayers.
- 1.2. Collection rates for both Council Tax and Business Rates have continued to fall this year compared to 2019/20, although the drop has slowed. At the end of September 2020 the Council Tax collection rate was 56.68%, down by 1.34% from this time last year (£2.1m drop). For business rates the collection rate was 52.91%, down by 3.45% from last year (£4.8m drop).
- 1.3. Council Tax –The latest 2020/21 forecast shows a projected in-year deficit of £5.407m of which £4.590m will be MKC’s share. This is due to the estimated impact of COVID-19 on collection rates and higher Local Council Tax Support costs.

Table 1 - Council Tax Income - September 2020

	Q1	Q2	Movement
		£m	£m
Council Tax Collection Fund	7.485	5.407	(2.078)
Deficit			
Milton Keynes Share	6.318	4.590	(1.728)

- 1.4. Business Rates - The Council’s budget for retained business rates income for 2020/21 is £54.264m. Based on our latest forecast it is currently projected that the Council’s actual share of retained business rates will be £6.000m lower due to expected higher non-collection rates and lower than budgeted growth.

Table 2 - Business Rates Income – September 2020

MKC Share	Budget	Forecast	Movement
	£m	£m	£m
Business Rates	54.264	48.264	6.000

- 1.5. The above forecast takes into account the impact of s31 grants for reliefs funded by Government. This includes s31 grant for the expanded relief scheme for the retail, leisure and hospitality sectors following COVID-19.
- 1.6. The Government has recently announced a change in regulations to allow any collection fund deficits in 2020/21 to be spread across three future years. Existing regulations required deficits to be paid back fully in the following year.

ANNEX L – WAIVERS

Financial year		2020/21						
Directorate	Option 1 - Waiver From CPR rules		Option 2 – Reported Non Compliance		Option 3 - Request to use Single Supplier		Value of Waivers £	
	Number of Waivers	Value of Waivers £	Number of Waivers	Value of Waivers £	Number of Waivers	Value of Waivers £		
Adult Social Care	0	£0	1	£460,000	1	£31,403.77		
Public Health	1	£450	0	£0	1	£47,595		
Children's Services	1	£63,550	1	£0	1	£24,320		
Policy, Insight & Communications	1	£49,000	2	£95,000	1	£24,012		
Strategy and Futures	1	£11,994	0	£0	0	£0		
Housing and Regeneration	0	£0	0	£0	0	£0		
Growth, Economy and Culture	0	£0	0	£0	0	£0		
Environment and Property	1	£4,700	0	£0	1	£2,000		
Resources - Retained MKC	0	£0	0	£0	0	£0		
Resources - LGSS	0	£0	0	£0	0	£0		
Law & Governance	0	£0	0	£0	0	£0		
Total	5	£129,694	4	£555,000	5	£129,330.77		
Percentage total spend through waivers against total spend with suppliers		0.65%						
Percentage total against total number of contracts awarded		82.35%						

Annex M
Tariff Programme Changes

Scheme	Resource Allocation					Spend Approval						
	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	Total £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	2024/25 £m	Total £m
Tariff Programme as per September 2020 Cabinet	38.203	33.467	18.666	13.026	10.957	114.319	27.413	9.012	4.552	0.164	0.000	41.141
New amendments:												
Wavendon Playing Fields	0.170	0.700	0.075	0.000	0.000	0.945	0.170	0.700	0.075	0.000	0.000	0.945
Total Tariff Programme	38.373	34.167	18.741	13.026	10.957	115.264	27.583	9.712	4.627	0.164	0.000	42.086

