

# **BUDGET & RESOURCES SCRUTINY COMMITTEE**

**When: Tuesday, 17 January 2023 at 7.00 pm**

**Where: Civic, 1 Saxon Gate East, Milton Keynes, MK9 3EJ and  
on [Youtube](#)**

## **Public Speaking**

Persons wishing to speak on an agenda item must give notice by not later than 18:45 pm on the day of the meeting. Requests can be sent in advance by email to [democracy@milton-keynes.gov.uk](mailto:democracy@milton-keynes.gov.uk)

Members of the Budget & Resources Scrutiny Committee

Councillor Hume (Chair)

Councillors Wardle (Vice-Chair), Cannon, Geary, Imram, M Khan, N Khan and Taylor

## **Enquiries**

Please contact Elizabeth Richardson on 01908 252629 or [elizabeth.richardson@milton-keynes.gov.uk](mailto:elizabeth.richardson@milton-keynes.gov.uk)

For more information about attending or participating in a meeting please see overleaf

## **Public attendance / Participation**

All our meetings are open to the public to attend.

We use our best efforts to stream meetings on YouTube. From time to time there are technical problems which could mean we are unable to stream the meeting. When this happens, our meetings will continue, and we will do our best to upload a recording of the meeting after it takes place. Meeting minutes form the formal record and are published after every meeting.

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## **Agenda**

Agendas and reports for the majority of the Council's public meetings [can be accessed online](#).

## **Webcasting and permission to be filmed**

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## Agenda

**1. Welcome and Introductions**

The Chair to welcome members of the committee, officers, any external witnesses, and the public to the meeting and introduce committee members, officers and witnesses who are present.

**2. Apologies**

To receive any apologies.

**3. Disclosures of Interest**

Councillors to declare any disclosable pecuniary interests, other registerable interests, or non-registerable 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.

**4. Draft Council Budget 2023/24 and Medium Term Financial Plan 2023/24 to 2026/27 (Pages 7 - 98)**

The attached report (Item 4) sets out the narrative on the draft 2023/24 budget proposals and covers both the immediate proposals for 2023/24 and for the Council's Medium-Term Financial Plan up to 2026/27. Additional information about the Council's finances is set out in a number of annexes which are also included in this pack as follows:

Annex A*	2023/24 Budget Pressures
Annex B*	2023/24 Budget Reductions and Income Proposals
Annex C*	2023/24 One-off Budget Pressures
Annex D*	2023/24 Fees and Charges
Annex E	2023/24 - 2026/27 Forecasting Model
Annex F	2023/24 GF Draft Budget Summary
Annex G	2023/24 Draft Parking Account
Annex H*	2023/24 Capital Programme
Annex I	Draft Tariff Resource Allocation
Annex J*	2023/24 GF Risk Assessment
Annex K*	Earmarked Reserves
Annex L	2022/23 Draft Budget Risk Register
Annex M	Legal Framework

*\*Annexes A, B, C, D, H, J & K are included as a separate pack of A3 sized*

*documents and are page numbered separately.*

These documents were prepared for a Delegated Decision taken by Councillor Middleton on 20 December 2022 in which the Cabinet noted and endorsed the draft budget proposals set out in the report and supporting annexes, subject to the outcomes of the current public consultation which commenced on 13 December 2022 and will run until 31 January 2023.

Having scrutinised the anticipated income and inflationary pressures on the 2023/24 budget at its October meetings, the Committee will concentrate its scrutiny on the savings/reductions and revenue raising proposals in the 2023/24 draft budget, where appropriate discuss these with the relevant Cabinet Members and Senior Officers of the Council, satisfy itself as to their robustness and make recommendations to Cabinet at its meeting on 7 February 2023.

The proposed timetable for the January meetings is set out below:

<b>Date</b>	
04 January	Presentation on how the Housing Revenue Account (HRA) works, where the money comes from, how rents are calculated, and how the Council arrives at a fully balanced budget
	Scrutiny of the HRA 2023/24 draft budget proposals and implications of the 7% rent cap
10 January	Scrutiny of the proposed savings/reductions in the draft 2023/24 budget ( <b>Annex B</b> )
12 January	Explanation of the different types of Fees and Charges levied by the Council, what a “surplus” is and what the Council can and can’t do with the money raised
	Scrutiny of the proposed Fees and Charges in the draft 2023/24 budget ( <b>Annex D</b> )
17 January	Recommendations and Report Writing

The Committee may need to consider excluding the public and press in accordance with Part 1 of Schedule 12A of the Local Government Act 1972, should it wish to discuss specific proposals which would identify individual members of staff.

Members of the Committee are reminded that this set of papers covers **all** the January Challenge meetings and that they should bring these papers with them to each session.

## BUDGET & RESOURCES SCRUTINY COMMITTEE

**When: Wednesday 4 January 2023 (19:00 hrs)**  
**Tuesday 10 January 2023 (19:00 hrs)**  
**Thursday 12 January 2023 (19:00 hrs)**  
**Tuesday 17 January 2023 (19:00 hrs)**

**Where: Room 1.02, Civic, 1 Saxon Gate East, Milton Keynes,  
MK9 3EJ,**

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Councillor Hume (Chair)

Councillors Cannon, Clarke (Vice-Chair), Geary, Imran, M Khan, N Khan, Taylor and Wardle (Vice-Chair)

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Annex F	2023/24 GF Draft Budget Summary ( <b>page 38</b> )
Annex G	2023/24 Draft Parking Account ( <b>page 39</b> )
Annex H*	2023/24 Capital Programme
Annex I	Draft Tariff Resource Allocation ( <b>pages 40 – 42</b> )
Annex J*	2023/24 GF Risk Assessment
Annex K*	Earmarked Reserves
Annex L	2022/23 Draft Budget Risk Register ( <b>pages 42 – 46</b> )
Annex M	Legal Framework ( <b>pages 47 – 49</b> )

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# Delegated Decisions Report



20 December 2022

## QUARTER 2 FORECAST OUTTURN, 2022/23 GENERAL FUND REVENUE, HOUSING REVENUE ACCOUNT, DEDICATED SCHOOLS GRANT AND CAPITAL PROGRAMME

Name of Cabinet Member	<b>Councillor Rob Middleton</b> (Cabinet member for Resources)
Report sponsor	<b>Steve Richardson</b> Director - Finance and Resources
Report author	<b>Anna Rulton</b> Head of Finance (Deputy Section 151 Officer) <a href="mailto:Anna.Rulton@Milton-Keynes.gov.uk">Anna.Rulton@Milton-Keynes.gov.uk</a> 01908 252482

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

### Executive Summary

This report sets out the draft Milton Keynes City Council (Revenue) Budget for 2023/24, the latest Medium Term Financial Forecast for the period 2023/24 to 2026/27, the draft Capital programme for 2023/24 to 2026/27 and the draft Housing Revenue Account Budget for 2023/24. The public consultation on these draft documents commenced on the 13 December 2022.

The context for the 2023/24 budget is severe and the level of uncertainty both nationally & globally is stark. In particular:

1. The predicted UK recession may last up to 2 years;
2. The highest inflation in a generation is expected to continue throughout 2023;
3. At the time of publishing this report Central Government has still not published its Policy Statement nor the Provisional Local Government Finance Settlement;
4. MKCC has therefore formulated its draft budget & its Medium Term Financial Plan based on a series of assumptions arising from the Chancellors Autumn Statement on 17 November 2022.

The budget was developed in line with the political direction of the Progressive Alliance and in accordance with the following headline objectives:

1. to balance MKCC's budget in the coming financial year & over the medium term against a backdrop of continuing austerity in Local Government;
2. to continue to deliver the Progressive Alliance's priorities as set out in the adopted Council Plan;
3. And to make more financial support available, over and above that already provided to date, to help to ease the hardship created by the UK's deepening Cost of Living Crisis.

This draft Budget proposes:

1. A below-inflation 2.99% General Council Tax increase, plus an increase of 2.00% in our Adult Social Care Precept which is earmarked to help offset part of the rapidly increasing cost of providing adult social care services;
2. An additional £750k of financial support to help support our city's residents & communities during the UK's Cost of Living Crisis & economic recession;
3. An additional £150k funding pot to support MK's Community & Parish Councils to continue their programme of support for residents;
4. An additional £150k to enhance children's and young personal mental health provision;
5. A £500k economic development fund to support local businesses;
6. A renewed programme of support for MK's high streets totalling £100k;
7. Additional funding to support the cultural profile of CMK;
8. An additional £250k of targeted footpath repairs across MK's local communities.

A rent increase of 7% is proposed for HRA tenants in 2023/24, in line with the Government's rent cap. Current and forecast inflation, far in excess of this cap causes significant pressures in the HRA (both in-year and predicted across the MTFP) which means that we are reviewing all spending priorities to absorb this impact.

The details in this report have been prepared in accordance with the framework set out in the Medium Term Financial Outlook approved by Cabinet in September 2022.

## 1. Decision/s to be made

The Cabinet notes and endorses the following draft budget proposals, which are subject to the outcomes of consultation, which commenced on the 13 December 2022 and confirmation of the Local Government Finance Settlement. The decision includes noting the Capital Programme and additional schemes and changes to the programme with it noted that the decision to release funding will be made by the s151 Officer once confirmation of available funding has been received:

- 1.1 The draft Revenue Budget for 2023/24 (**Annex F**) and latest MTFS forecast for 2023/24 to 2026/27 (**Annex E**).

- 1.2 That the provisional Council Tax at Band D of £1,596.43 for the Milton Keynes element of the Council Tax be agreed for consultation, a 4.99% increase on the previous year (2.99% plus a 2.00% Adult Social Care Precept).
- 1.3 The Council's current estimate of the 2023/24 Business Rates Baseline, retaining the delegation to the Director of Finance and Resources to finalise this Baseline, based on the latest data for submission to Department for Levelling Up, Housing and Communities (DLUHC) in January 2023.
- 1.4 The estimated position for the Dedicated Schools Grant and the planned consultation with schools and the Schools Forum.
- 1.5 That the Director of Children's Services to make decisions around the school funding formula, the funding arrangements for pupils with high needs and the early year's single funding formula for 2023/24 in consultation with the Cabinet Member for Children and Families and the Director for Finance and Resources (Paras. 4.57 - 4.64).
- 1.6 The draft Housing Revenue Account Budget updated for technical adjustments and revenue pressures and savings, including a rent increase of 7% for tenants and 4.1% for shared owners.
- 1.7 The proposed fees and charges for 2023/24, which are exceptions to the Income and Collection Policy (**Annex D**).
- 1.8 The draft forecast parking surplus of £6.764m (**Annex G**).
- 1.9 The draft Capital Programme for 2023/24 to 2026/27. (**Annex H**).
- 1.10 The resource allocation for the draft Tariff Programme. (**Annex I**).
- 1.11 The equalities impact assessments for the draft Revenue Budget 2023/24, as set out in Section 5.

## 2. Why is the decision needed?

- 2.1 The purpose of this report is to:
  - Ensure that the Council meets its legal obligations to set a robust balanced budget for 2023/24.
  - Update and extend the Council's financial forecasts for the period 2023/24 to 2026/27
  - To set out our approach to addressing the financial challenges over the medium term and managing short term uncertainty.
- 2.2 The Council has a clear ambition as set out in the Council Plan and has made a commitment to continue to grow and enhance Milton Keynes through the MK Futures programme. These commitments are alongside the continued financial challenges for the Council.

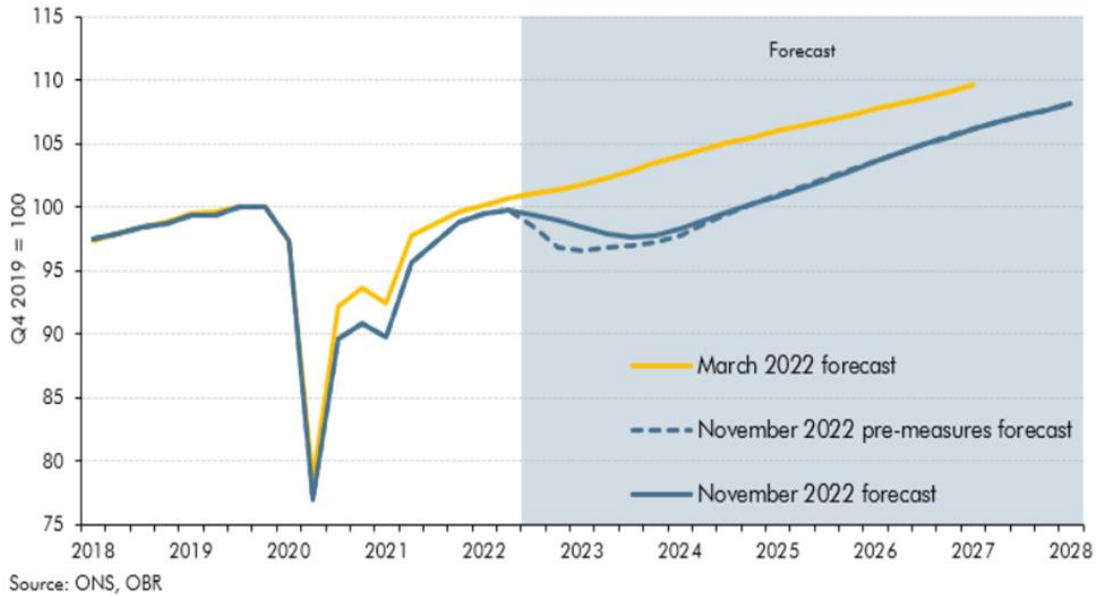
## 3. Background

### *National Economic Position*

- 3.1 The economic outlook has continued to deteriorate throughout 2022 due to a combination of factors including persistent high inflation, a tight labour market

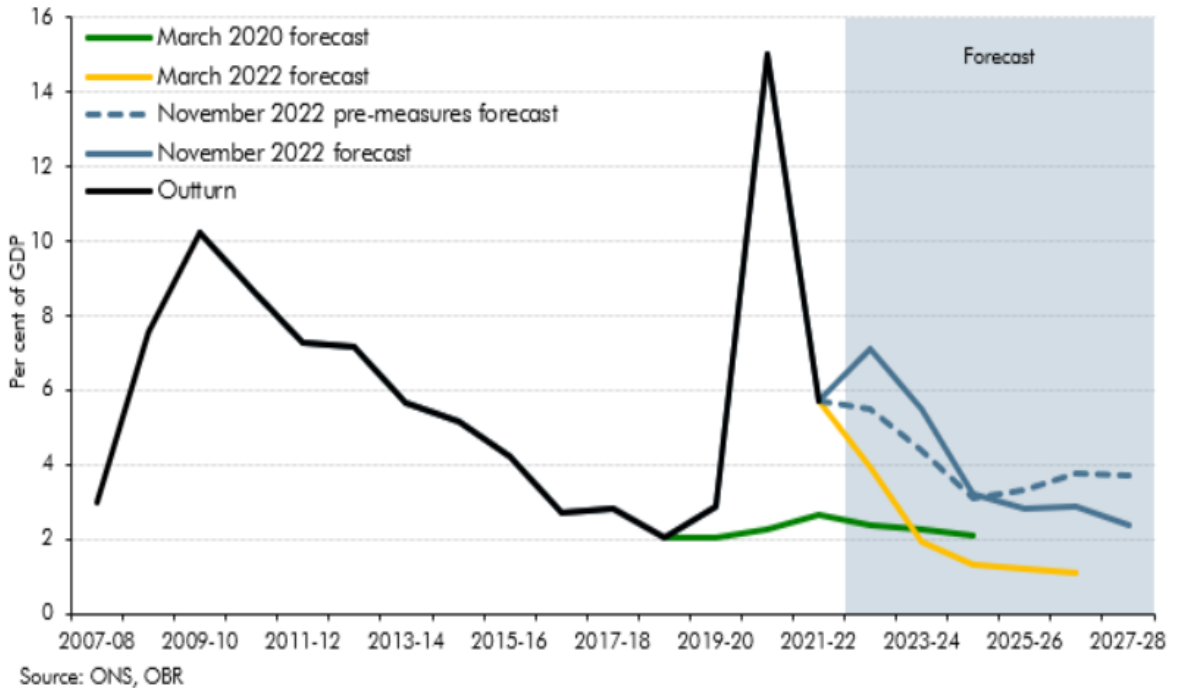
and global factors including the war in Ukraine. The economy is already in recession and GDP is not expected to return to growth until 2024.

**Chart 1: Gross Domestic Product (GDP)**



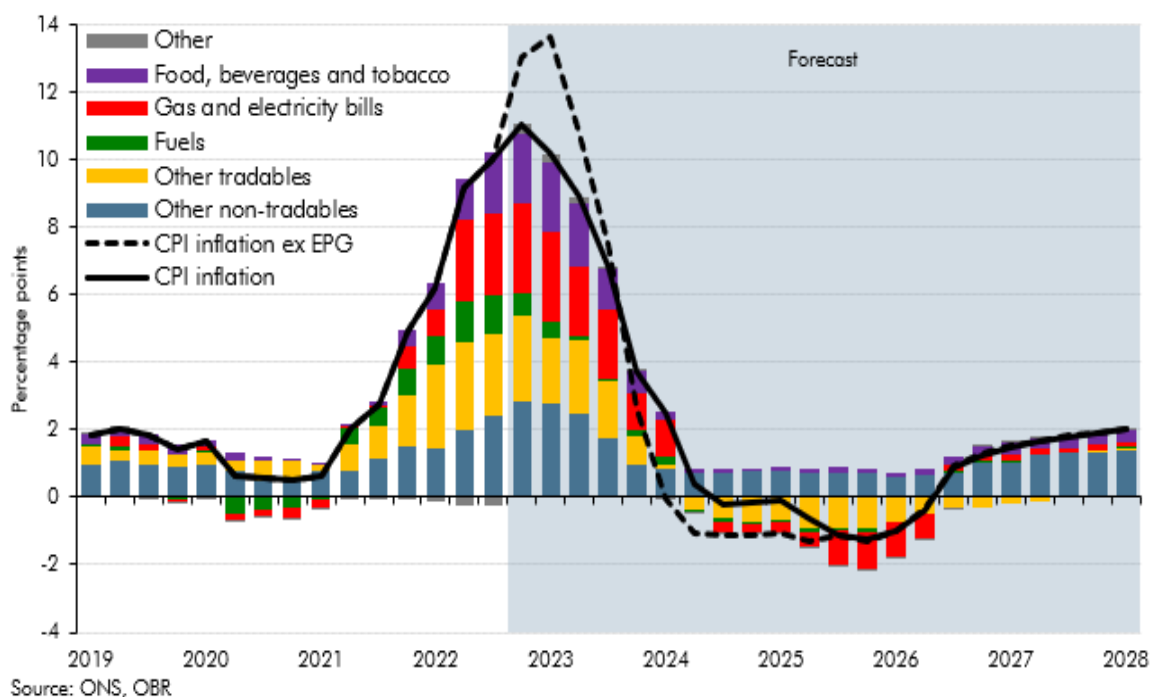
3.2 Government spending decisions regarding energy and other cost of living support schemes, and higher interest rates have increased the OBR March government borrowing forecast by £64.2 billion in 2022-23 and £39.8 billion in 2023-24. Public sector net borrowing (PSNB) rises sharply from £133.3 billion (5.7 per cent of GDP) in 2021/22 to £177.0 billion (7.1 per cent of GDP) in 2022-23.

**Chart 2: Public Sector Net Borrowing**



3.3 The OBR expect inflation to peak at a 40-year high of 11.1 per cent in the fourth quarter of 2022, revised up from the peak of 8.7 per cent in their March forecast. High inflation is expected to continue in 2023 and drop down to target in 2024.

**Chart 3: CPI Inflation Forecast**



3.4 It is extremely difficult to predict what impact the current economic challenges, both globally and nationally, are going to have over the medium term, and this represents the most significant financial issue for the Council. However, we continue to face a number of other significant financial concerns:

- The overall funding envelope for local government in 2023/24 and 2024/25 has now been confirmed. Core elements of this will be cash flat and given the sharp increase to inflation, this represents a very tight settlement for local government. However, this has been offset by significant additional funding for social care over the same period, the funding outlook beyond this is now expected to be even more challenging with significant public expenditure cuts planned from April 2025.
- The promised Fair Funding Review has not taken place and it is not currently known if and when this will now take place. We have revised our core view within the MTFP and assumed that any change to the system will now not take place **until at least 2025/26**, including the reset of the business rates system. This is consistent with the views of experts in the sector.
- The Council's budget in key areas of demand is still fluid (as a result of Covid-19 and now the wider economic climate) and there remains significant questions about future changes, timing and scale, in particular for adult and children's social care.
- Continuing financial pressures arising from homelessness and the costs of temporary housing. The anticipated savings from the Invest to Save business case have been reviewed and significantly reduced as a result of the rising costs of provision and lower than expected levels of prevention.
- There are continuing risks around reducing income as a result of lower economic activity, behaviour change and increased risks on debt collection.

- Whilst the government has now confirmed that the proposed Social Care Reforms are to be delayed by two years, this leaves a very uncertain position, with any decision to proceed dependent upon the outcome of the next General Election and potential lead in times for introducing any reforms, including a funding package which meets the full cost of change.

## 4. Medium Term Financial Outlook

4.1 The Medium Term Financial Plan (MTFP) was refreshed in September 2022. This budget and refreshed Medium Term Financial Plan (MTFP) have been updated to reflect the governments Autumn Statement on 17 November and further changes to the budget following work with Budget Holders.

4.2 Given the volatility and unprecedented level of economic uncertainty our budget approach has taken account of this to balance the need to deliver a realistic level of budget savings, limited use of one-off resources in the short term and retaining a prudent level of contingency and reserves to deal with short term changes to budget assumptions.

### *Corporate Planning Assumptions*

4.3 Corporate planning assumptions have been reviewed based on the available data at this time. As detailed in the September MTFO we have seen significant increases in inflation and demand for 2022/23. These have been reflected in the 2023/24 draft base budget.

4.4 The draft MTFP is summarised in Table 1 and broken down by movement in Table 1a. Over the four years we currently have a base budget funding gap of £17.5m, with £14m of this arising in 2025/26. This is an improved position since we published our 4 year outlook in September. Whilst we have had to add in further cost pressures (demand, inflation and some specific pressures), these have been more than offset by the delivery of £5m of new savings, additional estimated social care funding, positive changes to our core assumptions on the timing of a Fair Funding Review / Business Rates Reset and a proposed increase in Council Tax of 4.99%. This now means that the gap in 2023/24 and 2024/25 has been completely removed. The projected gap over 4 years since September has reduced from £28.0m to £17.5m.

**Table 1: Medium Term Financial Plan - Summary**

	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>
Service Budgets	221.544	233.713	241.962	251.063
Corporate Budgets	13.401	15.275	18.082	22.056
Sources of Funding	(232.653)	(246.383)	(243.723)	(253.302)
Recharge to HRA	(2.292)	(2.292)	(2.292)	(2.292)
<b>Budget Gap (cumulative)</b>	<b>(0.000)</b>	<b>0.313</b>	<b>14.030</b>	<b>17.526</b>

**Table 1a: Medium Term Financial Plan - Movements**

**(14)**

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Government Funding Adjustments	(24.593)	(6.152)	10.528	(2.000)
Local Funding Sources	(12.974)	(10.547)	(7.868)	(7.579)
Pay, Contract & Other Inflation	20.532	11.378	8.861	10.141
Budget Service Pressures	16.283	5.872	3.903	3.277
Capital Financing Costs	3.324	(3.175)	(1.190)	(0.375)
Corporate Measures	5.421	0.475	(0.135)	0.000
Reserves Movements	3.492	4.000	0.000	0.000
One-off Pressures	5.267	1.667	0.729	0.350
<b>Total Pressures</b>	<b>16.752</b>	<b>3.518</b>	<b>14.829</b>	<b>3.814</b>
Total Service Budget Reductions & Income Proposals	(11.485)	(1.538)	(0.383)	0.032
Less Reserves applied to one-off pressures	(5.267)	(1.667)	(0.729)	(0.350)
<b>Budget Gap</b>	<b>(0.000)</b>	<b>0.313</b>	<b>13.717</b>	<b>3.496</b>
<b>Budget Gap (cumulative)</b>	<b>0.000</b>	<b>0.313</b>	<b>14.030</b>	<b>17.526</b>

4.5 In 2023/24 the draft budget includes additional £5.3m of net savings. We had also proposed using one-off surplus business rates income to help manage the savings delivery profile over the four year plan period. Given the improved outlook (see Table 1) we no longer expect to use one off resources in the first two years of the plan and will review this ahead of finalising the budget in February. Resources that have been freed up as the result of the improved outlook have been held to support the delivery of the capital programme.

### **General Fund Expenditure**

4.6 Our baseline assumptions of demand, demography and inflation, together with a revised view of income and funding, were refreshed in the September update of the MTFP. Any further changes from September are summarised in Table 2.

**Table 2 - MTFP Update – Movements since September Cabinet**

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	TOTAL £m
<b>MTFP – September 22</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>13.024</b>	<b>13.024</b>
<b>Changes:</b>					
Demand Pressures	3.293	2.459	0.500	(0.333)	5.919
Choice Based Pressures	(0.657)	0.109	(0.150)	(0.006)	(0.704)
Inflation Cost Pressures	(4.179)	1.143	(1.629)	0.015	(4.650)
Capital Financing	2.850	(3.900)	(1.735)	(0.170)	(2.955)
Business Rates	(4.880)	(6.946)	12.528	0.000	0.702
Other Government Funding	(7.413)	(4.183)	0.116	0.000	(11.480)
Council Tax	(2.624)	(3.202)	(0.289)	(0.279)	(6.394)
Budget Reductions	0.154	9.512	5.982	(0.173)	15.475
Contingency and Other Corporate	7.678	1.060	(0.150)	0.000	8.588
Business Rates Smoothing Removed	5.778	4.261	(1.457)	(8.582)	0.000
<b>Draft Budget</b>	<b>0.000</b>	<b>0.313</b>	<b>13.717</b>	<b>3.496</b>	<b>17.526</b>

### ***Key Movements Since September***

#### Changes to Demand Cost Pressures

- 4.7 **Adult Social Care** - Demand pressure for care home placements has increased by £0.876m. This is due to increases in the number of placements being made, and an increase in the average cost, which is linked to capacity in the market. Since September 2022, the average weekly cost of an older persons' care home placement has increased by 18% and during October 2022, there was a net increase of nine additional care home placements made.
- 4.8 **Homelessness** - Homelessness demand pressure has increased by £0.395m in 23/24 since the September position. Overall savings anticipated as part of the invest to save project, in 23/24, 24/25 and 25/26 have been reduced by a total of £1.918m. This has been due to lower levels of move on and prevention than anticipated, increased hotel and accommodation unit costs (due to inflation) and the costs of void properties (repairs and duration of void). There is the additional risk that the cost-of-living impact will increase the pressure in 23/24 further, therefore this area remains high risk and will need to be monitored closely. We have reflected this risk in the contingency budget (see para 4.102).
- 4.9 **Children's Social Care, Placements** – The demand pressure has increased by £0.340m, due to the increasing number of residential placements made, largely due to increased complexity of need. During the previous four financial years, the average number of residential placements remained stable at 17, however, this year, this has increased month on month, reaching 28 in October compared with 19 in April. The cost of placements has also increased by 6.6% since 2021/22.



**Table 3: Budget Pressures 2023/24 – 2026/27**

Budget Pressures by Category	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Demography	8.274	4.156	3.603	3.808
Demand Exceptional	1.501	0.000	(0.150)	(0.450)
Demand – New	2.916	0.300	0.000	0.000
Policy Choice	0.579	0.109	0.450	(0.081)
Contractual Change	0.902	0.000	0.000	0.000
<b>Total Ongoing Service Pressures</b>	<b>14.172</b>	<b>4.565</b>	<b>3.903</b>	<b>3.277</b>
Funded by BCF	2.111	1.307	0.000	0.000
<b>Total Pressures</b>	<b>16.283</b>	<b>5.872</b>	<b>3.903</b>	<b>3.277</b>

Changes to Inflation Cost Pressures

4.10 **Pay Inflation** - We have reviewed our assumptions on pay and in line with most other Councils increased the provision for 2023/24 to 4% (previously 3%). We have made an allowance in the following years of the MTFP of 3%, 3% and 3% respectively.

4.11 **Pensions** - The draft budget takes into account the recent Funding Revaluation of the Local Government Pension Scheme (LGPS) by the Pension Actuary. This is carried out currently on a 3-year cycle and determines the funding position of the whole scheme (Bucks Pension Fund) and the position for each employer in the scheme. The results of this are summarised below for MKCC:

**Table 4: Pension Fund Revaluation Results Summary (MKCC)**

	2019 Valuation		2023 Draft Valuation	
Funding Position	95.6%	(£28.8m) deficit	105.6%	£41.5m surplus
<b>Employer Contributions:</b>				
Primary Rate	18.8%		20.1%	
Secondary Rate	2.8%		-	
Employer Rate	21.6%		20.1%	

4.12 We have met and discussed the valuation with the Pension Actuary who has confirmed to us that they do not anticipate any changes to the draft valuation report which is due to be certified at the end of March 2023. The overall impact of the revaluation is favourable and will result in the Council's contribution rate reducing by 1.5% compared with 2022/23. This has been fully reflected in the draft budget. The positive valuation results mean that we have removed the pressure of £1.6m in 2023/24 and have also been able to reduce the future pensions budget by a further £1.1m following the removal of the secondary rate (fund in surplus) and lower than expected increase to the primary rate.

