

Medium Term Financial Strategy 2024/25 - 2027/28 Budget Pressures

Portfolio Holder	Service Group	Budget Pressure (New or Revision)	New Reference Number	Old Reference Number	Lead Officer	Proposal Description	Risk Level	Budget 2023/24	2024/25	2025/26	2026/27	2027/28	Reason	Justification
							High, Medium, Low* for definitions see below data Pick from drop down	£000s	£000s	£000s	£000s	£000s		
Demand Pressures														
Emily Darlington	Adult Services	Previously Approved - Unchanged	P24-1L	P23-1L	Victoria Collins	Learning Disability (LD) Services - There is an increasing number of young people with LD reaching adulthood who need support in supported living placements and direct payments. This provision is based on both the number of service users expected to transition from Children's to Adult Services, and an increase in demand caused by a change in need and an ageing population. In addition there is a pressure for care breakdowns based on an average of 3 packages. The net cost pressure is based on an additional 24 service users in 2024/25, 26 in 2025/26 and 27 in 2026/27.	MEDIUM	16,602	883	914	1,104	1,062	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	Previously Approved - Amended	P24-2L	P23-2L	Victoria Collins	Older People - The pressure is a result of increasing demand for Older People services, in the main there has been an increase in support at home packages. There has also been an increase in residential and nursing spot packages and an increase in placement costs due to complexity being seen in the current financial year. From 2024/25 to 2025/26, activity levels have been provided for based on a general net demographic growth of 4.5% increase, 3% thereafter as evidenced by Poppi/Pansi data (national statistics).	HIGH	20,711	2,319	826	701	701	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	Previously Approved - Amended	P24-3L	P23-3L	Victoria Collins	Physical Disabilities - The 2023/24 forecast pressure is due to a 7% increase in the number of care packages and an 11% increase in the average costs from 2022/23. The future provision is based on a 4.5% increase in number of care packages for 2024/25 and 2025/26. Future provisions are based on a 1% increase in care packages per year, as evidenced by Poppi/Pansi data (national statistics).	HIGH	8,480	1,021	314	178	178	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	Previously Approved - Unchanged	P24-4L	P23-4L	Victoria Collins	Mental Health - The pressure is based on 15% growth (as seen in 2023/24 to date) plus 33 additional service users due to demographic growth and transitions. Future year provisions are based on 35 new packages/placements each year, plus 10 transitions in 2025/26 and 4 transitions in 2026/27.	MEDIUM	5,074	550	529	525	525	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	New this year	P24-5N	NEW	Victoria Collins	Autism - provision based on current growth trends of 14% for 2024/25 and demographic growth of 8 service users from 2023/24 onwards. This budget used to be combined with Mental Health budget in previous years and therefore a proportion of the growth includes prior Mental Health packages.	MEDIUM	1,119	841	471	481	481	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	New this year	P24-6N	NEW	Victoria Collins	Homelessness Prevention - Accommodation - provision for a continued increase in households preventing as homeless based on the current demand (average of 979 households)	HIGH	13,335	1,110	430	415	434	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	New this year	P24-7N	NEW	Victoria Collins	Homelessness Prevention - Staffing - Additional Housing officers (2 FTE) required, due to the increasing number of homelessness applications.	LOW	1,991	64	0	0	0	DEMOGRAPHY	Business Case
Emily Darlington	Adult Services	New this year	P24-8N	NEW	Victoria Collins	Mental Health Supported Accommodation - to enable the commissioning of an additional 8-10 bed places due to increasing demand. Currently, there are 37 beds commissioned and we have 43 out of area placements due to capacity. Therefore, a pressure is required to increase bed capacity, whilst also re-modelling the current delivery of the service.	MEDIUM	1,090	72	101	0	0	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	New this year	P24-9N	NEW	Victoria Collins	Supported Housing for Older People - Staffing - provision for additional staffing budget to meet the capacity of needs for residents who are requiring increasing support covered by overtime and relief staff.	MEDIUM	2,863	295	0	0	0	DEMOGRAPHY	FINANCIAL Model
