

 the low tax borough	<b>London Borough of Hammersmith &amp; Fulham</b>  <b>CABINET</b>  <b>3 FEBRUARY 2014</b>
<b>SUBSCRIPTIONS/AFFILIATIONS FOR EXTERNAL ORGANISATIONS 2014/15</b>	
<b>Report of the Leader – Councillor Nicholas Botterill</b>	
<b>Open Report</b>	
<b>Classification - For Decision</b> <b>Key Decision: Yes</b>	
<b>Wards Affected: All</b>	
<b>Accountable Executive Director:</b> Jane West - Executive Director of Finance and Corporate Governance	
<b>Report Author:</b> <b>Gary Ironmonger</b> – Finance Manager Strategic Planning and Monitoring	<b>Contact Details:</b> Tel: 020 8753 2109 E-mail: <a href="mailto:gary.ironmonger@lbhf.gov.uk">gary.ironmonger@lbhf.gov.uk</a>

## 1. EXECUTIVE SUMMARY

- 1.1. The base subscription to London Councils for 2014/15 is £172,427 the same as 2013/14. In 2014/15 there will be a one off reduction to this subscription of £10,000 funded from the London Councils accumulated Joint Committee reserve giving a total cost of £162,427.
- 1.2. The borough contribution to the London Boroughs Grant Scheme for 2014/15 is £194,822 (a reduction of £5,273 compared to 2013/14). In addition the borough will receive a rebate of £17,317 resulting in a net contribution of £177,505.
- 1.3. The subscription to the Local Government Association for 2014/15 has been frozen and remains £26,577. This fee includes 2.5% prompt payment discount and 2.5% loyalty discount for not being on notice of withdrawal.

## **2. RECOMMENDATIONS**

- 2.1. That the subscription to the Local Government Association for 2014/15 of £26,577 be approved.
- 2.2. That the contribution of £194,822 (net £177,505 after a £17,317 rebate) to the London Boroughs Grant Scheme be approved.
- 2.3. That the subscription of £162,427 for 2014/15 to London Councils be approved.

## **3. REASONS FOR DECISION**

- 3.1. A decision is required in order to continue membership of the London Councils and Local Government Association organisations in 2014/15 and contribute to the London Boroughs Grant scheme.

## **4. INTRODUCTION AND BACKGROUND**

- 4.1. This report deals with the major corporate subscriptions/affiliations whose funding is included in the Finance and Corporate Services' estimates. Other departments carry out a similar exercise, reported separately to committee or dealt with under delegated authority in the case of small subscriptions.

## **5. PROPOSAL AND ISSUES**

- 5.1. Approval is being sought for the renewal of the subscription to London Councils and the Local Government Association for 2014/15 and the London Boroughs Grant Scheme for 2014/15 as detailed in Appendix 1a & 1b.
- 5.2. The Local Government Association subscription for 2014/15 after discounts for prompt payment and a loyalty discount for not being on notice of withdrawal is £26,577. This subscription has been frozen at the 2013/14 level and has reduced by 45% since 2009/10 (Appendix 1a)
- 5.3. The 2014/15 base subscription for London Councils is £172,427. In 2014/15, there will be a one off reduction of £10,000 funded from London Council reserves reducing the payment due to £162,427 (Appendix 1a).
- 5.4. The total cost of the London Boroughs Grant Scheme has been held at £9m for 2014/15. In recognition of the current level of Grant Committee reserves £0.8m is being made available to return to boroughs as a rebate. The 2014/15 grants contribution from LBHF will be £194,822 (a reduction of £5,273 since 2013/14) with a rebate of £17,505 giving a net contribution of £177,505 (Appendix 1b)

5.5. The benefits of continuing membership of these organisations is contained in Appendix 2.

## **6. OPTIONS AND ANALYSIS OF OPTIONS**

6.1. The rationale for continuing the subscriptions to London Councils and the Local Government Association are based on the benefits of continuing membership of these organisations as expanded on in Appendix 2.

## **7. LEGAL IMPLICATIONS**

7.1. The Council has the necessary powers to subscribe to the organisations listed.

## **8. FINANCIAL AND RESOURCES IMPLICATIONS**

8.1. There is sufficient provision within the proposed 2014/15 Corporate Budget to meet the cost of the proposed subscriptions and contributions to the London Boroughs Grant Scheme.