Annex N
Capital Programme Changes - Revised 15th
December 2020

Scheme	Resource Allocation					Spend Approval					
	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Future years £m	Total £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total £m
Capital Programme Cabinet 1 September 2020	130.685	109.560	53.608	47.246	17.190	358.288	130.685	47.939	1.478	0.002	180.103
Amendments to the programme:											
Hanslope Primary School Expansion - agreed by DD 20 October 2020	(0.113)	0.575	0.000	0.000	0.000	0.462	(0.113)	0.575	0.000	0.000	0.462
Fullers Slade Regeneration	0.399	0.000	0.000	0.000	0.000	0.399	0.399	0.000	0.000	0.000	0.399
5 Year Housing Capital Investment Programme	1.775	0.000	0.000	0.000	0.000	1.775	1.775	0.000	0.000	0.000	1.775
Communal Heating	(0.207)	0.000	0.000	0.000	0.000	(0.207)	(0.207)	0.000	0.000	0.000	(0.207)
Purchase of Properties (Council Dwellings)	5.500	(5.500)	0.000	0.000	0.000	0.000	5.500	(5.500)	0.000	0.000	0.000
Housing Infrastructure Fund (highways)	2.865	3.216	53.050	20.126	0.000	79.257	2.865	3.216	53.050	20.126	79.257
Tattenhoe Park Community Wellness Hub	0.146	0.000	0.000	0.000	0.000	0.146	0.146	0.000	0.000	0.000	0.146
Emerson Valley Sports Pavillion Remedial works	(0.024)	0.000	0.000	0.000	0.000	(0.024)	(0.024)	0.000	0.000	0.000	(0.024)
New Projects:											
1 Bed Acquisitions	4.539	0.000	0.000	0.000	0.000	4.539	4.539	0.000	0.000	0.000	4.539
Granby Court and Everglade House	0.621	0.000	0.000	0.000	0.000	0.621	0.621	0.000	0.000	0.000	0.621
Mellish Court & The Gables	2.891	0.000	0.000	0.000	0.000	2.891	2.891	0.000	0.000	0.000	2.891
Fishermead - Modular	6.535	0.000	0.000	0.000	0.000	6.535	6.535	0.000	0.000	0.000	6.535
Fairfields Area 11 Allotment Site	0.243	0.000	0.000	0.000	0.000	0.243	0.243	0.000	0.000	0.000	0.243
Bletchley Fire Station Site Clearances/Intervention	0.200	0.000	0.000	0.000	0.000	0.200	0.200	0.000	0.000	0.000	0.200
Bletchley to Blue Lagoon Redway links	0.671	0.000	0.000	0.000	0.000	0.671	0.671	0.000	0.000	0.000	0.671
VMWare Enterprise agreement	0.417	0.000	0.000	0.000	0.000	0.417	0.417	0.000	0.000	0.000	0.417

Cabinet report



15 December 2020

Milton Keynes Council Plan – Progress Report

Name of Cabinet Member	Councillor Pete Marland Leader of the Council
Report sponsor	Sarah Gonsalves Director of Policy, Insight and Communications

Exempt / confidential / not for publication	No
Council Plan reference	All Council Plan commitments
Wards affected	All wards

Executive summary

This report presents the quarterly update on progress on the Milton Keynes Council Plan 2016 – 2022 covering the period September 2020 – November 2020.

1. Decision/s to be made

1.1 That the progress being made on the Council Plan 2016-2022 be noted.

2. Why is the decision needed?

2.1 The revised Council Plan 2016 -22 was approved at Council on 17 June 2020. The Delivery Plan, which forms part of the revised Council Plan, sets out actions that cover this municipal year. It is important to monitor the Delivery Plan and update progress to councillors, stakeholder and residents. The attached Annex contains a detailed overview of progress covering the period September 2020 – November 2020.

3. Implications of the decision

Financial	x	Human rights, equalities, diversity	x
Legal	x	Policies or Council Plan	x
Communication	x	Procurement	x
Energy Efficiency	x	Workforce	x

4. Alternatives

None.

List of annexes

Annex A – Milton Keynes Council Plan 2016-22 Delivery Plan progress June – August 2020.

