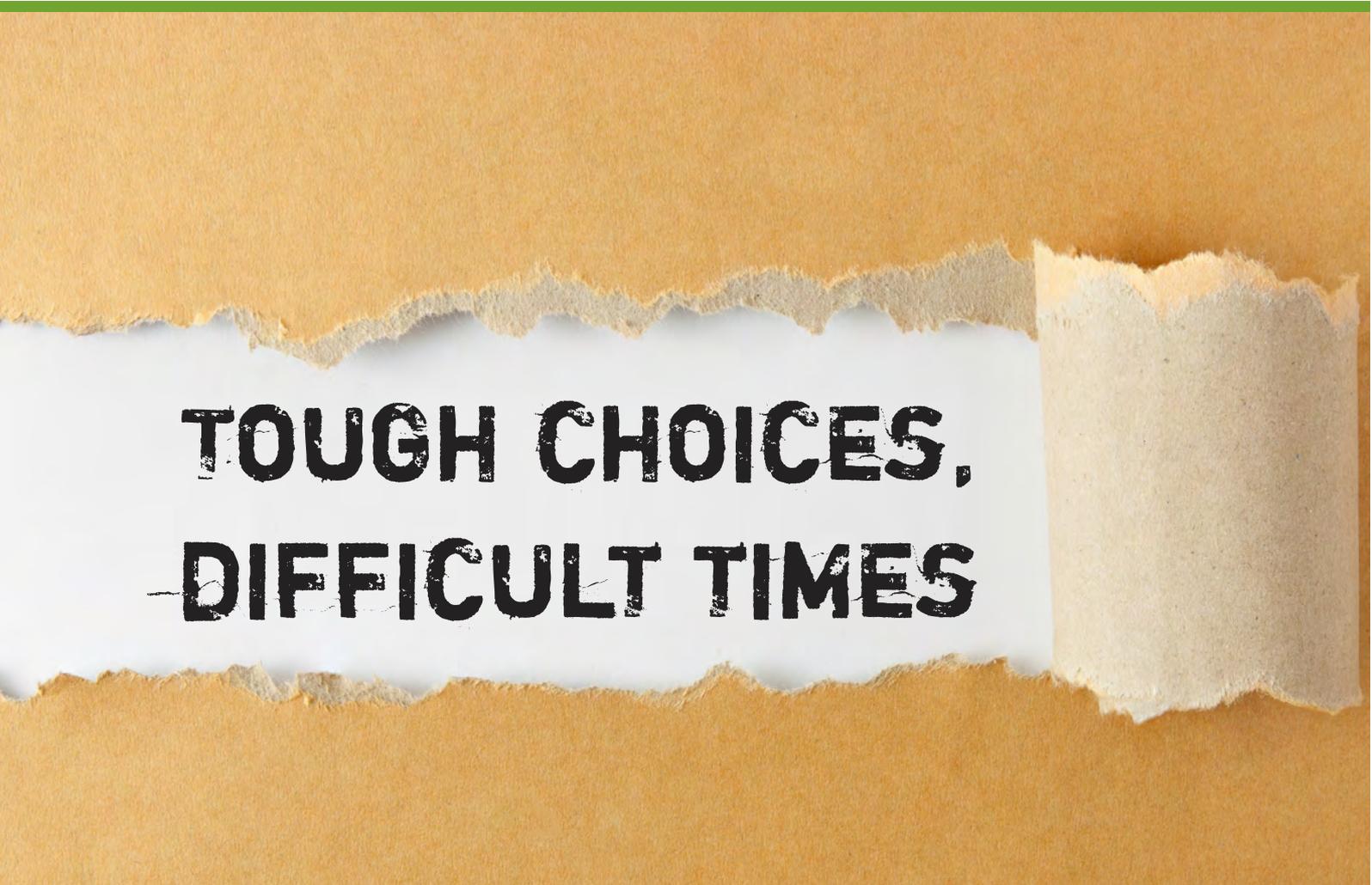


Milton Keynes Council
Budget Consultation 2017-18



**TOUGH CHOICES,
DIFFICULT TIMES**

www.milton-keynes.gov.uk/budget

Milton Keynes Council is facing the most difficult budget period we have ever had to deal with.

