

Medium Term Financial Strategy 2025/26 - 2028/29 Budget Pressures

Portfolio Holder	Service Group	Budget Pressure (New or Revision)	New Reference number	Old Reference Number	Lead Officer	Proposal Description	Risk Level	Budget 2024/25	2025/26	2026/27	2027/28	2028/29	Reason	Justification
								£000s	£000s	£000s	£000s	£000s		
Demand Pressures														
Donna Fuller	Adult Services	Previously Approved - Unchanged	P25-1L	P24-1L	Victoria Collins	Learning Disability (LD) Services - Service users have been re-identified at review as Autism being their primary condition and therefore have been transferred to the Autism service. Young people with LD reaching adulthood who require supported living placements and direct payments continues to increase. Support hours for users with LD has been reviewed leading to a new framework being implemented which will move away from a 121 model to a shared hours model and applied where appropriate.	MEDIUM	17,924	0	725	1,145	2,406	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	Previously Approved - Amended	P25-2L	P24-2L	Victoria Collins	Older People (OP) - The pressure is due to increasing demand for services, in the main there has been an increase in support at home packages. Additionally there has been an increase in residential spot packages and an increase in placement costs due to the complexity in needs. 2025/26 forecasts are based on activity levels currently being seen YoY in each corresponding area under Older People, 2026/27 onwards pressure are based on 4% as evidenced by Poppi data (national statistics).	HIGH	20,518	1,478	724	737	734	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	Previously Approved - Amended	P25-3L	P24-3L	Victoria Collins	Physical Disabilities (PD) - 2024/25 and 2025/26 are seeing higher demand due to the backlog of assessment being addressed. The 2025/26 pressure is based on a 10% increase reducing to 4% increase per year from 2026/27. The pressure is partially offset by an increase in client contributions which is expected to continue going forward.	HIGH	9,493	1,663	501	501	501	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	Previously Approved - Unchanged	P25-4L	P24-4L	Victoria Collins	Mental Health - The 2025/26 pressure is based on a 56% growth in service users with an average cost of £0.028m per package, the increase is prevalent in those accessing Supported Living and Residential care settings. Future year projections are expected to see a net increase of 60 for 2026/27 and 70 for 2027/28 onwards.	MEDIUM	5,497	1,215	1,149	1,530	1,983	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	New this year	P25-5L	P24-5N	Victoria Collins	Autism – There is an increasing number of young people with autism reaching adulthood who need support in supported living placements. This provision is based on the number of service users expected to transition from children to adult's and has historically been built into Learning Disability services; however there has been a significant increase in those reaching adulthood with a diagnosis of autism, due to increased public awareness of autism and diagnoses. The pressure assumes an additional 26 service users in 2025/26, 27 in future years with a slight decrease in the average cost of a package from 2027/28 due to an expected reduction in complexity of needs.	MEDIUM	2,559	1,213	1,104	1,062	1,062	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	New this year	P25-6N	P24-6N	Victoria Collins	Homelessness Prevention - Accommodation - Provision for a continued increase in households presenting as homeless based on the current demand (average of 1,155 households). It is projected that the work on prevention and TA provision will contain the pressure at its 2025/26 level.	HIGH	16,875	200	0	0	0	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	Previously Approved - Amended	P25-7L	P24-8N	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	1,162	101	0	0	0	DEMOGRAPHY	Financial Model
Donna Fuller	Adult Services	New this year	P25-8N		Victoria Collins	Block Care Home Contract - An exceptional adjustment was made to the current bed rates from the 1 July 2024 in order to be financially sustainable and cover actual cost of bed expenses	HIGH	9,568	685	0	0	0	CONTRACTUAL CHANGE	Business Case