- 4.13 The next valuation will not take effect until 1 April 2026, we have made a £1m cost provision for this and will keep this under review. This is £200k higher than in September. Overall, our provision for pension costs has reduced by £2.5m compared with September 2022.
- 4.14 **ASC and Children’s Services** - Inflation has been recalculated to take account of updated rates (CPI) and increases to the National Living Wage (from £9.50 to £10.42). The overall impact between 2023/24 to 2026/27 is an increased pressure of £0.650m (£0.300m in 2023/24; £0.536m in 2024/25; (£0.072m) in 2025/26 and (£0.116m) in 2026/27). There has been no announcement on the Foundation Living Wage (FLW) rise, therefore we have assumed an increase of 8.6%, based on the proposals made by the Living Wage Foundation. However, if the rate were to be apportioned on the same basis as the NLW increase, this would rise to 14.4% (although unlikely due to the impact this would have on employers).
- 4.15 **Waste** -The new Integrated Environmental Services contract commences on the 4 September 2023 with the decision to award the new contract taken on the 6 December 2023. Based on the preferred bidder financial model, the Waste Collection, Recycling, Street Cleansing, Landscape and Play Area budgets have all been inflated to best reflect the contractual inflationary indices. The total inflation pressure has increased by £0.882m since September 2022.
- 4.16 **Energy Price Inflation** - As seen elsewhere in the economy, MKCC has experienced significant increases in the cost of energy. The Council procures gas and electricity using LASER energy purchasing contracts which uses Flexible baskets to help mitigate market risk. All sites purchase using the Purchase in Advance (PIA) process, whereby energy is purchased prior to the start of the year starting October in batches over the preceding two years. This has helped to smooth out the normal fluctuations in the market and whilst the increases are high, the purchases made prior to the start of the current energy crisis have mitigated the increases to some extent. Increases of 66% for electricity and 224% for gas have been included within the budget assumptions.
- 4.17 The summary of our key inflation assumptions for the draft budget are set out in Table 5,6, & 7 below for 2023/24:

**Table 5: Forecasting Assumptions 2023/24**

	<b>2023/24</b>
General Pay Inflation	4.0%
General Non-Pay Inflation*	0.0%
Fees and Charges	9.0%
Water	20%
Electricity	66%
Gas	224%

\*assumes must be contained within existing budgets

4.18 Exemptions to the 9.0% increase in fees and charges are listed in **Annex D**.

### Contractual and Utility Inflation

4.19 Contractual inflation is based on existing contract agreements. Some of the larger contracts are detailed in Table 6.

**Table 6: Contractual Inflation Assumptions 2023/24**

	<b>2023/24</b>
Waste Collection - DTI Indices	9.34%
Street Cleansing - DTI Indices	9.34%
Food and Garden Waste - DTI Indices	9.34%
Landscape - DTI Indices	9.34%
Ringway - highways works	10.0%
Ringway - street lighting works	13.5%
Excel Care	9.39%
Extracare	13.32%

4.20 Higher inflation forecasts have had a significant impact on the projected cost of contractual inflation and energy inflation as detailed in Table 7 and 7a.

### Contractual Inflation Financial Summary 2023/24

**Table 7: Contractual Inflation – 2023/24**

	<b>February 2022 £m</b>	<b>Draft Budget £m</b>	<b>Increase £m</b>
Adult Services			
- <i>National Living Wage</i>	<i>2.108</i>	<i>5.380</i>	<i>3.272</i>
- <i>Other</i>	<i>0.328</i>	<i>0.814</i>	<i>0.485</i>
Children's Services	0.934	1.754	0.820
Environment & Property	1.238	5.111	3.873
Other	0.028	0.359	0.331
<b>TOTAL</b>	<b>4.636</b>	<b>13.418</b>	<b>8.782</b>

**Table 7(a): Utility Budget Inflation – 2023/24**

	<b>February 2022 £m</b>	<b>Draft Budget £m</b>	<b>Increase £m</b>
Electricity	0.042	0.531	0.489
Gas	0.018	0.963	0.945
Water	0.008	0.039	0.031
<b>TOTAL</b>	<b>0.068</b>	<b>1.533</b>	<b>1.465</b>

- 4.21 Over the medium term it is estimated that contractual inflation will rise to a budget pressure of £32.819m, an increase of 219% from February 2022, which is a significant risk to the Councils financial position.
- 4.22 It has been assumed in the MTFP that the increase in National Living Wage of 9.78% for 2023/24 is an exceptional increase, with increases in 2024/25 and beyond falling in line with historical levels.

### **Environmental Services Commissioning**

- 4.23 The Council is in the process of awarding a new Integrated Environmental Services contract for waste collection, street cleansing, landscape maintenance and play area inspections and maintenance services which will commence from 4th September 2023. The draft budget takes account estimates of both in year inflation pressures on the current contract and price adjustments for the new service.
- 4.24 The contract will provide a one city approach through integration of the services, a new wheelie bin service, co-location of depots and the energy generation and recovery from MK Waste Recovery Park (MKWRP) will electrify the council owned fleet. In preparation for the start of the contract, decisions have been made to make a significant investment by the Council in the purchase of vehicle fleet, depot facilities, and electric charging infrastructure. The costs of which have also been approved in the capital programme. As with any capital asset, the fleet will require replacement in the future as it reaches its end of life. To plan for this future liability, a sinking fund is being created with provision being set aside within the base budget for annual contributions of £3.918m, of which £2.8m is an additional pressure to that reported in September 2022. This sum includes assumptions on the expected life of vehicles, and a move to full electric RCV's when refreshed.
- 4.25 The award of this contract represents a significant investment by the Council to modernise and improve our waste, landscaping and street cleansing services which will improve further our waste management and recycling performance across Milton Keynes.

## ***Income & Reductions***

### Income Recovery

4.26 Income levels are still significantly behind pre-Covid levels. We have reviewed our assumptions based on current levels of activity and income received assuming that there will be no further improvement in income levels after 2023/24.

**Table 8 – Income Budgets**

	<b>2020/21 Budget £m</b>	<b>2021/22 Budget £m</b>	<b>2022/23 Budget £m</b>	<b>2023/24 Movement £m</b>	<b>2023/24 Budget £m</b>
Car Parking	(13.835)	(5.374)	(8.000)	(0.850)	(8.850)
Planning	(2.498)	(1.824)	(2.480)	0.600	(1.880)
Other	(1.141)	(1.171)	(0.705)	0.000	(0.705)
<b>Total</b>	<b>(17.474)</b>	<b>(8.369)</b>	<b>(11.185)</b>	<b>(0.250)</b>	<b>(11.435)</b>

### Reductions

4.27 The 2023/24 budget includes total new budget reductions of **£6.750m** (£6.278m excluding additional fees and charges income), including the £5.000m target that was agreed in September 2022. We have also reviewed and updated all existing proposed budget reductions that were approved as part of the February 2022 budget report. This has seen the total of planned savings reduced from **£4.454m to £2.101m**. Therefore, the overall net increase in total budget reductions since February 2022 is **£4.525m**. Details of all the new and revised budget reductions are set out at **Annex B**.

**Table 9 - Reductions & Income Growth - Annex B**

	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>
Being Smarter	(0.950)	(0.053)	0.000	0.000
Working Together	(1.332)	(0.600)	0.000	0.000
Thinking Differently	(4.443)	(0.900)	(0.528)	(0.173)
<b>TOTAL</b>	<b>(6.725)</b>	<b>(1.553)</b>	<b>(0.528)</b>	<b>(0.173)</b>

\*This does not include additional income raised through higher fees and charges of £0.560m compared with the planned increase of £0.088m based on a 2% increase.

4.28 Work is being progressed to identify and deliver further budget reductions and additional income for the remainder of the MTFP. Proposals will be brought forward as they are developed to Cabinet for consideration and prioritisation to enable early implementation to ensure timely delivery.

### ***One-off Pressures***

4.29 In addition, a further £5.267m of one-off expenditure has been identified in 2023/24 (**Annex C**). The funding for one-off expenditure is detailed in Table 10.

**Table 10: Funding for One-Off Expenditure 2023/24 - 2026/27**

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m
Events Reserve	0.000	0.050	0.000	0.000
COVID-19 Support Grant	0.268	0.000	0.000	0.000
Strategic Public Health Reserve	0.811	0.652	0.150	0.000
S.106	0.230	0.000	0.000	0.000
Strategic Development Reserve	0.460	0.319	0.139	0.350
One Off Pressures Funding Reserve	0.827	0.350	0.000	0.000
Social Care Grant	0.150	0.150	0.000	0.000
New Political Priorities Funding	2.521	0.146	0.440	0.000
<b>Total One-off Funding</b>	<b>5.267</b>	<b>1.667</b>	<b>0.729</b>	<b>0.350</b>

4.30 New policy choices have been added to the draft one-off schedule with specific funding allocations. Once confirmed Directors will need to develop business cases and follow normal governance processes before funding is released.

### **Summary of Forecast Financial Position**

4.31 The draft budget sets out the Council's financial plans for 2023/24 and how these are funded. This includes a prudent estimate of what we believe the Council will receive through the LGFS. In balancing the 2023/24 budget, the Council will not use unearmarked reserves. The draft budget does include the planned use of earmarked reserves for non-recurrent expenditure, which is summarised in Table 11.

**Table 11: Planned use of reserves**

Reserve	Balance 1/4/22 £m	Forecast 31/3/23 £m	Forecast 31/3/24 £m	Forecast 31/3/25 £m	Forecast 31/3/26 £m
GF Working Balance	(29.247)	(29.727)	(29.727)	(29.727)	(29.727)
Earmarked Reserves – non distributable	(109.339)	(64.870)	(140.586)	(138.757)	(143.728)
Earmarked reserves - distributable	(15.067)	(4.514)	(2.379)	(1.104)	(0.887)
<b>Total GF Reserves</b>	<b>(153.653)</b>	<b>(99.110)</b>	<b>(172.692)</b>	<b>(169.588)</b>	<b>(174.342)</b>
HRA Reserves	(71.298)	(40.456)	(17.780)	(26.825)	(36.417)
<b>Total Reserves</b>	<b>(224.951)</b>	<b>(139.566)</b>	<b>(190.472)</b>	<b>(196.412)</b>	<b>(210.759)</b>

4.32 Table 11 shows the distributable General fund reserves reducing from £15.067m in 2022/23 to £0.887m in 2025/26 as funding is drawn to finance projects approved in previous budget decisions. Total General Fund reserves will increase from £153.653m in 2022/23 to £174.342m in the same period, this

**(22)**

includes the use of funding set aside for the approved capital programme, use of 3<sup>rd</sup> party funding and use of Government grant funding allocated to offset business rate reductions due to COVID-19.

4.33 Over the Medium Term the Council has a projected budget gap of £17.5m with a balanced position in 2023/24.

### **Government Funding**

#### Autumn Statement/OBR Fiscal Outlook

4.34 On the 17 November, a number of measures were announced that directly impact local government which have helped to inform this draft budget, these include:

- Confirmation that the CSR21 will be adhered to and therefore that the funding previously announced for local government will be forthcoming in 2023/24 and 2024/25. This means that core grant funding will be cash flat, which is in line with our MTFP. The government have also confirmed that the funding provided to offset the impact of the ER NIC increase / ASC Levy will be removed following the decision to abolish this measure (£200m reduction).
- That local government will receive its share of the business rates uplift for 2023/24. At the time of preparing this report it was not confirmed if this would be based on CPI or RPI. The MTFP is based on CPI and is a lower amount (10.1%).
- That the Social Care Reforms will be delayed until October 2025.
- Additional funding for Adults and Children's Social Care for 2023/24 and 2024/25 through the Better Care Fund, Social Care Grant and Fair Cost of Care reforms. At the time of preparing the draft budget allocations had not been confirmed. We have therefore made estimates of MKCC's share based on the government using the current formula and included these within the draft budget. These are subject to potential change through the provisional settlement.
- For local government, approximately £6.5 billion will be made available for local authorities to deliver core services in 2023/24 and 2024/25. This is in addition to what was agreed at the 2021 Spending Review. This includes:
  - Up to £1.8 billion in further flexibility for councils on council tax
  - £3.2 billion from delaying the rollout of adult social care charging reform from October 2023 to October 2025
  - £1.9 billion in new grant funding for adult social care

4.35 At the time of preparing the draft budget, the Provisional Local Government settlement had not been announced. We currently expect the settlement to be announced on the 20 December 2022.

4.36 The total ongoing resources forecast to be available over the medium-term are updated in Table 12.

**Table 12: Government Grant & Taxation 2023/24 – 2026/27**

	<b>2023/24 £m</b>	<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>2026/27 £m</b>
Revenue Support Grant	(5.801)	(5.801)	(8.667)	(8.667)
Retained Business Rates	(73.933)	(75.933)	(65.405)	(67.405)
Council Tax (including parish precepts)	(161.012)	(172.143)	(180.619)	(188.790)
Lower Tier Services Grant	(0.362)	(0.362)	-	-
Services Grant	(2.504)	(2.504)	-	-
<b>Total Ongoing Resources<sup>1</sup></b>	<b>(243.612)</b>	<b>(256.743)</b>	<b>(254.691)</b>	<b>(264.862)</b>
<b>Social Care Funding</b>				
Better Care Funding <sup>2</sup>	(17.809)	(19.117)	(19.117)	(19.117)
Social Care Funding <sup>3</sup>	(8.715)	(9.630)	(9.630)	(9.630)
Social Care Reform Funding <sup>4</sup>	(4.575)	(6.536)	(6.536)	(6.536)
<b>Total Social Care Grant Funding</b>	<b>(31.099)</b>	<b>(35.283)</b>	<b>(35.283)</b>	<b>(35.283)</b>

<sup>1</sup>Public Health Grant now included in net service expenditure

<sup>2</sup>Better Care funding – as this funding is not directly controlled or used to fund MKCC services we have made a corresponding increase to the expenditure line in the budget.

<sup>3</sup>Social Care funding is assumed to be an increase to the Council's baseline funding and has been included as such.

<sup>4</sup>Social Care reform funding has been applied to meet the fee increase recently approved by Delegated Decision (4 October) and one-off costs associated with the reforms.

### **Business Rates Baseline**

4.37 The Local Government Finance Act 2012 gave local authorities the power to retain a proportion of funds obtained from business rates in their area. The changes under the 'Localisation of Business Rates' mean that from April 2013 local authorities retain a share of the income they collect from business rates, as funding to meet the cost of service provision.

4.38 The DLUHC guidance indicates that each billing authority should formally set a Business Rate Baseline each year. This baseline reflects the authority's estimate of the business rates it forecasts to collect in the following financial year, offset by any reductions such as reliefs and the estimated cost of successful rateable value appeals.

4.39 The calculation of the Council's 2023/24 Business Rate Baseline must be formally approved, and then be submitted to DLUHC, through a statutory return by 31 January 2023.



- 4.40 The 2023/24 Business Rates Baseline will need to take account of the impact of the 2023 Revaluation that has been undertaken by the Valuation Office. The draft rating list was published on the 17 November 2022 and will be used to set the Councils new Business Rates Baseline and Tariff. The draft rating list shows that the rateable values have increased by 15.4% compared with the current 2017 list. This will mean the Councils baseline and tariff will need to increase from April 2023.
- 4.41 In the absence of the provisional settlement, we have estimated the baseline and tariff using advice from Pixel Consulting – see Table 13 below.

**Table 13: Business Rates Baseline Distribution**

	<b>2023/24 £m</b>
Milton Keynes Council Business Rate Baseline (total business rates collected after deductions)	(205.11)
<i>50% Central share paid to Government</i>	<i>102.56</i>
<i>1% share paid to Buckinghamshire and Milton Keynes Fire Authority.</i>	<i>2.05</i>
<i>Deductions for Tariff paid to Central Government</i>	<i>35.55</i>
<i>Levy paid to Central Government/Section 31 grant receivable</i>	<i>(8.85)</i>
<i>Renewable energy (100% retained)</i>	<i>(0.13)</i>
<b>Milton Keynes Council forecast retained Business Rates Funding</b>	<b>(73.93)</b>

- 4.42 We have revised the forecasted business rates income following both the publication of the Autumn Statement and Draft Rating List working with our advisors on interpreting the data but more significantly the assumptions used as the DLUHC have yet to confirm some of the key issues. We will continue to review this through to the publication of the final budget and may need to make revisions to this estimate once government confirm their position through the settlement and for any errors that may come to light in the draft rating list. At this stage we have used the governments assumed appeals loss provision on the draft rating list of 3.7% as there is no other more meaningful data currently available. We will be reviewing this further with our advisors to determine if this is best estimate or if this is likely to reflect the risks inherent in the MKCC rating list.
- 4.43 The improved position reflects some significant growth expectations for known development currently in progress and a cautious view on approved schemes yet to commence. We will review this again before the final budget is set.
- 4.44 The Autumn Statement also confirmed a number of other important measures in relation to Business Rates, worth £13.6bn including:

- An increase from 50% to 75% relief for businesses in the retail, hospitality and leisure sector for 23/24.
- A freeze to the business rates multiplier for 23/24
- A new Transitional Relief scheme limiting the rate at which bills can increase due to the revaluation and funded, for the first time, by the Exchequer
- A Supporting Small Business scheme to cap bill increases for businesses that lose other relief due to the revaluation.

4.45 These measures all reduce the level of business rates income and the government confirmed that they will fully compensate Councils for the lost revenue through s31 grant. We have estimated this loss and included an equivalent grant for this within the draft budget. This is likely to need revision once the LGFS is published.

4.46 Although no official announcement has been made, we have revised our core assumption in respect of the business rates reset and have pushed this back to 2025/26 given this is now highly unlikely to take place in this parliament.

### **Council Tax**

4.47 The Autumn Statement confirmed that the Referendum Limits for 2023/24 and 2024/25 will now rise to 2.99% for the general increase (currently 1.99%) and 2.00% for the Adult Social Care Precept (currently 1.0%). We have updated the MTFP to reflect this level of increase for both 2023/24 and 2024/25.

4.48 The draft budget includes the following Council Tax increases:

**Table 14 – Council Tax**

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
MKCC Band D	2.99%	2.99%	1.99%	1.99%
ASC Precept	2.00%	2.00%	1.00%	1.00%
<b>Total Increase</b>	<b>4.99%</b>	<b>4.99%</b>	<b>2.99%</b>	<b>2.99%</b>

4.49 A report was brought to Cabinet on the 1 November 2022, setting out the estimate Council Tax Base for 2023/24. This has resulted in a Tax Base of 94,196.22 Band D equivalent properties, an increase of 3,832 from 2022/23. Further details are available in the Tax Base report [Council Tax Base](#).

4.50 Overall Council Tax income is anticipated to increase by £12.973m in 2023/24; this total comprises £7.147m generated from a 4.99% increase to the charge, and an increase of £5.826m arising from the increased Tax base.

### **Debt Financing**

4.51 The Council's debt financing budget manages both the requirement for external debt and associated repayment of loans and the investment of council resources. Several items have been included with the 2023/24 budget proposals to reflect changes to external interest rates and internal accounting

requirements. This also takes account of projected cashflows and investment balances. We have not assumed any new external debt will be taken and that maturing external debt will be repaid on maturity. As new Capital Funding proposals are brought forward, funding where through borrowing will be considered and presented to Cabinet and Council where appropriate.

4.52 The Council's Treasury Management Strategy will be presented to Cabinet as part of the Final Budget Proposals in February 2023.

### ***Parking Account***

4.53 The Council provides car parking to serve local residents, businesses and visitors with charges set for parking management purposes in accordance with sections 45 and 122 of the Road Traffic Regulation Act 1984.

4.54 As in previous years, the Council has estimated the likely income it will receive from car parking in 2023/24, the costs that are required to manage car parking, and has considered the need for additional car parking.

4.55 Parking income during 2022/23 has seen some recovery against the amounts received in 2021/22 but it is still not forecast to recover to pre-pandemic levels, meaning that many services previous funded by parking income will need to continue to be funded from other sources. The forecast on-street parking surplus will to be transferred to the General Fund for use (subject to the level of surplus) in accordance with section 55(d) of the Road Traffic Regulation Act 1984 to fund:

- Off street parking provision;
- Public transport;
- Highways and road improvements;
- Environment Improvements.

4.56 **Annex G** outlines the forecast parking surplus and the proposed use of this surplus as part of the draft Budget 2023/24.

### ***Dedicated Schools Grant***

4.57 The Chancellor has announced that school budgets will increase by £2.3bn in each of the next two years, however this is expected to be a net increase of £2.0bn after the removal of compensation for employer costs of the Health and Social Care Levy is taken into account. Local councils will get an extra £400m for high needs budgets. Average funding per pupil for mainstream schools will increase by approximately 5% overall, in the next financial year compared to 2022/23. A typical primary school with 200 pupils will get approximately £0.028m and secondary schools with around 900 pupils will receive approximately £0.170m. In addition, schools and colleges in England will be allocated a share of £500m to spend on energy efficiency upgrades. Estimations show that on average, a primary school will receive approximately £0.016m, a secondary school will get £0.042m and a further education college group will benefit from £0.290m. For MK schools this will be an extra £2.416m which will be received in 2022/23.

- 4.58 The Dedicated Schools Grant (DSG) is a ring-fenced grant supporting individual schools, academies and other pupil related expenditure as defined in the School and Early Years Finance (England) Regulations 2022. The grant and expenditure is monitored closely by the Schools Forum (a committee of the Council), who also have responsibility for decision making in some areas.
- 4.59 Due to the extremely short national timescales required to make decisions around schools funding, this report requests that delegated authority is given to the Director of Children’s Services (in consultation with the Cabinet Member for Children and Families and the Director of Finance and Resources) for approval of the final arrangements in respect of the school funding formula, the funding arrangements for pupils with high needs and the early years single funding formulae for 23/24.
- 4.60 Delegated authority is required because the timescales (set by Department for Education) do not align with our budget setting timescales and because there are several areas where the Schools’ Forum has a decision-making role, that it will exercise at the meeting on 19 January 2023. The deadline for submitting the final schools budget allocation via the authority proforma tool (APT) to the Education and Skills Funding Agency (ESFA) is 20 January 2023 which, is before the formal ratification of our budget takes place.
- 4.61 Final funding allocations for the Schools, Central Services and High Needs blocks will not be received until late December as these will be updated reflecting the latest October pupil census data. Several other proposed changes by the DfE are currently only estimated and will not be confirmed until the final allocation is received. It is expected that there will be a pressure on the growth fund (as in previous years) and a consultation with all schools has taken on options to manage this shortfall.
- 4.62 The high needs block allocation of £57.128m has been fully committed into the 2023/24 budget with £0.771m allocated to the in-year demand contingency budget (compared to the £0.896m set in 2022/23). This shows that the additional allocation (£2.503m) has already been required to meet predicted demand growth in 2023/24, without an increase in rates paid from the block. A majority of the additional income will be needed to meet top-up funding agreements as a result of an increase in demand together with a higher level of funding needed to support children with more complex needs. There is currently no banding rate increase due to the pressure on the high needs block.
- 4.63 The Early Years block is based on a national funding formula and the final allocations for 2023/24 will not be confirmed until July 2024 due to being driven by specific census data. There is expected to be an increase in the funding rates and these will be confirmed in December.
- 4.64 The 2023/24 draft DSG budget can be found within the Schools Forum reports on the following [link](#).

## ***Housing Revenue Account***

- 4.65 The Housing Revenue Account (HRA) is a ring-fenced account, which includes income and expenditure relating to the provision of housing to tenants and leaseholders. It is funded by rents and service charges, rather than from Council Tax.
- 4.66 Like the General Fund, the HRA has been significantly impacted by the rapid increase in inflation. This has resulted in additional costs relating to pay awards, utilities and through our contracts, due to material, fuel, and labour cost increases, both in the current financial year, as well as across the MTFP. The position has been further impacted by the government's cap on rent increases, which limits these to 7%, a rate far below inflation. This has forced us to review all areas of expenditure and our priorities and unfortunately will mean we will need to make difficult decisions on the level and timing of investments into existing and new stock.
- 4.67 In August 2022, government launched a consultation on a proposed cap on rents (for existing tenants but excluding shared owners) for both 23/24 and 24/25. This was due to the high rate of inflation in September 22 (and forecast in September 23) as this rate currently determines the maximum increase, landlords can apply each year. Without a cap in place, we would have been able to increase rents by up to 11.1% in 23/24.
- 4.68 A cap on rents will have significant impacts on all providers of social housing given costs will be rising at a far greater rate than income and this coupled with higher borrowing costs, will affect local investment plans. The Government acknowledged in the consultation that a cap on rents "will leave Registered Providers of social housing with less money to invest in providing new social housing, improve the quality and energy performance of existing homes and providing services to tenants" but believe this is a reasonable trade off when balancing the impact on tenants and general taxpayers (i.e., by limiting welfare costs, i.e. housing benefit) – around 60% of social tenants (across all providers of social housing are in receipt of housing benefit or universal credit).
- 4.69 We did not agree with the proposal to cap rents at any level and felt that local providers should be able to make decisions appropriate to the issues and needs in their areas and target support to tenants that need it, which we believe would be a more effective use of resource and limit the catastrophic effect this would have on investment into social housing. We responded to government to this effect, including evidence of the potential impact on our ability to invest in our stock in MK, which is ageing given the creation of MK as a New Town, 60 years ago.
- 4.70 The government (as part of the autumn statement) confirmed that rents would be capped at 7% for 23/24 and a further review would be undertaken before confirming whether a cap will also be applied in 24/25. In March 2025, the current Rent Standard (which sets a maximum increase for annual rent uplifts) comes to an end, which effectively means that we have no understanding of the rent position beyond next financial year. Rents account for 94% of our resource available for running our day-to-day landlord service as well as improving our

stock and building more. We estimate that the cap on rents in just 23/24 (and assuming this is also applied in 24/25) **will reduce resources for investment in the HRA by £124m over the next 10 years.** This is in addition to the reduction in available resources because of the wider economic climate.

- 4.71 The cap has forced us to undertake a full review of the HRA budget including our development schemes, planned maintenance and decarbonisation programmes as well as our operational costs. We will have to make difficult choices. This work is still on-going and will report on progress in the final budget report setting out how a viable business plan can be delivered. The budgets reported in the rest of this section of the report are a snapshot draft position and will change when reported in February. The significant reduction in resources could also result in the repayment of 141 Retained Right to Buy receipts as well as potential abortive costs on schemes if we have to put them on hold or delay them.
- 4.72 As a result of this position, we propose to increase rents by 7% for existing tenants in 23/24. For shared owners there will be an increase of 4.1% as under the lease terms, shared ownership rent setting lags one year behind tenant rent. We recognise that this level of increase will be challenging for some of our tenants and therefore we will continue the Working Tenant Support Fund, which we put in place in 2022/23.
- 4.73 Service charge setting is not included within the scope of the government consultation on the rent cap. Tenants and leaseholders who pay service charges will see a significant increase in their charges predominately because of the inflation increases on utilities. If we don't fully recover these costs, the HRA position will worsen further as in effect these costs become top-sliced from all tenants, rather than those in direct receipt of the service. Further information will be included in the Rent and Service Charge Policy in February 23 and will be communicated directly to all tenants and leaseholders.
- 4.74 Given the uncertainty of government policy direction as well as the wider economic climate, this is going to make future investment decisions very challenging, given these are significant, long-term investments and we need to ensure the long-term viability of the HRA (where we are required to set a 30-year business plan).
- 4.75 The 30-year business plan has been refreshed to take account of the changes referenced in this report, regarding inflation and other cost pressures. These include the same assumptions as reported in Table 5 (section 4.17), on areas such as energy and general inflation as well as others specific to the HRA. These include significant increases on materials in the construction market where there have been increases between 11-50% on some components.
- 4.76 The outcome of our refresh of these core assumptions and the financial impact they have is shown in Table 15.

**Table 15: Summary of the Draft HRA Budget**

<b>HRA Draft Revenue Budget – December Snapshot</b>	<b>2022/23 £m</b>	<b>2023/24 £m</b>	<b>Change</b>
Dwelling Rents	(56.193)	(59.585)	(3.392)
Other Income	(2.559)	(4.390)	(1.831)
<b>Total Income</b>	<b>(58.751)</b>	<b>(63.975)</b>	<b>(5.223)</b>
Repairs and Maintenance	11.079	14.444	3.365
General Management & Special Services	16.023	18.984	2.961
Interest and Repayment of Borrowing	11.211	10.934	(0.277)
Bad Debt Provision	0.842	0.930	0.088
Funding for Capital Repairs (depreciation charge)	13.831	17.036	3.205
Revenue Contribution to Capital (for investment)	5.765	1.647	(4.118)
<b>Total Expenditure</b>	<b>58.751</b>	<b>63.975</b>	<b>5.223</b>
<b>Net Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>

4.77 Although the HRA revenue budget is balanced (as shown in the table above), the capital programme currently exceeds our borrowing limit and further savings are required to ensure we have a balanced position - this is explained further below.

4.78 The HRA capital programme (component replacement and decarbonisation improvement in existing stock, providing additional housing, and undertaking regeneration) is funded from available funding in the revenue budget, after we have funded our operating costs (which we contribute to a ring-fenced HRA capital reserve) or through borrowing. The maximum amount that we can borrow is determined by the level of spare revenue money we have to pay for interest costs on borrowing (and a prudent allowance for repayment of debt).

4.79 The impact of cost pressures has reduced the amount we are able to contribute to reserves and that we have available to fund borrowing costs and the increase in interest rates on borrowing mean higher interest costs, reducing borrowing capacity further.

4.80 The outcome of these changes, results in a headroom gap of £36m in 23/24 which would require revenue savings of £1.6m to get to a balanced position. This currently assumes that there will be some delays to the development programme, but these have not been decided nor approved. There is also a headroom gap in 25/26 of £12m (compared to available headroom of £115m that we had when we started this financial year).

4.81 The draft budget provides an initial view at a point in time and there will be further changes ahead of the final budget, but this will require further revisions during the year as new information becomes available, we are clearer of the outcomes of critical procurement activity and the on-going work we are doing around asset management surveys, confirms the level of expenditure required.

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Therefore, we will need to take a prudent approach to investment decisions to ensure that these are affordable and made at the right time to optimise the use of resources.