Government cuts and a rise in demand for some of our services, especially those used by vulnerable people, means we face difficult times and some tough choices.

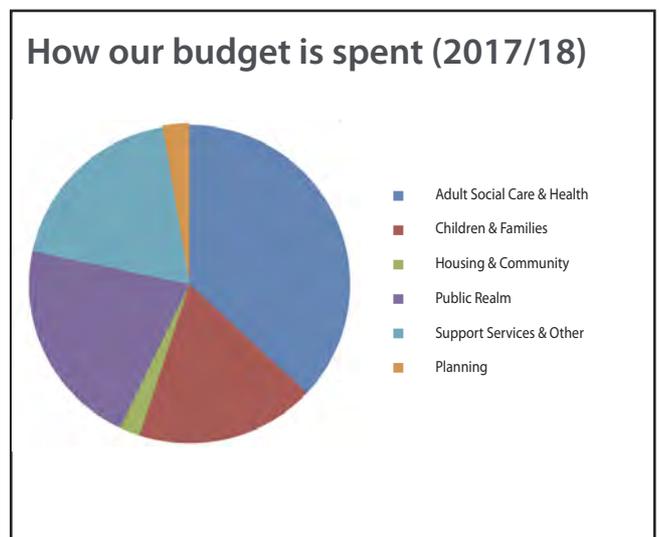
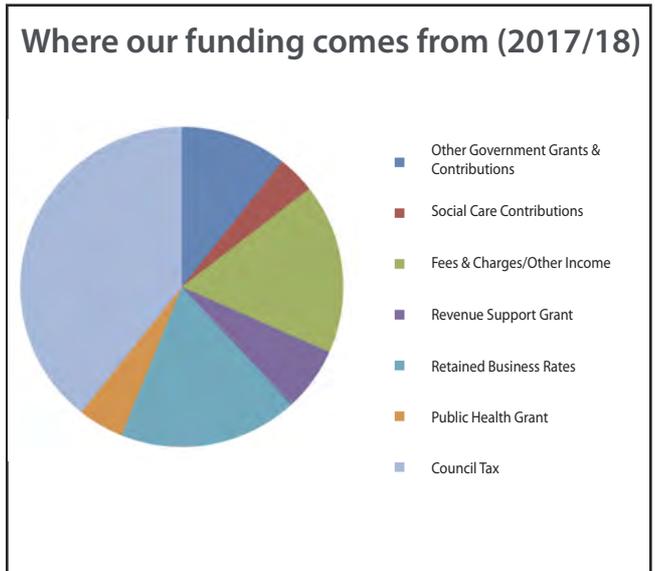
Demand for council services is rising sharply. Compared to five years ago we're helping almost 25% more children in care, five times as many people who need temporary housing, and managing three times the amount of adult safeguarding issues – and that's just three of our 240+ services.

We've had to spend an extra £73m to keep up with the rising demand. However, our Government funding has almost halved.

To cope, we've cut £111m from our budget by:

- reducing our costs
- employing fewer people
- putting more services online
- sharing some of our services with other councils

We've also made cuts that you'll have started to notice – for example taking a bit longer between the times we sweep streets or cut back bushes, and not repairing potholes shallower than 5cm. We now have to charge for a few things that we used to offer for free.



Strategy

We need to find another £20m next year and around £60m by 2020. It's a huge financial challenge. If we stopped all landscaping, waste and litter collection, and got rid of all our management and back office teams we still wouldn't have enough to fill the budget gap.

Our priorities remain mental health services, domestic violence services, tackling homelessness, building more houses, looking after children in care and caring for our elderly.

More cuts plus increased demand means some council services will have to reduce significantly or stop altogether

We're building new council houses that will cut down the £7.5m we spent last year housing people in accommodation like B&Bs. We've built five new schools and seven more are on their way to make sure every child has access to a good, local school place. We're investing an extra £7m over the next four years looking after our most vulnerable children.