Donna Fuller	Adult Services	New this year	P25-9N		Victoria Collins	Block Care Home Contract (offsetting pressure) - It is anticipated that the block care home pressure will be offset by utilisation of market sustainability grant, and £85k client contributions	HIGH	0	(685)	0	0	0	CONTRACTUAL CHANGE	Business Case
Donna Fuller	Adult Services	New this year	P25-10N		Victoria Collins	Minor Adaptations - are those that are easily installed and do not require structural changes to the home. Under section 14 of the Care Act it's not lawful to charge for equipment or minor works under £1,000. Examples of minor-adaptations include; wall mounted rails, wall mounted rails to assist with getting in and out of a home, wall mounted bath or shower equipment. The current demand is resulting in an overspend; which has led to the pressure.	LOW	39	50	0	0	0	CONTRACTUAL CHANGE	Financial Model
Donna Fuller	Adult Services	New this year	P25-11N		Victoria Collins	Integrated Community Equipment Service (ICES) - a statutory service which provides a wide range of equipment and aids to assessed individuals, requiring intervention, to reduce, prevent and delay the need for more serious intervention and hospital admission. This allows people to have maximum independence and improved quality of life. The pressure is to meet current demand and forecast future demand in addition to the increasing cost of equipment.	HIGH	1,922	121	0	0	0	DEMAND: EXCEPTIONAL	Financial Model
Total Adult Services									6,041	4,203	4,975	6,686		
Joe Hearnshaw	Children's Services	Previously Approved - Amended	P25-12L	P24-11L	Mac Heath	School Travel Support (STS) - statutory duty to provide free travel support for children who meet the eligibility criteria. Effective eligibility screening, monitoring and commissioning processes have supported the average weekly costs per child to remain stable despite inflation and the creation of special school places the 2025/26 has been reduced accordingly. Demand from 2026/27 has been predicted to increase in line with the rising number of children with an Education, Health and Care Plan (EHCP).	LOW	8,360	51	528	562	598	DEMOGRAPHY	Financial Model
Joe Hearnshaw	Children's Services	Previously Approved - Amended	P25-13L	P24-12L	Mac Heath	Children with Disabilities (CWD) - the number of children requiring a package of support either for respite or care continues to increase. Since 2023/24 the number of children receiving a package has increased by 18% with an average annual cost of £8k for a package.	HIGH	2,464	1,067	377	453	546	DEMAND: EXCEPTIONAL	Financial Model
Joe Hearnshaw	Children's Services	Previously Approved - Amended	P25-14L	P24-13L	Mac Heath	Children's Social Care - External Residential Placements - there has been an increase in the number of high cost residential placements in 2024/25. The current year budget is set at 25 placements however we currently have 46 placements in the forecast. Step down plans are in place for some of these children but it is anticipated that these numbers will remain high as we see more children coming into care requiring specialist provisions. The current average annual cost of these placements is £0.407m each demonstrating the volatility of this budget. The pressure for 2025/26 is based on the equivalent of 44 high cost placements. An adjustment has been built into the budget for placements in a new in-house residential provision this is shown on the reductions schedule in Annex E.	HIGH	11,558	8,135	403	403	403	DEMAND: EXCEPTIONAL	Financial Model
Joe Hearnshaw	Children's Services	New this year	P25-44N		Mac Heath	Children's Social Care - contributions from health for children with significant and complex medical needs requiring a specialist residential placement have been estimated based on 7% on external placement costs.	HIGH	11,558	(1,500)	0	0	0	DEMAND: EXCEPTIONAL	Financial Model

