

Budget and Subscriptions 2006/07

Summary

1. This report presents to the General Assembly an outline budget for 2006/07. It sets out the LGA Executive's recommendation for a 1% increase in subscriptions to the LGA for 2006/07.

Recommendations

2. The General Assembly is asked to consider and approve the LGA's outline budget and associated 1% subscription increase.

Background

3. The budget and associated subscriptions were considered by the Resources Panel on 3 November and the LGA Executive on 24 November.
4. The LGA's budget has historically been constructed by looking at a considerable number of relatively small areas of activity or teams of staff.
5. Reports to the Resources Panel put forward an alternative approach to the budget for 2006/07, with expenditure shown broken down into areas of core activity for the LGA. This is exemplified in the budget summary attached to this report, which illustrates the resources which support the Association's work in these areas of activity.
6. The Resources Panel agreed:
 - to make no recommendations at this stage on an appropriate level of subscriptions for 2006/07;
 - to ask officers to provide further information on contingencies arising from the reviews of members allowances and the funding of political group offices;
 - to ask officers to produce a comprehensive risk analysis on the budget, subject to the above;
 - to approve the headline budget of £19.6m; and
 - that discussions take place between the Group Leaders of the LGA and the Panel's Group Leaders before the 24 November meeting of the LGA Executive.
7. At their meeting on 24 November, the LGA Executive were provided with a risk analysis, and group leaders have considered the possible contingencies identified by the Resources Panel and other changes which were contemplated for 2006/07 which could have budgetary implications.

8. On the basis of the information then available to them, the Executive agreed:

- by majority vote, to recommend to the General Assembly an increase in the base budget for 2006/07 of £150,000 additional contingency.
- by majority vote, to recommend to the General Assembly a 1% increase in the level of subscriptions;

Conservative Group members asked that their dissent from the decision to increase the level of subscriptions be recorded.

9. The outline budget appended to this report therefore includes an additional contingency equivalent to a 1% subscription increase, giving a total contingency of £246k. Group leaders are being provided with further budget monitoring information and analysis, and will consider the matter further before the Assembly meeting.

Implications for Wales

10. Any subscription increase would apply to welsh corporate members.

Financial/Resource Implications

11. These are set out in the paper.

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