

Local Partnerships

Purpose of report

To receive a report on the performance of Local Partnerships in 2014-15.

Summary

The LGA Leadership Board requested that Local Partnerships submit a report to summarise the company's performance for the financial year from April 2014 to March 2015. The report is **attached** including details of the payment to the LGA by LP of £300,000 reflecting a better-than-expected financial result for the year.

Recommendation

That the Leadership Board considers the attached report from Local Partnerships, discussing how the LGA can continue working with Local Partnerships to mutual benefit.

Action

Sir David Wootton, Chairman, and Judith Armit, Chief Executive, of Local Partnerships will attend the meeting to present the report and answer questions.

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Local Partnerships

Introduction

1. The Leadership Board last reviewed the performance of Local Partnerships (LP) on 10 September 2014. The Board was pleased with the extent of LP's work within the Local Government sector in 2013-14. The attached paper presents a report on the achievements of 2014-15, both in terms of benefit to local government, and on the financial performance for the year, including how the LGA's RSG contribution of £1.7 million was used.
2. Local Partnerships set out four main objectives in its Business Plan for 2014-2015:
 - 2.1 To ensure Local Partnerships in its activities and services meets the priorities of its owners and their financial expectations of the organisation;
 - 2.2 To continue to build new market offers in each of the six programme areas, which meet market needs and are sustainable beyond the next general election;
 - 2.3 To ensure LP continues to deliver programmes and projects to the highest possible standards
 - 2.4 To continue to raise LP's profile with stakeholders and clients.
3. Local Partnerships performed well against these objectives, and in particular developed and supported new programmes of housing and regeneration support, and another supporting Growth Fund transport projects by Local Enterprise Partnerships and their local authority delivery partners.
4. In terms of financial performance, in 2014-15 LP achieved a turnover of £10.2 million (an increase of £600,000 over the previous year) and a surplus of £1.2 million. This allowed repayment of loan stock to the LGA and HM Treasury of £300,000, each which was paid on 5 August 2015.

Background

5. Established in 2009, Local Partnerships is a 50:50 joint venture owned by the LGA in partnership with HM Treasury. It provides commercial expertise in relation to projects and change programmes and acts for the benefit of the public sector. LP is tasked with covering its costs by its income, but is expected to assist the delivery of key national and local priorities, rather than profit maximise.
6. The **attached** report gives details of all the activity of LP, and sets out details of how the LGA's 2014-15 Revenue Support Grant of £1.7 million was spent.