Emily Darlington	Adult Services	New this year	P24-10N	NEW	Victoria Collins	Community Alarm - Due to national digital transformation of phone lines there are 1282 analogue alarm units that will no longer work and a digital solution is required. Therefore, the current base budget needs to be increased due to the increase in cost of the purchased alarms, as well as the increase of cost of the supporting system, the call handling platform cost is almost double the cost of analogue system. Need to consider as part of the fees and charges review whether these costs should be recovered.	LOW	103	54	0	0	0	CONTRACTUAL CHANGE	Business Case
Total Adult Services									7,219	3,585	3,404	3,381		
Zoe Nolan	Children's Services	Previously Approved	P24-11L	P23-6L	Mac Heath	Home to School Travel - Currently 1,595 children receive support to access school. The majority are children with Special Education Needs that require specialist school placements. The number of pupils entitled to home to school transport is projected to increase by 7% in 2023/24 and future years, in line with growth forecasts in the number of children with an EHCIP. There is a higher increase in 2024/25 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 children's needs 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 levels of need.	HIGH	6,780	895	562	602	645	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Previously Approved - Amended	P24-12L	P23-7L	Mac Heath	Children with Disabilities (CWD) - The average annual cost of a direct payment (DP) package of support for a CWD has increased by 31% from £5,444 in 2021/22 to £7,124 in 2022/23. In August 2023 the average cost increased by a further 20% to £8,538 on the 2022/23 average. The pressure is based on a further increased support package cost of 15%. In addition the number of children requiring a DP package has been steadily increasing with an increase of 3% year on year projected.	HIGH	1,799	465	131	140	150	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Previously Approved - Amended	P24-13L	P23-8L	Mac Heath	Children's Social Care Placements - There is a change in the age and profile of children becoming looked after and those requiring permanent placements such as special guardianship, adoption and 'traying pad' alongside the changes in statutory guidance. Continued difficulty in increasing national placement sufficiency has resulted in some children needing to be placed in external, higher cost placements. In addition due to the nature of children's needs and presenting risks to self or others, specialist high cost placements such as secure and residential placements are also required. The 2024/25 pressure is based on projected placement numbers and for 2025/26 onwards demand has been estimated alongside the expected increase in child population.	HIGH	21,984	1163	295	298	302	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	Previously Approved - Amended	P24-14L	P23-13N	Mac Heath	Young Peoples Supported Housing - Services are currently delivered through a block contract which started in January 2017 and is due to end in March 2024. The current contract provides for 45 placements. The new contract is expected to deliver the same contractual placement plus an additional 12 to meet increased LASC demand. The pressure relates to a Delegated Decision taken on 12 July 2022 for Young People's Supported Accommodation.	MEDIUM	851	275	0	0	0	DEMOGRAPHY	BUSINESS CASE
Zoe Nolan	Children's Services	New this year	P24-15N	NEW	Mac Heath	Corporate Parenting Staffing - An increase in staffing is required for the Leaving Care team due to the increased number of care leavers. There has been a 65% increase in the care leavers from 280 (average in 2019/20 to 325 (September 2023) for 18+ and care leavers. The majority of this increase is due to rising care leaver numbers. More young people are coming into care in their teens which means they are ageing out quicker but we still have a statutory duty to support care leavers up to age 25. The numbers of unaccompanied asylum seeking children (UASC) continues to increase and this group tend to come in to care in their late teens. There are a total of 39.8 FTE workers in the team and this pressure is proposing to increase the number to 22.8 FTE. Part of the pressure has been offset by a reduction of 1 FTE workers in the Children in Care team (CIC) recognising the fact that more children are coming into care later.	MEDIUM	944	91	0	0	0	DEMOGRAPHY	Business Case
Zoe Nolan	Children's Services	New this year	P24-16N	NEW	Mac Heath	Multi Agency Safeguarding Hub (MASH) Staffing - the number of contacts and referrals coming into the service has increased by 1.5% in 2022/23 from the previous year and the number of referrals increased by 2.7% during the same period this year. It is anticipated that the number of referrals will further increase in 2023/24 and 2024/25 requiring additional capacity to meet statutory timescales and ensure capacity can meet demand. This pressure will increase the establishment from 28.2 FTE to 35.2 FTE. The nature of the team means workers do not carry caseloads but do carry child protection decision making and risk assessments when referrals come in, and timescales of investigations and assessments are currently being compromised due to social worker capacity within the service.	MEDIUM	1,634	418	0	0	0	DEMOGRAPHY	Business Case
