

HAMPSHIRE AND ISLE OF WIGHT LOCAL GOVERNMENT ASSOCIATION

27 January 2006

SUBSCRIPTIONS AND BUDGET FOR THE ASSOCIATION 2006/2007

Joint report by the Treasurer and the Director

RECOMMENDATIONS

- (1) That the budget for 2006/2007 be approved; and
- (3) That the Association's membership subscription unit be increased in line with inflation to £2,050 from June 2006.

BACKGROUND

1. The Association's year is from 1 June to 31 May. This enables Member Local Authorities to appoint their representatives after the elections. However, Member Authorities need to set their budgets now, so it is the Association's policy to set its budget for next year, and agree subscriptions, in January.
2. Member Authorities pay in accordance with their voting rights. Hampshire County Council has four votes and so pays four units of subscription. Unitary Authorities pay three. Police and Fire Authorities and District Councils pay two units. The Associations of Parish and Town Councils (APTCs) pay £1 per parish a year. The current subscriptions and income are shown in the table below:-

Subscriptions for 2005/2006

| | £ |
|--|-------|
| County Council (4 units) | 8,000 |
| Unitary Council (3 units) | 6,000 |
| District Council (2 units) | 4,000 |
| Police/Fire and Rescue Authority (2 units) | 4,000 |

FINANCIAL POSITION OF THE ASSOCIATION 2005/2006

3. The Annex shows the Association's expenditure last year, the budget and expected out-turn for this year and the budget proposed for next year.
4. The Association started the current year with an operating balance of £28,152. We aim to reduce the reserves to around £20,000 or three months' operating costs.

CAPACITY BUILDING

5. The Association has assisted Member authorities with capacity building and has supported Local Strategic Partnerships. We have attracted £60,000 of ODPM grant over three years for LSP capacity building. This sum includes “dissemination” across the English regions and accounts for the majority of an estimated income and expenditure of £11,000 in our own accounts this year. The Association has organised the annual Community Safety Conference on 21 February 2006 at Botleigh Grange Hotel. This conference has been provided free of charge to delegates. The cost has been met by the ODPM Capacity Building Fund and the Local Criminal Justice Board.

PROJECTIONS FOR 2006/2007

6. Projections for next year show a continuation of the process of reducing accumulated reserves.

SUBSCRIPTIONS FOR 2006/2007

7. It is proposed that the subscription rate be increased in line with inflation to £2,050 from June 2006. The proposed subscriptions are set out below:

Proposed Subscriptions for 2006/2007

| | £ |
|--|-------|
| County Council (4 units) | 8,200 |
| Unitary Council (3 units) | 6,150 |
| District Council (2 units) | 4,100 |
| Police/Fire and Rescue Authority (2 units) | 4,100 |

8. The Association has a good record of holding down costs to Member Authorities and attracting grant to the area. The subscriptions unit in 1997 was £2,400. Now it is proposed at £2,050.

NICK TUSTIAN
Treasurer

NICK GOULDER
Director

Date: 13 December 2005
Annex: 1 (available on request)
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