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Joe Hearnshaw	Children's Services	Previously Approved - Amended	P25-15L	P24-13L	Mac Heath	Children's Social Care - External Fostering Placements - the average number of Looked after Children (LAC) in 2022/23 and 2023/24 was 357 and 379 respectively. At September 2024 there were 482 LAC and it is expected that this number will continue to rise. Roughly 70% of our LAC cohort will go into a fostering placement (either in house or external) and therefore it is expected our placements sourced with external fostering providers will increase to place this growing cohort. In September 2024 we had 141 children placed with an Independent Fostering Agency (IFA) and the 2025/26 pressure is based on 156 full year IFA placements.	HIGH	5,663	2,365	136	82	82	DEMAND: EXCEPTIONAL	Financial Model
Joe Hearnshaw	Children's Services	Previously Approved - Amended	P25-16L	P24-13L	Mac Heath	Children's Social Care - In House Placements - we have a variety of placements where we source and pay carers directly including Fostering, Kinship, Special Guardianship Order (SGO) Carers and Adoption placements. The pressure is based on a net increase of 15 foster care placements to place our increasing number of LAC in 2025/26. On top of this, the number of children we have placed under an SGO arrangement continue to increase. These children are no longer a LAC but carers are entitled to a means tested allowance. Across the year in 2022/23 and 2023/24 SGO carers of 260 and 287 children respectively were eligible for an allowance. Further growth has been built into the budget assuming growth normalises.	HIGH	7,740	1,052	246	291	281	DEMAND: EXCEPTIONAL	Financial Model
Joe Hearnshaw	Children's Services	New this year	P25-17N		Mac Heath	Corporate Parenting Staffing Teams - additional resource is required in the Children in Care and Leaving Care social work teams as a result of an increasing number of Looked After Children. On top of this, more children are being placed out of area meaning social worker caseloads are currently lower than budgeted as it is taking additional time to carry out visits across the Country.	HIGH	1,821	316	0	0	0	DEMAND: EXCEPTIONAL	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-18N		Mac Heath	Fostering Finance Policy - Amendments to our current financial offer to our internal foster carers to increase recruitment and retention of foster carers.	MEDIUM	2,597	106	0	0	0	POLICY CHOICE	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-19N		Mac Heath	Regional Adoption Agency - MKCC is currently part of a joint adoption agency with Central Bedfordshire Council. At the moment both partners split all costs of this service 50:50 but the financial contributions will change from 1st April 2025 to reflect a split based on activity instead. MKCC has a higher number of adoptions than CBC so our contribution will be higher.	MEDIUM	839	156	0	0	0	CONTRACTUAL CHANGE	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-20N		Mac Heath	Fostering Panel Fees - a review has been undertaken of the fees we pay to our independent Fostering Panel members and has been revised so it is more in line with regional neighbours. On top of this there is an expectation there will be more panels going forward both in light of increasing number of children in foster care placements and also meet the need for approving more in house foster carers.	LOW	76	25	0	0	0	POLICY CHOICE	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-21N		Mac Heath	Legal - the costs associated with bringing a child into care include the standard court fee for starting proceedings as well as court ordered drug and alcohol lab tests, independent assessments and reports and expert costs. With a rising number of children coming into care there is a requirement to increase the budget to meet demand.	HIGH	350	500	0	0	0	DEMAND: EXCEPTIONAL	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-22N		Mac Heath	Resources Panel - the number of children and families that require support from Children's Services is increasing. The main areas of spend that continue to rise is for court ordered contact which is above the capacity that can be delivered by our in house service, assessment and therapy costs that are required as part of the pre proceedings stage. In addition transport costs including taxis to and from contact as well as for school transport are also increasing.	