A BALANCED BUDGET	
OUR BUDGET COMMITMENTS – WE WILL:	
1	<p>Set a balanced budget, which reflects the reality of funding availability, increasing demand and Covid-19 recovery.</p> <p>We have made good progress with only 7 Rapid Service Reviews now left to complete (100 in total). These are linked to agreed savings of £250k as part of the 2020/21 budget.</p> <p>The budget for 2020/21 is expected to be delivered with in-year savings through the removal / deferring of non-essential spend across service budgets. This projection takes account of the projected deficit on the Collection Fund where we expect a shortfall in both Council Tax and Business Rates income. We are on track to produce a balanced budget for the 22nd December Delegated Decision meeting and following the Spending Review now have more certainty over our likely funding position for 2021/22. The draft budget has been revised to reflect the impact of COVID-19. The Local Government Finance Settlement is now not expected to be published until week commencing 14 December 2020.</p>
2	<p>Implement the lead council model resulting from the end of LGSS.</p> <p>Progress to create the new governance and operating model for shared services by the end of 2020 has been made. The staff consultation process has now closed, and this work is being taken forward with draft governance arrangement due to be agreed by 15 November 2020.</p> <p>Revenue and Benefits are reviewing the future arrangements with the Western Northampton Unitary council with a view to agreeing a revised partnership model by December 2020. West Northamptonshire have now appointed their s151 Officer and a meeting has been scheduled in October for discussions to take place on future arrangements from April 2021.</p>
3	<p>Maintain reserves at a sustainable and prudent level.</p> <p>We have implemented measures in 2020/21 to control spend including a review of all non-essential budgets and a new process for recruitment approvals. These measures will deliver in year savings (to be confirmed at December Cabinet) which together with the government funding for COVID-19 will enable the Council to maintain a sufficient level of reserves during 2020/21. All reserves were reviewed, the result of this were reported to the September Cabinet.</p>
4	<p>Fight for fair funding for Councils through the Local Government Association.</p> <p>The Council is actively lobbying government through various channels. The Director of Finance and Resources is a member of three professional networks (Association of Local Authority Treasurers, Society of Unitary Treasurers and Society of Municipal Treasurers) which has been working with the LGA, MHCLG and Treasury to ensure that the issues within Local Government are understood and to try and secure resources to manage the impact of COVID-19 and into the new spending review.</p>

COVID-19 RECOVERY	
OUR COMMITMENTS ON COVID-19 RECOVERY – WE WILL:	
5	<p>Review our structures and budget to ensure appropriate service approaches and controls on expenditure to deliver the priorities of the council.</p> <p>As part of the Rapid Service Reviews we have been looking at staffing models. Planned restructuring activity has continued (for example in homelessness and customer services). Redeployment has been used where appropriate in the first part of the year where colleagues were unable to carry out their normal duties.</p>
6	<p>Develop flexible service plans to ensure each council service has a clear, safe and flexible operating model that can adapt quickly to a changing national environment.</p> <p>These were all developed in the first half of the year, and are reviewed as required.</p>
7	<p>Support social care and care homes to ensure our older and vulnerable people continue to receive a good level of service.</p> <p>Since the start of the outbreak, the Quality and Compliance Team (QCT) has been the single point of contact for providers support/cascading information/ collecting feedback. The team regularly contact around 80 providers (care homes, home care, supported living, day care and other commissioned services). Calls are made daily/weekly, based on level of risk considering:</p> <ul style="list-style-type: none"> • Staffing shortage or sickness • Service Users • PPE levels • Vacancies level • Any other reasons for concern <p>Any immediate risks are acted upon (e.g. shortage of PPE items) to ensure service delivery without interruption; Ongoing distribution of any Covid-19 related guidance from NHS, Public Health and CCG; Ongoing sharing of information with senior management and partners; Financial support was introduced by MKC to support the care market, based on impact caused by the outbreak.</p>
8	<p>Develop a Covid-19 Economic Recovery Plan to support our economy, understand the support needs of different sectors and prioritise a green recovery.</p> <p>The £2.25 million Economic Recovery Plan was developed quickly and approved by Cabinet on 1 September. We have worked with the business community and other partners to create a focused programme including urgent activity to support businesses and help people into work, and dedicated action to support young people and women in Milton Keynes.</p> <p>The Economic Recovery Plan also includes longer-term activity to build confidence and secure investment in the city and drive green economic growth and the innovation economy.</p>
9	<p>Work with local partners to develop a support package for small businesses.</p> <p>The Economic Recovery Plan has developed a support package for small businesses, including initiatives such as subsidised membership of the Federation for Small Businesses</p>