Zoe Nolan	Children's Services	New this year	P24-17N	NEW	Mac Heath	Children with Disabilities (CWD) Staffing - the team is being reviewed due to increasing demand. There has been a 21% increase from 339 to 423 in open cases from June 2020 to June 2023. There is roughly a 10:50 in these case numbers between families requiring statutory intervention/support and short breaks. It is proposed to split the current team into two to ensure statutory support is being delivered in line with regulatory guidance. Therefore additional investment into the team is required to both meet the additional demand but also ensure the Council follows statutory guidance on holding these cases. This will increase the establishment from 16.57 FTE to 20.81 FTE.	MEDIUM	767	289	0	0	0	DEMOGRAPHY	Business Case

Zoe Nolan	Children's Services	New this year	F24-18N	NEW	Mac Heath	Furze House - following an Ofsted direction, a new night post is required for Furze House to operate within sufficient staffing ratios. These additional hours are currently being covered by overtime but this is not sustainable. The additional post is for a 20 hour per week permanent role to increase the establishment from 17 APTs to 18.17PE.	LOW	875	30	0	0	0	0	POLICY CHOICE	Business Case
Zoe Nolan	Children's Services	New this year	F24-19N	NEW	Mac Heath	Independent Reviewing Officers (IRO) Staffing - increase of 1.5 FTE to manage increased caseloads in the team as a result of population growth and rising numbers of Unaccompanied Asylum Seeking Children. There are currently 7.5 FTE IRO roles in the team so this proposal will increase the number of these roles to 9 FTE. In September 2023, there were 584 cases across the team which is an average of 78 per IRO, the national guidance recommends 50-70 per IRO and this pressure will allow the average to reduce to 65 per IRO and allow them to be able to execute the role effectively.	MEDIUM	920	110	0	0	0	0	DEMOGRAPHY	Business Case
Total Children's Services								2,756	988	1,040	1,097				
Lauren Townsend	Finance & Resources	Previously Approved - Unchanged	F24-20L	F23-15N	Steve Richardson	Self-insurance Fund - the council operates a self-insurance fund to reduce the cost of annual premiums. Currently an annual contribution of £500K is made from the General Fund. Based on recent claims history the needs to be increased to reflect the level of losses being incurred.	MEDIUM	500	300	0	0	0	0	DEMAND: NEW	BUSINESS CASE
Lauren Townsend	Finance & Resources	New this year	F24-21N	NEW	Steve Richardson	External Audit Fees - Public Sector Audit Appointments (PSAA) have issued a consultation on audit fees which runs until December 2023. The consultation proposes a reset to audit fees for 2023/24 audit, which also includes an overall fee uplift of 151% to the current scale fee. Although we had anticipated a fee uplift, this is higher than we had made provision for and we are therefore increasing this provision to reflect the proposed fee in the consultation, £202.5 (pressure of 151%).	MEDIUM	354	103	0	0	0	0	CONTRACTUAL CHANGE	BUSINESS CASE
Lauren Townsend	Finance & Resources	New this year	F24-22N	NEW	Steve Richardson	Hyecentric Licence Costs - The new Income Management System, Hyecentric, administered by the Shared Service model with CC, WMC and NMC has resulted in a pressure on the on-going business.	LOW	78	46	0	0	0	0	CONTRACTUAL CHANGE	BUSINESS CASE
Lauren Townsend	Finance & Resources	New this year	F24-23N	NEW	Steve Richardson	HR Recruitment System - The current system was funded from Reserves as the future direction wasn't clear; it is now due for renewal. It is now considered critical to the functioning of the service and has delivered efficiencies within the HR team and more widely across MKCC in helping to streamline with recruitment process.	LOW	0	33	0	0	0	0	CONTRACTUAL CHANGE	BUSINESS CASE
Lauren Townsend	Finance & Resources	New this year	F24-24N	NEW	Steve Richardson	Specified Exempt Accommodation - The pressure reflects continued growth in the number of SEA properties. The Council is not able to recover the full cost of benefits paid through the subsidy system as the government cap the amount all Councils are allowed to claim, even though the actual costs claimed are higher.	MEDIUM	0	66	0	0	0	0	DEMAND: NEW	BUSINESS CASE
