

## **Creating Central Bedfordshire Progress Report.**

**Update as at 14<sup>th</sup> January 2009**

Since the Shadow Executive Progress report was written, two developments have taken place and in order to ensure that Members have the most up-to-date information, this update has been prepared to supplement the report.

### **1. Implementation Plan – Disaggregation of County Assets.**

- a. This matter referred to the difference in view between Central Bedfordshire and Bedford Borough Councils over the division of two specific classes of asset – namely County Farms and County Hall. The treatment of most of assets had been agreed.
- b. Central Bedfordshire were of the view that the County Farms should be transferred to the authority in which they were geographically based (92% in Central Bedfordshire) and that County Hall should be transferred to the authority in which it is based – namely the Borough
- c. Bedford Borough did not wish to make a decision on these assets and wished to operate them 'in trust' as a caretaker pending a decision post-April 2009.
- d. Members had previously endorsed the officers view that CLG had been asked to intervene and either arbitrate directly or appoint an arbitrator to reach a decision. To date, DCLG have not issued a response but have issued an interpretation of the relevant legislation under which the Secretary of State is minded to direct that;
  - i. *Residual matters that are not area specific but cover the whole of the county area shall transfer and vest in Bedford Borough Council to be held in trust for itself and Central Bedfordshire;*
  - ii. *Residual matters that are area specific and fall entirely within the area of one of the successful councils shall transfer and vest in that successor authority;*
  - iii. *Residual matters that are area specific and do not fall entirely within the area of one of the successor councils (i.e. straddle the boundary between the Councils) shall transfer and vest in Bedford Borough Council to be held in trust for itself and Central Bedfordshire;*
- e. Although this has not provided a direct answer, it is the view of the Management Team that the County Farms are a group of individual assets which are area specific (collectively referred to as 'County Farms') and thus fall under definition ii). Thus the 92% of farms that are area specific to Central

Bedfordshire would transfer to Central Bedfordshire and likewise the remaining 8% to the Borough.

- f. County Hall is clearly an asset that is also covered under definition ii) and thus should transfer to the Borough with Central Bedfordshire retaining the right to occupy for a period not exceeding five years pending the identification and move to suitable premises within the Central Bedfordshire Area.
- g. Members are asked to endorse these views and to note that written confirmation be sent to the Chief Executive of Bedford Borough Council (copy DCLG).
- h. A further issue, that of the County Council's outdoor education centre in Snowdonia, North Wales. It is proposed that Bedford Borough this is transferred to and managed by Bedford Borough and that Central Bedfordshire conducts a review of its involvement within the first twelve months after vesting day.

## **2. Transitional Budget**

- a. A review has been undertaken of the likely transitional expenditure which will need to take place in financial years 2008/09 and 2009/10. The review has indicated that it would be prudent to budget for a rise in such costs of £1.7m to £19.9m as detailed in the column headed 'Revised budget' in the table below.
- b. The original budget, constructed at the commencement of the '*Creating Central Bedfordshire*' was based on broad assumptions and as the process has progressed, these figures have become increasingly firm. As a result, the budget, in most areas, has become more reliable.
- c. Included in the budget is £1.06m variation for the LAMP project approved at the December Shadow Executive meeting necessary to ensure an integrated planning/GIS system across the authority.
- d. The original budget also did not allow for the cost of Central Bedfordshire employees as a specific heading and clearly as more employees are appointed to the new authority, this figure has become significant.
- e. Outside the two additional items, which account entirely for the increase, there has been a re-allocation of budgets between heading to reflect spend priorities

## Central Bedfordshire Council - Transition Budget

Budget Monitoring report as at 13 January 2009

Original Budget £'000	Description	Revised Budget £'000	Actual to date ++ £'000	Budget Remaining £'000
0	Employees & Back-filling Accommodation / Property	800	632	168
500	Advice	400	138	262
900	Change Management	2,500	1,919	581
100	Miscellaneous	100	13	87
700	Contract novation / restructuring	300	0	300
4,800	ICT Costs	8,000	5,615	2,385
500	Training	150	10	140
200	Communications / Branding	305	93	212
700	Elections / Democracy	175	120	55
300	Recruitment	400	388	12
600	Relocation	200	0	200
7,400	Early Retirement / Redundancy	5,170	0	5,170
1,500	Closedown of accounts	340	0	340
0	LAMP project	1,060	0	1,060
<b>18,200</b>		<b>19,900</b>	<b>8,928</b>	<b>10,972</b>

++ Includes known commitments to 31 March 2009