	(FSB) and a comprehensive ‘#ShopLocalMK’ campaign, promoting MK’s high street and local centres, which secured the support of Ritual a contactless order and pay service. Work is ongoing across Council departments to support small businesses, including work with businesses and parish and town councils to support high street recovery and administration and payment of restriction grants through the Business Rates team.
10	Work with SEMLEP and businesses to develop a practical skills programme to retrain and reskill unemployed and under-employed people. We have continued to work with SEMLEP and local businesses to develop a complementary practical skills programme to retrain and reskill unemployed and under employed people within MK. Through our Economic Recovery Plan we have funded MK College to establish a city-wide ‘Restart network’ to offer a range of individualised and practical support to help those most in need back into the workplace.
11	Review the NEP to ensure it is fit for purpose. A review has been undertaken with the findings and recommendations to be implemented over the coming months.
12	Ensure local businesses are prepared for any changes that result from the end of the transition period as Britain leaves the EU. We are working with the MK Business Resilience Forum and SEMLEP to continue to provide information and guidance to MK’s businesses to prepare for leaving the EU trade zone.
13	Review our Domestic Abuse services to ensure they are effective and introduce a Sanctuary Scheme so victims can remain safely in their own homes. The Milton Keynes Domestic Abuse Prevention Strategy 2020-2025 has been developed with extensive consultation with partners and victims of abuse. The Healthy Relationships Programme have adapted well to working within the COVID-19 restrictions by offering clients 121 support through telephone, video call and supported online access to the freedom programme. Working this way, we have been able to provide continued support and offered approx. 360 sessions (average 8 per client) which is approximately 540 hours of support. A Sanctuary Scheme is being set up to be introduced in January 2021.

ACTION ON CLIMATE CHANGE	
OUR COMMITMENTS ON CLIMATE ACTION– WE WILL:	
14	Produce a clear action roadmap to hit our target of a carbon neutral MK by 2030, implementing the Sustainability Strategy and Climate Change Task & Finish Report. We have updated the Sustainability Strategy which will be considered by Cabinet in December which includes an energy prospectus, a route map to carbon neutrality, and the formation of the energy and carbon hub. Local Partnerships (LP_ and ENGIE are supporting Eight energy projects are in progress. We were successful in the MHCLG bid for £400K to support delivery of energy improvement measures at Granby Court and Everglade House.

15	<p>Establish a clean energy-hub to produce cheap, clean and green energy.</p> <p>See above. We are also pursuing the development of Wolverton 'Waste Resource Campus' which offers the potential for energy to be produced and used via private electricity wire for Council assets/vehicles (waste, highways) and perhaps also public buses. Solar panels will be installed onto MKWRP to feed into the wire. We are engaging with processing sector to potentially recycle locally, e.g. plastics.</p>
16	<p>Work with the Woodland Trust to create 50 acres of new woodland, wetland and wildflower corridors.</p> <p>Wildflowers on grid roads have been planted in October 2020. Funding process with Woodland Trust currently being compiled - plan to deliver more woodland linked to the community orchards and mini forests.</p> <p>We also plan to support an environmental apprenticeship scheme for 8-10 participants to build skills in practical conservation and landscaping management.</p>
17	<p>Establish a Citizens Action Panel to ensure full public participation in climate action and scrutiny of our climate work.</p> <p>We have moved away from a Citizens Action Panel primarily due to the difficulties in having meetings during the pandemic. We are investigating an online engagement portal where residents can make their point, vote in favour of options and have the ability to direct small amounts of funding towards local charities. This is a similar method used across the charitable sector e.g. Tesco where shoppers put tokens in their chosen charity box.</p>
18	<p>Work with town and parish councils to enable 200 green roof installations on existing bus shelters.</p> <p>Structural surveys have been conducted on a sample of shelters. Suitable shelters are now being identified and quotes will be requested. Funding (£70k) made available through the 20/21 budget process should still be able to deliver a small number of green roofs as a pilot, and the programme of introducing solar roofs will continue.</p>
19	<p>Support the delivery of a fully electrified East-West Rail, and continue to promote better connectivity and infrastructure across the Oxford-MK-Cambridge Arc.</p> <p>Through the recently published (October 2020) Oxford-Cambridge Arc Economic Prospectus we are showing support for electrification of East West rail. We are reinforcing this through meetings with DfT, East West Rail Company and EEH. Discussions are linked to housing delivery such as SEMK site.</p>
20	<p>Improve public transport, by improving access and provision to services, and continuing to investigate creating a council-owned municipal public transport company.</p> <p>We have continued to provide financial support for public transport through the first six months of the pandemic (protected contractor payments). The MK e-scooter trial has been successfully launched. Covid 19 Recovery Plan Sustainable Transport package (£500k) developed and being implemented. We have also supported two bids to, and delivery of, the DfT's Emergency Active Travel Fund.</p>