But as a result we will spend less elsewhere.

Council Tax

MK is growing which will bring in £1.8m more council tax next year, but it's not enough to cover the pressures. We will still need to make cuts. Around half our funding comes from council tax.

After consideration we're proposing to raise council tax by 3.95% which means the council tax for an average Band D property would be £1,253.68 in 2017/18.

Other bodies such as the police, fire authority and parish councils have the ability to levy a precept on council tax. We collect this on their behalf but the level of the charge is set by those bodies.

Consultation

We want to be honest about the reality of our financial situation. This is a difficult budget. There are no easy choices left to make.

If you have any comments on the draft budget please contact us before Cabinet recommends a final budget to Council in February. You can find details of how to do this on the back page.

The rest of this document sets out the main pressures and proposed budget reductions and income generation for each service. We've focused on the areas that are likely to be of greatest public interest to keep this document to a sensible size.

You can find a full and comprehensive list of proposals and more detailed technical papers at www.milton-keynes.go.uk/budget

Summary of the 2017/18 budget

Public Realm and Planning

| | |
|------------------------------------|--|
| Proposed budget | £39.83m (was £43.07m in 2016/7) |
| Total investment to meet pressures | £1.29m |
| Total reductions | £2.44m |
| Total income | £2.39m |

Public realm services are those that most people see and use on a frequent basis, including waste, recycling and landscaping, highways and public transport, and planning, licensing and regulatory services. We've also included proposals relating to community facilities such as libraries here.

You may have already noticed cuts in this area from previous budgets, for instance taking a bit longer between the times we sweep streets or cut back bushes, and not repairing potholes shallower than 5cm.

Investment to meet pressures

| Ref | Pressure | Pressure in £000s |
|-----|---|-------------------|
| P40 | Increased cost of waste collection due to growth of MK. | 193 |
| P41 | Increased cost of disposal of certain materials from Community Recycling Centres. | 500 |
| P42 | Additional spend on fixed concessionary fares budget to cover loss of fares from lower numbers of bus passengers. | 100 |
| P45 | Offset a previous target to generate income from traffic management which is not possible without significant investment. | 100 |
| P46 | Increased spend needed to deliver the Community Transport Service. | 100 |
| P58 | Additional resources required to support food standards and compliance services. | 135 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|------|---|--|--------------------|
| S109 | Convert street lights on grid roads, industrial estates, footpaths and in Central MK to LEDs. | Positive impact, saving energy and (because of greater reliability) maintenance costs. | 248 |
| S114 | Convert street lights in residential estates to LEDs. | Positive impact, saving energy and (because of greater reliability) maintenance costs | 97 |
| S116 | Reduce reimbursements to bus operators for cross boundary services from 69% to 62%. | No impact on the public expected. | 75 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|----------|---|---|--------------------|
| S119 | MKC has a contract with some parish councils for landscaping, which is ending. Any new contract to reflect the lower amount MKC pays other operators for landscaping. | If parish councils do not enter into a new contact with MKC, other operators will be asked to bid for the contract. | 120 |
| S146 | Reduce reimbursements to bus operators for concessionary fare journeys from 62% to 55%. | No impact on the public expected. | 306 |
| S147 a-k | Reduce expenditure on landscaping, street cleansing, maintenance of play areas, provision of grit bins and other public realm services. | The total budget for these services is £6.35m, so this level of saving could mean <i>by way of illustration</i> cutting grass on public land 8 times a year instead of 10; it does not mean all services would stop. Please see the full proposal for a breakdown of S147 | 530 |
| S131 | Remove paper scratch cards for parking permits. | Permit holders would be asked to use other payment methods instead. | 12 |
| S132 | Remove 56 (out of 319) pay and display machines in central MK car parks, reducing running costs. | The popularity of payment by mobile has reduced some demand for payment machines. | 30 |
| S124 | Stop the already reduced out of hours noise complaints service. | Complaints will be addressed within working hours, as many are currently. | 40 |
| S133 | Reduce the number of roads gritted on warmer winter nights, and reduce the status of some roads in the gritting schedule. | Investment to be considered into additional weather stations for better forecasting. | 65 |
| S134 | New and more innovative methods of resurfacing mean more roads have been treated within existing budgets, creating a future saving. | No public impact expected. | 600 |
| S85 | Lower than previously projected spend on prevention of inactivity and obesity via activities in community and sports facilities. | Activity will continue within centres with reduced funding. | 64 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|------|--|--|--------------------|
| S161 | Savings within library spend including stopping inter-library loans, a 10% reduction on the £230k book fund, and savings on printing and stationery. | Minimal public impact expected. For instance just 20 people used inter library loans last year. | 60 |
| S105 | Better prioritisation of planning enforcement activity to concentrate on more serious breaches. | Customers will have clearer expectations about which breaches we'll be concentrating on, and issues will be faster to resolve. | 50 |

