

Delegated Decision

Membership of the Local Government Association (LGA)

Officer Making the Decision

Chief Executive

Recommendation

That the Council applies for admission as a Member Authority of the Local Government Association (unlimited company).

Reason

So that the Council can continue its membership of the Local Government Association following its change in status from an unincorporated association to an unlimited company.

Authority for Decision

In accordance with the scheme of delegation within the Constitution, all officers with delegated authority have the following general delegated powers:

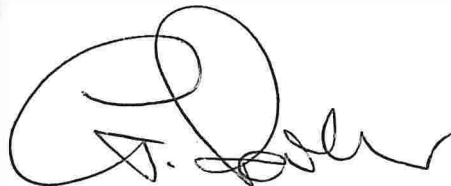
(i) all operational management matters for those functions and service areas for which he or she has responsibility;

(vi) anything which facilitates, or is conducive or incidental to, the discharge of the functions, tasks, or responsibilities listed in (i) to (v) above.

The Council is a long standing member of the LGA, and as the change in its status does not affect either the level of the Council's annual subscription or its share of any financial liabilities in the event of the dissolution of the LGA, this decision is an operational management matter that falls to the Chief Executive.

Decision and Date

APPROVED



11 JUNE 2018.

Background

1. The Council is a member of the Local Government Association (LGA). The LGA is a subscription based membership organisation, comprising 349 English councils, the 22 Welsh councils via the Welsh LGA, 30 fire authorities, 7 national parks and some town / parish councils.

2. The LGA is a politically led, cross party organisation which works on behalf of councils to provide a range of services from training, leadership programmes, peer challenge, support to councillors and ensuring that local government has a voice within central government.
3. The LGA was originally established as a unincorporated association. On 4 July 2017, the LGA, General Assembly, passed a resolution to create a new incorporated LGA, set up as an unlimited company.
4. All members of the LGA are being asked to sign up to the new corporate entity.
5. The reason for the change in status is financial, it will enable the LGA's property holding companies to benefit from the LGA's preferential tax status by first forming a group of companies and second transferring properties into the new unlimited company. This will allow the LGA to underwrite a pensions deficit that it has, using the values of the properties held by the companies.
6. The current situation is that, as a member of an unincorporated association, each council is liable for a share of the Association's liabilities if dissolved. This is stated in Section 21 of the LGA's Constitution. Being part of the new unlimited company puts the Council in the same position according to the proposed Articles of Association. The new Articles replicate the current LGA Constitution with amendments to reflect the new underlying corporate structure.

Summary of Advice provided by HR

Not applicable – there are no HR implications.

Financial Implications

There will be no change to the Council's current subscription, which remains at £10,450 per annum and which is met from within existing approved budgets.

Risk Management

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
The Council could be liable for a share of any liabilities in the event of the LGA being dissolved.	Unlikely	Moderate	There is no change in the level of liabilities, which remain on a proportional basis according to the value of annual subscriptions of current and former members of the LGA.

Key Decision: No

Background Papers None

LOCAL GOVERNMENT ASSOCIATION

APPLICATION FOR ADMISSION AS A MEMBER AUTHORITY

To the Board of Local Government Association (the **Association**)

[**CHARNWOOD BOROUGH**] Council hereby applies for admission as a Member Authority of the Local Government Association in accordance with the Association's Articles of Association, such admission to take effect on 1 April 2018.

On and from the Admission Date, the Council agrees to be bound by the Articles of Association of the Association and by such rules, standing orders and resolutions made or passed under or pursuant to them from time to time.

The council agree that all notices, documents or other information from the Association may, at the option of the Association, be sent to any address specified below, or to such other address as we may subsequently notify to the Association in accordance with the Articles of Association.

Signed:



Name (printed):

GEOFF PARKER

Position:

CHIEF EXECUTIVE

Date:

For and on behalf of (applicant council):

CHARNWOOD BOROUGH COUNCIL

Address of applicant council:

SOUTHFIELD ROAD
LOUGHTBOROUGH
LE11 2TX

Contact e-mail address:

GEOFF.PARKER@CHARNWOOD.GOV.UK

All communications to be marked for the attention of:

ADRIAN WARD.