HIGH	279	201	0	0	0	DEMAND: EXCEPTIONAL	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-23N		Mac Heath	Educational Psychology - A procurement process is currently underway to appoint a provider who can deliver 40 assessments per month to cover the current demand for EHCP assessments. There is a nationwide recruitment problem for Educational Psychologists and due to the establishments having a number of vacancies the team no longer have the capacity to carry out assessments.	HIGH	714	259	0	0	0	DEMAND: EXCEPTIONAL	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-24N		Mac Heath	ASYE Statutory Assessor - Fund new ASYE Statutory Assessor role who will support and assess Newly Qualified Social Workers (NQSWS) during the ASYE in line with the Department for Education standards and expectations. This role ensures they get the support they need to develop the skills required to become skilful, efficient, and resilient Social Workers. The increased support will also allow for the recruitment of additional NQSW's across children's social care which supports the reduction in agency costs.	LOW	365	20	0	0	0	DEMAND: NEW	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-25N		Mac Heath	Young People's Substance Misuse Service - the FDAC (Family Drug and Alcohol Court) team work with 30-40 families a year between Milton Keynes and Buckinghamshire, with the number of cases weighted by the financial contribution from each area, currently 20-25 or more families are from the MK cohort. Demand for FDAC places outstrips supply in MK due to the limited team budget. Public Health will contribute a maximum £0.050m a year recurrently from the Public Health Grant, to enable the FDAC Team to increase the number of families they support in MK.	LOW	183	50	0	0	0	POLICY CHOICE	Financial Model
Joe Hearnshaw	Children's Services	New this year	P25-26N		Mac Heath	Children's Advocacy Contract - Uplift in contract value to support the re-tendering of the Advocacy contract, due to commence in July 2025.	LOW	78	47	0	0	0	DEMAND: NEW	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-27N		Mac Heath	Family Time Staffing - increase FTE of our Family Time Workers to support increased demand on service to supervise court directed contact as a result of more children coming into care.	MEDIUM	555	116	0	0	0	DEMAND: EXCEPTIONAL	Business Case
Joe Hearnshaw	Children's Services	New this year	P25-28N		Mac Heath	Children With Disabilities (CWD) Staffing Team - increase FTE of social workers in our CWD team to meet current and future demand.	MEDIUM	902	109	0	0	0	DEMAND: EXCEPTIONAL	Business Case
						Total Children's Services			13,075	1,690	1,791	1,910		
Lauren Townsend	Finance & Resources		P25-29N		Steve Richardson	LWP/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.	MEDIUM	15,757	140	0	0	0	DEMAND: EXCEPTIONAL	Business Case
						Total Finance & Resources			140	0	0	0		
						Total Chief Executive, Social Care and Housing			19,256	5,893	6,766	8,596		
Lauren Townsend	Law & Governance	New this year	P25-30N		Sharon Bridglingsingh	Legal establishment - 3 Lawyer posts to cover marked increase in cases across ASC/Employment cases, Litigation and property.	MEDIUM	1,814	179	0	0	0	DEMAND: NEW	Business Case

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Lauren Townsend	Law & Governance	New this year	P25-31N		Sharon Bridglalsingh	Legal establishment - Recharge income for 3 Lawyer posts to cover marked increase in cases across ASC/Employment cases, Litigation and property.	LOW	1,814	(179)	0	0	0	DEMAND: NEW	Business Case
Lauren Townsend	Law & Governance	New this year	P25-32N		Sharon Bridglalsingh	Legal establishment for CSC - 2 Lawyer posts to cover marked increase in children's social care cases.	MEDIUM	1,814	119	0	0	0	DEMAND: NEW	Business Case
Total Law & Governance									119	0	0	0		
Pete Marland	Planning and Placemaking	Previously Approved - Unchanged	P25-33L	P24-31L	Paul Thomas	Planning income - Reversal of previously anticipated shortfall of planning income against previously forecasted amounts.	MEDIUM	(2,330)	0	(150)	(450)	0	DEMAND: EXCEPTIONAL	Business Case
Pete Marland	Planning and Placemaking	Previously Approved - Unchanged	P25-34L	P24-32N	Paul Thomas	Land charge income - Reversal of previously anticipated shortfall of planning income against previously forecasted amounts.	MEDIUM	(214)	(30)	(60)	0	0	DEMAND: EXCEPTIONAL	Business Case