Income

| Ref | Proposal | Likely impact and mitigation | Income in £000s |
|------|--|--|-----------------|
| S81 | Additional rent income at Bletchley and CMK Libraries. | No public impact expected. | 15 |
| S87 | Income from Sports Central facility. | Due to be completed in April 2017. | 12 |
| S91 | Wolverton Town Council takes on building running costs. | No public impact expected. | 15 |
| S94 | Charging an admin fee for invalid application planning returns that exceed 21 days. | This should encourage a higher quality of submissions. | 10 |
| S95 | Introduce a premium planning application service with fast track and other options. | Improved offer for business customers who require greater certainty about the timing of decisions. | 150 |
| S106 | Income from charging other authorities to process waste at new MK Residual Waste Treatment Facility. | No public impact expected. | 458 |
| S107 | Other income from the new MK Residual Waste Treatment Facility. | No public impact expected. | 229 |
| S108 | Increase range of memorials offered through bereavement services. | Improved offer to customers. | 50 |
| S115 | Admin fee of £5 per Junior Concession card. | Excludes those eligible for free school meals. Still allows a £13 saving in first 4 weeks of use. | 10 |

| Income | | | |
|--------|--|--|-----------------|
| Ref | Proposal | Likely impact and mitigation | Income in £000s |
| S126 | Introduce annual charge of £50 to cover parking scheme admin and enforcement at 18 residents only parking schemes. Additional visitor parking available at £1 per day. | Around 2,800 permits are issued each year. | 179 |
| S127 | Introduce a more logical and systematic approach to discount permits for parking in Central MK based around impact on congestion, air quality, and carbon emissions. | | |
| S127a | Tier 1 – Employee Parking Permit (Single Occupancy Vehicle). Reduce discount to 30% (currently 40%) = 40p rise to £2.80 per day. | All funds raised through parking charges are ring-fenced to maintain parking facilities and to develop alternative sustainable transport (eg cycling and public transport). | 493 |
| S127b | Tier 2 – Low Carbon Vehicle Permit. Increase charge to £195pa in 2017/18, and £335pa in 2018/19 (currently £75). Equivalent to 31% of the employee permit. | A decision about the hierarchy of parking charges was made on 20th December. This decision is still subject to formal call in procedures. | 147 |
| S127c | Tier 3 – Multiple Occupancy Vehicle Permit (Car Share). Increase charge from £30pa to £80pa 2017/18, and £130pa in 2018/19. Equivalent to 13% of the employee permit. | | 100 |
| S127d | Tier 4 – No Emissions Permit. Introduce free permits for ultra-low emission vehicles (largely electric vehicles) that emit under 75g CO2 per km driven. | | - |
| S152 | Remove commuter parking permit, phased over a two year period. £7.50 in 2017/18 and £10 in 2018/19 | Currently a £5 discount is offered to MK residents on the £10 per day long stay tariff. This has not changed for a number of years, and does not reflect increases applied to other permits. | 50 |
| S155 | Increase charges at the Theatre multi-storey car park, from 20p per hour to 40p per hour. | Parking will remain cheaper than on street parking spaces. | 20 |
| S130 | Increase Community Transport Fares by 20p to £3.20 for a single fare, and 40p to £5.20 for a return fare. | A recent Community Transport consultation indicated users were willing to pay a little more to sustain the service. | 13 |