21	<p>Start an ongoing and planned resurfacing programme for redways, and investigate more provision of safe cycling and walking space.</p> <p>As part of additional funding provided through the 20/21 budget process, the existing capital programme, a successful Towns Fund mini award for the Blue Lagoon area, and the Emergency Active Travel Fund tranche two (subject to award), we are on track to deliver c£1.1 million of new redways and c£2.3 million of redway surface maintenance, new signage, lighting and cycling initiatives.</p>
22	<p>Provide additional safe bike storage spaces across the city.</p> <p>We are progressing schemes to improve the take up of cycling. A number of initiatives are being implemented including 60 new cycle racks that will be installed on high streets and 320 new secure cycle racks at Station Square, under the High Streets and Emergency Active Travel (EATF) tranche one funds.</p>
23	<p>Continue to support the development for a Mass Rapid Transport system.</p> <p>We continue to lobby for Mass Rapid Transit infrastructure funding from government through the Oxford-Cambridge Arc Economic Prospectus (published October 2020).</p>
24	<p>Campaign for an MK Transport Authority with powers to co-ordinate, regulate and franchise public transport in the city.</p> <p>Continue to lobby through the LGA. Commence work to explore greater use of existing tools within the Bus Services Act 2017, including Advanced and Enhanced Partnerships by March 2021.</p>

A CLEANER MILTON KEYNES	
OUR COMMITMENTS TO MAKE MK A CLEANER PLACE – WE WILL:	
25	<p>Cut fly-tipping by 60% across the city, naming and shaming those responsible.</p> <p>Since 1 April 2020, we have investigated 859 illegal dumping offences (incl. a small no. of trade waste and domestic ‘bins out early’ issues). This can be compared to 637 offences over the same period the year before (an increase of 35%.)</p> <p>Of the 859 offences, so far this financial year, we have 317 successful resolutions ranging from advice letters sent, through Legal Notices, Fixed Pens, cautions and files for prosecution. We have 156 waste offences as open investigations at this time.</p> <p>We have six fly tipping cases backed up in Magistrates Court and a further two cases going by the end of this week. We’ve had 12 Fly Tipping FPNs paid this year. A further four are awaiting payment or under investigation.</p>
26	<p>Reduce the rat population in the city centre and surrounding estates.</p> <p>We have successfully organised for a new local provider (Luton Council) to start on site eradication and monitoring in Fishermead, Conniburrow and Oldbrook in October (using £100k from Annex W) and Coffee Hall and Netherfield (Annex W £40k) in November. Work is ongoing to look to HRA to support new bins, bins stores and landscaping to reduce food sources and habitats.</p>

27	<p>Cut litter by installing new bins on high streets, in local centres and in litter hotspots.</p> <p>25 Big Belly Smart bins have now been installed in CMK and Station Square and are in use. 50 new dual litter bins have also been successfully installed in local centres and in local hotspots. Another three Big Belly Bins are shortly to be installed.</p>
28	<p>Crackdown on dog owners who don't clean up after their pets.</p> <p>Public Space Protection Order for dog fouling has been passed across all of Milton Keynes. Training has been offered to Parish Council enforcement officers for Fixed Penalty Notices.</p>
29	<p>Review the outcome of the wheelie-bin collection trial, protecting weekly residual waste collections, increasing recycling and reducing waste being sent to landfill.</p> <p>Waste Collection Trial on track and progressing with an estimated completion date of February 2021. A delegated decision is scheduled for the waste consultation 13 October.</p>
30	<p>Deliver better waste and landscaping services and investigate a mutually owned enterprise to deliver future services.</p> <p>Commissioning 2023 is underway for assets and services. Parish devolution being reviewed.</p>
31	<p>Continue to eliminate the use of single use plastics at Milton Keynes Council and in the wider city.</p> <p>We are focusing on promoting no unnecessary use of single use plastic with education partners and schools.</p> <p>Proposal to migrate to wheeled bins will potentially save up to 15.6 million pieces of single use plastic from 2023.</p>
32	<p>Continue to ensure high levels of pothole repairs and road maintenance.</p> <p>We are delivering the additional COVID-19 highways asset enhancement and pothole funding in year and to budget.</p> <p>Proposals for new asset management system are being developed with testing and evaluation of A.I and inspection system now complete. New surveying techniques should add value and capacity to inspection regimes. The data will be used to optimise maintenance schemes to address structural defects and capital maintenance programmes.</p>