### **Capital**

- 4.82 Table 16 summarises the Council's capital resources and expenditure needs. The detailed Capital Programme is available at **Annex H**.
- 4.83 Whilst no new capital projects have been added as part of these budget proposals, several service critical projects were approved as part of the 2022/23 Capital Programme. These projects are currently reliant on future capital receipts and a prudent assumption of government grant. Capital receipts, whilst forecast using latest data, are reliant on completion of land sales, and therefore the timing is not certain. A total of £40.121m of receipts are assumed within the financing of the 2022/23 capital programme. Receipts received to date in 2022/23 are significantly lower than planned, but similarly many of the projects funded by receipts are also forecasting to slip into 2023/24. To mitigate potential timing delays for cash being received, any short-term gains on investment income, achieved by current interest rates, over and above, that built into the draft budget will be used to contribute to the financing of the programme. The decision to release funding will be made by the s151 Officer once confirmation of available funding has been confirmed, in the event of delays or lower levels of receipts the addition of new projects may require future scrutiny.
- 4.84 Inflation is having a significant impact on major projects within the programme, with tenders being submitted at higher prices, and reduced interest by contractors in bidding for new works. With uncertainty on future prices there is a risk that the current programme will cost more than planned. It is therefore essential that any additional funding that is received in the short term is held back to cover the risk on the funding of these projects.
- 4.85 The decision to award the Environmental Services Contract on the 6 December included additional funding for vehicles in line with the successful tender bid. Funding has been identified for this cost, but the additional resource allocation has not been included draft programme due to confidentiality whilst the tender is being awarded. This will be updated in the Capital Programme presented with the final budget in February 2023.
- 4.86 Whilst Table 16 shows an excess of resources over planned expenditure, all £40.353m of this funding is either Education or Integrated Transport specific, meaning there is no unallocated funding to fund any new Capital projects within the current Programme. Projects within the existing programme have been reviewed and where necessary expenditure profiles revised. Rolling programmes have been added in 2027/28 where ring-fenced funding has been identified.
- 4.87 No changes have been made to the HRA capital programme for the draft budget. The HRA business plan is currently being refreshed and any amendments to the existing programme will be included within the business



plan and brought as part of the final budget proposals in February 2023. This is to ensure that all financial implications of financing the programme have been built into the longer-term financial plan.

- 4.88 There are a number of projects which are not currently included within the capital programme and will require funding in the future, therefore increasing the overall funding shortfall. A pipeline programme has been developed, these still either need to be worked up further or require funding before they can be considered for inclusion in the main programme.
- 4.89 The Capital Strategy approved in February 2022, sets out the approach that the Council takes in prioritising its Capital Investment Programme including financing and the way that this activity is managed across the organisation. The expected increase to the financial pressures over the medium term on the revenue budget will mean that a key priority will be focused around schemes that deliver financial returns or reduce existing asset lifecycle costs. The Capital Strategy is currently being reviewed and will be presented to Cabinet in February 2023.

**Table 16: Forecast Medium Term Summary of Capital Resources and Expenditure**

	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
Capital Resources	195.857	101.170	21.132	14.527	11.693
Capital Expenditure	159.588	100.217	19.995	13.378	10.849
<b>Net Position (surplus) / deficit</b>	(36.269)	(0.953)	(1.137)	(1.149)	(0.844)
<b>Cumulative Position (surplus) / deficit</b>	<b>(36.269)</b>	<b>(37.222)</b>	<b>(38.359)</b>	<b>(39.508)</b>	<b>(40.352)</b>

### ***Capital Funding***

- 4.90 The capital programme is funded from various sources including Single Capital Pot Grant and other specific Government grants, capital receipts, revenue contributions and prudential borrowing. The scale of development within Milton Keynes means that the Council receives considerable sums of developer contributions which are also used in the financing the capital programme.

### **S106 Funding**

- 4.91 S106 funding is a key resource in supporting the Council to mitigate the impact of growth. The use of S106 funding must be managed carefully to address both local and strategic needs. Developer Contributions (S106) are included in the Capital Programme or to fund projects which meet the specification outlined in the S106 agreement.
- 4.92 The S106 funding received from developers is often a contribution toward total project costs. As appropriate schemes are developed through the Capital

Programme processes, these resources are used towards the delivery of the full project.

- 4.93 S106 funding is closely monitored, with a greater focus on those schemes nearing their expiry date to ensure all available resource is used to deliver community facilities and infrastructure as intended.
- 4.94 The development of the capital programme has incorporated consideration of S106 funding, so resources are used in the most effective manner to address necessary schemes. This process has also included reviewing unidentified funding to ensure that this is allocated to future projects. Work is still ongoing to identify individual schemes and future allocations will be updated as schemes are developed.
- 4.95 A total of £0.186m new S106 funding has been allocated within the Capital Programme.

### **Tariff**

- 4.96 The Milton Keynes Tariff is a unique s106 based ‘umbrella’ arrangement covering development in the expansion areas covered by the previously designated ‘Urban Development Area’. Through the Tariff mechanism, the Council will collect over £310m in developer contributions over its lifetime, which will be re-invested in a Programme of strategic and local infrastructure covering a total of 18 ‘portfolios’, 11 of which are delivered through the Council.
- 4.97 The Capital Programme includes resourcing of various Council led projects from the Tariff. As the operator of the Tariff, the Council is also responsible for controlling expenditure across the whole Tariff mechanism. This is managed by approving Resource Allocation for future schemes as part of a medium term plan, with a spend approval stage before individual projects commence.
- 4.98 **Annex I** shows a breakdown of the Tariff resource allocation for 2023/24 and indicative allocation for the next four years, both for projects to be delivered by the Council and those managed by our partner organisations. The allocation of tariff resources was agreed in the original Tariff Delivery Plan. Changes to the timing of delivery of these projects have been made to reflect actual housing delivery and infrastructure requirements.
- 4.99 Tariff resource allocation includes both amounts to be financed through cash and others to be completed by works in kind. Tariff allocations to the Council’s projects totalling £8.056m are included within the Capital Programme. New requests for use of tariff funding will be sought on a project by project basis in line with the agreed process for entry into the Capital Programme.
- 4.100 The current long stop date of the Tariff is 2031 for the delivery programme to be completed. The Council maintains an All Risk Reserve for the Tariff which is held in case there is any shortfall in contributions or scheme delivery costs exceed the level of contributions received.

## **Risks**

- 4.101 A key part of the draft budget is the review of key financial risks. We have reassessed the budgetary risks and where possible looked to mitigate these. It should be noted however that most of the significant risks are not within the direct control the Council and it is therefore critical in setting a robust and legal budget that we make sufficient provision within service budgets using available evidence to manage reasonable variations.
- 4.102 Our full budget risk assessment is set out at **Annex L**. The key external risks are summarised below:

**Inflationary Pressures** – Our most significant risk is that inflation is higher than our current assumptions. Some economic forecasters have predicted that CPI could rise to 15% at the start of 2023, mainly driven by the rise in the energy cap. We have set aside a general contingency sum of **£3m** (1.2% net budget) to be used in the first instance should inflation and other pressures be higher than anticipated.

**Wider Government Funding** – The government, through the Autumn Statement, has provided greater clarity over the short term. However, from 2025/26 significant public spending cuts have been assumed in the Governments Medium Term Financial Plan. These public spending cuts will be made after the next general election, and it is therefore extremely uncertain how and when these reductions will be made. There is now no clear view over the fair funding review or the future of business rates which could be replaced, New Homes Bonus scheme or how and when the reform of social care will take place. It is clear that funding will be extremely challenging and that further significant savings will be required from 2025/26.

**Social Care Funding** - Social Care Reforms have now been delayed from October 2023 to October 2025. We are currently assuming a nil impact on the budget for the Fair Cost of Care. Both demand and costs are rising fast reflecting the lack of capacity in the system, particularly with Care Homes. In the short term the government has provided additional funding and given councils the ability to increase Council Tax further to mitigate immediate cost pressures. However, the system is under extreme pressure in terms of staffing and capacity (beds) and this will not deliver a sustainable model as there is still no clear plan.

**Rising Demand on key front line services across Adults' and Children's Social Care and Homelessness** – The Council is continuing to experience rising demand, both in terms of volume and complexity, across Adults' and Children's Social Care. This is driven by a combination of factors including demographics, rising population, family resilience and breakdown and pressures on other public services. The draft Budget reflects our current view on expected levels of demand for these services, but these are both volatile and difficult by nature to forecast.

**Commissioning Risks** – The Council is engaged in a number of significant procurements on major services. The current economic volatility and supply

side issues poses a greater level of risk on the outcome and cost of future service provision. To help manage this risk we will need to review and potentially adjust our approach as we go through this activity to contain cost escalation. This may require changes to future service provision and or revisions to the risk profile on some of our major contracts.

**Contract Sustainability** – The Council hold a number of significant service contracts which deliver key services to residents. Whilst the nature and complexity of these contracts vary, there are contingent risks within these that in the event of contract viability / contractor failure would impact materially on the Council's MTFP.

### **Reserves**

#### *General Reserves*

4.103 The Finance team have reviewed the level of reserves, which is included in **Annex J**. This review shows the level of risk exposure for the Council on known issues and an assessment of the adequacy of the level of General Fund Balances. The draft risk assessment carried out alongside the development of this draft Budget, shows that the minimum prudent level of General Fund reserves is £29.6m. This will be reviewed again as part of the Final Budget report to reflect any material changes to the Councils risk profile.

#### *Earmarked Reserves*

4.104 In addition to the General Fund and HRA working balances, the Council maintains a number of earmarked reserves to enable it to meet a range of different policy objectives as follows:

- To manage known financial risks;
- To enable the Council to invest in services to generate future savings as part of its budget strategy;
- To manage one-off expenditure which has allowed the Council to make on-going revenue savings;
- To build up funding to support delivery of large projects such as capital programme schemes;
- To manage known timing differences between the receipt of funding and the profile of expenditure; and
- To hold ring fenced balances for example, specific grants, trusts, school balances etc.

4.105 The earmarked reserves are listed in **Annex K**. They have been reviewed to ensure that they remain relevant, have clear objective(s) and where appropriate an expiry date has been shown as to when the funds should be fully utilised.

### **Robustness and Risks**

4.106 Section 25 (1) of the Local Government Act 2003 requires that 'the Chief Finance Officer of the authority must report to it on the following matters –

- i. the robustness of the estimates made for the purposes of the calculations, and
- ii. the adequacy of the proposed financial reserves.

- 4.107 Section 25 (2) requires that an authority shall have regard to the report when making decisions about the calculations in connection with which it is made (i.e. setting its budget). This element of the draft Budget report and associated annexes outlines the assessment of the adequacy of reserves and robustness of the draft Budget.
- 4.108 In preparing the Budget for 2023/24, where a clear financial impact has been identified, this has been dealt with through the actions set out in this report. Where the impact is not known this has been highlighted as a risk.
- 4.109 The draft Budget adequately reflects known issues including the best forecast position at this point in time. The demand pressures and other issues will continue to be reviewed before the Budget is finalised in February and reviewed if necessary.
- 4.110 The Council remains under significant financial pressure and in determining the budget for 2023/24 the Council has avoided needing to make any further significant cuts or reductions to services, whilst containing the Council Tax increase below inflation. The MTFP identifies significant gaps from 2024/25 onwards and consequently difficult decisions will need to be made to ensure that the Council continues to remain financially secure. Given the size of the projected budget gap and risks around the budget, the Council will need to ensure it has very tight control over spending in year and progresses with plans to make material reductions to its cost base.
- 4.111 A Budget Risk Register is included in **Annex L**, which sets out the potential risks and issues and an assessment of the adequacy of the Council's level of reserves is set out in **Annex J**.
- 4.112 The General Fund Balance of £29.7m is estimated to be adequate to meet the Council's financial needs in 2023/24.
- 4.113 This view takes account of the reserves included in the Council's accounts (subject to audit) as at 31 March 2022; the movement of these reserves since that date (as tracked through the Budget Monitoring process); and the proposed use of reserves as part of the draft Budget 2023/24.

**Table 17: Section 151 Officers Assessment on the Adequacy of Reserves**

Reserve	Balance at 31/3/2023  £m	Forecast Balance at 31/3/2024  £m
GF Working Balance	(29.727)	(29.727)
% Net Revenue Budget	<b>13.65%</b>	<b>12.20%</b>
Specific Risk Reserves*	(20.387)	(16.084)
Total Reserves Available to meet known and unknown budget risks *	<b>(50.114)</b>	<b>(45.811)</b>
% Net Revenue Budget	<b>23.02%</b>	<b>18.81%</b>

\*See **Annex K** which sets out details of these reserves held to manage specific known budgetary risks.

\*\* This excludes schools budgets (DSG) and the HRA for which a separate reserve is held. It should however be noted that the Council continues to underwrite certain financial risks around schools funding, a provision for which is included within the risk assessment.

## 5. Implications of the decision

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

### a) Financial implications

The Council's Budget and Medium Term Financial Strategy are the financial expression of all the Council's policies and plans.

### b) Legal implications

The annual Budget decisions are among the most important of those which local authorities are required to make during the course of the year. This is emphasised by the fact that they are among the few decisions which the Council is not permitted by law to delegate to a committee or to Officers.

They affect every household and service user and the manner in which decisions must be made is closely prescribed by law. **Annex M** of this report

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sets out the relevant legal considerations which affect the Council Budget and Council Tax decisions

Councillors should note these requirements as part of approving the Budget. Councillors will be required to give careful consideration to the information set out in the Budget Report, its annexes, and the equality impact assessments.

In addition, the Local Government Act 2003 places a specific personal duty on the Chief Financial Officer which in the case of Milton Keynes is the Director of Finance and Resources, to report to the Council on the robustness of the budget and the adequacy of reserves.

Councillors are advised that due regard has been given to the requirements of the Local Government Act 2003 during the current budget process. Specific reference is made to the adequacy of General Fund reserves, and to the robustness of the budget proposals in paragraphs 4.106 to 4.113.

The Budget has again been developed at a detailed level based on information supplied by Directors and has been subject to scrutiny by the Corporate Leadership Team. Budget and Resources Scrutiny Committee have scrutinised the budget process and will be reviewing the specific budget proposals prior to Cabinet considering the final budget proposals in February 2023.

A number of the capital schemes in the programme are necessary to fulfil the Council's legal or statutory obligations. The legal and statutory issues relating to each scheme are set out in the individual project business cases.

#### c) Other implications

The pressures, reductions and income proposals have been reviewed of which 70 were considered as being 'significant' of which 7 are 'relevant' to equality.

Six in depth assessments will be conducted.

These assessments are likely to recommend:

- In five (5) green areas proposal (Homeless Prevention & Access, Fair Cost of Care, Family Support Team Expansion, Housing Benefit Subsidy and SEN team capacity) should continue, as there is a potential to improve the advancement equality of opportunity.
- In one (1) green-amber areas, adjustments have been/are made to remove barriers or better promote equality: Facilities Rationalisation
- There are no (0) amber areas, where a proposal should continue despite having identified some potential for an adverse impact or a possible missed opportunity to promote equality.
- There are no (0) red areas, where it is recommended that proposals should not continue as there is a potential for unlawful discrimination or continue with adjustments.

The majority of significant pressures are related to demographic changes.

The 2023/24 budget continues a focus on meeting the needs of the most vulnerable. The major factor in many decisions is the changing demography. The budget decisions should also be considered for its effect on (child) poverty

and in particular the response in the budget to changing needs is very evident in particular the Family Support Team Expansion. However, it is possible that opportunities have been missed - or been put on hold - to increase access to affordable childcare. Further information will be made available on the Council's Accessibility and Equality web pages.

## 6. Timetable for implementation

- 13 December 2022 – 31 January 2023 - Budget Consultation
- 7 February 2023 – Final Budget & Capital Programme report to Cabinet
- 22 February 2023 – Final Budget & Capital Programme report to Council

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### List of annexes

2023/24 Budget Pressures	Annex A
2023/24 Budget Reductions and Income Proposals	Annex B
2023/24 One-off Budget Pressures	Annex C
Fees and Charges: Exemptions to the Income Policy Additional Concessions	Annex D
2023/24 – 2026/27 Forecasting Model	Annex E
2023/24 GF Draft Budget Summary	Annex F
2023/24 Draft Parking Account	Annex G
Draft Medium Term Capital Programme	Annex H
Draft Tariff Resource Allocation	Annex I
GF Reserves Assessment	Annex J
Earmarked Reserves	Annex K
2023/24 Draft Budget Risk Register	Annex L
Legal Framework	Annex M



	2023-24	2024-25	2025-26	2026-27
	£000's	£000's	£000's	£000's
<b>Government Funding</b>				
Core Government Grant	700	0	0	0
Business Rates Growth & Inflation	(13,955)	(2,000)	(2,000)	(2,000)
Business Rates Impact of Revaluation/Reset	(4,880)	0	12,528	0
Additional Social Care Funding (Autumn Statement)	(8,094)	(4,183)	0	0
New Homes Bonus - End of legacy payment	1,970	0	0	0
Other Grants Movements	(334)	31	0	0
<b>Total Government Funding Adjustments</b>	<b>(24,593)</b>	<b>(6,152)</b>	<b>10,528</b>	<b>(2,000)</b>
<b>Local Funding Choices</b>				
Council Tax -2.99% 23/24 - 24/25; 25/26+ 1.99%	(4,283)	(4,583)	(3,261)	(3,408)
Council Tax - adult social care precept 2% 23/24 - 24/25; 25/26+ 1%	(2,865)	(3,066)	(1,639)	(1,713)
Council Tax Base uplift	(5,826)	(2,898)	(2,968)	(2,458)
	<b>(12,974)</b>	<b>(10,547)</b>	<b>(7,868)</b>	<b>(7,579)</b>
<b>Estimated Variance in Resource Base</b>	<b>(37,567)</b>	<b>(16,699)</b>	<b>2,660</b>	<b>(9,579)</b>
<b>Inflation Assumptions</b>				
Pay Inflation (4%,3%,3%,3%)	6,916	3,184	3,280	3,378
ER Pension Contribution -Revaluation	(1,100)	0	0	1,000
Contractual inflation - National Living Wage	6,195	4,769	2,991	3,228
Contractual Inflation - Other	7,222	3,562	2,457	2,395
Utilities	1,533	243	140	146
Insurance	163	62	64	66
Shared Service Partnership Indexation	128	58	60	62
Fees & Charges (9%/7%/2%/2%)	(560)	(536)	(168)	(171)
Other Forecasting Assumptions	35	36	37	38
<b>Demand Budget Pressures</b>				
Adult Social Care - Demographic/Cost pressures	6,060	2,503	2,260	2,308
Adult Social Care - Pressure Funded by additional Better Care Fund	2,111	1,307	0	0
Children's Social Care (Placements/emergency beds)	2,021	601	332	339
Children's Social Care Legal Costs	522	0	0	0
Home to School Transport - Demographic/Cost pressures	632	312	375	407
Homelessness - Cost Pressure	901	0	0	0
Environment & Property - Demographic/Cost pressures	681	740	636	754
Planning Income Loss	600	0	(150)	(450)
Customer & Community - Cost Pressures	30	0	0	0
Finance & Resources - Cost Pressures	1,244	300	0	0
<b>Other Pressures</b>	<b>1,481</b>	<b>109</b>	<b>450</b>	<b>(81)</b>
One Off Pressures (funded by reserves)	2,671	1,446	289	350
Political Priorities One Off Pressures	2,596	221	440	0
<b>Corporate</b>				
Capital Financing Costs	3,324	(3,175)	(1,190)	(375)
Planned Changes Contingency Budget	5,421	475	(135)	0
Waste - Capital Asset Renewal Fund	3,918	0	0	0
<b>Transfer to/from reserves</b>				
- Planned use of Collection Fund Cashflow Reserve	(2,000)	4,000	0	0
- One off adjustments - Reversal Feb 22 budget	1,574	0	0	0
<b>Total Pressures</b>	<b>54,319</b>	<b>20,217</b>	<b>12,169</b>	<b>13,393</b>
<b>Sum Required to Balance Budget</b>	<b>16,752</b>	<b>3,518</b>	<b>14,829</b>	<b>3,814</b>
Treasury Management Investment Income	(4,760)	15	145	205
Reductions & Income Growth	(6,725)	(1,553)	(528)	(173)
Funding for one off pressures	(5,267)	(1,667)	(729)	(350)
<b>Budget Gap Draft Budget</b>	<b>(0)</b>	<b>313</b>	<b>13,717</b>	<b>3,496</b>

(41)  
(37)



## 2023/24 General Fund Draft Budget Summary

	Net Budget 2022/23 £000	Movements £000	Net Budget 2023/24 £000
<b>SERVICES:</b>			
Adult Services	79,398	5,807	85,205
Public Health	(282)	282	(0)
Children's Services	44,960	4,328	49,288
Customer and Community Services	8,745	656	9,401
Housing and Regeneration	(0)	0	(0)
Planning and Placemaking	593	760	1,353
Environment and Property	71,501	5,152	76,653
Finance and Resources	18,953	1,123	20,076
Law and Governance	4,711	888	5,599
Corporate Items (Pay Inflation etc)	5,037	11,538	16,575
<b>Total</b>	<b>233,615</b>	<b>30,534</b>	<b>264,149</b>
Contribution to/(from) Reserves			(6,497)
Levies			525
Debt Financing costs including MRP			2,796
Asset Management			(26,030)
Recharges to HRA			(2,292)
Parish Precepts Paid			10,960
<b>Total Expenditure</b>			<b>243,612</b>
<b>FUNDED BY:</b>			
Revenue Support Grant			(5,801)
Retained Business Rates			(73,933)
Council Tax (including parish precepts)			(161,012)
Services Grant			(2,504)
Lower Tier Services Grant			(362)
<b>Total Funding</b>			<b>(243,612)</b>
<b>Budget Gap</b>			<b>(0)</b>

\*At the time this draft budget was produced the Government had not issued the Provisional Settlement.



## ITEM 4: Annex G

### 2023/24 Car Parking Surplus

Budgeted Income	-8,850,000
CMK Parking Management costs	2,055,584
Decriminalisation of Parking	15,000
Surveys and fees	15,000
<b>Budgeted 2023/24 Car Parking Surplus</b>	<b><u>-6,764,416</u></b>

### Allowable notional spend of 2023/24 Car Parking Surplus - Section 55 1984 Road Traffic Act

Highways and Street lighting in on-street parking areas	261,000
Cleansing in on-street parking areas	880,000
Landscaping in on-street parking areas	42,000
Investment in off-street parking	0
Running costs of off-street car parks	1,108,301
Passenger Transport Team	468,658
Concessionary Fares	3,677,862
Bus Subsidies	1,022,308
Publicity	55,383
Other Passenger Transport Projects	262,150
Highway Improvement Design & Project Management	343,810
Sustainability funding for Highways Improvements Works	4,721,901
Improvements and maintenance of land in the vicinity of roads and work on recreational facilities available to the public with no charge	845,522
<b>Total allowable expenditure of 2023/24 Car Parking Surplus</b>	<b><u>13,688,895</u></b>

<b>Funded from Car Parking Reserve</b>	<b>-6,764,416</b>
<b>Funded from General Fund</b>	<b>-6,924,479</b>

### Parking Reserve

Balance brought forward from 2021/22	-101,000
Planned use on Brooklands Pavilion Parking Project	15,000
Planned use on car parking lining	86,000
<b>Forecast carry forward into 23/24</b>	<b><u>0</u></b>



Tariff Resource Allocation - 5 Year Programme	2023/24 Programme - Draft Budget					
Scheme	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £'000
<b>Cash Investment</b>						
<b>Roads and Highways</b>						
Monkston Junctions	350	4,000	163	0	0	4,513
Brinklow Junction	400	2,050	0	0	0	2,450
Crownhill & Loughton Junctions	307	200	1,800	0	0	2,307
WEA Junction Improvements	3,000	2,000	2,280	1,500	0	8,780
CMK Junction Improvements	0	3,005	0	0	0	3,005
A422 Junction Improvements	1,000	2,000	1,500	1,500	1,500	7,500
Tariff Local Roads	200	0	0	0	0	200
H10 connection to Church Farm	720	0	0	0	0	720
Kents Hill School Redway Connections	(250)	0	0	0	0	(250)
<b>Total Roads and Highways</b>	<b>5,727</b>	<b>13,255</b>	<b>5,743</b>	<b>3,000</b>	<b>1,500</b>	<b>29,225</b>
<b>Public Transport</b>						
P T Patronage and Subsidy	500	500	750	750	995	3,495
Demand Responsive Transport	600	600	600	600		2,400
<b>Total Public Transport</b>	<b>1,100</b>	<b>1,100</b>	<b>1,350</b>	<b>1,350</b>	<b>995</b>	<b>5,895</b>
<b>Schools</b>						
Early Years	0	0	500	0	0	500
WEA Primary 2 (Calverton Lane)	372	0	0	0	0	372
WEA Primary 3 ('Gravesend')	0	110	3,528	790	0	4,428
<b>Total Schools</b>	<b>372</b>	<b>110</b>	<b>4,028</b>	<b>790</b>	<b>0</b>	<b>5,300</b>
<b>Leisure and Culture</b>						
Fairfields Community Meeting Place	1,250	600	0	0	0	1,850
Whitehouse (Area 10) WEA Leisure Facilities	850	400	0	0	0	1,250
CMK Library	500	0	0	0	0	500
Fairfields LP4	787	0	0	0	0	787
Wavendon Playing Fields	50	0	0	0	0	50
Brooklands Allotments	147	0	0	0	0	147
Whitehouse Allotments	357	0	0	0	0	357
SLA Allotments	75	0	0	0	0	75
Brooklands Connections	150	150	0	0	0	300
Green Spaces	1,750	1,750	1,500	750	0	5,750
<b>Total Leisure and Culture</b>	<b>5,916</b>	<b>2,900</b>	<b>1,500</b>	<b>750</b>	<b>0</b>	<b>11,066</b>
<b>Social Care and Health</b>						
Childrens Respite Care facility	450	164	0	0	0	614
Strategic Land GP Surgery	10	0	0	0	0	10
Social Care Facilities	630	750	750	750	200	3,080
MKUH Radiotherapy Unit	5,700	0	0	0	0	5,700
<b>Total Social Care and Health</b>	<b>6,790</b>	<b>914</b>	<b>750</b>	<b>750</b>	<b>200</b>	<b>9,404</b>
<b>Other Services</b>						
Expansion Area Flooding & Drainage Schemes	440	375	300	250	250	1,615
University for Milton Keynes	0	3,052	3,000	0	0	6,052
Phase 2 Expansion Teaching & Learning	2,000	2,500	0	0	0	4,500
Cemetery capacity - West Flank	0	150	0	0	0	150
Cemetery capacity - East Flank	0	150	0	0	0	150
Community Recycling Facility	1,920	0	0	0	0	1,920
Carbon Offset Schemes	0	550	492	0	0	1,042
Voluntary Sector	250	250	250	0	0	750
Expansion Area Public Art	110	90	80	0	0	280
Inward Investment	240	240	240	240	240	1,200
<b>Total Other Services</b>	<b>4,960</b>	<b>7,357</b>	<b>4,362</b>	<b>490</b>	<b>490</b>	<b>17,659</b>
<b>Total Cash</b>	<b>24,865</b>	<b>25,636</b>	<b>17,733</b>	<b>7,130</b>	<b>3,185</b>	<b>78,549</b>

<b>Works in Kind</b>						
TP Open Space and Play	180	0	0	0	0	180
V2 Extension	3,000	0	0	0	0	3,000
<b>Total Works in Kind</b>	<b>3,180</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,180</b>
Running Costs	160	160	160	170	170	820
<b>Total Tariff Programme</b>	<b>28,205</b>	<b>25,796</b>	<b>17,893</b>	<b>7,300</b>	<b>3,355</b>	<b>82,549</b>



## 2023/24 General Fund Draft Budget Risk Matrix

5	2,19	17	15
4	18	8,10,12,13,21,23	20
3	7,9,14,22	1,5,6	3,11
2	4		
1			
	1	2	3
	2	3	4
	3	4	5
	4	5	
	5		

**Likelihood**

No	Risk Title/Description	Control	Residual Risk Level
<b>Income Risks</b>			
1	Council Tax Reduction Scheme Costs	A Local Council Tax Scheme has now been in place since April 2013. An allowance has been made to reflect the potential financial impact of the cost of living crisis based on the latest demand and a review of the last economic downturn in 2008. There remains uncertainty over the level of future support that the Council will need to provide through this scheme during the current economic cycle.	9
2	The implementation of Universal Credit and further Welfare Reforms	The Revenue and Benefits service is monitoring the impacts on the service (which includes the financial impacts) of the introduction of universal credit.  The drop off in housing benefit caseload is matched by a shift in overpayment recovery with a decrease in recovery from ongoing benefit and increase in the amount of debt being recovered by invoice which has a lower collection rate	10
3	Impact of the business rates retention funding mechanism	Due to the inherent risks with Business Rates, the Council is exposed to material volatility in business rates income through changes from successful appeals by ratepayers and the potential on-going risk of a system reset. These risks mitigated through the setting aside of an appeals provision.	15
4	Estimated income from Fees and Charges or new Income Generation schemes is not achievable.	Budgets are set on a prudent basis considering current income being achieved or a robust proposal for new income generation. Regular budget monitoring will identify any deviation from the anticipated income levels. There is a risk that the financial crisis may see some parts of the Councils income reduce due to falling demand for some of our services. Options for corrective management action will be considered.	4
5	Parking income lower than anticipated	The level of parking income is still significantly lower than the pre-pandemic level. We have modelled an income level for 2023/24 based on activity levels in the summer and early autumn period. Whilst income has recovered some of the losses, there is now further risk that income may be impacted by the cost of living crisis.	9
6	Clients contributions for Adult Social Care are lower than anticipated	Income from client contributions is volatile and can fluctuate significantly dependent on an individual's assets and whether they are assessed as being able to contribute towards the cost of their care. There is a risk that service users who currently fund their care may become the financial responsibility of the local authority in the future once there capital has depleted. The income budget for client contributions is £7.4m.	9
<b>Expenditure Risks (including Demography &amp; Legislation)</b>			