Adult Health and Social Care

| | |
|------------------------------------|--|
| Proposed budget | £64.59m (was £68.30m in 2016/7) |
| Total investment to meet pressures | £2.74m |
| Total reductions | £2.67m |
| Total income | £3.07m |

Services are under pressure due to increased demand from an ageing population and a rise in people with complex needs. For instance the number of people with learning disabilities that we support is expected to double next year.

We're prioritising investment in prevention services and community based services that put more power in the hands of residents so they can make decisions about the services they want.

| Investment to meet pressures | | |
|------------------------------|---|-------------------|
| Ref | Pressure | Pressure in £000s |
| P10 | Additional care costs from increased number of clients with learning disabilities. | 785 |
| P11 | Additional direct payment costs from increased number of clients with learning disabilities. | 208 |
| P13 | Additional care costs from increased number of clients with physical disabilities. | 91 |
| P14 | To meet staffing costs rising as a result of inflation and the impact of the National Living Wage. | 531 |
| P15 | To cover increased hourly rate of personal assistants for clients as a result of inflation and the impact of the National Living Wage | 220 |
| P16 | To cover increased use of equipment to support reablement. | 200 |
| P17 | Reduced income from sheltered housing and homecare clients based on past trends. | 363 |
| P23 | Additional costs from increased number of clients with autism, and the complexity of specific cases. | 143 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|-----|--|--|--------------------|
| S30 | Reduce fees paid by council to care homes by while maintaining a good service. | No public impact expected. | 100 |
| S32 | Introduce a limit to the amount of personal budget provided to people receiving social care support in their own homes equal to the cost of an appropriate nursing or residential placement | People would be asked, in line with other service users, to top-up their payments if they are above the standard rate. All circumstances of current service users will be individually assessed and any change carefully managed. | 300 |
| S33 | Review the contract with Extra-Care (Lovat Fields) | Negotiation will take place to try to mitigate the impact of any changes. | 230 |
| S34 | Negotiate a reduction in the number of care home beds as part of our long term Excelcare contract. | The contract costs £7m per annum and purchases 250 beds. Through better management of demand for care home placements, up to 50 beds will be made available to the provider to market privately when they become vacant. | 1,000 |
| S36 | Encourage greater use of direct payments, where service users become the employer with greater control over how and when their care is delivered – removing the overheads of care agencies. | High quality advice and guidance to support people managing direct payments is offered through an independent provider appointed by the council. 'Holding accounts' can be set up for people who can't manage a direct payment themselves. | 50 |
| S37 | Review and retender the mental health block contract for supported accommodation. | The review will focus on using placements more effectively through a recovery model, helping people to leave placements and move into more stable permanent accommodation. | 200 |
| S38 | Redesign the adult social care out of hours service so there are more staff on-call and fewer office based, focusing on peak times. | Over the past 12 months and following a detailed review, the service has moved from being fully staffed to partly on-call and is more resilient as a result. | 30 |
| S41 | As part of the Learning Disability Review already underway, focus short breaks service onto the needs of people with challenging behaviour and profound and multiple disabilities rather than the current wider offer. | There would be change in how breaks are offered for approximately 20-25 people and their families. | 75 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|-----|---|--|--------------------|
| S42 | As part of the Learning Disability Review already underway, focus the day opportunities service onto the needs of people with challenging behaviour and profound and multiple disabilities rather than the current wider offer. | There would be change in how day opportunities are offered for approximately 50-55 people and their families | 100 |
| S43 | Stop paying supported living landlords for empty accommodation. | No public impact expected. | 50 |
| S44 | Support people with profound and multiple learning disabilities (who are in often expensive residential care outside MK) to move to appropriate local provision. | Local provision could be offered at a reduced cost with improved outcomes. | 200 |
| S45 | Introduce assistive technology to reduce the level of staff needed in external learning disability supported living placements. | Any change will be carefully managed and overseen by the social worker or key worker. | 75 |
| S46 | Conclude the successful move of supported living services from MKC to alternative community providers. | This process began in 2015/16, with only one team remaining. | 150 |

