

Labour Motion on LGA Save Local Services Campaign

Council notes the Save Local Services campaign by the Local Government Association (LGA) which calls on the Government to ensure councils have adequate resources to meet ongoing cost and demand pressures, protect local services from cutbacks and invest in improving the services our communities rely on.

LGA analysis¹ revealed that Councils in England face a funding gap of almost £3 billion over the next two years just to maintain services at current levels. Over the last decade, Councils have seen significant cuts in core funding from the government. More recently, inflation has increased costs on core services and pushed up interest rates on existing borrowing. Councils led by parties across the political spectrum have had to issue section 114 notices announcing that they are unable to meet spending commitments.

In East Herts these pressures mean that savings of over £6m are needed by the end of the 2026-27 financial year to balance revenue and expenditure². Residents' finances are already under huge pressure due to the cost-of-living crisis and any decisions made to balance the budget must prioritise the needs of the most vulnerable people in East Herts.

Council believes that the LGA is right to warn that the financial sustainability of councils and local services are at risk. The impact of inflation in the economy, cuts to funding and increasing demand pressures cannot alone be met by further reducing costs, making efficiencies, or raising council tax. Reserves held by Councils can only be spent once and are not a solution to the long-term financial pressures faced. Local government needs adequate funding to provide the services our communities rely on.

Council therefore resolves to:

¹ [LGA analysis - Councils face almost £3 billion funding gap over next two years | Local Government Association](#)

² [Budget 2023/24 and MTFP 2023-2028 \(eastherts.gov.uk\)](#)

1. Conduct its budget setting operation for 2024/25 with the above principles in mind, considering the need to protect core services and to prioritise the needs of the most vulnerable in East Herts;
2. Review all of its capital projects with the intention of identifying possible savings
3. Support the Save Local Services campaign and call on government to:
 - a. Put local government finances on a sustainable footing.
 - b. Provide adequate, long-term funding, in line with inflation and demand for services, giving Councils certainty to plan their budgets and minimise service disruption.
 - c. Provide powers that enable councils to extend the scope of charged for services.
4. Instruct the Leader of the Council to write to government, local MPs and the LGA to communicate council's views on this issue.

Proposed by Councillor Jacobs

Seconded by Councillor Clements