No	Risk Title/Description	Control	Residual Risk Level
7	Home to school travel financial pressures	Home to school transport has seen the number of pupils eligible for transport increase by 2.0% from 1,377 in Sept 21 to 1,399 in Sept 22. However there has been a 10% increase in the number of children with an EHCP which often results in needing HTST, possibly out of borough. The average weekly cost of transport has increased by 3.7% from £145k in 21/22 to £150k at September 22. Actions to address this issue includes - continuing to review and amalgamate contracts, targeting independent travel training to older children, recommissioning contracts, transport exceptions and appeals panel, volunteer driver service, a review of out of borough contracts for special educational needs placements and mapping of contracts to be reviewed as they are up for renewal to ensure best possible use of each route for individual schools.	6
8	Increase in demand for children's social care services as a result of demographic and demand pressures	As at April 22 there were 363 LAC and during the year this has decreased by 13 bringing the total number of LAC to 350 in November 22. There has been an increasing number of referrals and children requiring support from children and family services. There are significant problems with lack of supply, nationally in accessing residential beds for children/young people for both standard and specialist provision, which includes Secure Beds. Due to the lack of capacity, the unit costs are increasing, as the providers respond to the high demand.	16
9	Unaccompanied Asylum seeking Children	Local authorities have a duty to safeguard and promote the welfare of children in need within their area. Children seeking asylum (UASC) who have no responsible adult to care for them are separated or 'unaccompanied', and are therefore 'in need'. Local authorities have a gateway duty to assess such children under section 17 and then to accommodate them. The number of UASC nationally has been increasing in recent years. In July 16 the national transfer scheme was introduced so that UASC are no longer necessarily cared for in the local authority in which they first present but instead may be transferred to a local authority with greater capacity. The scheme is based on the principle that no local authority should be asked to look after more UASC than 0.1% of its total child population. For MK this would equate to around 69. In MK we are currently supporting 27 UASC which is an increase of 1 since April 22. The grant towards the costs of the placements and support is paid at a daily rate per UASC but similar to the social care placements there is a national shortage of specialist placements alongside increasing costs from providers.	6
10	Homelessness – continuing growth in demand leads to disproportionate cost increases	Demand remains volatile, and is anticipated to increase as some covid measures ease (for example lifting of restrictions on evictions). Managing cost pressures relies on the success of the investment to save program to manage demand and reduce unit costings in addition to an increase in our prevention offer.	16

No	Risk Title/Description	Control	Residual Risk Level
11	Social Care Reforms with the introduction of a Cap of £86k, new means testing and local authority commissioning for private payers.	The government has confirmed that these reforms will now be deferred until October 2025, which is after the next General Election. The government have confirmed that the funding in 23/24 and 24/25 will continue to be directed to local government to support social care. It is not known what will happen to this funding after this point and if this is to be directed to the reforms or extended to support the provision of adult social care.	15
12	Managing increased demand for Adult Social Care services as a result of demographic pressures	The anticipated pressures in Adult Social Care are quantified and managed through the following: <ul style="list-style-type: none"> <li>- investment in reablement services</li> <li>- ensuring timely and accurate data collection to inform financial planning assumptions</li> <li>- regular review of service delivery models (internal and external) to ensure best value</li> <li>- commissioning services that are cost effective and achieve best value</li> <li>- continued investment in preventative services, including re-ablement models, to enable people to remain in their homes for as long as possible</li> <li>- robust processes for agreeing all care and support.</li> </ul>	16
13	Market Sustainability for Adult Social Care Services including impact of the Living wage, rising inflation creating pressures for providers and in addition to increased demand	Contractual inflations pressures include a fee uplift to care providers to reflect the pressures from the increase in Living Wage. There is a risk of additional financial pressures to the Council if providers request fee uplifts over and above the % uplift offered. This would only be awarded if providers can evidence and provide justification for the request.	16
14	Market Price for Recycling Materials	The Council is now responsible for the quality and price of recycling materials. Falls in the market price will have a direct impact on the Councils contract payment for the Waste Transfer Station.	6
15	Residual Waste Treatment Facility	The Council has a contract in place until 2031. The facility is owned by the Council and was designed and built by Arney. If the facility does not perform in line with the business model, there is a risk that the Council could be exposed to financial and service risk in the event of the operator ceasing or increased costs to the Council.	25
16	<b>Risks 2023/24 - 2026/27</b> Inflation	General inflation has been rising sharply over recent months and is currently projected to remain elevated well into 2023. This will be dependent upon a number of external and domestic factors. If inflation continues to remain higher for longer then this will further impact the Councils cost base, put pressure on service demand (reduce income) whilst the majority of the Councils income is fixed.	12

No	Risk Title/Description	Control	Residual Risk Level
17	Economic Downturn	There is an increased likelihood of a prolonged period of economic contraction which drives increased demand for services and also sees a fall to income collection rates by residents and businesses.	20
18	Fair Funding Review	The Fair Funding review could result in the Council receiving a smaller proportion of total funding. This has been deferred and there is currently no timeline in place for this.	8
19	HCA Asset/Tariff Risk Reserve	A Tariff risk reserve has been established to protect the Council to the level of the risk sharing agreement. Due diligence on the assets and Tariff have been undertaken to assess any unknown risks. The risk reserve was reviewed with the Ministry for Housing, Communities and Local Government and the Communities Agency and the risk sharing agreement currently remains in place.	10



**2023/24 REVENUE BUDGET AND COUNCIL TAX**

**THE LEGAL FRAMEWORK GOVERNING BUDGET DECISIONS**

- 1) The Council is required to set a Council Tax for 2023/24 before 11 March 2023. It may not be set before all precepts have been issued or before 1 March 2023, whichever is the earlier, and the decision cannot be delegated to a committee or to Officers. Before setting the level of the tax the Council must have agreed a balanced budget, differentiated by services, which is sufficient to meet estimated revenue expenditure, levies, contingencies, any deficit estimated to be brought forward from previous years, and any amounts required to be transferred between funds. The tax itself must be sufficient to cover the difference between the agreed budget less government grants credited to the consolidated revenue account, and any other expenditure which must be met from the Collection Fund, less any surplus (or plus any deficit) brought forward from previous years.
- 2) In reaching decisions on these matters, Councillors are bound by the general principles of administrative law. Where there is discretion, it must not be abused or fettered. All relevant considerations must be taken into account and no irrelevant ones. Any decision made must be one that only a reasonable authority, properly directing itself, could have reached. Councillors must also balance the interests of service users against those who contribute to the Council's finances. The full resources available to the Council must be deployed to their best advantage and Councillors must act prudently and in a business like manner at all times.
- 3) Among the relevant considerations, which Councillors must take into account in reaching their decisions are the advice of officers. In considering the advice of officers, and the weight to be attached to that advice, Councillors should have regard to the personal duties placed upon the Director of Finance and Resources, the Council's Section 151 Officer. The Council may take decisions which are at variance with his advice, providing there are reasonable grounds to do so. However, Councillors may expose themselves to risk if they disregard clearly expressed advice, for example as to the level of provision required for contingencies, bad debts and future liabilities.
- 4) The Section 151 Officer is required by the Local Government Act 1972 and by the Accounts and Audit (England) Regulations 2015 to ensure that the Council's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. Furthermore Section 25 of the Local Government Act 2003 requires the Director of Finance and Resources to comment on the robustness of the budget estimates and the adequacy of reserves.
- 5) Councillors must also have regard to and be aware of the wider duties placed upon the Council by various statutes governing the conduct of its financial

affairs. These include the distinction between revenue and capital expenditure, specified within the Local Government and Housing Act 1989. The Local Government Act 2003 requires that the prudential borrowing limits are set by the Council having regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code ("the code"). This sets out a framework for self-regulation of capital spending, in effect allowing Councils to invest in capital projects without any limit, so long as they are affordable, prudent and sustainable. To facilitate this arrangement the code requires the Council to agree and monitor a number of prudential indicators.

- 6) Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any Councillor with arrears of Council Tax which have been outstanding for two months or more to attend any meeting of the Council or one of its committees at which a decision affecting the budget is to be made, unless the Councillor concerned declares at the outset of the meeting that he or she is in arrears, and will not be voting on the decision for that reason. The Councillor concerned must also, of course then abstain from voting. The application of Section 106 is very wide and there have already been several successful prosecutions under this legislation. It can include meetings held at any time during the year, not just the annual budget meeting, and it may include meetings of committees or subcommittees as well as Council meetings. Councillors should be aware that the responsibility for ensuring that they act within the law at all times rest solely with the individual Councillor concerned.
- 7) Having set a budget at the beginning of the year, the Council is also under a duty to monitor that budget during the course of the year and to take remedial action if at any time it appears likely that expenditure will exceed available resources. Councillors should also be aware of the duty of the Section 151 Officer under Section 114(3) of the 1988 Act to report to the Council if it appears that this will happen, and of the impact of Section 115(6) which prohibits any new agreement which would incur expenditure from being entered into following the issuing of such a report and pending its consideration by the Council. The Councillors of the Council, having received a Section 114 report are obliged to take all reasonable practicable measures to bring the budget back into balance.
- 8) A Section 114 report can create great instability within an authority and can only be avoided by prudent budgeting and effective budgetary control. This adds emphasis to the need for an adequate contingency provision and a strong corporate commitment to holding chief officers accountable for containing expenditure within cash limits approved during the budget process.
- 9) Finally, Councillors are reminded of their fiduciary duty to weigh the needs of the interests of service users against those who contribute to the authority's



funds, and to act prudently at all times. Lawful discretions must not be abused or fettered, and in reaching their decisions Councillors must take account of all relevant considerations, disregard irrelevant considerations, and not come to a decision which no reasonable authority could reach. Among the relevant considerations which Councillors must take into account are the views of commercial ratepayers which are set out in Appendix 10 of the report.

- 10) It is the duty of the Director of Finance and Resources as the Section 151 Officer to provide the relevant financial information, which is or ought to be available and advise on the financial prudence of options before Councillors, and Councillors must take account of such information and advice in reaching their decisions. However, officers are not permitted to second guess the wisdom of the Council's Policy or to substitute their judgement for that of Councillors. The Council is therefore free to take decisions which are at variance with the advice of those officers, providing there are reasonable grounds to do so.
- 11) The Director of Finance and Resources must consider whether in his view the Council has agreed a balanced budget which is capable of delivery taking all known factors into account. In the event that he considers this not to be the case, then he has a personal duty to indicate this by issuing the Council with a notice under Section 114.

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# **BUDGET AND RESOURCES SCRUTINY COMMITTEE 2023/24 DRAFT BUDGET CHALLENGE MEETINGS**

**Wednesday 4 January 2023 (19:00 hrs)**

**Tuesday 10 January 2023 (19:00 hrs)**

**Thursday 12 January 2023 (19:00 hrs)**

**Tuesday 17 January 2023 (19:00 hrs)**

## **ITEM 4**

### **DRAFT COUNCIL BUDGET 2023/24 AND MEDIUM TERM FINANCIAL PLAN 2023/24 TO 2026/27**

**ANNEX A: Budget Pressures (pages 2 to 3)**

**ANNEX B: Budget Reductions and Income Proposals (pages 4 to 5)**

**ANNEX C: One-Off Budget Pressures (pages 6 to 7)**

**ANNEX D: Fees and Charges (pages 8 to 14)**

**ANNEX H: Capital Programme (pages 15 to 29)**

**ANNEX J: GF Risk Assessment (pages 30 to 31)**

**ANNEX K: Earmarked Reserves (pages 32 to 34)**



Service Group	Budget Pressure (New or Revision)	New Reference number	Old Reference Number	Lead Officer	Proposal Description	Risk Level	Budget 2022/23	2023/24	2024/25	2025/26	2026/27	Reason	Justification
							£000s	£000s	£000s	£000s	£000s		
						High, Medium, Low* for definitions see below data	Current Year Gross Budget £'000						
Children's Services	Revision	P23-6L	P22-7L	Mac Heath	<b>Home to School Travel</b> - 1,400 children currently receive support to access school, the majority of these are children with Special Education Needs that require specialist school placements. The number of pupils entitled to home to schools transport is expected to increase by 7% in 2023/24 and future years, in line with growth forecast in the number of children with an EHCP. There is a higher increase in 2023/24 to bring the base budget in to line with current spend, reflecting additional costs of transport (related to fuel increases), the number of children being transported out of borough and higher levels of complexity requiring different types of transport. Future year pressures are based on the expected additional routes required as a result of increasing pupil numbers and their complexities.	HIGH	5,708	632	312	375	407	DEMOGRAPHY	BUSINESS CASE
Children's Services	Revision	P23-7L	P22-8L	Mac Heath	<b>Children with Disabilities (CWD)</b> - The average annual cost of a package of support has increased from £4,715 at April 2021 to £6,102 at April 2022 (an increase of 29%) which is as a result of additional complexity and a number of cases now requiring 2:1 support. As in line with general growth in the number of children with an Education & Health Care Plan (EHCP), we are also anticipating additional growth each year of ten cases. Like many areas, particularly within social care, demand trends have been more volatile as a result of Covid and demand and complexity continue to be monitored closely.	HIGH	1,366	298	64	67	71	DEMOGRAPHY	BUSINESS CASE
Children's Services	Revision	P23-8L	P22-9N	Mac Heath	<b>Children's Social Care Placements</b> - Increase in the complexities of children becoming looked after and those requiring permanent placements such as special guardianship, adoption, staying put and residence orders. The current lack of in-house capacity has resulted in children being placed in external, higher cost placements. Also due to the complexity of children's needs, specialist placements such as high cost secure and residential placements are also being required. The pressure for 2023/24 is based on the current known placements and trends. For 2024/25 onwards demand has been estimated by looking at the expected increase in child population.	HIGH	17,828	747	262	265	268	DEMOGRAPHY	BUSINESS CASE
Children's Services	New	P23-9N	New	Mac Heath	<b>Education Psychology Team</b> - The number of children in Milton Keynes with an EHCP increased by 10% between January 2020 and January 2021, by 7% between January 2021 and January 2022, and has continued to increase by a further 5% between January 2022 and July 2022. As a result of the additional assessments required, an additional budget is required to be able to meet this demand (assessed based on 34 cases at £1,200 per case).	LOW	697	40	0	0	0	DEMOGRAPHY	BUSINESS CASE
Children's Services	New	P23-10N	New	Mac Heath	<b>SEN Team Capacity</b> - The number of children in Milton Keynes with an EHCP increased by 10% between January 2020 and January 2021, by 7% between January 2021 and January 2022, and has continued to increase by a further 5% between January 2022 and July 2022. As a result of the additional assessments required, an additional budget is required to be able to meet this demand - this pressure allows for one additional post.	LOW	349	39	0	0	0	DEMOGRAPHY	BUSINESS CASE
Children's Services	New	P23-11N	New	Mac Heath	<b>Creation of a Contextual Safeguarding Hub Team</b> - The service changes that will result from this budget pressure form a significant part of our action plan to respond to the evidence of youth exploitation. Milton Keynes has seen a rise in serious youth violence, increased reports of missing episodes, criminal exploitation and County Lines, all concerns related to extra-familial harm and contextual risks. It is proposed to create a new multi-agency Contextual Safeguarding team to support with caseloads of complex young people, which are more time consuming and so currently keeping caseloads high in the Family Support Teams (FST). This proposal provides the additional benefit of freeing up resource in the FST, as approximately 72-80 cases will transfer from FST to the new team. Without these changes there is a considerable risk that pressures in the service at present will continue to grow. The additional staff required to provide a statutory presence and oversight is 3 social workers and a part funded Team Manager.	LOW	0	156	0	0	0	DEMOGRAPHY	BUSINESS CASE
Children's Services	New	P23 - 12N	New	Mac Heath	<b>Family Support Team Expansion</b> - MK Children's Services (CSC) continue to review and adapt its services and approach to reflect the changing needs and demography of a growing city. The last few years have accelerated some of the challenges faced by children and young people and we need to respond to the challenges ensuring we are offering a high quality service to children and families in Milton Keynes. The service changes that will result from this budget pressure form a significant part of the action plan to be a "Good" authority. Without these changes there is a considerable risk that pressures in the service at present will continue to grow, with the result being that the service delivery is compromised and children not being safeguarded appropriately. It is proposed to expand the Family Support Teams (FST) to increase capacity of caseloads and create better management oversight of them. This proposal seeks to increase the number of FST's, create a Service Manager role, regrade Deputy Team Managers to Team Managers and increase the number of Social Workers by 4 across the service.	LOW	4,464	411	0	0	0	DEMOGRAPHY	BUSINESS CASE

Service Group	Budget Pressure (New or Revision)	New Reference number	Old Reference Number	Lead Officer	Proposal Description	Risk Level	Budget 2022/23	2023/24	2024/25	2025/26	2026/27	Reason	Justification
							£000s	£000s	£000s	£000s	£000s		
					Name, What is the Pressure, Why has it occurred and what are the key assumptions behind the values and dependencies that might impact on this (explain if these change by year)	High, Medium, Low* for definitions see below data	Current Year Gross Budget £'000						
Children's Services	New	P23-13N	New	Mac Heath	<p><b>Young Peoples Supported Housing</b> - Services are currently delivered through a block contract which started in January 2017 and is due to end in October 2023. The current contract provides for 52 placements and since August 2019 the block contract has been supplemented by a provider framework where additional placements and services are secured on a spot purchase basis. The delivery model of the new contract will provide an additional 23 placements within the block contract along with the implementation of a Dynamic Purchasing System (DPS) to commission individual placements for young people, modelling options and a mix of a block contract and framework seems the most cost effective option. It is anticipated that by using the DPS Framework may increase competition and prices may decrease from the previous costs, and provide an opportunity to commission specialist independent living placements at reasonable costs, which may prevent those complex young people escalating into residential care, thereby providing an opportunity for cost avoidance in the external placements budget. This pressure relates to a Delegated Decision taken on 12 July 2022 for Young People's Supported Accommodation.</p>	MEDIUM	521	330	275	0	0	DEMOGRAPHY	BUSINESS CASE
<b>Total Children's Services</b>								<b>2,653</b>	<b>913</b>	<b>707</b>	<b>746</b>		

Portfolio Holder Name	Service Group	New Ref No.	Old Ref No.	Reduction or Income Dropdown	Lead Officer	Proposal Description	Brief Comment on external service delivery impact (restricted to 1000 characters)	Context/ Mitigation of any adverse impact	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s	2023/24 Potential FTE Reduction	Primary Strategy Category Chose from drop down	Delivery Risk Rating Chose From Drop down	Status
Emily Darlington	Adult Services	S23-1L	S22-1L	Reduction	Victoria Collins	<b>Homeless Prevention &amp; Access</b> - Reduction in number of families and individuals in temporary accommodation by move onto Assured Shorthold Tenancy or Flexible Tenancy arrangement, reduction in nightly rates and length of stay in accommodation and more focus on prevention, in areas such as domestic violence, family breakdown.	<b>Homeless Prevention &amp; Access</b> has seen an increase in demand for Temporary Accommodation (TA) from 2021/22 due to Covid's impact on the economy with ending of furlough, growth in unemployment, Private Rented Sector (PRS) Landlord evictions, mortgage repossessions, Domestic Violence Abuse and impact from losing move-on capacity due to voids and repairs. Over the last 12 months on average there have been 77 new entrants per month into TA, compared to an average of 59 the previous year.	Significant impact on Nightly Lets rental sector which provide very bad value currently. This can be mitigated where Landlords will be given the opportunity to switch to the new Assured Shorthold Tenancy or Flexible Tenancy arrangements. Net saving position disclosed in schedule.	0	-350	-428	0	0.00	Thinking Differently	Amber	Revised
Emily Darlington	Adult Services	S23-2L	S22-2L	Reduction	Victoria Collins	<b>Homeless Prevention &amp; Access</b> - in order to deliver the invest to save proposals (S22-1L), additional staff were required to be able to deliver this but as the demand in the service reduces (in line with assumptions in the business case), staffing in the service can be scaled down to align with new levels of demand.	Saving is the ending of Invest to Save establishment posts which are currently funded to deliver the overall saving.	Demand will continue to be monitored to determine potential impact on staffing requirements.	0	-300	0	0	0.00	Thinking Differently	Amber	Revised
Emily Darlington	Adult Services	S23-3N	New	Reduction	Victoria Collins	<b>Manor House</b> - contract agreement reduction in fees charged by Buckinghamshire CCG, due to the reduction in client numbers.	The Manor House contract is an agreement between MKCC and Buckinghamshire CCG to host a specific number of clients that were previously in long stay hospital and were released into the community as part of an historic agreement. The charge reduces as of when the clients are deceased. Based on the latest client figures received we are proposing the savings detailed below. There is no anticipation for the client numbers to increase as the agreement prevents this from happening.	This is a result of a reduction in current client numbers, with no new clients entering the service.	-116	0	0	0	0.00	Working Together	Green	New
Emily Darlington	Adult Services	S23-4N	New	Income	Victoria Collins	<b>Internal Daycare and Short Breaks</b> - the daycare centres and short breaks provide day sessions and respite stays to service users who are funded via the CCG. The CCG commission the service and the needs are highly complex therefore demanding a high rate per session the saving is anticipated to be above the budgeted income amount therefore does not impact the deliverability of the service itself	Internal day care and Carer Short Breaks service provide day care and respite/overnight stays to those identified as having a care need. Bedford, Luton and MK ICB currently commission the service for service users who have high complex care needs and therefore are eligible for Continuing Healthcare (CHC). A full cost recovery exercise was undertaken in 19/20 to establish the rate this has since been uplifted to reflect the current staffing and building costs and the current cohort is assumed to remain attending the service as per 22/23 admissions register.	The service is a MKCC internal provision	-416	0	0	0	0.00	Working Together	Green	New
Emily Darlington	Adult Services	S23-5N	New	Reduction	Victoria Collins	<b>Role Consolidation</b> - reduction in headcount across Adult Services by streamlining roles, and bringing services together.	Minimal impact on service delivery	Savings have been made across the Adult Services directorate. £0.183m achieved via a senior management restructure and £507m to be delivered from streamlining of management across service areas. A further £0.359m will be delivered by streamlining teams and functions across Adult Services (consultation to take place in December/January).	-1,049	0	0	0	16.20	Thinking Differently	Amber	New
<b>Total Adult Services</b>									<b>-1,581</b>	<b>-650</b>	<b>-428</b>	<b>0</b>	<b>0.00</b>			
Zoe Nolan	Children's Services	S23-6N	New	Reduction	Mac Heath	<b>Role Consolidation</b> - A review of services across the Directorate has been undertaken and includes the consolidation of some roles and functions to mitigate the impact on frontline delivery. This revision includes some Children's Centre functions, alongside some Supported Employment and Youth engagement activities. Through this work efficiency savings have been identified whilst continuing to address service delivery and management oversight for the most vulnerable children and families.	Minimal impact on service delivery		-510	0	0	0	17.50	Thinking Differently	Amber	New
<b>Total Children's Services</b>									<b>-510</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>17.50</b>			
<b>Total Public Health</b>									<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>			
Paul Trendall (interim)	Customer & Community	S23-7N	New	Reduction	Sarah Gonsalves	<b>Role Reduction</b> - Removal of vacant positions	Minimal impact on service delivery	1 x Leisure Manager retired and not recruited into post, 1 x Leisure Officer, 1 x Community Solutions Manager vacancies not filled	-186	0	0	0	3.00	Thinking Differently	Green	New
<b>Total Customer and Community Services</b>									<b>-186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3.00</b>			
Rob Middleton	Finance and Resources	S23-8N	New	Reduction	Steve Richardson	<b>Shared Services</b> - Service savings and efficiencies across the partnership from role consolidation from all service areas (MKC Share only)	Minimal impact on service delivery	A number of budget reductions have been agreed by the Shared Services Board which will deliver savings to all 4 partner Councils from April 2023. This involves the deletion of roles within the shared service operations, including vacant posts and some potential compulsory redundancies. Note: No MKCC employee is impacted by these proposals.	-100	0	0	0	0.00	Working Together	Green	New
Rob Middleton	Finance and Resources	S23-9N	New	Reduction	Steve Richardson	<b>Role Consolidation and Rationalisation</b> - A review of roles across the Directorate has been completed resulting in a number of roles being removed from the establishment across HR, ICT and Finance, together with a small budget saving on Internal Audit direct expenditure.	Some Impact on Service Delivery within HR, minimal impact in other service areas.	We have deleted 2 permanent roles within ICT (£80k saving) reflecting service changes, in particular the transition to Azure Cloud, 1 role in Finance (£40k) to reflect current workloads and 3 roles in HR (£113k) which will require some changes to the current operating model and reflects reduced workload in schools traded services. A saving of £20k has also been made against the Internal Audit staff budget, which was not required.	-253	0	0	0	6.00	Thinking Differently	Green	New
<b>Total Finance &amp; Resources</b>									<b>-353</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6.00</b>			
<b>Total Chief Executive, Social Care and Housing</b>									<b>-2,630</b>	<b>-650</b>	<b>-428</b>	<b>0</b>	<b>26.50</b>			
Rob Middleton	Law & Governance	S23-10N	New	Reduction	Sharon Bridglasingh	<b>Role Rationalisation</b> - Removal of vacant position in Business Support Governance.	Minimal impact on service delivery as role is currently vacant.	Deletion of 1 full time vacant post of Business Manager	-50	0	0	0	1.00	Thinking Differently	Green	New
<b>Total Law and Governance</b>									<b>-50</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1.00</b>			
Pete Marland	Planning & Placemaking	S23-11N	New	Reduction	Paul Thomas	<b>Departmental Restructure</b> - Removed one Head of Service role by way of redundancy, and one manager role by way of retirement and not refilling.	Some impact on service delivery, but restructure moved Landscape Architecture to Environment & Property Directorate.	Restructure resulting in a saving of (£95k). Area Manager retired and not recruited to fill the vacancy saving (£104k).	-199	0	0	0	2.00	Thinking Differently	Green	New
<b>Total Planning &amp; Placemaking</b>									<b>-199</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2.00</b>			
Rob Middleton	Environment and Property	S23-12L	S22-9L	Reduction	Stuart Proffitt	<b>Closure of the Theatre Car Park</b> - closure approved in Delegated Decision 17 November 2020. The saving has been slipped to 23/24 as NNDR will still be payable up until the point the car park is sold.	No impact on service delivery	The number of sessions in the theatre car park fell from around 450,000 sessions a year in 2017/18 to about 300,000 in 2019/20, a 33% drop. This mirrored the changing level of shopping provision in that area of the centre and the provision of new private car parking facilities. The car park has been marketed for sale and is expected to be completed by autumn 2023. The only remaining costs are the NNDR. When the car park closes, there will be both other MKC on street spaces to take up the demand along with private provision, such as the John Lewis car park.	-50	-53	0	0	0.00	Being Smarter	Green	Previously agreed
Rob Middleton	Environment and Property	S23-13N	New	Reduction	Stuart Proffitt	<b>Waste Transfer Station</b> - a revised commercial model was agreed with the new recycling contractor (as part of their acquisition of the previous operator of the Waste Transfer Station) This new model yields a 80% return on the value of the basket of commodities. This model has proven beneficial to the Authority and is resulting in the Council being able to reduce the income pressure of £0.700m . Refer to pressure P23-27L	No impact on service delivery	As noted below in the Waste Tonnage Reduction saving, the introduction of wheeled bins is expected to increase the recycling tonnage. This will have a positive impact on this saving due to the 80% income stream. However, the recycle market is volatile and impacted on a range of external factors which could conversely reduce the income received. The saving is pitched at a mid-point scenario.	-280	0	0	0	0.00	Thinking Differently	Amber	New