Income

| Ref | Proposal | Likely impact and mitigation | Income in £000s |
|-----|---|---|-----------------|
| S29 | Appoint a welfare benefits adviser to maximise benefit income for clients which will in turn lead to the council being able to reclaim a larger contribution to our care costs. Take a larger share of means-tested benefit income into account when calculating the level of contribution (if any) from people being provided with services. Introduce charging for reablement after 6 weeks in line with other homecare services. | Following an assessment, it is apparent that a significant number of people are not claiming benefits which they are entitled to. Charging for reablement services could have the additional benefit of accelerating people's transition out of reablement or into a more permanent care package. | 645 |

| Income | | | |
|---------------|--|-------------------------------------|------------------------|
| Ref | Proposal | Likely impact and mitigation | Income in £000s |
| S35 | Improve our management of debt through more proactive early intervention. | No public impact expected. | 100 |
| S40 | Implement full cost recovery for learning disability short breaks from the NHS when used by people whose care needs are funded by Continuing Health Care | No public impact expected. | 180 |
| S47 | Increase allocation to adult care services from The Better Care Fund. | No public impact expected. | 786 |
| S48 | Additionally, increase allocation to adult care services from the unallocated contingencies part of The Better Care Fund. | No public impact expected. | 1,214 |
| S157 | Additional income as a result of the council's purchase of Five Acres dementia care centre. | No public impact expected. | 50 |

Housing and Homelessness

| | |
|---|--------------------------------------|
| Proposed budget | £2.41m (was £1.25m in 2016/7) |
| Total investment to meet pressures | £3.21m |
| Total reductions | £2.05m |
| Total income | - |

This service is dealing with an increase in demand for temporary accommodation alongside a lack of available local properties. Last year we found more than 600 new temporary homes for people, but needed 780.

To tackle this we're building new council houses that will cut down the £7.5m we spent last year housing people in accommodation like B&Bs.

We're investing in more support and help for MK's rough sleepers via the MK Homelessness partnership, including support so that MK's winter night shelter can stay open all year round, and for extra beds to be secured for older rough sleepers who do not qualify for help from the YMCA.

Investment to meet pressures

| Ref | Pressure | Pressure in £000s |
|-----|--|-------------------|
| P37 | Investment to cover forecast increase in demand for temporary accommodation. | 3,136 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|------|--|--------------------------------------|--------------------|
| S67 | Sourcing additional temporary accommodation through working with private sector landlords. | Positive impact to reduce overspend. | 250 |
| S68 | Savings on temporary accommodation by building new council houses. | Positive impact to reduce overspend. | 327 |
| S73 | Savings on temporary accommodation: | Positive impact to reduce overspend. | |
| S73a | By using Orchard House as temporary accommodation. | | 307 |
| S73b | By building temporary accommodation. | | 81 |
| S74 | Savings on temporary accommodation by effective prevention work. | Positive impact to reduce overspend. | 75 |
| S158 | Savings on temporary accommodation by greater use of Unity House in Luton. | Positive impact to reduce overspend. | 951 |

Children and Families Services

| | |
|------------------------------------|--|
| Proposed budget | £41.23m (was £42.93m in 2016/7) |
| Total investment to meet pressures | £1.51m |
| Total reductions | £1.29m |
| Total income | £1.91m |

It's the first duty of any council to ensure children are protected from harm and have the best start in life. This area has also seen significant extra demand for services, particularly for looked after children and home to school transport. In the last five years there has been a 25% increase in the number of children in care in MK.

We're investing an extra £7m over the next four years looking after our most vulnerable children. We're also mid-way through a £160m programme to build 12 new schools to make sure every child has access to a good, local school place.

