

	London Borough of Hammersmith & Fulham CABINET 5 JANUARY 2015
SUBSCRIPTIONS/AFFILIATIONS FOR EXTERNAL ORGANISATIONS 2015/16	
Report of the Cabinet Member for Finance : Councillor Max Schmid	
Open Report	
Classification - For Decision Key Decision: Yes	
Wards Affected: All	
Accountable Executive Director: Jane West – Executive Director of Finance and Corporate Governance	
Report Author: Gary Ironmonger, Finance Manager Revenue Monitoring	Contact Details: Gary Ironmonger Tel: 020 (8753 2109) E-mail: gary.ironmonger@lbhf.gov.uk

1. EXECUTIVE SUMMARY

- 1.1. The subscription to London Councils for 2015/16 is £167,473 a reduction of £4,954 since 2014/15. In 2015/16 participating Councils will receive a one off rebate of £25,000 funded from the London Councils uncommitted Joint Committee reserve giving a total cost to the council of £142,473.
- 1.2. The borough contribution to the London Boroughs Grant Scheme for 2015/16 is £191,078 (a reduction of £3,808 compared to 2014/15).
- 1.3. The subscription to the Local Government Association for 2015/16 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 2015/16 of £26,577 be approved.

- 2.2. That the 2015/16 contribution of £191,078 to the London Boroughs Grant Scheme be approved.
- 2.3. That the subscription of £167,473 (£142,473 net of one off rebate) for 2015/16 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 2015/16 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 2015/16 and the London Boroughs Grant Scheme for 2015/16 as detailed Appendices 1a and 1b.
- 5.2. The Local Government Association subscription for 2015/16 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 2015/16 subscription for London Councils is £167,473. In 2015/16, there will be a one off reduction of £25,000 funded from London Council joint committee reserves reducing the payment due to £142,473 (Appendix 1a).
- 5.4. The total cost of the London Boroughs Grant Scheme has been held at £9m for 2015/16 and the LBHF contribution is £191,078. The cost to individual boroughs is calculated using ONS population data as at June 2013 which results in a small reduction of £3,803 in the LBHF contribution to the grant scheme.
- 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 to London Councils and the LGA. There is sufficient funding within the Third Sector Investment Funding budget to meet the cost of the London Boroughs Grant Scheme payment in 2015/16.
- 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.

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

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

APPENDIX 1a

<u>ORGANISATION</u>		<u>SUBSCRIPTIONS</u> <u>2015/2016</u>	<u>SUBSCRIPTIONS</u> <u>2014/2015</u>
1	London Councils Base- for the joint committee core and associated functions.	£158,255	£166,664
2	London Councils - Central bodies (LGE Grant).	£3,763	£3,763
3	London Councils – 16-19 RPG Regional Activities.	£5,455	£2,000
	London Councils Subscription	£167,473	£172,427
4	London Councils – 2015/16 one off credit (funded from uncommitted Joint Committee reserve.	£(25,000)	£(10,000)
	London Councils – Sub Total	£142,473	£162,427
5	Local Government Association (<i>including AMA rent credit - see appendix 2</i>).	£26,577	£26,577
	TOTAL	£169,050	£189,004

Appendix 1b

	2015/16 Contribution (£)	2014/15 Contribution (£)
LBHF Contribution to the London Boroughs Grant Scheme	£191,078	£194,822

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 with local authorities to secure maximum funding for Local Government in a number of areas including work on a landfill tax freeze for 2015/16, savings from public Sector Auditor Appointments and devolution of £50m of Youth Contract underspend for councils to run local youth employment initiatives. The LGA also provides support to help councils and councillors develop and improve.

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 currently £7,965.