Portfolio Holder Name	Service Group	New Ref No.	Old Ref No.	Reduction or Income Dropdown	Lead Officer	Proposal Description	Brief Comment on external service delivery impact (restricted to 1000 characters)	Context/ Mitigation of any adverse impact	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s	2023/24 Potential FTE Reduction	Primary Strategy Category Chose from drop down	Delivery Risk Rating Chose From Drop down	Status
Jenny Wilson-Marklew	Environment and Property	S23-14N	New	Reduction	Stuart Proffitt	<b>Concessionary Fares</b> - Review of English National Concessionary Travel Scheme (ENCTS) uplift. Last year DfT guidelines required MKCC to ringfence payments of 80% of the pre-Covid concessionary usage funding for concessionary fares. DfT guidance has now reverted to payments based on actual usage.	Bus companies may have been using the ENCTS funding to support services that are precarious. The government are also providing substantial funding to maintain services.	The DfT have advised to return to payments of ENCTS based on actual usage. The council will work with bus companies to monitor the impact.	-500	0	0	0	0.00	Being Smarter	Amber	New
Paul Trendall (interim)	Environment and Property	S23-15N	New	Reduction	Stuart Proffitt	<b>Waste Tonnage Reduction</b> - the 22/23 budget was set on an estimated residual waste tonnage of 85,000 per annum based on increased in waste levels during the summer in 2021. However, since November 2021, there has been a consistent level lower than expected. Therefore, the budget for 23/24 has been reduced to 80,000 tonnes a year.	No impact on service delivery	The residual waste level will be impacted by the any economic recession and also the introduction of wheeled bins in 2023. However, the exact impact on these factors is not known. The saving has been developed around specialist scenario analysis and will be reviewed monthly to understand any differential trends. There is likely to be a further iteration of this saving in 24/25 and 25/26, as the impact of the new wheeled bin service becomes clearer.	-400	0	0	0	0.00	Being Smarter	Amber	New
Paul Trendall (interim)	Environment and Property	S23-16N	New	Income Growth	Stuart Proffitt	<b>Car Parking Income</b> - Following on from the significant drop in car parking income during COVID, it has been difficult to estimate the return of shoppers to the Centre MK and of employees requiring staff permits. The 22/23 budgeted income level was based on the data at the time, but 22/23 has seen car parking users at a higher level than anticipated.	The current car parking service will continue as normal, the saving is as a result of higher demand than anticipated when the 22/23 budget was set	There is always a risk that car parking user behaviour will change and that this will see a downturn in car parking income. For example, the cost of living crisis may reduce shopper numbers. The additional income being put forward in the budget takes a risk based view into account.	-850	0	0	0	0.00	Thinking Differently	Green	New
Paul Trendall (interim)	Environment and Property	S23-17N	New	Reduction	Stuart Proffitt	<b>Role Consolidation and Rationalisation</b> - A restructure within the Highways team has resulted in the majority of the staffing savings within E&P, along with deletion of 2 posts in the Property team as the posts became vacant and the consolidation of the 2 Head of Service posts in Housing Maintenance and Investment and Corporate Health and Safety.	No negative impact on any of the teams or the service delivery of the teams is expected	The Highways and Transport restructure and integration has taken into account the increased capital/tariff programme and looked to ensure capital recharges are appropriate. It has also combined the Highways and Transport teams into 1 area which has resulted in posts being deleted/combined. Vacant post deletion was considered on a wider basis. The consolidation of the 2 Head of Service posts in Housing Maintenance and H&S reflect the interlinkages within the 2 areas and results in both a GE and HRA saving.	-404	0	0	0	9	Thinking Differently	Green	New
Paul Trendall (interim)	Environment and Property	S23-24N	New	Reduction	Stuart Proffitt	<b>New Integrated Environment and Waste Contract</b> - Following the successful commissioning of the new Integrated Environment and Waste Contract, a saving of £0.200m has been identified that will offset the costs of the additional running costs of the new property purchased in Wolverton, following a decision by Full Council on September 14th. The saving is based on the financial submissions of the preferred bidder. Refer to pressure P23-35N	The saving has been found within the new contract costings and will not impact on the service delivery within the agreed specification.	A detailed competitive dialogue commissioning process has been concluded regarding a new Integrated Environment and Waste contract and the saving has been determined from the financial analysis of that process.	-200	0	0	0	0	Thinking Differently	Green	New
Paul Trendall (interim)	Environment and Property	S23-18L	S22-13N	Reduction	Stuart Proffitt	<b>Household Waste Recycling Centres (scrutinised in 21/22, this is the completion of the forecast saving)</b> - introduction of Automatic Number Plate Recognition (ANPR), by continuing with the booking system but introducing ANPR to check compliance rather than the need for staff managing the process at the gate will result a saving. The total saving is £0.120m of which £0.100m was achieved in 22/23 but with one off implementation costs of £0.020m. This saving in 23/24 takes the full saving up to £0.120m in the budget.	The ANPR system will allow the booking system to continue but will prevent the need for added staff on the gate to ensure compliance.	The ANPR system has been in place successfully all through 22/23.	-20	0	0	0	0.00	Thinking Differently	Green	Previously agreed
<b>Total Environment and Property</b>									<b>-2,704</b>	<b>-53</b>	<b>0</b>	<b>0</b>	<b>9.00</b>			
<b>Total Corporate and Deputy Chief Executive</b>									<b>-2,953</b>	<b>-53</b>	<b>0</b>	<b>0</b>	<b>14.00</b>			
Rob Middleton	All	S23-20N	New	Reduction		<b>Role Consolidation</b> - to be confirmed			-65	0	0	0		Thinking Differently	Amber	New
Rob Middleton	Environment and Property	S23-21L	S22-15L	Income Growth	Stuart Proffitt	<b>MKDP Dividend</b> - this will be delivered by MKDP via the Accountability Framework and through commercial activity.	The 2020/21 target of £0.500m is being delivered by MKDP as part of their Investment Strategy.	MKCC works closely with MKDP to track and monitor its business activities. As such, this close working relationship will enable any risks to be highlighted and allow action to be undertaken to mitigate the risk if possible.	-700	-600	0	0	0.00	Working Together	Amber	Revised
Rob Middleton	Environment and Property	S23-22N	New	Reduction	Stuart Proffitt	<b>Property Asset Rationalisation</b> - The property team, working alongside services, are taking a strategic view of the council's operational building and land to assess both the possible capital receipt from disposal and in the case of this savings target, the reduced running costs of buildings. There is a programme of property mergers what is continually being developed and implemented as appropriate	A change programme called 'Every Day Matters – Smarter Working' is now well underway which is making good progress on managing this change carefully, with proper consideration being given to key issues like customer service and IT.	There will be some one-off costs involved in making these changes, for example additional ICT costs, and a steering group is in place to ensure these are well planned and managed.	-250	-250	-100	-173	0.00	Thinking Differently	Amber	New
Rob Middleton	Environment and Property	S23-23L	S22-16L	Reduction	Stuart Proffitt	<b>Facilities Rationalisation</b> - As part of our COVID-19 Management Action Plan, a savings target of £0.400m was set for property and facilities management savings linked to a move to greater home working allowing for the consolidation of buildings.	A change programme called 'Every Day Matters – Smarter Working' is now well underway which is making good progress on managing this change carefully, with proper consideration being given to key issues like customer service and IT.	There will be some one-off costs involved in making these changes, for example additional ICT costs, and a steering group is in place to ensure these are well planned and managed.	-127	0	0	0	0.00	Thinking Differently	Green	Revised
<b>Total Management Action Plan</b>									<b>-1,142</b>	<b>-850</b>	<b>-100</b>	<b>-173</b>	<b>0.00</b>			
<b>GRAND TOTAL</b>									<b>-6,725</b>	<b>-1,553</b>	<b>-528</b>	<b>-173</b>	<b>40.50</b>			

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

	2023/24	2024/25	2025/26	2026/27
Green	- 2,971	- 53	-	-
Amber	- 3,754	- 1,500	- 528	- 173
AmberRed	-	-	-	-
Red	-	-	-	-
<b>Total</b>	<b>- 6,725</b>	<b>- 1,553</b>	<b>- 528</b>	<b>- 173</b>



Portfolio Holder	Service Group	New Budget Pressure Ref	Old Budget Pressure Ref	Lead Officer	Proposal Description	2023/24	2024/25	2025/26	2026/27	Category	Status
						£000s	£000s	£000s	£000s		
Emily Darlington	Adult Services	OP23-1L	OP22-2N	Victoria Collins	Homelessness - Support costs for running the bus station emergency crisis accommodation (utilities, rent and support costs).	150	100	0	0	General	Previously agreed
Emily Darlington	Adult Services	OP23-2N	New	Victoria Collins	Old Bus Station (one off) - additional pressure due to staffing costs. The Rough Sleeper Initiative Grant did not award funding to pay for staff at the Old Bus Station. The Old Bus Station went live in 2022/23 and allows up to 18 rough sleepers (single, male) to stay and receive support to prevent homelessness.	155	186	150	0	General	New
Emily Darlington	Adult Services	OP23-17N	New	Victoria Collins	Social Care Reform - transitional costs for preparation of social care reform, including systems set up costs and staffing (funded from Social Care Reform transition funding).	150	150	0	0	General	New
<b>Total Adult Services</b>						<b>455</b>	<b>436</b>	<b>150</b>	<b>0</b>		
Zoe Nolan	Children's Services	OP23-18N	New	Mac Heath	Youth Counselling - two year grant funding allocation for youth counselling, as part of the Early Support Hub as a result of exceptional demand caused by the pandemic (funded from the Strategic Public Health Reserve).	25	25	0	0	New Policy choice	New
Zoe Nolan	Children's Services	OP23-19N	New	Mac Heath	Young People Mental Health - two year grant funding allocation for mental health support for vulnerable LGBTQ+ young people (funded from the Strategic Public Health Reserve).	50	50	0	0	New Policy choice	New
<b>Total Children's Services</b>						<b>75</b>	<b>75</b>	<b>0</b>	<b>0</b>		
Jane Carr	Public Health	OP23-3L	OP22-3N	Oliver Mytton	Public Health Resource - to create additional capacity for a three-year period across the shared public health team to better integrate health into urban planning and place making. Funding will be for 1.4FTE with costs split between MKC, BBC and CBC. Funded from the Strategic Public Health Reserve.	41	41	0	0	General	Previously agreed
Jane Carr	Public Health	OP23-4L	OP22-4N	Oliver Mytton	Health Inequalities Improvement Plan - to deliver the Council Plan objective (item 24) and to deliver a multi-agency Health Inequalities Improvement Plan for renewal estates. Funded from the Strategic Public Health Reserve	250	250	0	0	General	Previously agreed
<b>Total Public Health</b>						<b>291</b>	<b>291</b>	<b>0</b>	<b>0</b>		
Paul Trendall	Customer and Community Services	OP23-5L	OP22-7N	Sarah Gonsalves	Casino – Vulnerable Gamblers - reduction in contribution from Aspers Casino as a result of the closure during the COVID pandemic. The MTFP reflects the agreed amounts as per deed of variation agreement. The variation agreement has been sealed and was signed in September 2021. The shortfall will be met by the Public Health Reserve.	140	0	0	0	General	Previously agreed
Paul Trendall	Customer and Community Services	OP23-7L	OP22-15N	Sarah Gonsalves	Casino License - temporary reduction in contribution from Aspers Casino as a result of the closure during the COVID pandemic (in line with the recent deed of variation agreement signed with the Casino in September 2021).	375	0	0	0	General	Previously agreed
Paul Trendall	Customer and Community Services	OP23-22N	New	Sarah Gonsalves	Parish Support Fund - we will make funds available to the most deprived parishes for new and additional community based cost of living support projects.	150	0	0	0	New Policy choice	New
<b>Total Customer and Community Services</b>						<b>665</b>	<b>0</b>	<b>0</b>	<b>0</b>		
Rob Middleton	Finance & Resources	OP23-8L	OP22-25N	Steve Richardson	Digital Recruitment Officer - CLT approved a 12 month appointment in 2020 in order to maximise our digital reach when recruiting - this has been very successful in a number of service areas and given current recruitment challenges the funding for this is to be extended for a minimum period of 2 years. A review of the Councils HR support needs will be completed ahead of this to determine the appropriate offer and funding, with the aim of absorbing this costs through staff turnover.	33	0	0	0	General	Previously agreed
Rob Middleton	Finance & Resources	OP23-9N	New	Steve Richardson	Business Rates Appeals and Completions Service - External support and advice to be obtained to assist with forecasting for the appeals provision, growth for the MTFP, and technical support and advice for serving completion notices and valuation & rating matters. This will be run initially as a pilot.	25	25	0	0	General	New
Rob Middleton	Finance & Resources	OP23-20N	New	Steve Richardson	Cost of Living Additional Support - funding to extend current schemes and introduce new ones to support local residents during the cost of living crisis.	500	0	0	0	New Policy choice	New
Rob Middleton	Finance & Resources	OP23-21N	New	Steve Richardson	Homeowner Mortgage Interest Relief Fund - We will introduce a scheme to provide short term support for increased mortgage interest payments to prevent homelessness while options are discussed with lenders. Rates are set to peak in Q2 in 2023.	250	0	0	0	New Policy choice	New
<b>Total Finance and Resources</b>						<b>808</b>	<b>25</b>	<b>0</b>	<b>0</b>		
Robin Bradburn	Economy and Culture	OP23-6L	OP22-11L	Michael Bracey	Funding for Festival of Creative Urban Living (£50k every two years). This will be funded from the Events Reserve.	0	50	0	50	Previous Policy Choice	Previously agreed
Robin Bradburn	Economy and Culture	OP23-23N	New	Michael Bracey	Milton Keynes International Festival - Additional £50k for 2023 (£300k previously approved) to provide more free places to those on low incomes and from diverse backgrounds and contributions to the 2025 festival.	50	0	300	0	New Policy choice	New
Robin Bradburn	Economy and Culture	OP23-24N	New	Michael Bracey	City of Code and Light - funding to support annual event that has won Arts Council support	40	40	40	0	New Policy choice	New
Robin Bradburn	Economy and Culture	OP23-25N	New	Michael Bracey	CMK Events Fund - to support free city centre events to boost visitor numbers	100	100	100	0	New Policy choice	New
<b>Total Economy and Culture</b>						<b>190</b>	<b>190</b>	<b>440</b>	<b>50</b>		
<b>Total Chief Executive, Social Care and Housing</b>						<b>2,484</b>	<b>1,017</b>	<b>590</b>	<b>50</b>		
Rob Middleton	Law & Governance	OP23-10N	New	Sharon Bridglalsingh	Legal Academy - Creation of an Academy to recruit and train graduates to qualify and provide a sustainable resource to be used across the legal service	66	67	67	0	General	New
Rob Middleton	Law & Governance	OP23-11L	OP22-9L	Sharon Bridglalsingh	Local Elections - costs of local elections are not consistent each year due to some elections being combined with those that generate central government funding to offset some of the local costs. Recently reserves have been used to offset the pressure where there is no central government funding however this is now exhausted.25/26 is a fallow year so no added budget required.	300	155	0	300	General	Revised
Rob Middleton	Dem Services	OP23-26N	New	Sharon Bridglalsingh	Council Champion funding - Small level of resource to support new Ethnic Minority, LGBTQ and Youth Champion roles (2k each for two years)	6	6	0	0	New Policy choice	New
<b>Total Law &amp; Governance</b>						<b>372</b>	<b>228</b>	<b>67</b>	<b>300</b>		
Pete Marland	Planning and Placemaking	OP23-12L	OP22-20N	Paul Thomas	Neighbourhood Planner - Second year of previously approved Neighbourhood Planner post - all planning policy functions are contained within one team enabling full oversight and understanding of the policy framework; a more proactive engagement with groups preparing Neighbourhood Plans to ensure future plans are fit for purpose; and enabling a programme of engagement with groups on neighbourhood planning to be undertaken.	46	0	0	0	General	Previously agreed

Portfolio Holder	Service Group	New Budget Pressure Ref	Old Budget Pressure Ref	Lead Officer	Proposal Description	2023/24	2024/25	2025/26	2026/27	Category	Status
						£000s	£000s	£000s	£000s		
Pete Marland	Planning and Placemaking	OP23-13N	New	Paul Thomas	<b>BESS Cloud Based Planning system</b> - this project is currently being procured - once the implementation starts the new system and the legacy system will need to run in parallel until the new system is fully bedded in. This creates a pressure of an additional system licence for the length of the implementation project of the new system.	72	72	72	0	General	New
Pete Marland	Planning and Placemaking	OP23-27N	New	Paul Thomas	<b>New City Plan Software</b> - Funding for a new engagement platform to improve consultation and management of responses on the New City Plan.	75	0	0	0	New Policy choice	New
Pete Marland	Planning and Placemaking	OP23-28N	New	Paul Thomas	<b>Central Milton Keynes Development Framework</b> - funding to undertake work to enable a framework for the development of the city centre similar to that done for Bletchley	75	0	0	0	New Policy choice	New
Pete Marland	Economy and Culture	OP23-29N	New	Paul Thomas	<b>Economic Development</b> - funding to extend existing schemes or develop new schemes to support the local economy and businesses during the recession	500	0	0	0	New Policy choice	New
Pete Marland	Economy and Culture	OP23-30N	New	Paul Thomas	<b>High Street Support</b> - funding to support High Streets in older town centres	100	0	0	0	New Policy choice	New
Pete Marland	Economy and Culture	OP23-31N	New	Paul Thomas	<b>Economic Development - Smart City Innovation Plan</b> - to develop a five year plan to build on our global reputation as a smart city and home of innovation, potentially through a Community Interest Company, focussing on Smart City activity, securing a physical presence of this work within Central Milton Keynes and maintaining cutting edge technologies such as 5G to attract more inward investment.	200	0	0	0	New Policy choice	New
Pete Marland	Economy and Culture	OP23-32N	New	Paul Thomas	<b>Economic Development</b> - Staffing £60k to cover Innovation Programme Manager and £40k for an Innovation Officer to develop the innovation agenda and create a sustainable future funding ability for this work area.	100	0	0	0	New Policy choice	New
Pete Marland	Economy and Culture	OP23-33N	New	Paul Thomas	<b>Economic Development - Tech Cluster</b> - Work is already underway to develop the tech ecosystem body, the Tech Cluster Steering Group, which brings together high level major MK employers in the area to collaborate together, support solutions to their shared barriers to growth (e.g. skills shortage), take part in engagement work in educational settings and assist in promoting the city globally through our new "Better by Design" branding and messaging.	125	0	0	0	New Policy choice	New
<b>Total Planning and Placemaking</b>						<b>1,293</b>	<b>72</b>	<b>72</b>	<b>0</b>		
Paul Trendall (interim)	Environment and Property	OP23-14L	OP22-17N	Stuart Proffitt	<b>Emberton Country Park Project Manager (Previously scrutinised and agreed in 21/22 for 2 years)</b> - a fixed term project manager post for 18 months, to improve the site and provide a more educational experience, as well as develop an asset investment programme. If further funding is needed, this will be brought at a later stage/next year with a separate business case.	23	0	0	0	General	Previously agreed
Paul Trendall (interim)	Environment and Property	OP23-15N	New	Stuart Proffitt	<b>Wheeled Bin Storage</b> - to deliver the new integrated waste contract over 300,000 wheeled bins will be purchased. In both years, the costs will be funded from with section 106 contributions or reserves. £495k, is the additional s106 required for the total cost of £1m as per the executive decision dated 5 April 2022. The manufacture of such a large quantity of bins must be staggered and a suitable covered site is required for the new bins to be stored until they are rolled out to residents in Summer 2023. There is no suitable MKC site to accommodate the bins. The lease of this site covers 2 financial years; 2022/23 and 2023/24.	495	0	0	0	General	New
Paul Trendall (interim)	Environment and Property	OP23-34N	New	Stuart Proffitt	<b>Footpaths</b> - Additional funding for pavement improvements	250	0	0	0	New Policy choice	New
<b>Total Environment and Property</b>						<b>768</b>	<b>0</b>	<b>0</b>	<b>0</b>		
Rob Middleton	Corporate	OP23-16L	OP22-14N	Steve Richardson	<b>Major Projects</b> - additional capacity required to support delivery of major projects across the capital programme and significant service changes (such as contract retendering).	350	350	0	0	General	Previously agreed
<b>Total Corporate</b>						<b>350</b>	<b>350</b>	<b>0</b>	<b>0</b>		
<b>Total Corporate and Deputy Chief Executive</b>						<b>2,783</b>	<b>650</b>	<b>139</b>	<b>300</b>		
<b>GRAND TOTAL</b>						<b>5,267</b>	<b>1,667</b>	<b>729</b>	<b>350</b>		

	2023/24	2024/25	2025/26	2026/27
Funding of One Off Pressures	£000s	£000s	£000s	£000s
Events Reserve	0	50	0	0
COVID-19 Support Grant	268	0	0	0
Strategic Public Health Reserve	811	652	150	0
S.106	230	0	0	0
Strategic Development Reserve	460	319	139	350
One Off Pressures Funding Reserve	827	350	0	0
Social Care Grant	150	150	0	0
New Political Priorities Funding	2,521	146	440	0
<b>Total</b>	<b>5,267</b>	<b>1,667</b>	<b>729</b>	<b>350</b>

ITEM 4: Annex D

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation	
			Level 2023/24	Level 2023/24	Decrease from	Decrease from		
			Value Incl. VAT	Value Incl. VAT	22/23	22/23		
			£	£	%	%		
			Range From	Range To	Range From	Range To		
Children's Services	<b>Governor Services</b>							
	Governor Services	Governor Development non-maintained schools	1,164.00	1,164.00	-0.51%	-0.51%	Re-aligning with maintained schools to encourage take up	
	Governor Services	Clerking support for hearings in non-maintained schools (From 1 hour to Full day)	483.60	2,438.40	1.40%	3.33%		
	Governor Services	Job advert service ongoing (no closing date) - non-maintained schools	186.00	186.00	0.00%	0.00%		
		<b>Ethnic Minority Achievement</b>						
	Ethnic Minority Achievement	Consultancy - Maintained Schools	500.00	500.00	4.17%	4.17%	The whole pricing structure of the EMA Network has been reviewed carefully and we will now be offering two packages.	
	Ethnic Minority Achievement	Annual Service Membership Option 1/Option 2	600.00	960.00	100.00%	100.00%	New service offering email advice, guidance, termly briefings, updates, newsletter, membership resources and website access.	
	Ethnic Minority Achievement	Consultancy - All Schools	300.00	300.00	100.00%	100.00%	This is a new offer for 2023/24. Schools may be unable to afford a full day and this would cover twilight activities. It is higher for a 1/2 day as travel time and organisation means that a 1/2 day is more costly to provide.	
		<b>School Improvement</b>						
	School Improvement	Senior Leader appointments - maintained schools/non-maintained schools	2,400.00	2,880.00	28.00%	28.00%	This is what we need to charge to cover IP costs of delivering service	
	School Improvement	Interim Senior Leader appointment service - maintained schools/non-maintained schools	2,400.00	2,880.00	196.00%	235.00%		
	School Improvement	Early Career Teachers (ECT) - service for maintained schools	199.00	199.00	0.00%	0.00%	Current price is contractual to Summer 2023. Service cannot be offered beyond that date due to a change in law.	
	School Improvement	Early Career Teachers (ECT) - service for non-maintained schools	238.80	238.80	0.00%	0.00%		
	School Improvement	Headteacher Performance Appraisal - maintained schools	680.00	680.00	0.00%	0.00%	Price was increased considerably at the start of the current year and has had a negative impact on buy back.	
	School Improvement	Headteacher Performance Appraisal - Non-maintained schools	816.00	816.00	100.00%	100.00%	New fee	
	School Improvement	Improvement Partner Consultancy - Non-maintained Schools	768.00	768.00	-17.00%	-17.00%	Re-aligning with maintained schools to encourage take up	
	School Improvement	Improvement Partner Consultancy - Non-maintained Schools outside of MK	816.00	816.00	-1.31%	-1.31%	Cover costs of an IP per day and allow for extra £40.00 income per day. The extra £40.00 would essentially be profit as the cost of delivering to schools close to MK borders (Travel Claims) have been factored in already.	
	School Improvement	Improvement Partner Consultancy - Non-maintained Schools	2,268.00	2,268.00	0.16%	0.16%	Re-aligning with maintained schools to encourage take up	
	School Improvement	Improvement Partner Consultancy- Non-maintained Schools outside of MK	2,400.00	2,400.00	1.78%	1.78%	Cover costs of an IP per day x 3 and to offer a marginal discount for buying in bulk. We have added a clause to the service spec / SLA to make it clear that any work done further afield would incur extra costs to cover increased costs of travel etc.	
	School Improvement	Improvement Partner Consultancy - Non-maintained Schools	4,308.00	4,308.00	0.56%	0.56%	Re-aligning with maintained schools to encourage take up	
	School Improvement	Improvement Partner Consultancy - Non-maintained Schools outside of MK	4,596.00	4,596.00	0.13%	0.13%	Cover cost of an IP per day x 6 to offer a discount for buying in bulk up front. We have added a clause to the service spec / SLA to make it clear that any work done further afield would incur extra costs to cover increased costs of travel etc.	
	<b>Library Services</b>							
Library Services	Photocopiers	0.35	0.80	-4.29%	-14.71%	Current charge is actually 30p/75p since new wi-fi printing / copier system installed Sept 2021. Machine only takes silver coins so gross amount rounded to the nearest 5p.		
Library Services	Computers: Extra Sessions and Non-Members	0.00	0.00	-100.00%	-100.00%	No charge since Covid		
	<b>Community Alarm &amp; Telecare</b>							

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation
			Level 2023/24	Level 2023/24	Decrease from	Decrease from	
			Value Incl. VAT	Value Incl. VAT	22/23	22/23	
			£	£	%	%	
			Range From	Range To	Range From	Range To	
Adult Services	Community Alarm & Telecare	Community Alarm/Telecare charges	1.72	8.23	5.00%	5.00%	There are concerns that if a 9% increase is applied, vulnerable people using this service may cancel this preventative service and therefore impact on our wider demand.
	Appointees / Deputyships						
	Appointees	Appointeeship management	15.00	15.00	2.74%	2.74%	Benchmarked against other Councils and at 9% MKCC would be charging significantly more than other Council's. Increasing the number of appointeeship will reduce the risk of debt accruing and therefore will have wider financial benefits to MKCC.
	Deputyships	Deputyship Set Up Fee	745.00	745.00	0.00%	0.00%	Deputyship Fees are set and monitored by the Office of the Public Guardian, we do not set the fees and we cannot change them
	Deputyships	Deputyship Annual Management Fee (1st Year) for those with more than £16,000 in savings	775.00	775.00	0.00%	0.00%	
	Deputyships	Deputyships Annual Management Fee for those with more than £16,000 in savings	650.00	650.00	0.00%	0.00%	
	Deputyships	Deputyship Property Maintenance Fee	300.00	300.00	0.00%	0.00%	
	Deputyships	Deputyship Annual Report Fee	216.00	216.00	0.00%	0.00%	
	Winding Up Fee	Winding Up Fee	300.00	300.00	N/A	N/A	New for 2023/24: A set amount charged for the work MKCC do to gather information and liaise with families, support, social workers, banks and utilities once a client passes away
	Intermediate Care						
	Recuperation bed (Intermediate Care)	FE residential/EMH Residential/Nursing/EMH Nursing	1,021.98	1,021.98	9.39%	9.39%	We uplift the block bed provider based on a contractual agreement.
	Homelessness						
	Homelessness	Emergency Bed & Breakfast Accommodation for families/individuals	17.30	17.30	0.00%	0.00%	The weekly Housing Benefit subsidy cap is below this figure at £121.15. Therefore, the Revenue and Benefit service would not be able to claim subsidy for the amount above the subsidy cap of £2.47.
Passenger Transport							
Passenger Transport	Charge for All in 1 MK Card	3.00	3.00	-41.18%	-41.18%	Next year we will be offering the smart version of the card and fees will need to be in line with the MK Move card	
Passenger Transport	All in 1 MK Card - weekly pass/4 weekly Pass	10.00	32.00	17.65%	18.52%	In line with other bus fare increases	
Passenger Transport	Community Transport Return Fare	6.50	6.50	13.04%	13.04%	New fee set just below the cost of using public transport	
Car Parking							
Car Parking	Car Parking: Pay & Display and Permits	0.50	2,250.00	0.00%	0.00%	Full consultation to be conducted before any increase is proposed	
Officer Time							
Officer Time	Road Safety Audits	Base Charge £2,000 + 5% of Bond amount to a maximum of £6,000	Base Charge £2,000 + 5% of Bond amount to a maximum of £6,000	0.00%	0.00%	Base Charge £2,000 + 5% of Bond amount to a maximum of £6,000	
Officer Time	Provision of Collision Data	POA	POA	0.00%	0.00%	Price on application	
Taxi Licensing							

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation
			Level 2023/24	Level 2023/24	Decrease from	Decrease from	
					22/23	22/23	
			Value Incl. VAT	Value Incl. VAT	%	%	
		Range From	Range To	Range From	Range To		
Environment and Property	Taxi Licensing	Licences - Hackney Carriages: Combined Drivers Licence Charges	252.00	269.00	16.96%	17.76%	Increase of 9% plus an extra £18 to cover the new additional cost of 6 month DBS checks (via contractor Taxi-plus).
	Taxi Licensing	Private Hire Vehicle NEW/RENEWAL	308.50	314.00	11.74%	11.78%	Increase of 9% plus the £7 increase from 1 July 2022 for the new door signage policy
	Highways	Provision of Temporary Traffic Regulation Order	2,203.00	2,203.00	0.00%	0.00%	Already the most expensive in the region and an increase is not justifiable
	Highways	Damage assessment fee routine only (Based on incident severity - special engineering difficulty priced at cost)	POA	POA	0.00%	0.00%	Price on application
	Highways	Necessary alterations to the highway and street furniture - at cost	POA	POA	0.00%	0.00%	
	Highways	Review/approval of method statements/risk assessments for works affecting sites of engineering difficulties (Bridges & Highway Structures)	POA	POA	0.00%	0.00%	
	Highways	<b>Winter Services</b>					
	Highways	Winter preparation (Consultancy Service)	POA	POA	0.00%	0.00%	Price on application
	Highways	<b>S38 Charges to Developers</b>					
	Highways	Section 38 Charges to Developers	10% of bond fee	10% of bond fee	0.00%	0.00%	10% of bond fee
	Highways	<b>S278 Charges to Developers</b>					
	Highways	Approval/Supervision schemes up to £15m	10% of scheme value	10% of scheme value	0.00%	0.00%	10% of scheme value
	Highways	Approval/Supervision schemes over £15m	8% of scheme value	8% of scheme value	0.00%	0.00%	
	Highways	<b>Design Fees</b>					
	Highways	To undertake a Stage 2,3&4 - Road Safety Audits	5% of scheme cost + £2000 to a maximum of £6000	5% of scheme cost + £2000 to a maximum of £6000	0.00%	0.00%	5% of scheme cost + £2000 to a maximum of £6000
	Highways	<b>Traffic Management</b>					
	Highways	Provision of new signs and commuted sums	POA	POA	0.00%	0.00%	Price on application
	Highways	<b>Bridge &amp; Highway Structures Condition Inspections</b>					
	Highways	General Inspection (visual inspection & condition summary, photographs, recommendations & technical review/approval)	POA	POA	0.00%	0.00%	Price on application
	Highways	Principal Inspection (Within touching distance inspection, all necessary specialist access & equipment, minimum of 2 bridge inspectors & written condition report, photographs, recommendations, technical review/approval)	POA	POA	0.00%	0.00%	
	Highways	Artwork and statues erected on the highway - Review of proposals, risk assessments, technical advice/approvals	POA	POA	0.00%	0.00%	
	Emberton Park	<b>Emberton Park</b>					
	Emberton Park	Touring Field (allocated pitches, toilet/shower block in field): Additional vehicle charge	5.00	5.00	N/A	N/A	New Fee
	Emberton Park	Dog Charge	5.00	5.00	N/A	N/A	
	Waste Management						
	Waste Management	Bulky Waste Collections, Special Collections, Chargeable "special" collections, Supplementary cost for Chargeable "special" collections	6.00	100.00	0.00%	0.00%	Under review politically and as part of the new contract
	Waste Management	1100 ltr bin waste services & additional collection	300.00	490.00	6.38%	21.89%	Under review as part of the new contract
	Waste Management	Waste services for schools (40/52 weeks)	306.00	396.00	8.20%	8.51%	Under review as part of the new contract
	Buildings Contracts						
	Buildings Contracts	Buildings Contracts	12% added to Materials and Contractors per Job	12% added to Materials and Contractors per Job	N/A	N/A	12% added to Materials and Contractors per Job
	Commercial Property						
	Commercial Property	Licence to assign/underlet/alterations	1,000.00	1,000.00	N/A	N/A	New Fee
Commercial Property	Lease surrender	1,500.00	1,500.00	N/A	N/A		
Commercial Property	Deed of variation	1,500.00	1,500.00	N/A	N/A		
Commercial Property	New lease or renewal (Charities/Parish Councils)	0.00	0.00	N/A	N/A		
Commercial Property	New lease or renewal (SMEs/ non-SMEs)	850.00	2,000.00	N/A	N/A		
Commercial Property	Wayleaves and Easements	1,500.00	1,500.00	N/A	N/A		