STRONGER COMMUNITIES	
OUR COMMITMENTS ON STRONGER COMMUNITIES – WE WILL:	
33	<p>Take back control from developers, progressing a shared vision for the future of the City with MK Futures 2050 and securing proper funding for growth through a Housing Deal.</p> <p>MK Futures 2050 Strategy is being revised and updated following public engagement and our COVID-19 review. Final strategy sign-off is planned for Council on 20 January 2021 (following Cabinet on 15 December).</p> <p>Discussions are underway with MHCLG and Homes England about potential partnerships for delivery of MK Futures 2050.</p>

34	<p>Progress Plan:MK2 to plan the growth for MK properly, and include appropriate zero carbon housing mix policies that address the needs of Milton Keynes.</p> <p>We are currently re-evaluating the position on progressing Plan:MK2 in light of the Planning White Paper. This includes reviewing the evidence required to determine which pieces of evidence should go ahead now and those that should be paused until we have some confidence about the impact of the governments proposed changes to reduce costly work that may be abortive.</p>
35	<p>Ban poor quality office conversions in CMK.</p> <p>We are progressing the office to residential conversions Article 4 direction. A public consultation has been completed and delegated decision being prepared. If agreed, measures could come into full effect in July 2021 (the later date would be to avoid significant compensation claims).</p>
36	<p>Campaign to ensure proper access for all to GP, dental and mental health services, including ensuring proper community health infrastructure and hospital facilities.</p> <p>We have successfully delivered the £9.5M Whitehouse Health Facility in the Western Expansion Area, as part of the Tariff funded programme for the area and agreed terms with the NHS for them to offer services from the building from 1 December 2020. The contracts on the Brooklands Health Centre are now also finalised, with a mix of primary care services, including some elective surgery operating from the site.</p> <p>We are continuing to take an active role in the local health system, supporting bids for further capital investment.</p>
37	<p>Increase CCTV to crackdown on anti-social behaviour.</p> <p>We have now agreed a process for camera deployment with TVP, with all four cameras currently being used on projects across MK.</p>
38	<p>Reduce knife crime with an early years prevention scheme.</p> <p>We have now completed the funding agreement on two separate knife crime early intervention schemes with MK Safety Centre as part of the 100k committed in the 20/21 budget process. Further targeted interventions being scoped, to be agreed with knife crime task and finish group.</p>
39	<p>Tackle drug gangs and stop exploitation by supporting the Youth Offending Team to reduce re-offending and taking action on aggressive street begging.</p> <p>Knife Crime prevention and exploitation is being progressed through the development of an Exploitation Hub with closer and more frequent sharing of intelligence between children’s services and Thames Valley Police.</p> <p>New ‘Don’t fund addiction’ campaign materials has been developed and rolled out at regular begging places, including Marks and Spencers in central Milton Keynes.</p>
40	<p>Support the regeneration of the Agora Centre, Wolverton.</p> <p>A planning application is being prepared for additional parking at St Georges Way which is critical in getting the Agora scheme moving forward.</p>

41	<p>Bring forward plans to improve Station Square.</p> <p>We are preparing a Station Square Strategic Framework with MKDP that will help enable MKDP to secure a development partner. A c£100K public art commission has been scoped and is out to tender with 136 expressions of interest to date.</p>
42	<p>Bring forward plans to improve CMK market.</p> <p>We are working with MKDP to finalise the proposals for the improvements to the CMK market and working up the project plan to progress this and prepare to secure funding, including from external sources (eg preparing future bid to SEMLEP).</p>

