

General Assembly

6 December 2007

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LGA Revenue Budget 2008/09

Summary

1. This report explains the LGA Executive recommendation to the General Assembly for the Association's revenue budget in 2008/09.

Background

2. At its last meeting in December 2006 the General Assembly approved a recommendation from the LGA Executive that:
 - a. Subscriptions are increased by 1% for 2007/08
 - b. Consideration is given to subscription levels next year in the light of CSR 2007 and the review of the LGA budget.
 - c. A full review of budgetary commitments and pressures is undertaken in 2007 together with the scope for efficiency savings and increased income following the recommendations of the Best Commission.
 - d. In accordance with the practice of local councils the LGA will consider moving to a three-year budget and subscription settlement from 2008/11.
 - e. The precise level of subscriptions after 2007/08 is remitted to the LGA Executive.
3. During the last twelve months the LGA Resources Panel has overseen a rigorous review of the LGAs income and expenditure, its continuing costs and scope for efficiency savings. This has included a drive down on overheads and a new approach to the provision of shared support services to the LGA and the local government family – IDEA, LGE, LACORS and 4Ps.
4. As a result the Associations activities are forecast to be delivered within budget in the current financial year and a forward plan has been established so that future challenges and opportunities can be dealt with appropriately. The overall strategy is to ensure that the LGAs resources are targeted at providing services to member

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authorities and acting effectively on their behalf in national lobbying and campaign strategies.

5. A central feature of this has been a decision to formally market test the provision of shared support services to the local government family – Human Resources, Financial Services, Facilities Management, Information Services & Technology and Print, Design & Publishing. The agreed target is to save £1m in each of the next three financial years, a third of this saving would be taken by the LGA.

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6. In considering a longer-term strategy the Resources Panel has been mindful of the very tight CSR settlement for the next three years announced in October. It is moving to a three-year budget-forecasting plan. Despite the level of prevailing costs and expectations the LGA Executive and Resources Panel have been working within a 1% actual growth envelope and driving down on costs and creating efficiencies to develop front line activities. The Panel has also started work at on looking at the asset base of the local government family as a whole to ensure that services to local authorities are provided and costs are met in the most integrated and effective way as recommended by the Best Commission.

LGA Executive Recommendation

7. The LGA Executive received a comprehensive report from Resources Panel on 15th November. The Executive agreed unanimously that the General Assembly should be recommended to approve an LGA income & expenditure budget for 2008/09 based on a 1% increase in subscriptions for member authorities. The outline budget figures are **attached** to this report.

Decision

8. The LGA Executive recommends the General Assembly to approve a budget for the Association in 2008/09 as outlined in this report.

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