Total Planning & Placemaking									(30)	(210)	(450)	0		
Akash Nayee	Environment and Property	Previously Approved - Unchanged	P25-35L	P24-33L	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 cleansing, and household waste sites). This reflects the additional new homes projections over the next 4 years ranging from 1.16% to 1.88%.	LOW	26,000	302	370	537	450	DEMOGRAPHY	Financial Model
Akash Nayee	Environment and Property	Previously Approved - Unchanged	P25-36L	P24-34L	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 1.16% and 1.88% growth in landscape adopted areas, from new homes projections.	LOW	4,850	56	69	100	84	DEMOGRAPHY	Financial Model
Akash Nayee	Environment and Property	Previously Approved - Unchanged	P25-37L	P24-35L	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. However, a provision for highways growth is not included in 25/26 as the new contract has some growth included which will cover the first full year of operation.	LOW	6,518	42	138	145	153	DEMOGRAPHY	Financial Model
Total Environment and Property									400	577	782	687		
Total Deputy Chief Executive									489	367	332	687		
Total Demand Pressures									19,745	6,260	7,098	9,283		
Other Pressures														
Pete Marland	Customer and Community	New this year	P25-38N		Kellie Evans	Online Accessibility Software - Website auditing tool required to demonstrate WCAG AA online accessibility standards.	LOW	0	4	0	0	0	POLICY CHOICE	Business Case
Pete Marland	Customer and Community	New this year	P25-39N		Sarah Gonsalves	Casino Income - A pressure exists between the budgeted income and the potential minimum income based on the Gross Gaming Revenue (GGR), per the casino contract. Figures received to date indicate that the GGR will be at a level that results in the minimum income payable; it is not anticipated that this will alter in the future.	MEDIUM	(555)	55	0	0	0	POLICY CHOICE	Business Case
Pete Marland	Customer and Community	New this year	P25-40N		Lisa Beckett	Customer Experience & Digital Channel Income - CAN web advertising income has never been achieved and has therefore created a pressure that was previously covered by other areas' underspends that are now not available.	LOW	(26)	26	0	0	0	POLICY CHOICE	Business Case
Total Customer & Community									85	0	0	0		
Lauren Townsend	Finance & Resources	Previously Approved - Unchanged	P25-41L	P24-42L	Steve Richardson	Azure - A delegated decision was taken to move the councils 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 2026/27. Annual increases will no longer be necessary as contractual unit price will be fixed.	MEDIUM	0	0	499	0	0	CONTRACTUAL CHANGE	Business Case
Total Finance & Resources									0	499	0	0		
Total Chief Executive, Social Care and Housing									85	499	0	0		
Pete Marland	Planning & Placemaking	Previously Approved - Unchanged	P25-42L	P24-44L	Paul Thomas	Planning Academy Continuation - This is to continue the Academy into future years, assuming that the cohorts from 22/23 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	178	(88)	(90)	0	0	POLICY CHOICE	Business Case
Pete Marland	Planning & Placemaking	New this year	P25-43N		Paul Thomas	Heritage & Design Income - The income targets for Heritage & Design have not been achieved since 2021-22. This position is not expected to improve as, following two restructures and reduced capacity within Urban Design, it is no longer possible to meet the target. Even if the team was 100% chargeable, the income would not cover the target. The pressure can no longer be covered by other areas within planning or one-off grant income.	MEDIUM	175	140	0	0	0	DEMOGRAPHY	Business Case
Total Planning & Placemaking									52	(90)	0	0		
Total Deputy Chief Executive									52	(90)	0	0		
Total Other Pressures									137	409	0	0		
Grand Total									19,882	6,669	7,098	9,283		

Risk level	Description
HIGH	Very Likely to change and the impact could be significant >£200k in any one year
MEDIUM	Likely to change and impact could be up to but not more than £200k per annum
LOW	Fixed or unlikely to change and impact less than £50k in any one year

Risk Level	2025/26	2026/27	2027/28	2027/29
High	15,857	2,387	2,467	2,547
Medium	3,531	3,177	3,287	5,451
Low	494	1,105	1,344	1,285
Total	19,882	6,669	7,098	9,283