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation
			Level 2023/24	Level 2023/24	Decrease from	Decrease from	
					22/23	22/23	
			Value Incl. VAT	Value Incl. VAT	%	%	
		Range From	Range To	Range From	Range To		
	Commercial Property	"Top up" on external fees	3% added to Costs	3% added to Costs	N/A	N/A	
	Commercial Property	Copy documentation	120.00	120.00	N/A	N/A	
	Commercial Property	Surveyor costs (Senior/Surveyor/Assistant/Property Technician)	45.00	100.00	N/A	N/A	
	Film Location Charges						
	Film Location Charges	Commercial Production Fees	210.00	720.00	N/A	N/A	
	Film Location Charges	Non Commercial Fees	105.00	360.00	N/A	N/A	
	Film Location Charges	Complex or sensitive applications that require additional officer time	72.00	72.00	N/A	N/A	New Fee
	Film Location Charges	Late application charge (less than 7 days notice)	25% added to Admin and Filming Fees	25% added to Admin and Filming Fees	N/A	N/A	
Finance and Resources	Court Costs Charged to Local Taxation Defaulters						
	Court Costs Charged to Local Taxation Defaulters	Council Tax summons, Council Tax Liability Order	29.50	56.00	0.00%	0.00%	The costs applied via a summons and liability order are commensurate with service costs. Our budgets are not increasing in 2023-24 and therefore costs will stay the same.
	Court Costs Charged to Local Taxation Defaulters	Non Domestic Rates summons, Non Domestic Rates Liability Order	40.00	72.50	0.00%	0.00%	
	Late commercial payments						
	Late commercial payments	Penalty charges for late payment in commercial transactions	Amounts charged vary depending on value of debt	Amounts charged vary depending on value of debt	0.00%	0.00%	Majority are service charges that become overdue - these service charges will already include cost of living rises.
	Traded Services with Schools						
	Traded Services with Schools	Financial Advice/Support	360.00	360.00	30.91%	30.91%	Service offer increase from 6.5 hours to 7.5 hours.
Housing and Regeneration	Private Sector Housing						
	Private Sector Housing	Statutory Notice Scheme	405.00	405.00	25.00%	25.00%	Legislation as part of the Housing Act 2004 requires fees to be based on hourly fee and time taken to undertake the task. This fee used to be set every 5 years, now moved to annual review
	Private Sector Housing	Houses Of Multiple Occupancy	428.00	428.00	24.42%	24.42%	Housing Act 2004 governs the process in which the fee amount is set. This fee is used for application of the licence (review, visit and granting the licence - paperwork for proposal). This amount is payable every 5 years
	Private Sector Housing	Immigration Inspections	171.00	171.00	24.82%	24.82%	Based on officer rate, guidance and legislation based on this. Previously set every 5 years, now moved to annual review
Housing & Community - HRA	Housing & Community - HRA						
	Housing & Community - HRA	<i>Note: Most Commercial/ Leasehold/ Shared ownership charges are (round step) increased every 3-5 yrs.</i>					
	Housing & Community - HRA	Average Shared Ownership full equivalent Dwelling Rent	92.70	92.70	4.10%	4.10%	Rent Policy
	Housing & Community - HRA	Garage Rents - non-VATable	13.67	13.67	7.00%	7.00%	Increase inline with housing rents 7% (difference is rounding's)
	Housing & Community - HRA	Garage Rents - VATable	16.40	16.40	7.00%	7.00%	
	Housing & Community - HRA	Carport Rents - non-VATable	2.71	2.71	7.00%	7.00%	
	Housing & Community - HRA	Carport Rents - VATable	3.25	3.25	7.00%	7.00%	
	Housing & Community - HRA	Rechargeable repairs	Variable Charge	Variable Charge	Variable Charge	Variable Charge	Variable Charge
	Housing & Community - HRA	Leaseholder Major Works Administration Fee	Variable Charge	Variable Charge	Variable Charge	Variable Charge	Variable Charge
	Housing & Community - HRA	Leaseholder major works	Variable Charge	Variable Charge	Variable Charge	Variable Charge	Variable Charge
	Housing & Community - HRA	Land Purchase Enquiries - Title Investigation	175.00	175.00	N/A	N/A	New Fee
	Housing & Community - HRA	Land Purchase Enquiries - Full Land Purchase Application*	Variable Charge	Variable Charge	Variable Charge	Variable Charge	Variable Charge
	Housing & Community - HRA	Vehicular Access Admin Charge	175.00	175.00	49.57%	49.57%	The fees and charges show a higher than 9% increase, because they have been reviewed and aligned to ensure consistent methodology is used and charged throughout the Council
	Housing & Community - HRA	Vehicular Access Licence	320.00	320.00	10.34%	10.34%	
Housing & Community - HRA	Ex Council property - Covenant Consent **	260.00	260.00	23.81%	23.81%		
Housing & Community - HRA	Ex Council property - Retrospective Covenant Consent **	300.00	300.00	15.38%	15.38%		
Housing & Community - HRA	Ex Council property - Fast Track Retrospective Consent **	570.00	570.00	72.73%	72.73%		
Housing & Community - HRA	Leasehold Subletting Fee	10.20	10.20	0.00%	0.00%		

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation
			Level 2023/24	Level 2023/24	Decrease from	Decrease from	
					22/23	22/23	
			Value Incl. VAT	Value Incl. VAT	%	%	
		Range From	Range To	Range From	Range To		
	Housing & Community - HRA	S42 statutory leasehold extension valuation	900.00	900.00	33.93%	33.93%	The fees and charges show a higher than 9% increase, because they have been reviewed and aligned to ensure consistent methodology is used and charged throughout the Council
	Housing & Community - HRA	Non-statutory leaseholder extension valuation	780.00	780.00	N/A	N/A	
	Housing & Community - HRA	Shared Ownership lease extension valuation	900.00	900.00	N/A	N/A	
	Housing & Community - HRA	Leasehold/Shared ownership extension admin fee	175.00	175.00	N/A	N/A	
	Housing & Community - HRA	Shared Ownership Staircasing Valuation	Variable Charge	Variable Charge	Variable Charge	Variable Charge	
	Housing & Community - HRA	Garden Licence Admin Charge***	175.00	175.00	N/A	N/A	
<p><i>* Items marked with an Asterisk are for the councils fees only. There will be a separate charge for the rent or consideration which will vary by property and location</i></p> <p><i>** for a simple consent only - MKCC may charge a higher fee for a more complicated or development consent</i></p> <p><i>*** Garden Licence admin charge if matters become protracted, fee may increase</i></p>							
	Environmental Health - Burials and Cremation	<b>Burials and Cremation</b>					
	Environmental Health - Burials and Cremation	Cemeteries: Burial Charges	147.00	5,911.50	5.00%	5.00%	To remain competitive with neighbouring Authorities, and cover cost increases in the budget without making a surplus
	Environmental Health - Burials and Cremation	Exclusive Right of Burial for 30 years charges	21.00	2,835.00	5.00%	5.00%	
	Environmental Health - Burials and Cremation	Monuments, Gravestones, Tablets and Monumental Inscriptions Charges	115.50	1,113.00	5.00%	5.00%	
	Environmental Health - Burials and Cremation	Other Burials & Cremation Fees	37.80	1,050.00	5.00%	5.00%	
	Environmental Health - Burials and Cremation						
	Crematorium	<b>Crematorium</b>					
	Crematorium	[1] Fees include Cremation, Disposal of ashes, Deposit (1 month), Use of Chapel (45 min) and Sound System.	31.50	1,438.50	5.00%	5.00%	To remain competitive with neighbouring Authorities, and cover cost increases in the budget without making a surplus
	Crematorium	Other Crematorium Fees	25.20	680.40	5.00%	5.00%	
	Crematorium	Crematorium Memorial Charges	1.89	1,365.00	5.00%	5.00%	
	Crematorium	Memorial Mushroom charges	31.50	498.75	5.00%	5.00%	
	Crematorium	Book of Remembrance/Miniature Book of Remembrance charges/Memorial Cards	37.80	214.20	5.00%	5.00%	
	Miscellaneous Customer & Community Services Charges						
	Miscellaneous Charges	Any other work undertaken by Regulatory Services officers	108.36	108.36	7.00%	7.00%	Increased to reflect 2022/23 pay award higher than budget, and pay assumptions for 2023/24
	Trading Standards						
	Trading Standards	Weighing and Measuring Equipment	108.36	108.36	7.00%	7.00%	Increased to reflect 2022/23 pay award higher than budget, and pay assumptions for 2023/24
	Environmental Protection	<b>Environmental Protection</b>					
	Environmental Protection	Water Sampling - Private Supplies	POA	POA	POA	POA	Price on Application
	Licensing	<b>Licensing</b>					
	Licensing	Sex Establishment Fees	325.00	1,286.00	0.00%	0.00%	Fee reviewed against cost of service delivery
	Licensing	Sex Establishment Grant fee & Licence Transfer	211.00	455.00	8.76%	45.37%	Fee increased to ensure full cost recovery of service provision including 9% inflation 23/24
	Licensing	Street Trading Charges: New (mobile/fixed), Renewal (mobile/fixed), Variation, Grant fee Boroughwide Mobile Operator (for each vehicle), Renewal Borough wide Mobile Vehicle Operator, New employee notification	15.00	1,708.00	0.00%	0.00%	Fee reviewed against cost of service delivery
	Licensing	Street Trading Charges: Grant Fee (multiple based on hours of trading), Transfer / change Vehicle, Additional Vehicle (BMO)	46.00	88.00	9.52%	11.39%	Fee increased to ensure full cost recovery of service provision including 9% inflation 23/24
	Licensing	Scrap Metal: Scrap metal collector licence - Renewal/New (3years), Variation (site to collector), Grant Fee collector, Grant fee Site licence, Variation - minor, Variation (collector to site)	95.00	442.00	8.87%	15.83%	Fee increased to ensure full cost recovery of service provision including 9% inflation 23/24

Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation	
			Level 2023/24	Level 2023/24	Decrease from	Decrease from		
					22/23	22/23		
			Value Incl. VAT	Value Incl. VAT	%	%		
		Range From	Range To	Range From	Range To			
Customer & Community Services	Licensing	Scrap metal site licence - New (3 years) and Renewal (3 years)	415.00	454.00	0.00%	0.00%	Existing fee excessive for costs incurred and still adequate after 9% inflation 23/24	
	Licensing	Other: Hypnotism	93.00	93.00	10.71%	10.71%	Fee increased to ensure full cost recovery of service provision including 9% inflation 23/24	
	Licensing	Home Boarding Dogs: New/Renewal	456.56	666.64	4.00%	4.00%	Recovering the additional costs related to officer time and cannot increase the fees beyond this as they were set and approved by Regulatory Committee. A review of the fees and charges will take place again at the Committee in 2023 for adopting in 2024.	
	Licensing	Kennel & Cattery: New/Renewal	537.68	624.00	4.00%	4.00%		
	Licensing	Kennel OR Cattery: New/Renewal	462.80	530.40	4.00%	4.00%		
	Licensing	Pet Shops	448.24	722.80	4.00%	4.00%		
	Licensing	Hiring out Horses*	901.68	1,244.88	4.00%	4.00%		
	Licensing	Breeding of Dogs *	360.88	736.22	4.00%	4.00%		
	Licensing	Dog Warden: Variation to terms and/or conditions for any animal related licence**	126.74	126.74	7.00%	7.00%		
	Licensing	Piercing/ Acupuncture (no expiry) charges	92.00	437.00	12.20%	75.89%		Fee increased to ensure full cost recovery of service provision including 9% inflation 23/24
	Licensing	Special Events Registration	601.00	2,378.00	11.09%	11.19%		
	Licensing	Copy Licence	16.00	16.00	6.67%	6.67%		
	Licensing	Additional Skin Piercing inspections	184.00	184.00	16.46%	16.46%	Fee increased to comply with corporate hourly officer rate	
	Licensing	Pre application advice / Business advice	93.00	93.00	17.72%	17.72%	Fee increased in line with corporate officer rate	
	Licensing	Change of details e.g. name, address, towing vehicle etc.	30.00	30.00	0.00%	0.00%	Existing fee excessive for costs incurred and still adequate after 9% inflation 23/24	
	Licensing	Chaperone DBS Check (non volunteer)	65.00	65.00	0.00%	0.00%		
		<b>Gambling Permits</b>	<b>Gambling Permits</b>					
		Gambling Permits	Bingo Club: Subsistence	636.00	636.00	17.13%	17.13%	Existing fee is incorrect should be 743 not 543. Revised fee set to account for full cost recovery including 9% increase 23/24
		Gambling Permits	Bingo Club Variation/Transfer/Reinstatement	834.00	1,500.00	0.00%	11.20%	Revised fee accounts for inflationary increase for 2021/2 and 22/23
		Gambling Permits	Adult Gaming Centre: Subsistence/Transfer/Reinstatement	556.00	1,000.00	11.20%	14.40%	Fee set to ensure full cost recovery including adjustment for 9% increase on costs for 23/24
		Gambling Permits	Track Betting: Subsistence/Transfer/Reinstatement	834.00	889.00	11.13%	11.20%	
		Gambling Permits	Family Entertainment Centre (FEC) charges	564.00	834.00	11.20%	14.40%	
		Gambling Permits	Betting Other (Betting Shop) - Transfer/Reinstatement/Provisional	585.00	2,446.00	11.18%	11.23%	
	Gambling Permits	Betting Other (Betting Shop) - Subsistence	543.00	543.00	0.00%	0.00%	Fee reviewed against cost of service delivery	
	<b>Registrar</b>	<b>Registrar</b>						
	Registrar	Marriage or civil partnership in Decommissioned ceremony room (Civic) or Licensed Venue	500.00	700.00	1.45%	4.84%	Benchmark to other areas - we are most expensive on most days	
	Registrar	Licensing of Venue for Marriage or civil partnership (2 rooms) (3 year licence)	2,500.00	2,500.00	0.00%	0.00%	Benchmark to other areas - highest in region	
	Registrar	Each Additional Room	250.00	250.00	0.00%	0.00%	Benchmark to other areas - highest in region	
	Registrar	Naming or Renewal of Vows charges	395.83	719.99	-16.67%	23.08%	Benchmark and lack of interest	



Service Group	Area	Activity/Item	Proposed Fee	Proposed Fee	Increase/	Increase/	Explanation
			Level 2023/24	Level 2023/24	Decrease from	Decrease from	
					22/23	22/23	
			Value Incl. VAT	Value Incl. VAT	%	%	
		Range From	Range To	Range From	Range To		
	Registrar	Ceremony planning meeting at Registration Office	35.00	35.00	16.67%	16.68%	Limited take up and benchmark to other areas
	Registrar	Priority appointment fee (in addition to service charge) - statutory services/non statutory services	40.00	40.00	0.00%	0.00%	Limited take up and benchmark to other areas
	Registrar	Non refundable booking fee for ceremonies - statutory services/non-statutory services	50.00	100.00	0.00%	11.11%	Fee is connected to the ceremony fee which has been increased
	Registrar	Change fee for appointments and ceremonies - statutory services/ non-statutory services	40.00	40.00	-16.68%	0.00%	Benchmark to other areas
	Registrar	Passport form certification (PD2)	35.00	35.00	19.99%	19.99%	Limited take up and more expensive than other areas - not subject to VAT
	Citizenship	<b>Citizenship</b>					
	Citizenship	Private ceremony	190.00	300.00	5.56%	7.14%	Benchmark - highest in region
Copy certificates/post	Special Delivery (inc any standard postage required) online and in person	8.50	8.50	6.25%	6.25%	At cost of special delivery	
Planning and Place Making	Local Land Charges Fees	<b>Local Land Charges Fees</b>					
	Local Land Charges Fees	<b>Part II Enquiries</b>					
	Local Land Charges Fees	Standard Local Search Fee - Commercial	258.36	258.36	N/A	N/A	New Fee
	Planning Applications	<b>Planning Applications</b>					
	Planning Pre-application Advice	Advice prior to discharge of planning conditions	196.20	196.20	N/A	N/A	New pre-app category
	Householder Applications	<b>Prior Approval</b>					
	Registration and Validation Fees	Scanning of postal applications (major applications and associated discharge of conditions)	25.00	100.00	N/A	N/A	New group of admin fees proposed
	Cycling	<b>Cycling</b>					
	Cycling	Cycle Facilities (inc locker) - Get Changed	288.00	288.00	0.00%	0.00%	Get Changed has low current demand following its closure during pandemic. Price has to stay competitive with local gym facilities providing alternative shower/changing provision.
	Cycling	Cycle Lockers - Station Square and Get Changed	63.25	63.25	0.00%	0.00%	Not cost effective to increase, will be considered when parking charges are reviewed. Lockers are at 80% capacity, and cost increase may prevent achieving full occupancy.
	Cycling	Bikeability Cycle Training - ad hoc courses	POA	POA	POA	POA	Price on Application
Transport Policy	<b>Transport Policy</b>						
Transport Policy	Developers charge to assess the transport implications of planning applications in relation to the MKCC Multi Modal Model	POA	POA	POA	POA	Price on Application	



	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Onwards	Total Programme	Explanation of changes	Funding of new schemes and new changes to the programme	Description of Project	Project Justification	
<b>Agreed Programme*</b>	154,894,476	45,460,768	35,720,606	12,960,463	0	<b>249,036,313</b>					
Slippage and rephasing	261,917	59,906,355	(15,862,414)	452,159	0	<b>44,758,018</b>	Changes Previously Agreed by Cabinet				
July Cabinet changes	(594,834)	0	0	0	0	(594,834)	Changes Previously Agreed by Cabinet				
September Cabinet Changes	0	0	0	0	0	0	Changes Previously Agreed by Cabinet				
December Budget changes	120,000	0	0	0	0	<b>120,000</b>	Changes Previously Agreed by Cabinet				
<b>Amendments included in draft programme</b>											
<b>Children and Families</b>											
Boiler & Distribution Replacements & Enhancements	0	0	0	0	930,000	<b>930,000</b>	Inclusion of 27/28 Programme	School Condition Funding	The 2023/24 Capital Maintenance Programme has been prioritised and agreed Capital and Infrastructure Management Board.	The Schools Capital Maintenance Programme is primarily used to improve existing school building stock of local authority maintained schools, including enhancements, conversions and renovations to either improve the efficiency of the stock or to bring it in line with modern legislation regarding Equality, Building Regulations, Health and Safety, curriculum requirements, etc.	
Fire Protection Improvements	0	0	0	0	220,000	<b>220,000</b>	Inclusion of 27/28 Programme	School Condition Funding			
Roofs, windows and doors	0	0	0	0	600,000	<b>600,000</b>	Inclusion of 27/28 Programme	School Condition Funding			
Emergency/reactive improvements Health and Safety	0	0	0	0	250,000	<b>250,000</b>	Inclusion of 27/28 Programme	School Condition Funding			
<b>Transport</b>											
Bridge Programme	0	0	0	(900,000)	490,000	(410,000)					
Bridge Approach Safety Barrier Upgrades	(179,000)	0	0	250,000	0	<b>71,000</b>	Realignment of the bridge programme & Inclusion of 27/28 Programme	Highways Maintenance Grant, & Prudential Borrowing	Many bridges now show signs of significant deterioration and require works to maintain their structural integrity and some will require replacement or upgrading to current design standards. The objective is to ensure the councils stock is fit for purpose and safe for use.		
Porte Cochere Roof Upgrades	0	0	0	0	200,000	<b>200,000</b>					
Structural Improvements to structures	0	0	0	350,000	500,000	<b>850,000</b>					
Footbridge Refurbishments	0	0	0	150,000	400,000	<b>550,000</b>					
Special Investigation of Half Joint St	70,000	0	0	0	0	<b>70,000</b>					
Principal Bridge Inspection Programme	0	0	0	150,000	0	<b>150,000</b>					
H9 Bridge River Challenge Fund	109,000	0	0	0	0	<b>109,000</b>					
Street Lighting Column Replacement & LED conversions	0	0	0	0	500,000	<b>500,000</b>	Inclusion of 27/28 Programme	Prudential Borrowing			Capital investment to upgrade areas of the Street Lighting Asset, also to reduce the authorities energy demand and Carbon consumption.
Redways Improvements	0	0	0	0	200,000	<b>200,000</b>	Inclusion of 27/28 Programme	Prudential Borrowing			Redways are the essential links for pedestrian/cycle movement throughout the borough. As such it is essential that these are kept in a safe defect free condition. This project supports the authority's Highways Asset Management Policy/Strategy and Plan which in turn supports the authority's corporate objectives. It also supports the Mobility and Cycle Strategies
Surface Dressing Programme	(100,000)	(250,000)	(50,000)	0	0	(400,000)	Reallocation of Highways maintenance funding to vehicle safety Barriers and Directional signs works	Highways Maintenance Grant			Improve condition of the carriageway, the safety for users of the highway and extend life of asset.
Vehicle Safety Barriers	50,000	50,000	50,000	0	0	<b>150,000</b>					
Directional Signs	50,000	200,000	0	0	0	<b>250,000</b>					
Footpath Improvements	0	0	0	0	200,000	<b>200,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant	Footways are the essential links for pedestrian/cycle movement throughout the borough. As such it is essential that these are kept in a safe defect free condition. This project supports the authority's Highways Asset Management Policy/Strategy and Plan which in turn supports the authority's corporate objectives. It also supports the Mobility and Cycle Strategies		
Carriageway Resurfacing	0	0	0	0	2,858,000	<b>2,858,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant, Incentive Funding & Prudential Borrowing	Improve condition of the carriageway, the safety for users of the highway and extend life of asset.		
Redway Resurfacing	0	0	0	0	200,000	<b>200,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant & Prudential Borrowing	Improve condition of the Redways, the safety for users of the redway and extend life of asset.		
Highways and pavement asset enhancement programme	0	0	0	0	200,000	<b>200,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant	Improve condition of the Redways, the safety for users of the redway and extend life of asset.		
Upgrading of Highway Carrier drains	0	0	0	0	100,000	<b>100,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant	Improve condition of the highways, the safety for users of the redway and extend life of asset.		
White Lining Programme	0	0	0	0	150,000	<b>150,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant	Improve condition of the highways, the safety for users of the redway and extend life of asset.		
CMK Capital Programme works (Pavements & Street Furniture)	0	0	0	0	50,000	<b>50,000</b>	Inclusion of 27/28 Programme	Highways Maintenance Grant	Improve condition of the streets, the safety for users of the footways and extend life of asset.		
Drainage	0	0	0	0	50,000	<b>50,000</b>	Inclusion of 27/28 Programme	Prudential Borrowing	To address areas of flooding on the network and reduce risk of harm to the public and discharge our statutory duty.		

	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Onwards	Total Programme	Explanation of changes	Funding of new schemes and new changes to the programme	Description of Project	Project Justification
Passenger Transport	0	0	0	0	417,591	417,591	Inclusion of 27/28 Programme	Integrated Transport Grant	There are shelters that are without courtesy lighting, resulting in safety or perception of safety issues. Upgrading the power supply and lighting will take some pressure off future revenue costs by reducing electricity usage and maintenance requirements. Some areas have a lack of fixed bus stops, making it unclear where to catch a bus. At a minimum the fixed stops will have poles/flags and DDA compliant kerbing, and where possible cantilever shelters will be installed. Improvements to bus travel information at the roadside to include digital screens providing real time information, and wayfinding signage.	The Passenger Transport programme of works will deliver improvements for bus passengers along both the core bus routes defined in the Quality Bus Partnership, and the non-core routes. This programme will address accessibility, facilities and information. Bus usage will be encouraged as passenger feel safer, more comfortable, and better informed. The works will address some of the issues raised in the annual bus passenger survey.
Traffic Management & Road Safety	220,000	120,000	120,000	120,000	650,000	1,230,000	Reallocation of the 20mph Zones funding to Traffic Management & Road Safety Scheme & Inclusion of 27/28 Programme	Integrated Transport Grant	The traffic management and road safety schemes will include all minor to medium physical measures to influence the movement of traffic on an existing network.	The aim of the project is to provide appropriate traffic management and road safety schemes to improve Milton Keynes highway network. There have been a number of schemes identified, which will provide a benefit to all users of the network. The purpose of this project is also to reduce the number and severity of personal injury collisions on the Milton Keynes highway network.
20mph Zones	(220,000)	(120,000)	(120,000)	(120,000)	0	(580,000)	Reallocation of the 20mph zones funding to Traffic Management & Road Safety Scheme	Integrated Transport Grant	Continuation of funding for 20mph zones	A prioritised programme of appropriate sites for the implementation of 20mph speed limit and zone restrictions in residential estates be developed where there is evidence of a majority consensus and community support to do so.
Accessibility Fund	0	0	0	0	25,000	25,000	Inclusion of 27/28 Programme	Integrated Transport Grant	Bring high risk footway sites which are currently unusable for mobility impaired users up to standards outlined in The Equality Act 2010.	Essential to undertake works to provide a safe and accessible footway network for all residents of Milton Keynes
Housing Infrastructure Fund	20,788,049	(20,788,049)	0	0	0	0	Acceleration of budget into earlier years	Homes England HIF Grant	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 £15m, financed by Government grant, to the capital programme to fund the resources required to progress the Social infrastructure that will be delivered as part of the development.	To expand Milton Keynes and ensure Social Infrastructure is in place to support Housing Delivery East of the M1
East West Rail	500,000	(500,000)	0	0	0	0	Acceleration of budget into earlier years	Integrated Transport Grant & New Homes Bonus	Existing Scheme	Existing Scheme
<b>Social Care and Housing General Fund</b>										
Disabled Facilities Grants	0	0	0	0	1,117,331	1,117,331	Inclusion of 27/28 Programme	Disabled Facilities Grant	Better Care Grant funding for disabled adaptation grants. Funding has not yet been confirmed for these years, assumed to be funded at the same level as confirmed for 21/22 subject to future review).	This project helps to reduce bed blocking and allow citizens to remain in their homes through the provision of adaptations to their properties. Funded from the DFG Grant provided through the better care funding from DCLG this is a ring fenced grant.
<b>Environmental, Protective and Cultural Services</b>										
CCTV	157,500	(62,500)	(62,500)	(32,500)	0	0	Acceleration of budget into earlier years	LPSA Grant	This project is to replace the CCTV cameras in locations that would significantly aid community safety by reducing fear of crime and anti social behaviour	Local Authorities have an obligation in respect of tackling crime and disorder in partnership with the police and other stakeholders in accordance with the crime and disorder act.
Agora	(16,000,000)	16,000,000	0	0	0	0	Realignment of the Agora Project into later years due to procurement delays	Prudential Borrowing	Regeneration of the Agora shopping Centre	The Agora development is identified in the current Plan:MK for redevelopment, as it was in the previous Local Plan from 1995. It is a key objective in the adopted Wolverton Town Centre Neighbourhood Plan
IT Improvement Fund	400,000	400,000	400,000	400,000	400,000	2,000,000	Merging of the Investment in the smarter working project to the IT improvement fund & Inclusion of 27/28 Programme	Capital Receipts	Fund to cover replacement of obsolete and malfunctioning equipment and to fund improvements in our IT systems across all services for example through the delivery of new innovations to	Essential for service delivery
Investment in the smarter working programme	(400,000)	(400,000)	(400,000)	(400,000)	0	(1,600,000)		Capital Receipts & Single Capital Pot	Existing Scheme - ICT asset rolling programme	Essential for service delivery
ICT Asset Funding Programme	(538,334)	200,000	200,000	138,334	0	0	Realignment of the ICT Asset funding Programme into later years	Capital Receipts	Ongoing Laptop replacement on a rolling Programme	Essential for service delivery
VDI Replacement with Laptops	0	0	0	(140,000)	140,000	0	Realignment of the VDI Replacement with Laptops into			
<b>Revised Total Capital Programme</b>	<b>159,588,775</b>	<b>100,216,574</b>	<b>19,995,692</b>	<b>13,378,456</b>	<b>10,847,922</b>	<b>304,027,419</b>				

**Draft Capital Programme - revised pipeline schemes for 2023/24 (subject to full business case approval)**

ITEM 4: Annex H(b)

The following future capital scheme bids have been highlighted, although at the time of preparing the draft, budget business cases had not been approved by the Corporate Portfolio Board.

