

REPORT OF THE LEADER

MEMBERSHIP OF THE LOCAL GOVERNMENT ASSOCIATION

Purpose of the Report

1. To seek approval for Nottinghamshire County Council's membership of the Local Government Association (LGA) to transfer from the existing Unincorporated Association organisation to a new private unlimited company.

Information

2. The LGA is the national representative body for local authorities in England and Wales. Cross-party and politically led, it seeks to provide local Councils with a strong voice with national government and other stakeholders. In total, 415 local authorities are members of the LGA in 2017/18.
3. Nottinghamshire County Council is a longstanding member of the LGA with representatives on the LGA appointed by Policy Committee. Its current representatives are Councillors Cutts, Adair and Rhodes along with Chief Executive Anthony May.

Incorporating the LGA

4. Like its member councils, the LGA is continually reviewing its arrangements to keep membership costs down. In July 2017, the LGA's General Assembly, its main decision-making body made up of councillors from its member councils, voted to create a new incorporated LGA in the form of a 'private unlimited company'.
5. Nottinghamshire County Council has received a request from the LGA asking it to formally sign up as a member of this new company. A copy of the draft Articles of Association can be found at Appendix A.
6. The LGA considers this change in status will enable it to be more financially sustainable, invest more in the work it does for member councils and keep subscriptions as low as possible. The LGA has stated that incorporation will mean that this change will enable it to enter into contracts and hold property in its own name (which it could not do as an unincorporated association) which will 'regularise' its commercial activities. The LGA has specified that the change will not affect the way that Nottinghamshire County Council accesses services as a member of this organisation.

7. The LGA has confirmed that under the proposed unlimited company, member councils would have the same entitlement to a share of the assets of the LGA and the same responsibility for its liabilities in the event of its formal liquidation. This means that the liability position of Nottinghamshire County Council as a member of the newly incorporated company would potentially be the same as under the current unincorporated LGA.
8. It is understood that the current unincorporated LGA will continue to be run in parallel until its General Assembly on 3 July 2018. At that stage, subject to all member councils having joined the new company, the General Assembly will be invited formally to dissolve the unincorporated LGA.

Financial Implications

9. There are no financial implications arising directly from this report. The Council's annual membership subscription to the LGA remains at the same level as for 2017/2018.

Other Options Considered

10. The option for Nottinghamshire County Council to remain members of the existing LGA Unincorporated Association organisation was considered but is not the preferred option.

Reason/s for Recommendation/s

11. To support the LGA become more commercial in order for it to offer members best value.

Statutory and Policy Implications

12. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) The Chief Executive be authorised to sign the application for admission as a member authority of the Local Government Association in accordance with the Associations new Articles of Association with effect from 1 April 2018.

Councillor Kay Cutts
Leader of the County Council

For any enquiries about this report please contact:

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Constitutional Comments (HD 1/5/18)

13. The proposals set out in this report fall within the remit of Full Council.

Financial Comments (SES 25/4/18)

14. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All