TACKLING INEQUALITY AND POVERTY	
OUR COMMITMENTS TO MAKING MK A FAIRER PLACE – WE WILL:	
43	<p>Cut child poverty by 20% by 2025, turning the report of the Child Poverty Commission into positive action.</p> <p>Child Poverty Commission report has been drafted and is now with the Commission for final comment with the plan for it to go to December 2020 Cabinet as a starting point.</p>
44	<p>Ensure no child goes hungry, ensuring proper support for free school meals, holiday food provision and organisations such as the Food Bank.</p> <p>We have set aside a significant investment of £200,000 in MK Food Bank so far this year, including providing cash and in-kind support, including free use of warehouse facilities at Saxon Court. This has led to over 9,000 food parcels being distributed. Other local action has continued and has included 8,500 free lunches distributed through our children's centres, targeting young children from low income families, particularly two-year-old funded children.</p> <p>Further initiatives are currently in development to be launched in December and beyond.</p>
45	<p>Provide real practical support to tackle inequality and poverty directly and through our relationships with community groups.</p> <p>Practical action has included working with LEAP through the delivery of the European City of Sport 2020 to distribute 400 physical activity equipment packs to disadvantaged families in Milton Keynes. We have also worked with Gateway Foundation to help 200 families benefit from things like free bikes for children in need. Further initiatives are outlined in other sections.</p>
46	<p>Ensure every school rated 'good' or 'outstanding' by 2024, pushing poorly performing schools to do better.</p> <p>We have maintained a focus on school improvement over the last six months, with a focus on challenges like remote teaching. There has been increased liaison with schools and education Leaders through COVID-19 and new local self-evaluation framework to help improve school effectiveness was introduced in September 2020.</p>
47	<p>Create a local council-led co-operative trust to take over poorly performing schools.</p> <p>Consider how this can be progressed with DfE and Schools Commissioner.</p>

48	Continue to ensure good levels of school places as the city grows, with appropriate levels of Special Educational Needs provision. The School Place Planning Team continues to ensure the growth in the secondary sector is met and the primary sector can adjust according to its projected intake demand. A review has also been undertaken with school SEND leaders with a new Primary inclusion process in place to reflect Secondary sector processes and to ensure adequate placement and resource sufficiency to meet children’s needs.
49	Provide more funding to the Youth Information Service (YIS) as agreed in the 2020/21 budget. The funding has been provided as set out in the 2020/21 budget.
50	Prioritise support for looked after children and care leavers, and continue our work to increase the number of MK foster carers and adoptive parents. Fostering recruitment campaigns have continued but this work has been impacted by COVID-19. A new recruitment strategy for carers being developed and permanency through adoption increased. The Corporate Parenting Panel has been refreshed and is making good progress. An Ofsted inspection in October 2020 was positive about improvements in this area.
51	Support becoming a Dementia Friendly city, to improve the lives of those most in need of help. We are preparing a guidance note for new developments.
52	Become an accredited REAL Living Wage city. Engage with employers across the city to encourage them to become a Real living wage employer
53	Seek funding from Government for the development of MK:U. The business case created with Cranfield University has been successfully submitted to government ahead of the Spending Review deadline and lobbying has intensified. Meanwhile £2.2 million of funding has been secured from SEMLEP for educational acceleration in digital skills plus £2.4 million for smart city living lab and we continue to support the work to locate this facility in Central Milton Keynes.

AFFORDABLE	
OUR COMMITMENTS TO MAKE MK AFFORDABLE FOR ALL – WE WILL:	
54	Create a council-owned housing development company to build genuinely affordable housing. The production of an outline business case has been completed. Agreement has been reached through the MKDP board and the cabinet to now progress to the development of the full business case, with a view to this being completed by the end of the financial year.
55	Build an Eco-village of council and genuinely affordable homes for local families, using land at Tickford Farm to build a high standard housing development.

	<p>Resolution to grant an outline planning permission was given in September. Work to secure a development partner to effect delivery is underway. Outcome likely to tie in with Local Housing Company work.</p> <p>We are currently producing a design code and accompanying brief which will include requirements to help deliver on the 'eco-village'/sustainability aspirations of the development.</p>
56	<p>Introduce a private landlord scheme to promote and reward best practice in the private sector and get tough with the worst.</p> <p>We are looking at the practicalities of introducing a virtual landlord forum where we will be inviting partners such as Bucks Fire and Rescue Service, the forum will include training for landlords, sharing ideas and good practice. The first forum will take place in March 2021.</p> <p>We are introducing proactive and targeted projects to identify new HMOs that require a licence, service accessibility for private tenants, tackle empty homes and ensure enforcement action is taken where necessary. The first project will commence in November 2020.</p>
57	<p>Develop an improved long-term plan to tackle rough-sleeping, building on Housing First and investigating a daytime and rehabilitation facility to help those with challenging issues.</p> <p>We have made good progress. We made a successful application for funding from MHCLG and Homes England (£1.7m) to purchase additional housing units and fund support services.</p> <p>We have commissioned new services to prevent homelessness, including a new debt advice service with Citizens Advice and are now moving towards mediation for young people under threat of homelessness. A bid for funding to enhance drug and alcohol services to help people who are or have been homeless has also been submitted.</p> <p>Following the introduction of a daily temporary accommodation and homelessness prevention fund panel the level of households in temporary accommodation is moving towards being more sustainable, both in terms of stock and costs. We are also tackling the issues around temporary accommodation including rationalising lease arrangements and developing new models to deliver efficient allocation of temporary accommodation.</p>
58	<p>Campaign to end Section 21 evictions.</p> <p>Section 21 evictions were stayed for 7 months. Following the stay, Section 21 eviction processes have been amended, and new notices to be issued for 6 months. This may be a good time to influence further national policy decisions in this area to reduce homelessness from the private sector.</p>
59	<p>Progress regeneration on the Lakes Estate and Fullers Slade, and begin conversations with other areas on community-led estate renewal projects.</p> <p>Planning application (Phase A and B) has been developed for the Lakes Estate which there has been a resolution to grant planning permission by DCC on 8 October 2020. The application has a recommendation to approve. We are in order to present a report to Cabinet in December requesting spend approval in order to procure contractors to start construction.</p>