Council Plan Priority	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Onwards	Total Programme	Potential Funding Source	Unfunded	Details of Potential Funding Source	Description of Project	Project Justification
Brinklow V11 Improvements	400,000	2,050,000	0	0	0	2,450,000	2,450,000	0	Tariff	To upgrade a highway (road widening, traffic signals and bridge widening) along the V11 corridor between (and including) the Monkston and Brinklow junctions. The purpose is to increase the capacity of the two junctions to accommodate forecast growth associated with the development of the Eastern Expansion area of Milton Keynes.	The project was identified within the Local Investment Plan (U18) to be completed in 2016/17 to increase the capacity of the two junctions. Both junctions will without mitigation suffer from significantly increased congestion/ over capacity with wider detrimental network effects if improvement works are not carried out. (business case is being developed)
Urban Traffic Management & Control (UTMC)	0	3,005,000	0	0	0	3,005,000	3,005,000	0	Tariff	The Project will encompass the installation of a core Urban Traffic Management & Control System (UTMC) database and back office infrastructure to deliver its key objectives. The Project will mainly focus on the improvement of strategic junctions supported by the deployment of on-street equipment.	Primary Objective. • Manage the existing highway network more efficiently to accommodate current and future travel demand. Sub Objectives. • Implement intelligent transport technology to improve traffic at key pinch-point junctions. • Improve bus priority measures to support service reliability and reduce journey times. • Collect, process, analyse, monitor, and disseminate travel data.
WEA Junctions	3,000,000	2,000,000	2,280,000	1,500,000		8,780,000	8,780,000	0	Tariff	Improvements to Junctions to respond to the impact of growth and traffic congestion from the development of the expansion areas	START Document and details of schemes to be developed over time
V2/H4 Extension	0	0	0	1,000,000	1,925,000	2,925,000	2,925,000	0	Tariff		
A422 Junctions	1,000,000	2,000,000	1,500,000	1,500,000	1,500,000	7,500,000	12,500,000	0	Tariff		
Replacement of Environmental Services contract fleet.	0	0		0	38,000,000	38,000,000	38,000,000	0	RCCO	Replacement of fleet for Environmental Services Contract	Phased strategy to replace fleet as it reaches end of useful life, together with a move to full electric refuse collection vehicles. A sinking fund is being created as part of the 23/24 budget to enable the financing of the replacement fleet
Upgrade to Milton Keynes Waste Recovery Park						TBC		TBC		Discussions are being held with operator of the Milton Keynes Waste Recovery Park for enhancement and refresh of plant and equipment at the site, prior to the end of the contract in 2033. Amount of investment is not yet known	
Upgrade to Waste facilities	3,000,000	0	0	0	0	3,000,000	3,000,000	0	RCCO	Upgrade of facilities to improve waste management	START document and cost details to be developed
Provision of additional electric charging infrastructure for Environmental Services Contract	625,000	0	0	0	0	625,000	625,000	0	RCCO	Further provision of electric charging infrastructure to enable the phased moved to an electric fleet	
Purchase of Solar Farm	25,000,000	0	0	0	0	25,000,000		25,000,000	Prudential Borrowing	Purchase of a solar farm	A business case is being developed to explore the purchase of a solar farm to enable MKCC to meet carbon targets
Potholes	500,000	500,000	500,000	500,000	500,000	2,500,000	0	2,500,000		Fix additional potholes, improve repair quality and maintain our focus on having high standard roads.	Improve the condition of the highway - potential funding from central government
South Household Waste and Recycling Centre - proposed relocation	5,500,000	0		0	0	5,500,000	0	5,500,000		It is proposed to relocate Bleak Hall HWRC to a new supersite on the south or west flanks of Milton Keynes, enabling the site to meet all current guidelines and serve the growing population in those areas.	2030 Carbon Zero Target - Bring forward the future operational models for waste and landscaping services beyond the end of the current contracts in 2023.
North Supersite Household Waste and Recycling Centre	4,000,000					4,000,000	0	4,000,000		Supersite Household Waste Recycling site for the North of Milton Keynes, enabling the site to meet all current guidelines and serve the growing population in those areas.	2031 Carbon Zero Target - Bring forward the future operational models for waste and landscaping services beyond the end of the current contracts in 2023.
CMK Central Library roof and heating system	4,000,000	2,500,000				6,500,000	0	6,500,000		Works have been identified for the roof and heating system within the central library	A condition survey is being undertaken and a business case will be brought forward.
Investment in LED Lighting	7,500,000	2,500,000				10,000,000	10,000,000	0	Reserves	Investment in LED lighting to drive maintenance and energy savings	Initial works are being undertaken to develop a business case for the investment in LED lighting for all of the unconverted lights. A dd is planned in January 2023.
Adult Social Care Hub	4,000,000	4,000,000				8,000,000	8,000,000	0	Tariff	Investment in Adult social care facilities	A business case is being developed to explore the development of a new social care hub
Replacement & Upgrade Heating System Willow Chapel	50,000	0	0	0	0	50,000	50,000	0	Bereavement - Revenue reserve	Improvements to the heating at the Crematorium	START Document and details of schemes to be developed over time
Additional Cemetery for West Flank	500,000	0	0	0	0	500,000	500,000	0	Tariff (£150k) and Bereavement - Revenue reserve	Development of additional cemeteries to respond to growth from the expansion areas	
Provision of additional Cemetery facilities for East flank Growth	0	500,000	0	0	0	500,000	500,000	0	Tariff (£150k) and Bereavement - Revenue reserve		
<b>Total Doing the Essentials Well</b>	<b>59,075,000</b>	<b>19,055,000</b>	<b>4,280,000</b>	<b>4,500,000</b>	<b>41,925,000</b>	<b>128,835,000</b>	<b>90,335,000</b>	<b>43,500,000</b>			
Woughton Leisure Centre Building Enhancements	120,000.00	0.00	0.00	0.00	0.00	120,000	0	120,000		Replacement of perimeter fencing and refurbishment of building exterior and main hall floor.	This project aims to address the problem of security, vandalism and anti-social behaviour by creating a safe external space for users of the site and to prevent further damage to the building and reduce MKC insurance claims

**Draft Capital Programme - revised pipeline schemes for 2023/24 (subject to full business case approval)**

ITEM 4: Annex H(b)

The following future capital scheme bids have been highlighted, although at the time of preparing the draft, budget business cases had not been approved by the Corporate Portfolio Board.

Council Plan Priority	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Onwards	Total Programme	Potential Funding Source	Unfunded	Details of Potential Funding Source	Description of Project	Project Justification
Kents Hill Sports Ground Pavilion	585,000.00	585,000.00	0.00	0.00	0.00	1,170,000	0	1,170,000		The pavilion has structural issues related to the original construction that need to be addressed	Business case to be developed
Woughton on the Green Pavilion	165,000.00	560,000.00				725,000	0	725,000		Upgrade to facilities	Business case to be developed
Tattenhoe Lane and Derwent Drive sports Ground	100,000.00	0.00	0.00	0.00	0.00	100,000	0	100,000		Upgrade to facilities	Business case to be developed
Whitehouse football pitches and cricket pitch	75,000.00	500,000.00	0.00	0.00	0.00	575,000	575,000	0	Tariff	Indicative - 4 Football pitches and 1 cricket pitch	Business case to be developed
Sport Central - multi sport pitch	200,000.00	0.00	0.00	0.00	0.00	200,000	0	200,000		To increase capacity by changing the tennis court to a multi use surface with canopy for increased activities.	Business case to be developed
Centrecom refurbishment	200,000.00	0.00	0.00	0.00	0.00	200,000	0	200,000		To enhance centre's capacity and sustainability.	Business case to be developed
Hodge Lea Sports Ground	250,000.00	0.00	0.00	0.00	0.00	250,000	0	250,000		Replacement of sporting facilities previously at Greenleys Sports Ground.	Business case to be developed
Leon Leisure Centre	110,000.00	0.00	0.00	0.00	0.00	110,000	0	110,000		Part of a larger project to redevelop the Leisure Centre.	Business case to be developed
MK SE Community Facilities	0.00	0.00	1,500,000.00	0.00	0.00	1,500,000	1,500,000	0	Tariff 2	Woburn Sands-Brickhill - facilities and pitches	Business case to be developed
MK East	0.00	1,200,000.00	0.00	0.00	0.00	1,200,000	0	1,200,000	Tariff 2	Delivery of 4 pitches and changing facilities	Business case to be developed
Irish Club	500,000.00	0.00	0.00	0.00	0.00	500,000	0	500,000		Refurbishment of building	Business case to be developed
Cowper and Newton Museum (CNM) Garden Room, Olney		50,000.00				50,000	0	50,000		Provision of additional community, educational and meeting space.	Business case to be developed
Milton Keynes Arts Centre Radcliffe Replacement and Site wide changes	350,000.00	950,000.00	250,000.00	0.00	0.00	1,550,000	0	1,550,000		To Replace the Radcliffe Arts building	Business case to be developed
Re-Development of CMK Library and new archive area	125,000.00	275,000.00	600,000.00	0.00	0.00	1,000,000	600,000	400,000	Tariff	Provision of a City Archive facility.	Business case to be developed
Multi-Purpose City Centre Cultural Facility	0.00	780,000.00	350,000.00	0.00	0.00	1,130,000	0	1,130,000		Provision of multi-purpose venue in CMK which would support cultural production, a	Business case to be developed
<b>Total Building Better Communities</b>	<b>2,780,000</b>	<b>4,900,000</b>	<b>2,700,000</b>	<b>0</b>	<b>0</b>	<b>10,380,000</b>	<b>2,675,000</b>	<b>7,705,000</b>			

<b>2023/24 Capital Programme - Pipeline list</b>	<b>61,855,000</b>	<b>23,955,000</b>	<b>6,980,000</b>	<b>4,500,000</b>	<b>41,925,000</b>	<b>139,215,000</b>	<b>93,010,000</b>	<b>51,205,000</b>			
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# Capital Programme 2023/24

ITEM 4: Annex H(i)

## Children Services

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Available Funding</b>							
	2022/23 Unallocated & C'Fwd (Single Capital Pot Grant)	29,446,075	0	0	0	0	29,446,075
	Special Education Needs Grant / Higher Needs Grant B'fwd	3,222,141	0	0	0	0	3,222,141
	Basic Need - Single Capital Pot Grant	0	158,342	0	0	0	158,342
	School Condition Funding - Single Capital Pot Grant	2,562,724	2,562,724	2,562,724	2,562,724	2,562,724	12,813,620
	Special Education Needs Grant / Higher Needs Grant	6,770,747	0	0	0	0	6,770,747
	<b>Total Available Funding</b>	<b>42,001,686</b>	<b>2,721,066</b>	<b>2,562,724</b>	<b>2,562,724</b>	<b>2,562,724</b>	<b>52,410,924</b>
<b>Summary</b>							
	Total prior year continuations (Section 1)	3,947,312	0	0	0	0	3,947,312
	Total new schemes (Section 2)	2,030,000	2,030,000	2,030,000	2,000,000	2,000,000	10,090,000
	<b>Total Programme</b>	<b>5,977,312</b>	<b>2,030,000</b>	<b>2,030,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>14,037,312</b>
	Funding available	42,001,686	2,721,066	2,562,724	2,562,724	2,562,724	52,410,924
	Funding deficit/(surplus)	(36,024,374)	(691,066)	(532,724)	(562,724)	(562,724)	(38,373,612)
	Cumulative funding deficit/(surplus)	(36,024,374)	(36,715,440)	(37,248,164)	(37,810,888)	(38,373,612)	
<b>Section 1 - Prior Years' Continuing Schemes</b>							
50CPX00584	Whitehouse 12FE Secondary School	190,000	0	0	0	0	190,000
50CPX00889	Glebe Meadows Primary & Secondary School	557,312	0	0	0	0	557,312
50CPX00996	Calverton Lane Primary School	3,200,000	0	0	0	0	3,200,000
	<b>Total Prior Years' Continuations</b>	<b>3,947,312</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,947,312</b>

# Capital Programme 2023/24

ITEM 4: Annex H(i)

## Children Services

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Section 2 - 2023/24 Programme and future years bids provisionally funded</b>							
50CPX00580	Boiler & Distribution Replacements & Enhancements	940,000	940,000	940,000	930,000	930,000	4,680,000
50CPX00581	Fire Protection Improvements	230,000	230,000	230,000	220,000	220,000	1,130,000
50CPX00582	Roofs, windows and doors	610,000	610,000	610,000	600,000	600,000	3,030,000
50CPX00583	Emergency/reactive improvements Health and Safety	250,000	250,000	250,000	250,000	250,000	1,250,000
<b>Total 2023/24 and future years starts</b>		<b>2,030,000</b>	<b>2,030,000</b>	<b>2,030,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>10,090,000</b>
<b>Total Funded 2023/24 Children and Families Services Capital</b>		<b>5,977,312</b>	<b>2,030,000</b>	<b>2,030,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>14,037,312</b>



Environmental, Protective and Cultural Services

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Available Funding</b>							
	Single Capital Pot Grants (B/fwd)	354,000	0	0		0	354,000.00
	Single Capital Pot Grants	438,200	0	0	0	0	438,200
	Capital Receipt	602,800	1,479,993	1,490,000	1,428,334	540,000	5,541,127
	Revenue Contribution	1,018,579	0	0	0	0	1,018,579
	Government Grants (B/fwd)	220,000	0	0	0	0	220,000
	Housing Infrastructure Fund Grant	8,140,986	11,386,573	3,940,125	0	0	23,467,684
	Local Authority Tree Fund	48,000	48,000	0	0	0	96,000
	Prudential Borrowing	9,000,000	19,000,000	0	0	0	28,000,000
	New Homes Bonus		10,007	0	0	0	10,007
	S106 and Tariff Funding (For List see Specific Project Information)	1,209,850	0	0	0	0	1,209,850
	<b>Total Available Funding</b>	<b>21,032,415</b>	<b>31,924,573</b>	<b>5,430,125</b>	<b>1,428,334</b>	<b>540,000</b>	<b>59,583,797</b>
<b>Summary</b>							
	Total prior year continuations (Section 1)	21,032,415	31,924,573	5,430,125	1,428,334	540,000	60,355,447
	Total new schemes (Section 2)	0	0	0	0	0	0
	<b>Total Programme</b>	<b>21,032,415</b>	<b>31,924,573</b>	<b>5,430,125</b>	<b>1,428,334</b>	<b>540,000</b>	<b>60,355,447</b>
	Funding available	21,032,415	31,924,573	5,430,125	1,428,334	540,000	60,355,447
	Funding deficit/(surplus)	0	0	0	0	0	0
	Cumulative funding deficit/(surplus)	0	0	0	0	0	
<b>Section 1 - Prior Years' Continuing Schemes</b>							
50CPX00948	CCTV	220,000	0	0	0	0	220,000

**Environmental, Protective and Cultural Services**

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
50CPX00975	Wavendon Playing Fields	36,549	0	0	0	0	<b>36,549</b>
50CPX00840	Whitehouse (Area 10) WEA Leisure	550,000	0	0	0	0	<b>550,000</b>
50CPX00994	Oakgrove Public Art Commission	186,000	0	0	0	0	<b>186,000</b>
50CPX01084	Fairfields LP4	437,301	0	0	0	0	<b>437,301</b>
50CPX01018	Towns Fund - 1. Innovation Hub	950,000	1,425,000	377,625	0	0	<b>2,752,625</b>
50CPX01020	Towns Fund - 3. Transport Hub	389,500	1,425,000	1,900,000	0	0	<b>3,714,500</b>
50CPX01021	Towns Fund - 4. Public Realm Imps	47,500	286,573	1,662,500	0	0	<b>1,996,573</b>
50CPX01022	Towns Fund - 5. Redway Improvements	579,500	0	0	0	0	<b>579,500</b>
50CPX01023	Towns Fund - 6. Tech Park Bletchley	174,486	0	0	0	0	<b>174,486</b>
50CPX00979	Agora Regeneration	9,000,000	19,000,000	0	0	0	<b>28,000,000</b>
50CPX01094	Building Maintenance programme	1,000,000	0	0	0	0	<b>1,000,000</b>
50CPX01091	Health & Safety Fund	250,000	250,000	250,000	250,000	0	<b>1,000,000</b>
50CPX01041	Local Authority Tree Fund - Queens Canopy	48,000	48,000	0	0	0	<b>96,000</b>
50CPX00849	Community Infrastructure Fund	95,000	100,000	100,000	100,000	0	<b>395,000</b>
50CPX00997	MK East - HIF Social Infrastructure	6,000,000	8,250,000	0	0	0	<b>14,250,000</b>
50CPX00499	ICT Asset Funding Programme	40,000	200,000	200,000	138,334	0	<b>578,334</b>
50CPX01102	Income Management System	18,579	0	0	0	0	<b>18,579</b>
50CPX01103	IT Improvement Fund	800,000	800,000	800,000	800,000	400,000	<b>3,600,000</b>
50CPX01032	VDI Replacement with Laptops	210,000	140,000	140,000	140,000	140,000	<b>770,000</b>
<b>Total Prior Years Starts</b>		<b>21,032,415</b>	<b>31,924,573</b>	<b>5,430,125</b>	<b>1,428,334</b>	<b>540,000</b>	<b>60,355,447</b>
<b>Total Funded 2023/24 Environmental, Protective and Cultural Services Capital Programme</b>		<b>21,032,415</b>	Page 2 <b>31,924,573</b>	<b>5,430,125</b>	<b>1,428,334</b>	<b>540,000</b>	<b>60,355,447</b>

## Capital Programme 2023/24

## PROGRAMME TO BE REBASED PENDING HRA BP UPDATE

## Housing Revenue Account

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Available Funding</b>							
	Major Repairs Reserve (MRR)	13,821,252	0	0	0	0	13,821,252
	Revenue Contribution (RCCO)	31,616,972	0	0	0	0	31,616,972
	Prudential Borrowing	27,555,926	25,081,352			0	52,637,278
	Non-RTB Capital Receipts	220,000	0	0	0	0	220,000
	Affordable Housing Retained Capital Receipts (New Build Programme)	5,667,592	7,264,553			0	12,932,145
	<b>Total Available Funding</b>	<b>78,881,742</b>	<b>32,345,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,227,647</b>
<b>Summary</b>							
	Total prior year continuations (Section 1)	36,500,659	31,827,499	0	0	0	68,328,158
	Total new schemes (Section 2)	42,381,083	518,406	0	0	0	42,899,489
	<b>Total Programme</b>	<b>78,881,742</b>	<b>32,345,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,227,647</b>
	Funding available	78,881,742	32,345,905	0	0	0	111,227,647
	Funding deficit/(surplus)	0	0	0	0	0	0
	Cumulative funding deficit/(surplus)	0	0	0	0	0	
<b>Section 1 - Prior Years' Continuing Schemes</b>							
50CPX00242	Coltsfoot Place	80,000	0	0	0	0	80,000
50CPX00776	Fern Grove, Lakes Estate	389,760	0	0	0	0	389,760
50CPX00778	Glovers Lane, Heelands	561,243	513,514	0	0	0	1,074,757
50CPX00782	Kirkstall Place, Oldbrook	252,195	3,216,360	0	0	0	3,468,555

# Capital Programme 2023/24

# PROGRAMME TO BE REBASED PENDING HRA BP UPDATE

## Housing Revenue Account

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
50CPX00781	Surrey Road, West Bletchley	286,447	681,429	0	0	0	967,876
50CPX00775	Talland Avenue Sites 1,2 Fishermead	33,187	0	0	0	0	33,187
50CPX00907	Rowlands Close, Bletchley	33,552	0	0	0	0	33,552
50CPX01047	Cripps Lodge	8,540,406	4,915,367	0	0	0	13,455,773
50CPX00995	Mellish & Gables demolition	1,723,378	0	0	0	0	1,723,378
50CPX01000	Lakes Estate Regeneration Phase A	21,616,535	22,500,829	0	0	0	44,117,364
	<b><u>Asset Management</u></b>						
50CPX00223	Harrier Court	168,456	0	0	0	0	168,456
50CPX00832	Reema Blocks - 16 Blocks	900,000	0	0	0	0	900,000
50CPX00989	Replacement stairlifts	40,000	0	0	0	0	40,000
50CPX01088	Netherfield Decarbonisation	1,875,500	0	0	0	0	1,875,500
<b>Total Prior Years' Continuations</b>		<b>36,500,659</b>	<b>31,827,499</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,328,158</b>
<b>Section 2 - 2023/24 Programme and future years bids provisionally funded</b>							
	<b><u>New Council Houses</u></b>						
50CPX01046	Berwick Drive	2,176,213	518,406	0	0	0	2,694,619
	<b><u>Reactive Works</u></b>						
50CPX00585	Aids & Adaptations	1,247,000	0	0	0	0	1,247,000
	<b><u>Planned Maintenance Programme</u></b>						<b>0</b>
50CPX00202	Communal Area Upgrades	3,856,000	0	0	0	0	3,856,000

# Capital Programme 2023/24

# PROGRAMME TO BE REBASED PENDING HRA BP UPDATE

## Housing Revenue Account

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
50CPX00203	Doors	714,000	0	0	0	0	714,000
50CPX00204	Windows	1,290,000	0	0	0	0	1,290,000
50CPX00586	Bathroom Upgrades	2,496,000	0	0	0	0	2,496,000
50CPX00587	Wiring	1,947,000	0	0	0	0	1,947,000
50CPX00588	Kitchen Upgrades	8,547,000	0	0	0	0	8,547,000
50CPX00827	External Walls & Fencing	3,167,000	0	0	0	0	3,167,000
50CPX00591	Roof Upgrades	11,141,622	0	0	0	0	11,141,622
50CPX00590	Heating System Replacement	2,016,588	0	0	0	0	2,016,588
50CPX00826	Communal Heating	230,000	0	0	0	0	230,000
50CPX00829	Fire Safety Works	553,660	0	0	0	0	553,660
	<b>Capital Void Works</b>						
50CPX00593	Bathroom	78,000	0	0	0	0	78,000
50CPX00594	Doors	133,000	0	0	0	0	133,000
50CPX00595	Kitchens	232,000	0	0	0	0	232,000
50CPX00596	Structure	2,424,000	0	0	0	0	2,424,000
50CPX00597	Windows	15,000	0	0	0	0	15,000
50CPX00598	Wiring	117,000	0	0	0	0	117,000
<b>Total 2023/24 and future years starts</b>		<b>42,381,083</b>	<b>518,406</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42,899,489</b>
<b>Total Funded 2023/24 Housing HRA Capital Programme</b>		<b>78,881,742</b>	<b>32,345,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,227,647</b>

# Capital Programme 2023/24

ITEM 4: Annex H(iv)

## Social Care and Housing General Fund

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Available Funding</b>							
	Disabled Facilities Grant	1,117,331	1,117,331	1,117,331	1,117,331	1,117,331	5,586,655
<b>Total Available Funding</b>		<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>5,586,655</b>
<b>Summary</b>							
Total prior year continuations (Section 1)		0	0	0	0	0	0
Total new schemes (Section 2)		1,117,331	1,117,331	1,117,331	1,117,331	1,117,331	5,586,655
<b>Total Programme</b>		<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>5,586,655</b>
Funding available		1,117,331	1,117,331	1,117,331	1,117,331	1,117,331	5,586,655
Funding deficit/(surplus)		0	0	0	0	0	0
Cumulative funding deficit/(surplus)		0	0	0	0	0	0
<b>Section 1 - Prior Years' Continuing Schemes</b>							
							0
<b>Total Prior Years' Continuations</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Section 2 - 2023/24 Programme and future years bids provisionally funded</b>							
50CPX00538	Disabled Facilities Grants	1,117,331	1,117,331	1,117,331	1,117,331	1,117,331	5,586,655
<b>Total 2023/24 and future years starts</b>		<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>5,586,655</b>
<b>Total Funded 2023/24 Adult Social Care and Housing General Fund</b>		<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>1,117,331</b>	<b>5,586,655</b>

Transport

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
<b>Available Funding</b>							
	2022/23 Unallocated & C'Fwd (Single Capital Pot Grant)	315,352.44	2,321,530.29	(339,659.00)	339,659.00	0.00	2,636,882.73
	Single Capital Pot Grant	3,943,800.00	5,661,000.00	5,661,000.00	5,661,000.00	5,661,000.00	26,587,800.00
	Capital Receipts	400,000.00	1,711,379.00	0.00	0.00	0.00	2,111,379.00
	Potholes Grant	2,843,000.00	0.00	0.00	0.00	0.00	2,843,000.00
	Housing Infrastructure Fund Grant	41,288,049.00	10,768,143.00	0.00	0.00	0.00	52,056,192.00
	DFT Highways Incentive Funding	711,000.00	858,000.00	858,000.00	858,000.00	858,000.00	4,143,000.00
	Prudential Borrowing	856,495.00	3,560,200.00	3,880,200.00	2,560,200.00	953,300.00	11,810,395.00
	New Homes Bonus	1,600,000.00	3,980,662.71	0.00	0.00	0.00	5,580,662.71
	S106 and Tariff Funding (For List see Specific Project Information)	866,732.00	4,200,000.00	1,963,281.00	0.00	0.00	7,030,013.00
	<b>Total Available Funding</b>	<b>52,824,428.44</b>	<b>33,060,915.00</b>	<b>12,022,822.00</b>	<b>9,418,859.00</b>	<b>7,472,300.00</b>	<b>110,677,324.44</b>
<b>Summary</b>							
	Total prior year continuations (Section 1)	1,566,732.00	10,848,652.00	1,963,281.00	0.00	0.00	14,378,665.00
	Total new schemes (Section 2)	51,013,243.00	21,950,113.00	9,454,955.00	8,832,791.00	7,190,591.00	98,441,693.00
	<b>Total Programme</b>	<b>52,579,975.00</b>	<b>32,798,765.00</b>	<b>11,418,236.00</b>	<b>8,832,791.00</b>	<b>7,190,591.00</b>	<b>112,820,358.00</b>
	Funding available	52,824,428.44	33,060,915.00	12,022,822.00	9,418,859.00	7,472,300.00	114,799,324.44
	Funding deficit/(surplus)	(244,453.44)	(262,150.00)	(604,586.00)	(586,068.00)	(281,709.00)	(1,978,966.44)
	Cumulative funding deficit/(surplus)	(244,453.44)	(506,603.44)	(1,111,189.44)	(1,697,257.44)	(1,978,966.44)	
<b>Section 1 - Prior Years' Continuing Schemes</b>							
50CPX01090	Northfield Roundabout Signal Upgrade	90,000.00	0.00	0.00	0.00	0.00	90,000.00

Transport

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
	<b>Major Projects</b>						
	H10 Bletcham Way	120,000.00	0.00	0.00	0.00	0.00	120,000.00
50CPX00353	Monkston Roundabout	350,000.00	4,000,000.00	163,281.00	0.00	0.00	4,513,281.00
50CPX00354	Crownhill - Loughton Improvements	306,732.00	200,000.00	1,800,000.00	0.00	0.00	2,306,732.00
50CPX00265	East West Rail	700,000.00	6,648,652.00	0.00	0.00	0.00	7,348,652.00
<b>Total Prior Years' Continuations</b>		<b>1,566,732.00</b>	<b>10,848,652.00</b>	<b>1,963,281.00</b>	<b>0.00</b>	<b>0.00</b>	<b>14,378,665.00</b>
<b>Section 2 - 2023/24 Programme and future years bids provisionally funded</b>							
Combined	<b>Bridge Programme</b>	0.00	0.00	0.00	420,000.00	490,000.00	910,000.00
50CPX00815	Principal Bridge Inspection Programme	175,000.00	150,000.00	150,000.00	150,000.00	0.00	625,000.00
50CPX00312	Bridge Approach Safety Barrier Upgrades	221,000.00	350,000.00	350,000.00	300,000.00	0.00	1,221,000.00
50CPX00315	Protective coatings to bridge structural elements	30,000.00	30,000.00	30,000.00	150,000.00	0.00	240,000.00
50CPX00316	Porte Cochere Roof upgrades	250,000.00	200,000.00	200,000.00	150,000.00	200,000.00	1,000,000.00
50CPX00317	Structural Improvements to Structures inc Bridge Joint Replacements	226,900.00	315,000.00	350,000.00	500,000.00	500,000.00	1,891,900.00
50CPX00318	Footbridge Refurbishments	100,000.00	225,000.00	310,000.00	400,000.00	400,000.00	1,435,000.00
50CPX00325	Special Investigation of Half Joint St	70,000.00	0.00	0.00	0.00	0.00	70,000.00
50CPX00332	H10 Canal Bridge Upgrading	312,491.00	0.00	0.00	0.00	0.00	312,491.00
50CPX00926	H9 Bridge River Challenge Fund	400,000.00	0.00	0.00	0.00	0.00	400,000.00
50CPX00928	Stag Railway Bridge, Fenny Stratford	162,212.00	0.00	0.00	0.00	0.00	162,212.00
	<b>Street Lighting</b>						
50CPX00668	Street Lighting Column Replacement & LED conversions	500,000.00	1,500,000.00	1,500,000.00	500,000.00	500,000.00	4,500,000.00
	<b>Highways</b>						



Transport

Appraisal Ref	Project Name	2023/24 Programme	2024/25 Programme	2025/26 Programme	2026/27 Programme	2027/28 Programme	Total Programme
50CPX00936	Redways Improvements	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	1,000,000.00
50CPX00937	Footpath Improvements	160,000.00	200,000.00	200,000.00	200,000.00	200,000.00	960,000.00
50CPX00933	Redway Resurfacing	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	1,000,000.00
50CPX00935	Highways and pavement asset enhancement programme	200,000.00	200,000.00	200,000.00	200,000.00	200,000.00	1,000,000.00
50CPX00939	CMK Capital Programme works (Pavements & Street Furniture)	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	250,000.00
50CPX00336	Carriageway Resurfacing	1,308,000.00	1,708,000.00	1,708,000.00	2,170,200.00	2,858,000.00	9,752,200.00
50CPX00337	Surface Dressing Programme	1,317,000.00	2,500,000.00	2,650,000.00	1,950,000.00	0.00	8,417,000.00
50CPX00130	White Lining Programme	150,000.00	150,000.00	150,000.00	150,000.00	150,000.00	750,000.00
50CPX01029	Potholes 10mtr square	650,000.00	0.00	0.00	0.00	0.00	650,000.00
50CPX00341	Upgrading of Highway Carrier drains	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	500,000.00
50CPX00339	Drainage	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	250,000.00
50CPX00345	Vehicle Safety Barriers	50,000.00	50,000.00	50,000.00	0.00	0.00	150,000.00
50CPX01096	Traffic Signals Upgrade	100,000.00	0.00	0.00	0.00	0.00	100,000.00
50CPX00821	Directional Signs	50,000.00	200,000.00	0.00	0.00	0.00	250,000.00
50CPX00362	<b><u>Passenger Transport</u></b>	517,591.00	517,591.00	431,955.00	417,591.00	417,591.00	2,302,319.00
50CPX00822	<b><u>Traffic Management &amp; Road Safety</u></b>	650,000.00	550,000.00	550,000.00	550,000.00	650,000.00	2,950,000.00
50CPX00825	<b><u>Accessibility Fund</u></b>	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00	125,000.00
50CPX00951	<b><u>Housing Infrastructure Fund (highways)</u></b>	41,288,049.00	10,768,143.00	0.00	0.00	0.00	52,056,192.00
50CPX01030	<b><u>Parking and Street Improvements - Agora and Wolverton High Street</u></b>	1,500,000.00	1,711,379.00	0.00	0.00	0.00	3,211,379.00
<b>Total 2023/24 and future years starts</b>		<b>51,013,243.00</b>	<b>21,950,113.00</b>	<b>9,454,955.00</b>	<b>8,832,791.00</b>	<b>7,190,591.00</b>	<b>98,441,693.00</b>
<b>Total Funded 2023/24 Transport Capital Programme</b>		<b>52,579,975.00</b>	<b>32,798,765.00</b>	<b>11,418,236.00</b>	<b>8,832,791.00</b>	<b>7,190,591.00</b>	<b>112,820,358.00</b>