Lauren Townsend	Finance & Resources	New this year	F24-24N	NEW	Steve Richardson	Reduction in subsidy recovery - This is a pressure created by the transition to Universal Credit as the migration of working age claimants will reduce the overall subsidy the council receives from the recovery of HB overpayments.	HIGH	899	180	0	0	0	0	DEMAND: NEW	BUSINESS CASE
Total Finance & Resources								728	0	0	0				
Paul Trendall	Customer & Community	New this year	F24-26N	NEW	Sarah Gonslaves	Building Control Staffing - A pressure has arisen primarily due to the introduction of regulation for Building Control around building and fire safety, meaning the balance of chargeable and safety work has shifted, as well as correcting historic budget deficits.	MEDIUM	502	175	0	0	0	0	DEMAND: NEW	BUSINESS CASE
Paul Trendall	Customer & Community	New this year	F24-27N	NEW	Sarah Gonslaves	Performance & Systems Staffing - An unfunded seconded post has been moved to this area. There is no budget to absorb these additional costs. The post is essential to complete statutory returns for adult social care within the required deadlines.	LOW	0	13	0	0	0	0	STAFFING	BUSINESS CASE
Paul Trendall	Customer & Community	New this year	F24-28N	NEW	Sarah Gonslaves	Information Governance Staffing - Historical budget issues have resulted in a small pressure. This cannot be mitigated from within as the team is already working at capacity dealing with regulatory & statutory returns.	LOW	188	37	0	0	0	0	STAFFING	BUSINESS CASE
Total Customer & Community								225	0	0	0				
Total Chief Executive, Social Care and Housing								11,928	4,573	4,444	4,478				
Lauren Townsend	Law & Governance	New this year	F24-29N	NEW	Sharon Bridgslingsh	Independent Persons - Following a Delegated Decision in 2020, and in line with statutory obligations, independent persons were appointed to assist with allegations of misconduct against Councillors and to sit on disciplinary panels relating to statutory officers. The annual fees and associated duties have now created a modest budget pressure.	LOW	0	5	0	0	0	0	DEMAND: NEW	Business Case
Lauren Townsend	Law & Governance	New this year	F24-30N	NEW	Sharon Bridgslingsh	Legal Case Management System - On-going licence costs above existing budget for new cloud based legal case management system to replace unrelabel legacy system and ensure timely management of cases.	MEDIUM	20	20	0	0	0	0	DEMAND: NEW	Business Case
Total Law & Governance								25	0	0	0				
Pete Marland	Planning and Placemaking	Previously Approved - Amended	F24-31L	F23-18N	Paul Thomas	Planning income - anticipated shortfall of planning income against previously forecasted amounts.	MEDIUM	3,080	0	0	-150	-450	DEMAND: EXCEPTIONAL	BUSINESS CASE	
Pete Marland	Planning and Placemaking	New this year	F24-32N	NEW	Paul Thomas	Land charge income - anticipated shortfall of planning income against previously forecasted amounts.	MEDIUM	378	190	-30	-60	0	DEMAND: EXCEPTIONAL	Business Case	
Total Planning & Placemaking								190	-30	-210	-450				
Jenny Wilson-Marklew	Environment and Property	Previously Approved - Unchanged	F24-33L	F23-19L	Stuart Proffitt	Demographic Growth (Waste) - the standard year on year calculation based on city growth and increased demand for waste services (refuse collection, food and garden waste collection and disposal, street cleaning, and household waste sites). This reflects the additional new homes projections over the next 4 years ranging from 1.88% to 2.00%.	LOW	22,662	468	534	556	578	DEMOGRAPHY	FINANCIAL Model	
Jenny Wilson-Marklew	Environment and Property	Previously Approved - Unchanged	F24-34L	F23-20L	Stuart Proffitt	Demographic Growth (Landscape) - the standard year on year calculation based on city growth and increased demand for landscape and maintenance services. Based on between 1.88% and 2.00% growth in landscape adopted areas, from new homes projections.	LOW	3,666	75	86	90	94	DEMOGRAPHY	FINANCIAL Model	
Jenny Wilson-Marklew	Environment and Property	Previously Approved - Unchanged	F24-35L	F23-21L	Stuart Proffitt	Demographic Growth (Highways) - the standard year on year calculation based on city growth and increased maintenance and service requirements for highways, street lighting and winter maintenance. Based on 2% growth in adopted highway per annum.	LOW	7,270	145	148	151	154	DEMOGRAPHY	FINANCIAL Model	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-36N	NEW	Stuart Proffitt	POP - The cost of disposing of unlabelled waste domestic, starting has increased following new guidance from the Environment Agency that waste containing persistent organic pollutants (POP) must go to incineration rather than landfill.	LOW	0	315	0	0	0	CONTRACTUAL CHANGE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-37N	NEW	Stuart Proffitt	Pest Control - Provision of a dedicated Pest Control budget. The service has been run via one-off funding for two years and has demonstrated significant improvements. However, a dedicated routine programme now needs to be implemented as business as usual in order to maintain the areas that have been addressed so far.	