Investment to meet pressures

| Ref | Pressure | Pressure in £000s |
|-----|---|-------------------|
| P25 | To fund the predicted 2% 0-19 year old population growth that will result in an increase in looked after children each year. | 478 |
| P26 | To fund predicted growth in numbers of children in care and in need of protection, resulting in an increase in social workers each year | 108 |
| P29 | To fund care packages for increased numbers of children with disabilities as well as complex cases which are more expensive. | 80 |
| P32 | Covering rising legal fees for children's social work. | 100 |
| P34 | Rising pressure transporting children in temporary accommodation to school. | 235 |
| P35 | Rising pressure transporting children attending special schools. | 304 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|------|---|---|--------------------|
| S50b | Manage demand for home to school travel by introducing more regular reapplication points to check continuing eligibility. | A larger number of journeys will be made on public transport with an expectation that parents or carers accompany children. | 100 |
| S50c | Develop an innovative new scheme where teaching assistants and other trusted and appropriately checked council or school employees are paid to provide home to school transport by private car. | The proposal is to target least efficient taxi journeys and replace them with the new scheme. | 250 |

Reductions

| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
|-----|---|---|--------------------|
| S52 | Provide more high quality local placements for older children in care and care leavers (decreasing the use of independent fostering agency carers). | No public impact expected. | 500 |
| S55 | Introduce self-registration and increase use of volunteers at children's centres to support parents accessing centres. | This replaces current system of multiple paper-based registration forms and use of clerical staff to enter on to systems. | 75 |
| S59 | Stop paying for external school improvement services for maintained schools in difficult circumstances. | No public impact expected. | 255 |

Income

| Ref | Proposal | Likely impact and mitigation | Income in £000s |
|-----|--|---|-----------------|
| S56 | Increase the income generated by Community Learning MK through targeted fee increases, attracting further funding from external sources, including the Skills Funding Agency and relocating the music faculty onto the main site in Bletchley. | People on low income will continue to be offered subsidised learning opportunities. | 100 |
| S57 | Allocate funding from the national Troubled Families programme to Children and Family Practices. | No public impact expected. | 433 |
| S58 | Charge schools for professional advice and guidance services provided by our school improvement partners. | No public impact expected. | 300 |

Other services

There are also significant pressures and reductions elsewhere in the council.

| Other Areas Pressures | | |
|-----------------------|---|-------------------|
| Ref | Pressure | Pressure in £000s |
| P1 | To cover expected Government reduction in benefits administration grant. | 250 |
| P2 | To cover expected Government reduction in grant to support the administration of Council Tax Reduction. | 110 |
| P4 | To cover lost income from changed legislation around temporary housing solutions. | 250 |
| P47 | Investment in highways infrastructure and pensions revaluation | 600 |
| P48 | Estimated Increase in employer National Insurance payments | 478 |
| P50 | To cover the cost of the national apprenticeship levy. | 337 |

| Reductions | | | |
|------------|--|------------------------------|--------------------|
| Ref | Proposal | Likely impact and mitigation | Reduction in £000s |
| S12 | Savings from the use of new technologies and shared services with other councils for revenues and benefits team. | No public impact expected. | 444 |
| S13 | Savings from reducing the number of buildings used by the council. | No public impact expected. | 311 |

How to have your say

Feedback received by 31 January will be shared with councillors before a final budget is debated in February 2017.

At a budget roadshow

6pm, Thursday 12 January
Transport Systems Catapult
The Pinnacle, 170 Midsummer Boulevard, MK9 1BP

6pm, Tuesday 17 January
Transport Systems Catapult
The Pinnacle, 170 Midsummer Boulevard, MK9 1BP

6pm, Thursday 19 January
Abbey Hill Golf Club
Monks Way, Two Mile Ash, MK8 8AA

6pm, Wednesday 25 January
West Bletchley Council Offices
221 Whaddon Way, Bletchley, MK3 7DZ

On our website

www.milton-keynes.gov.uk/consultations/393

Via social media

Twitter - @mkcouncil

Facebook - MKCouncil1

By email

budget@milton-keynes.gov.uk

In writing

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