**RISK ASSESSMENT OF GENERAL BALANCE 2023/24 - DRAFT BUDGET**

AREA OF RISK	CONTROLLABLE BUDGET/MAX EXPOSURE £	Max Exposure	ASSESSED RISK LEVEL	FACTOR	VALUE £	MINIMUM PRUDENT RESERVE £	ASSUMPTIONS
<b>1 Global Economy</b>							
Inflation on General Supplies & Services Expenditure (non energy)	38,494,000	3.00%	Medium	25.00%	288,705		Economic Forecasts are sensitive to global and domestic factors, including government energy support packages. Inflation peak in 2023 forecast at 9%.
Major Contract inflation	31,381,000	5.00%	High	25.00%	396,000		Provision for additional inflation risk on contracts over budget provision (Indices vary between Sept 22 - April 23).
Inflation on Energy Budgets	4,030,000	50.00%	High	25.00%	503,750		Budget reflects Laser Energy forecasted wholesale prices. Given significant market volatility these could be materially exceeded.
<b>Total</b>						<b>1,188,455</b>	
<b>2 Budget Pressures/New Responsibilities</b>							
On-going 2023/24 Pressures - Amber	4,953,000	100.00%	Medium	7.50%	371,475		In assessing financial demand based pressures the Council models its projections from a range of published data including census data, PANSI and POPPI together with service data. These forecasts are subject to volatility and this allowance provides an additional buffer should these forecasts prove to be insufficient and in year budget measures not be available to offset the financial impact.
On-going 2023/24 Pressures - Green	3,240,000	100.00%	Low	5.00%	162,000		
<b>Total</b>						<b>533,475</b>	
<b>3 High Risk Budgets [Red]</b>							
Homelessness Prevention and Access	14,304,000	100.00%	High	10.00%	1,430,400		Demand for placements is modelled in line with population growth as well as reviewing the current cohort of children. Looked After Children numbers have decreased from 368 in October 2021 to 356 in October 2022. However a number of high cost placements have been required. The cost of residential placements can be between £3k and £11k per week. Emergency unregulated placements can cost up to £18k per week and although they are for fixed periods of time they are putting pressure on the budget. The number of residential and secure placements has increased from 19 in April 2022 to 28 in October 2022.
Children's Social Care Placements	19,790,000	100.00%	High	10.00%	1,979,000		
Home to School Transport	5,708,000	100.00%	High	10.00%	570,800		Demand Management is key to the mitigation of this risk across Adult Social Care. This includes an effective reablement service to support people to remain in their homes for as long as possible; strength based assessments; utilisation of internal services for complex home care cases and robust processes for agreeing all care and support. There has also been an increase in the weekly average cost of Older People Care Home placements, coupled with increasing demand which is resulting in higher expenditure
ASC Placements	70,744,101	100.00%	High	5.00%	3,537,205		
<b>Total</b>						<b>7,517,405</b>	
<b>4 Budget Reductions</b>							
Risk Reviewed 2023/24 Budget Reductions & Income Generation - Red	0	100.00%	High	50.00%	0		Risk assessment of each individual saving proposal based on previous experience of delivery rate.
Risk Reviewed 2023/24 Budget Reductions & Income Generation - Amber	3,754,000	100.00%	Med	25.00%	938,500		
Risk Reviewed 2023/24 Budget Reductions & Income Generation - Green	2,971,000	100.00%	Low	5.00%	148,550		
<b>Total</b>						<b>1,087,050</b>	
<b>5 Business Rates Funding Risk</b>							
Business Rates Funding	29,000,000	100.00%	Medium	20.00%	5,800,000		MKC could lose up to 7.5% of their business rate funding (£29m) before a safety net applies. The amount of Business Rate income that the Council can retain each year is subject to a number of significant risks including Business Rate appeals and bad debts. Since the retained business system was introduced in 2013/14 this has been a volatile and complex source of income. This is partly mitigated through the Appeals and Bad Debt Provision. However, these are snapshots at a point in time and may be overtaken by changing events.
- Growth Assumption - Appeals/Revaluation - Other							
<b>Total</b>						<b>5,800,000</b>	
<b>6 Emergency Planning</b>							
Bellwin threshold			Absolute		350,000		
Risk Allowance for unbudgeted costs			Absolute		1,000,000		
<b>Total</b>						<b>1,350,000</b>	
<b>7 Income</b>							
Income from Fees, Charges & Contributions	40,000,000	20.00%	Medium	10.00%	800,000		General risk on the collection of fees and charges and impact of on-going Welfare Reforms which could reduce the general public's ability to pay for additional council run services.
<b>Total</b>						<b>800,000</b>	
<b>8 Other</b>							
Staffing - Increased turnover and wage pressure in a tight labour market	100,500,000	10.00%	Medium	10.00%	1,005,000		Following a number of significant events there has been a significant tightening of the labour market, leading to greater turnover, more competition for staff and additional costs through the use of interims, additional recruitment costs and pay inflation.
Insurance Claims					1,000,000		Insurance claims may require additional unbudgeted contributions, above the known level of outstanding claims
School deficits on academy conversion					500,000		Potential risk of further costs from academy conversion (only applies to schools where academisation is directed by the DfE).

AREA OF RISK	CONTROLLABLE BUDGET/MAX EXPOSURE £	Max Exposure	ASSESSED RISK LEVEL	FACTOR	VALUE £	MINIMUM PRUDENT RESERVE £	ASSUMPTIONS
Major Services Contractor failure resulting in emergency re-provision of statutory services	25,000,000	75.00%	Medium	15.00%	2,812,500		In the event of a major contractor failure the Council may need to implement a range of emergency measures to continue service provision including staff TUPE, spot purchase which would result in unbudgeted expenditure. Risk provision using the largest value contract and assumed price pressure at 15%.
Emergency unscheduled re-procurement if major services contractor failure					1,000,000		In the event of a major supplier / contractor failure the Council would need to put in place a full re-procurement earlier than anticipated and would need to fund the costs of this process. With major contracts the costs of this are significant.
Health and Safety Breach	2,000,000	100.00%	Low	50.00%	1,000,000		The Council is responsible under current UK legislation for the safety of its staff, customers and contractors covering a diverse range of services and assets. In the event of any significant breach the Council could become liable to pay compensation and fines.
Fines from Regulators including Data breaches under the new GDPR					1,000,000		Maximum fine rose from 500k to 20m Euro's from May 2019. Any fine is likely to reflect our status as public body, but financial liabilities would still apply.
Cyber Security Recovery					2,000,000		This is a key business risk and the costs of recovery following a successful attack could be significant. Incidents at LB Hackney and Redcar and Cleveland have highlighted the financial costs and risks associated with this.
Losing major planning appeal					1,000,000		The Council has a limited reserve for legal costs. Planning appeals represent one of the more significant and likely events which could lead of a material liability in the event of the Council losing a major planning appeal.
<b>Total</b>						<b>11,317,500</b>	
<b>Risk Assessed General Balance Requirement</b>						<b>29,593,885</b>	

Reserve	Purpose	Active/finished	Forecast Position 31/03/22	Movement in reserves	In-Year Movements	Forecast Position 31/03/2023	Forecast Position 31/03/2024	Forecast Position 31/03/2025	Forecast Position 31/03/2026	Commentary
			£m	£m	£m	£m	£m	£m	£m	
<b>Unearmarked reserves</b>										
General Fund Balance	Statutory Reserve to hold sufficient revenue funds to meet unexpected or unplanned expenditure or shortfalls to income not allowed for within the Councils main revenue budget.	Active	(29.247)	0.000	(0.480)	(29.727)	(29.727)	(29.727)	(29.727)	Minimum balance is £29.6m.
<b>Earmarked reserves</b>										
<b>Non Distributable reserve</b>										
<b>Funding Core Responsibilities</b>										
Corporate Property Reserve * <i>sinking funds</i>	To fund one-off expenditure of the Council's Operational Buildings in line with approved Asset Management Plans.	Active	(3.009)	1.000	0.044	(1.965)	(1.055)	(1.118)	(1.153)	A Strategic Asset Management Strategy has been developed to identify further investment required in Council Operational Assets. The forecast balance of this reserve is therefore expected to be used to implement this Strategy.
HR Manpower Planning Reserve	This fund supports one-off costs associated with Council Terms and Conditions, Restructuring and Re-organisations.	Active	(1.698)	0.000	0.000	(1.698)	(1.698)	(1.698)	(1.698)	This reserve will be used to fund one-off costs from staff restructuring.
Internal Insurance Fund	Internal fund used to manage the financial risk of claims which fall below the excess limits under the Councils Insurance provider contract.	Active	(2.256)	0.000	0.200	(2.056)	(1.856)	(1.956)	(2.056)	The funding level of this reserve is based on recommendations from the Council's Insurers to provide sufficient resources to meet future liabilities that are not covered by external insurance policies. Whilst this reserve could be recycled this would require the Council to place higher levels of external insurance, resulting in higher premiums and is not recommended.
Pension Fund	Reserve to manage the potential impact of pension revaluation changes	Active	(3.924)	0.000	0.000	(3.924)	(3.924)	(3.924)	(3.924)	
Legal Fees Reserve	Provides for one-off funding as and when legal challenges arise to either defend the Council's position or take action to protect its and the taxpayers interests.	Active	(2.097)	0.000	0.500	(1.597)	(1.097)	(0.597)	(0.597)	This is a reactive reserve to support the legal costs of unexpected or exceptional cost not factored into the Councils base budget. There are no current plans to make new contributions to this reserve but the funding level will be reviewed each year.
Covid 19 Reserve	Covid 19 General Grant earmarked to offset the impact of COVID-19.	Active	(5.860)	0.000	5.592	(0.268)	0.000	0.000	0.000	This funding is one-off and is being used in the MTFP for 21/22 or 22/23
Events Reserve	To provide some funding for any future major events, the Council wishes to support but were not known at the time of setting the budget. Dedicated resources for MK50.	Active	(0.100)	0.000	0.050	(0.050)	(0.050)	(0.000)	(0.000)	
Highways Severe Weather Reserve	To fund exceptional costs arising from severe weather events and the cost of keeping local roads accessible and safe (inc. Grit Bins) where the base budget is not sufficient.	Active	(0.200)	0.000	0.000	(0.200)	(0.200)	(0.200)	(0.200)	Balance will fund exceptional costs caused by Severe Weather.
Highways and E&W transformation reserve	Funds set aside to cover the major commissioning programmes being undertaken regarding highways and environment and waste contracts. There highways programme did not start in 19/20 as expected and the funding has been set aside to fund the works as required over the next couple of years.	Active	(0.928)	0.000	0.294	(0.634)	(0.134)	0.000	0.000	
Housing Benefit Subsidy Equalisation	Recommended balance held to manage the impact of the LA Error Threshold being breached.	Active	(0.458)	0.000	0.000	(0.458)	(0.458)	(0.458)	(0.458)	This balance is held to fund any unexpected loss in subsidy arising from a breach in LA Error threshold. The Councils HB subsidy claim is subject to a full audit each year, errors resulting in overpayments are extrapolated, which can lead to Subsidy Penalties.
Devolved Landscape provision	To fund Landscape contract extension funding	Close from 31 March 2023	(0.044)	0.000	0.044	0.000	0.000	0.000	0.000	
LCTS & Welfare	This is to fund the potential impact from LCTS	Active	(0.958)	0.000	0.280	(0.678)	(0.463)	(0.248)	(0.248)	Given all of the uncertainty over Universal Credit and wider economic issues the Council maintains this reserve to help support vulnerable local residents who need additional temporary support which falls outside of the Council Tax Support scheme or Discretionary Housing Payments funding from Central Government. Whilst no forecast use of this funding has been made it is likely that this balance will reduce over the medium term. We will anticipate small use against this reserve over the medium term and this reflected in the forecasted balance.
Overpayments and Welfare Reform	Balance held to fund unexpected and unbudgeted impacts from welfare reform and address the financial risks from non-collection of HB overpayments.	Active	(0.342)	0.000	0.040	(0.302)	(0.262)	(0.222)	(0.222)	The timing over the draw down on this reserve is not easy to predict due to the delays to the roll out of UC and reductions in working age claimants with overpayments which will no longer be deducted from on-going HB payments.
<b>Delivering Transformation and Change</b>										
Strategic Development Fund	Funds one off costs from new initiatives to enable the Council to realise cost savings, grow income or both. Releases are subject to the provision of a satisfactory business case.	Active	(2.577)	0.139	0.527	(1.912)	(2.407)	(2.088)	(1.949)	This reserve will be fully used over the MTFP period and the forecast updated once a clearer view on the costs of transformation delivery are known.
Customer Service and Digital	Funding set aside as part of the Customer Services Transformation programme to provide analysis and programme management to achieve the savings targets.	Active	(0.010)	(0.139)	0.119	(0.030)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Office 365 Implementation	To implement Office 365	Close from 31 March 2023	(0.032)	0.000	0.032	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Housing Systems Service review	To fund a Housing Systems Review and improvement project which includes Northgate and a number of alternative systems that are currently being used, in part as a result of Northgate not currently meeting service needs.	Close from 31 March 2023	(0.100)	0.000	0.100	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Feasibility Fund	This fund will be managed by the Corporate Programme Board to allocate to potential pipeline projects that support the delivery of the Council Plan and key priorities of the Council	Active	(0.100)	0.000	0.000	(0.100)	(0.100)	(0.100)	(0.100)	The balance will be fully drawn down by 31st March 2023.
<b>Budget Management - Ring-fenced</b>										
Better Care Fund	Balance of unspent ring-fenced grant funding held over for future investment in services.	Active	(0.655)	0.000	0.000	(0.655)	(0.655)	(0.655)	(0.655)	Balance has not yet been committed although this will likely be drawn down during 2023 to meet demand.
Cyber Security Measures	To fund Cyber security measures to reduce the risk of loss of data as the result of a cyber attack	Close from 31 March 2023	(0.139)	0.000	0.139	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Bereavement Reserve	This fund will be used to replace and extend the crematorium and cemetery provision in MK as the borough continues to grow. This reserve is a sinking fund to offset this pressure.	Active	(3.630)	0.000	(0.939)	(4.568)	(5.507)	(6.446)	(7.385)	This funding is used to finance future capital investment in existing and new burial and cremation services.

Reserve	Purpose	Active/finished	Forecast Position 31/03/22	Movement in reserves	In-Year Movements	Forecast Position 31/03/2023	Forecast Position 31/03/2024	Forecast Position 31/03/2025	Forecast Position 31/03/2026	Commentary
			£m	£m	£m	£m	£m	£m	£m	
Parking Reserve	Ring Fenced Trading Account to hold surplus funds not yet deployed in respect of On Street Parking or other related activities.	Active	(0.101)	0.015	0.086	(0.000)	(0.000)	(0.000)	(0.000)	
Public Health	Balance of unspent ring-fenced grant funding held over for future investment in services.	Active	(2.437)	0.000	0.240	(2.196)	(1.415)	(1.009)	(0.603)	Uncommitted balance is being held as contingency for Agenda for Change.
<b>3rd Party Funds</b>										
Shared Services Reserve	This fund is used to contribute towards MKCC's share of costs for initiatives and with our partner councils.	Active	(1.217)	0.000	0.834	(0.384)	(0.384)	(0.384)	(0.384)	
Collection Fund Cashflow Reserve	Reserve maintained to deal with the volatility of business rates income as a result of unexpected changes to income from appeals and potential future changes to the system by government.	Active	(13.917)	(13.535)	27.452	0.000	(25.000)	(25.000)	(25.000)	This reserve is not available as this is held to manage timing differences between the Collection Fund and General Fund.
Health Funding for CSC External Placements	Earmarked funding from Health for placements for 3 children	Close from 31 March 2023	(1.030)	0.000	1.030	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Social Care grant reserve (earmarked in MTFP)	Social care grant used to fund the pressure on the Better Care Fund earmarked in MTFP.	Close from 31 March 2023	(1.600)	0.000	1.600	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
LD Pooled Budget Reserve	To fund one additional joint commissioning post specifically for the Learning Disability Service to manage increased workload in relation to transforming care and manage service provision	Active	(0.048)	0.000	0.000	(0.048)	(0.048)	(0.048)	(0.048)	
Broadband Delivery UK project.	For MKC salary and contribution to Central Beds project management fees for City Fibre and BDUK broadband.	Close from 31 March 2024	(0.045)	0.000	0.023	(0.023)	(0.000)	(0.000)	(0.000)	This reserve is held as a risk contingency associated with the delivery of the BDUK contracts (currently contract 2, with a 3rd approved).
Schools Balances	Balances of net funds held on behalf of schools. Under the current policy these funds belong to the schools and not the Council.	Active	(11.832)	0.000	0.000	(11.832)	(11.832)	(11.832)	(11.832)	The schools balances hold the balances of the maintained schools as they are consolidated and are part of the MKC accounts. This is not our money and is fully delegated to schools.
<b>Tariff Management</b>										
One-off Costs of the HCA Transfer	Potential clawback and financial reporting system requirements.	Active	(0.255)	0.000	0.028	(0.227)	(0.198)	(0.170)	(0.142)	
Tariff Reserve	Funding set aside to manage the potential financial cost to the Council under the Risk Sharing Agreement. This is reviewed on annual basis and if further contributions are required these will be added into the reserve.	Active	(6.341)	0.000	(0.580)	(6.921)	(7.501)	(8.081)	(8.661)	The reserve will remain in place until the required tariff contributions to meet the infrastructure costs have been received
<b>Delivering Capital Programme - GF</b>										
Capital Reserve - GF	GF revenue contributions held to finance the current capital programme.	Active	(14.091)	10.312	1.050	(2.729)	(54.950)	(50.470)	(50.470)	Funding is for specific projects allocated within the current capital programme.
Infrastructure Reserve	Revenue contributions held to finance the prior year, current and future borrowing costs of highways investment in the local network.	Active	(16.498)	0.000	1.077	(15.421)	(14.246)	(13.018)	(13.018)	This reserve will remaining in use for the term of the borrowing - Borrowing terms vary depending on the asset expenditure, but the current programme of work continues until 2038
New Homes Bonus	NHB funding which is allocated within the capital programme together with specific revenue one-off items.	Active	(3.200)	1.728	1.472	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Planning Gain Reserve (S106)	Balance of S106 funds held to be invested in a range of different infrastructure schemes linked to the relevant development agreement.	Active	(1.234)	0.085	0.000	(1.149)	(1.149)	(1.149)	(1.149)	
Waste asset renewal fund	Through annual revenue contributions, the Waste Renewal Fund will be built up to enable the capital financing of replacement waste vehicles, once they reach the end of their useful life.	Active	0.000	0.000	0.000	0.000	(3.891)	(7.782)	(11.673)	
Waste Cashflow Reserve	Equalisation Reserve to manage the timing differences of debt financing costs associated with the new Residual Waste Treatment Facility (RWTF).	Active	(0.893)	0.000	0.790	(0.103)	(0.103)	(0.103)	(0.103)	The borrowing of the RWTF continues until 2042
<b>Covid 19 earmarked one-off reserve</b>										
Covid 19 Expanded Retail Relief cashflow Reserve	To fund our share of the 20/21 deficit in the NNDR collection fund which is payable over the next three years. The deficit was caused by Government giving enhanced business rates relief to the retail, hospitality and leisure sector after our budget was set. As compensation for this additional relief Government paid local authorities s31 grant which was used to create the reserve.	Active	(5.480)	0.000	2.740	(2.740)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
<b>TOTAL EARMARKED NON DISTRIBUTABLE RESERVES</b>			<b>(109.339)</b>	<b>(0.395)</b>	<b>44.865</b>	<b>(64.870)</b>	<b>(140.586)</b>	<b>(138.757)</b>	<b>(143.728)</b>	
<b>Earmarked reserves</b>										
<b>Distributable reserve</b>										
<b>GF Temporary Earmarked Reserves</b>										
City Archives Project	MKC commitment to 3 external funding bids to deliver Archive projects.	Close from 31 March 2023	(0.004)	0.000	0.004	0.000	0.000	0.000	0.000	Budget rollover from last year for a Heritage project that MKC agreed to match funding for a 2-3 year project from the 18/19 budget.
Community & Cultural Services Review (CCSR)	Transitional funding for the community and cultural services review (CCSR).	Close from 31 March 2023	(0.020)	0.000	0.020	0.000	0.000	0.000	0.000	In 21/22 there is a indicative plan to use the last part of the reserves and also reshape an area of the service.
Conservation Areas	Funding to support the review of Conservation areas.	Active	(0.013)	0.000	0.004	(0.009)	(0.005)	0.000	0.000	
Heritage at Risk	Requirement to engage professional expertise and contractors to address the deterioration of the Council's historic structures. Currently we have several examples where deterioration has reached such a level that without this investment the costs that the Council would have to otherwise incur would be far greater.	Active	(0.046)	0.000	0.003	(0.043)	(0.040)	(0.037)	(0.037)	
Independent Review of Flooding Incident	An Independent Review of the Flooding Incident in May 2018 was requested in June 2018 and commissioned, procured and agreed for delivery by November 2018. Approximately 33% of the work has been completed.	Active	(0.051)	0.000	0.010	(0.041)	(0.031)	(0.021)	(0.021)	
Council Plan 2021/22	To fund the Council Plan Priorities of the Council agreed as part of the setting of the revised Council Plan.	Active	(2.791)	0.265	2.419	(0.107)	(0.062)	(0.062)	(0.062)	
Political Priorities Reserve	To fund the Political Priorities of the Council agreed as part of the 2020/21 and 2021/22 budget process.	Active	(8.714)	0.130	7.265	(1.320)	(0.665)	(0.007)	0.000	
Paper Recycling Market Risk Reserve	To manage the risk the council due to changes in prices for recycling paper	Active	0.000	0.000	(0.700)	(0.700)	(0.700)	(0.700)	(0.700)	
One Off Pressures Funding Reserve	To fund one-off pressure agreed in the Budget for 2022/23	Active	0.000	0.000	(1.177)	(1.177)	(0.350)	0.000	0.000	
European City of Sport	To fund the European City of Sport project	Close from 31 March 2023	(0.034)	0.000	0.034	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
School Mobility Action Plan	To fund School Mobility Action Plan - 1% council tax increase	Close from 31 March 2023	(0.022)	0.000	0.022	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Mobility Action Plan	One off funding set aside to cover up front costs that would later be capitalised once the capital project was formed.	Active	(0.067)	0.000	0.000	(0.067)	(0.067)	(0.067)	(0.067)	
Hot spot litter pick	To target areas with litter that needs clearing to improve the environment	Close from 31 March 2023	(0.017)	0.000	0.017	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.

Reserve	Purpose	Active/finished	Forecast Position 31/03/22	Movement in reserves	In-Year Movements	Forecast Position 31/03/2023	Forecast Position 31/03/2024	Forecast Position 31/03/2025	Forecast Position 31/03/2026	Commentary
			£m	£m	£m	£m	£m	£m	£m	
Tree management survey and strategy	Tree works resulting from the programme of surveys covering MKCC.	Close from 31 March 2023	(0.228)	0.000	0.000	(0.228)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Estate regeneration	To fund "Getting The Basics Right" in conjunction with Housing	Close from 31 March 2023	(0.068)	0.000	0.068	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Fly tipping	To fund Fly tipping - 1% council tax increase - Getting the basics right	Close from 31 March 2023	(0.027)	0.000	0.027	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Illegal encampments	To fund one fte environmental officer for fixed term to support managing unauthorised encampments	Active	(0.085)	0.000	0.042	(0.043)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
Environmental Crime Enforcement officers	To fund one environmental officer for fixed term	Close from 31 March 2023	(0.025)	0.000	0.025	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Period Poverty	Reserve needed to ensure that member priorities are delivered during the three year pilot programme.	Close from 31 March 2024	(0.042)	0.000	0.022	(0.020)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
E&W Contamination reserve	One off funding to encourage residents to recycle better.	Close from 31 March 2023	(0.051)	0.000	0.051	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Mobility Hub	One off scheme to fund the development of the mobility hub in 21/22	Close from 31 March 2023	0.000	0.000	0.000	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Neighbourhood Planning Support	To fund a project officer in planning to support the Planning Improvement Board to drive improvements	Close from 31 March 2024	(0.109)	0.000	0.059	(0.050)	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2024.
Passenger Transport Studies and Projects	To be used to move concessions pass renewals from current format to on-line	Close from 31 March 2023	(0.010)	0.000	0.010	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Resident Involvement	To commission a piece of work to support MKCC to redevelop its resident involvement framework in order to meet the forthcoming strengthened regulatory requirements and to offer additional funding and support to residents' associations once COVID restrictions start to ease.	Close from 31 March 2023	(0.027)	0.000	0.027	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
2022/23 Budget Pressure reserve	To fund budget pressure in 2022/23 due to increase in inflation and demand.	Close from 31 March 2023	(1.514)	0.000	1.514	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Towns Fund Revenue Reserves	To fund the revenue expenditure related to the Towns Fund deal.	Active	(0.004)	0.000	(0.706)	(0.710)	(0.460)	(0.210)	0.000	
Traveller Site Clearance	One of pressure unspent in 21/22 put into a reserve to spend in 22/23. This funding is for site clearance of the Traveller's site.	Close from 31 March 2023	(0.050)	0.000	0.050	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Care Leavers Support	Budget amendments 21/22 - Care Leavers Support - Deposits on Renting £20k and Development of Bond £50k.	Close from 31 March 2023	(0.070)	0.000	0.070	0.000	0.000	0.000	0.000	Young people have been contacted and personal advisors continue to work with those that may be suitable for these schemes. However no expenditure has been incurred to date due to the lengthy process that these schemes will take to approve
School Academy Conversion	Agreed financial support package for school academy conversion to be provided over a three year period starting from April 22.	Close from 31 March 2023	(0.495)	0.000	0.495	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Poverty Strategy	one-off funding is for support to assist poverty strategy. The strategy has been put on hold until 2022/23 because of the pandemic as it relates to networking child poverty and work with community foundation.	Close from 31 March 2023	(0.035)	0.000	0.035	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Children's Centre Activity Sessions	Funding for positive activity sessions through Children's Centres which include physical exercise and group activities to build resilience and strengthen purpose amongst parents and children in material need, helping parents and children make their next steps	Close from 31 March 2023	(0.026)	0.000	0.026	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
HMO License Fee	HMO income is ringfenced and required to be spent on HMO development. Therefore amounts are contributed to the reserve and spent on projects/staff during the year.	Close from 31 March 2023	(0.074)	0.000	0.074	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Homework Club	To fund Community Homework clubs to address educational attainment gaps, and increase deprivation for the most vulnerable, agreed as part of the budget amendments for 21/22	Close from 31 March 2023	(0.030)	0.000	0.030	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Temporary Accommodation Bad Debt Management	Reserve requested to fund bad debt review resource in 22/23 for Temporary Accommodation	Close from 31 March 2023	(0.178)	0.000	0.178	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Regeneration - Estates Renewals Forums	There is a significant amount of planned regeneration activity over the coming year which will require engagement with local communities and other stakeholders.	Close from 31 March 2023	(0.045)	0.000	0.045	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Womans Euro - Woughton On the Green	To fund maintenance and upgrade of changing facilities at Woughton on the Green for use during the Woman's Euro.	Close from 31 March 2023	(0.025)	0.000	0.025	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
Women's Euro	To fund the additional costs of the Women's euro partly due to the increased popularity of the sport since the bid was placed and also following a more detailed assessment of the detailed costs	Close from 31 March 2023	(0.072)	0.000	0.072	0.000	0.000	0.000	0.000	The balance will be fully drawn down by 31st March 2023.
<b>TOTAL DISTRIBUTABLE RESERVES</b>			<b>(15.067)</b>	<b>0.395</b>	<b>10.157</b>	<b>(4.514)</b>	<b>(2.379)</b>	<b>(1.104)</b>	<b>(0.887)</b>	
<b>Total General Fund Reserves</b>			<b>(153.653)</b>	<b>0.000</b>	<b>54.542</b>	<b>(99.110)</b>	<b>(172.692)</b>	<b>(169.588)</b>	<b>(174.342)</b>	
HRA Reserves										
HRA Working Balance										
HRA Balance	Statutory Reserve to hold sufficient revenue funds to meet unexpected or unplanned expenditure or shortfalls to income not allowed for within the Councils landlord function.	Active	(7.259)	0.000	(0.079)	(7.338)	(7.859)	(7.889)	(7.889)	
Delivering Capital Programme - HRA										
Capital Reserve - HRA	HRA Revenue contributions held to finance the current capital programme.	Active	(64.039)	0.000	30.921	(33.118)	(9.921)	(18.936)	(28.528)	Funding is for specific projects allocated within the current capital programme.
Major Repairs Reserve	Statutory reserve maintained to hold capital funding for future investment in the Councils Housing Stock or to repay debt.	Active	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>Total HRA Reserves</b>			<b>(71.298)</b>	<b>0.000</b>	<b>30.842</b>	<b>(40.456)</b>	<b>(17.780)</b>	<b>(26.825)</b>	<b>(36.417)</b>	
<b>Total Reserves</b>			<b>(224.951)</b>	<b>0.000</b>	<b>85.384</b>	<b>(139.566)</b>	<b>(190.472)</b>	<b>(196.412)</b>	<b>(210.759)</b>	

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