

Executive - 18 August 2009

Agenda Item 8 – Budget Management Report 2009/10, as at 30 June 2009

This report sets out the first monitoring report of Central Bedfordshire's first budget, which was agreed in February 2009, and was based on the best estimates and forecasts at the time. Our proposals met with Central government approval.

The birth of this brand new unitary council required considerable dependence on inherited information and an understanding of the level of service provided by the legacy authorities.

Our absolute priority was the need to ensure that our local residents, including the most vulnerable in our community, continued to receive the expected service levels during the transition period. This was achieved. We had the additional complication of a division of services between ourselves and Bedford Borough.

We now face a very different national situation which is putting increasing pressure on public services across the country with the government making last minute legislation. The economic downturn with the increased demand to support our communities is matched with cuts in Government funding to local councils.

Our Finance officers have now completed their work on the closure of accounts for the three predecessor authorities and we are now able to have a more accurate picture of our financial position. We forecast some surprises and we have not been disappointed.

On the plus side it appears the council's opening General Fund Balance will be marginally above the budget forecast in February (forecast £14.96m).

The same budget did highlight a number of risks, for example adult social care and school transport. A number of areas of concern are contained within the report and many of these challenges are not unexpected. This is certainly not just a local problem but one most local authorities are facing whilst in the absence of our particular circumstances of being a very new authority with all the additional set up that is entailed.

However, in addressing this report we need to look forward, put in place our own local solutions, and where there are difficult choices to make we must look at options rather than imposing solutions.

We must not forget that Central Bedfordshire will provide excellent public services at affordable prices.

I believe we should have a regular monthly item on our Executive agenda giving updated forecasts of both overspend and underspend in all directorates. We also need the final position of the Transition budget once further work has been done, as indicated in paragraph 4.12 in the report.

Cllr Mrs Tricia Turner
Leader of the Council &
Chair of the Executive