LOW	0	30	0	0	0	POLICY CHOICE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-38N	NEW	Stuart Proffitt	Environmental Services Contract (ESC) - Traffic Management - Street and verge cleaning of main roads requires traffic management and night closures in order for the work to be done in a safe environment and with a improved outcomes in terms of cleansing landscaping and public realm management. As part of the commissioning of the ESC, it was agreed that this area of the contract would be assessed in more detail once the contract was awarded. A ROPN based review of the roads has been undertaken and this additional cost agreed with the new contractor.	LOW	8,830	150	0	0	0	CONTRACTUAL CHANGE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-39N	NEW	Stuart Proffitt	Environmental Services Contract (ESC) - Landscape Costs - When the new Environmental Services contract was procured, there was a recognition that the GIS data that feeds into the landscape service was a snap shot in time. Since the initial working (summer 2023) a significant amount of work has been done to update the landscape land parcels in the contract, resulting in this pressure. This will be an ever evolving position through the life of the contract as land comes in and out of the contract. This process is contractually managed through a change process.	LOW	3,666	260	0	0	0	CONTRACTUAL CHANGE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-40N	NEW	Stuart Proffitt	MKWRP Insurance - There continues to be a general hardening in rates for insurance of waste management facilities which started two years ago due to the increase in interest rates and the rising costs of meeting claims due to inflation. This pressure takes account of an actual increase from 2022/23 that remains unbudgeted of £0.100m and an assumption that the increase will be the same again in 2024/25 albeit the 2024/25 is a provisional amount at this stage.	MEDIUM	170	200	0	0	0	CONTRACTUAL CHANGE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-41N	NEW	Stuart Proffitt	Site/Land Security - A previous 5 year programme to improve the security of sensitive sites from illegal encampments has now been completed. However, new sites continue to be identified, some with unique issues. This pressure will give greater flexibility in addressing future illegal encampments.	LOW	0	50	0	0	0	POLICY CHOICE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-45N	NEW	Stuart Proffitt	MKWRP - Waste Disposal Costs (revenue implications for the Authority arising from the forthcoming Delegated Decision for Deed of Variation 3 (DOV3) with Thales for Milton Keynes Waste Recovery Park (MKWRP).	LOW	0	1,000	0	0	0	CONTRACTUAL CHANGE	Business Case	
Jenny Wilson-Marklew	Environment and Property	New this year	F24-46N	NEW	Stuart Proffitt	MKWRP - Bulky Waste - revenue implications for the Authority arising from the forthcoming Delegated Decision for Deed of Variation 4 (DOV4) with Thales for Milton Keynes Waste Recovery Park (MKWRP).	LOW	0	493	0	0	0	CONTRACTUAL CHANGE	Business Case	
Total Environment and Property								3,186	768	797	826				
Total Deputy Chief Executive								3,401	738	587	376				
Total Demand Pressures								15,329	5,311	5,031	4,854				
Other Pressures															
Lauren Townsend	Finance & Resources	Previously Approved - Unchanged	F24-43L	F23-23N	Steve Richardson	Azure - A delegated decision was taken to move the council's servers from Northampton to the MS Azure Data Centre. This is initially being funded through New Homes Bonus. Baseline budget funding will be required from 2025/26.	MEDIUM	905	0	499	0	0	0	CONTRACTUAL CHANGE	BUSINESS CASE
Lauren Townsend	Finance & Resources	Previously Approved - Amended	F24-43L	F23-24N	Steve Richardson	Telephone Card Payments System - as part of the procurement of the new income management system the Council needs to purchase additional services to enable card payments to be taken securely and in line with best practice. This function is not currently available with our existing income management system.	LOW	24	12	0	0	0	0	CONTRACTUAL CHANGE	BUSINESS CASE
Total Finance & Resources								12	499	0	0				
Total Chief Executive, Social Care and Housing								12	499	0	0				
Pete Marland	Planning & Placemaking	Previously Approved - Unchanged	F24-44L	F23-25N	Paul Thomas	Planning Academy Continuation - This is to continue the Academy into future years, assuming that the cohorts from 23/23 and 23/24 continue their training. This is necessary to take forward the discussions and Memorandum of Understanding we have with the Royal Town Planning Institute.	MEDIUM	150	31	88	-60	0	POLICY CHOICE	BUSINESS CASE	

