

Budget Summary from Council Leader, Cllr Pete Marland

A balanced budget in tough times

Milton Keynes City Council is there to serve and support our residents and businesses. Nationally local authorities are facing severe and unprecedented financial challenges with an increasing number facing an uncertain future and bankruptcy. Challenges with the rising cost of social care, and massive increases in the cost of keeping vulnerable children safe and general inflation means that Milton Keynes City Council is not immune to a very difficult situation.

Unlike many councils, Milton Keynes City Council is able to propose a balanced budget for 2024/25 without using reserves or making major cuts to services while continuing to focus on our main priorities.

- Help for local people in tough times.
- Supporting our local economy to ensure good jobs and secure employment.
- Investing in preventative services that reduce costs.
- Transforming the way the council does things to save money.
- Getting the basics right.

Our challenges

Milton Keynes City Council has faced our own challenges for over a decade now, with reduced funding from central government and higher demand for services such as adult social care and child protection meaning we've had to make over £200m in cuts since 2010.

Over the last year more challenges have been added to the long-term problems of social care costs and homelessness. The cost of keeping children safe has risen nationally by around 25% and inflation continues to reduce our spending power.

Next year Milton Keynes City Council needs to make £7m in savings to balance our budget, with even more to be found in 2025/26.

Stability in difficult times

Local councils have never faced the severe pressures they are now under. Over the past year several other councils of all types of political leadership have been unable to meet their financial obligations and been declared bankrupt. Due to the difficult decisions we have taken in Milton Keynes over the past decade, the City Council is not yet in that position, but tougher times are ahead.

We have been able to publish a draft budget that is robust and provides a stable set of proposals for the 2024/25 financial year without using reserves or making major cuts to services.

However, to be able to do this we have had to make some difficult decisions including:

- Increasing Council Tax by 2.99%
- An increase in the Social Care Precept of 2%, equal to an overall total below inflation council tax increase of 4.99%
- Increasing fees and charges for some services in line with inflation or to recover a greater proportion of the cost.
- Changes to eligibility to some services, such as housing, to statutory levels.

Cutting waste not services

We will always make sure that before we look at cutting frontline services, we get value for money from the council tax you pay us. That is why we are:

- Investing in preventative services to reduce the increase in future costs;
- Making our services more efficient and reducing the number of staff even further;
- Reducing our overheads and running costs.

Supporting people in tough times

Looking after our finances properly and taking difficult decisions means that while other councils are having to cut services or running out of money, we will again be able to use some funding to ease the pressure on hardworking families and those hardest hit by the cost-of-living crisis. The budget therefore proposes:

- Support for those on the lowest incomes.
- Help for working families.
- Funding for local parishes, town councils and communities to support local residents.

Protecting essential services

We will also be able to continue to protect some of the highest levels of essential services in the country and we are therefore proposing:

- We will maintain weekly bin collections.
- No closures of any libraries or children's centres.
- Investment in our public transport network by continuing our 'use it or lose it' scheme.

The future

Although we have been able to balance our budget for the next financial year, the situation beyond that time period becomes extremely difficult and challenging.

Unless there is a significant change to the funding the council receives for delivering adult social care services and the cost of keeping vulnerable children safe, then the future financial outlook for local government is likely to mean that substantial and deep cuts to the services the city council currently provides are inevitable.