	<p>We are working to finalise the appointment of the professional team for Fullers Slade in order to draw up the planning permission submission in 2021.</p> <p>Governance and procedural rules are being finalised to introduce Estate Renewal Forums on both the Lakes and Fuller Slade in the near future. Three new Community Engagement Officers are in the process of being appointed.</p> <p>The new community-led regeneration and estate renewal strategy has been developed to a point where it is scheduled for delegated decision for adoption on 20 October.</p> <p>We have started early discussions with Woughton Community Council linked to the estate renewal of Netherfield. We are also planning engagement with other estates, linked to the introduction of Estate Renewal Forums.</p>
60	<p>Provide reduced cost bus travel for our Armed Service Veterans.</p> <p>Develop a scheme under the auspices of the Armed Forces Covenant, working with veteran groups.</p>

A BRIGHTER FUTURE FOR BLETCHLEY	
OUR COMMITMENTS FOR A BRIGHTER FUTURE FOR BLETCHLEY – WE WILL:	
61	<p>Support a bid for £25m in Town Improvement funding.</p> <p>The Towns Deal board has been successfully established. Specialist consultants have been appointed to assist and a Towns Deal Investment Plan has been submitted. We are also working concurrently on the Supplementary Planning Document (SPD) for Central Bletchley.</p>
62	<p>Develop a regeneration plan for Bletchley Town Centre and Fenny Stratford high street.</p> <p>See action 61.</p>
63	<p>Create 300 new parking spaces across the town.</p> <p>This matter will be looked at in more detail once the feedback on the Towns Bid process has been received and we are clear which projects are to be taken forward and will also be considered as part of the SPD process that will get underway in 2021.</p>
64	<p>Deliver 100 affordable bungalows and accessible houses for older and disabled people.</p> <p>All of our homes will meet the ‘Lifetime Homes’ standard which assures a high level of accessibility.</p> <p>We have also included several accessible properties within the Lakes planning application which not only includes individual accessible homes and the provision of 64 extra care units. Phase A of the Lakes will include a minimum 10% of Category M4(3) Wheelchair user dwellings (10 2 bed 3person flats) of affordable homes and 5% (4 1 bed 2 person and 4 2 bed 3 person flats) private homes as fully wheelchair adaptable with ramped access/level access to block and dwelling. This will all be provided on the ground floor of the flatted blocks to negate the need for a lift to provide level access to any wheelchair flat.</p>

	<p>On top of this the majority of homes on Phase A will be Category M4(2) which are listed as accessible and adaptable properties (a minimum of 60% affordable and 60% private).</p> <p>We are currently reviewing our programme ahead of cabinet in December and will incorporate additional bungalows and accessible houses for older and disabled people in our plans and budget forecasts.</p> <p>Two new bungalows at Rowlands Close in Bletchley have been approved and our aim is for work to start on site in November 2020.</p>
65	<p>Improve Bletchley station & bus station, and fight to improve local public transport services from Fenny Stratford train station.</p> <p>As part of our work on the Towns Deal Investment Plan submission, priority projects will include transport improvements.</p>
66	<p>Oppose the extension of Bletchley landfill site's operational lifetime.</p> <p>Planning application for Bletchley Landfill site was refused by DCC in line with an officer recommendation.</p>