8.2. A contribution of £5,000 will be made from the Housing Revenue Account towards the London Councils subscription. This is to reflect the housing work undertaken by London Councils.

8.3. Implications completed by: Gary Ironmonger, tel. 0208753 2063..

### **LOCAL GOVERNMENT ACT 2000** **LIST OF BACKGROUND PAPERS USED IN PREPARING THIS REPORT**

<b>No.</b>	<b>Description of Background Papers</b>	<b>Name/Ext of holder of file/copy</b>	<b>Department/ Location</b>
1.	Correspondence from Local Government Association and London Councils in relation to subscription renewals	Gary Ironmonger (2109)	FCS, HTH

**APPENDIX 1a**

<b><u>ORGANISATION</u></b>		<b><u>SUBSCRIPTIONS</u> <u>2013/2014</u></b>	<b><u>SUBSCRIPTIONS</u> <u>2014/2015</u></b>
1	<b>London Councils</b> - for the joint committee core and associated functions.	£165,664	£166,664
2	<b>London Councils</b> - Central bodies (LGE Grant).	£3,763	£3,763
3	<b>London Councils</b> – 16-19 RPG Regional Activities.	£3,000	£2,000
	<b>London Councils Base Subscription</b>	<b>£172,427</b>	<b>£172,427</b>
4	London Councils – 2013/14 one off credit (funded from accumulated Joint Committee reserve).	£(25,000)	£(10,000)
	<b>London Councils – Sub Total</b>	<b>£147,427</b>	<b>£162,427</b>
5	Local Government Association (including AMA rent credit - see appendix 2).	£26,577	£26,577
	<b>TOTAL</b>	<b>£174,004</b>	<b>£189,004</b>

**Appendix 1b**

	<b>2013/14 Contribution (£)</b>	<b>2014/15 Contribution (£)</b>	<b>2014/15 Rebate (£)</b>	<b>2014/15 Net Payment (£)</b>
LBHF Contribution to the London Boroughs Grant Scheme	200,095	194,822	(17,317)	177,505

## APPENDIX 2

### DETAILS OF SUBSCRIPTION/AFFILIATION ORGANISATIONS

#### 1. LONDON COUNCILS

London Councils is the local government association for London, bringing together representatives of the 32 London Boroughs and the Corporation of London. It develops policy, lobbies government and others, and runs a range of services including the Freedom Pass, the Taxicard Scheme, the London Lorry Control Scheme and the Parking and Traffic Appeals Service.

#### 2. LONDON COUNCILS - LOCAL GOVERNMENT EMPLOYERS ORGANISATION (CENTRAL BODIES)

The Local Government Employers was created by the Local Government Association and works with local authorities, regional employers and other bodies to lead and create solutions on pay, pensions and the employment contract.

#### 3. LOCAL GOVERNMENT ASSOCIATION

The Local Government Association (LGA) promotes the interests of English and Welsh local authorities.

The LGA exists to promote better local government and is a voluntary lobbying organisation.

In addition to representing various local government authorities it also represents fire authorities, police authorities, national park authorities and passenger transport authorities.

In the past 12 months the LGA has worked in to secure maximum funding for Local Government in a number of areas including Public Health, New Burdens and Troubled Families. The LGA also provides support to help councils and councillors develop and improve. In 2012/13 2 members and 1 officer of LBHF attended LGA events.

Explanation of the AMA rental/finance credit from the LGA - The annual LGA membership subscription of each former member of the Association of Metropolitan Authorities (AMA), which previously contributed to the purchase of the AMA's former offices at 35 Great Smith Street, is adjusted each year by a rental/finance credit. Before the LGA moved to Local Government House in Smith Square, it used the offices at 35 Great Smith Street and the rental credit represented an individual authority's share of the rent that was due to the AMA (Properties) Limited. The building was sold in 1999 and the proceeds of £6.2 million were invested in Local Government House in the form of a loan. Each (finance) credit (initially £6,000) now represents interest payable on the loan. The credit is reviewed every five years and adjusted with the Retail Price Index (RPI). The credit is now £7,965.