

25 September 2015

The benefits of LGA membership to FRAs

Purpose

For discussion and direction.

Summary

This paper explores the subscription levels Fire and Rescue Authorities pay to be in membership of the LGA and makes a broad comparison with other membership organisations; sets out the benefits FRAs are able to access and explains how the LGA acts collectively on their behalf. It concludes with activity to be taken forward to ensure that all FRAs are able to evidence value for money from the membership.

Recommendation/s

The Committee is invited to:

1. Note the decrease in subscriptions by over 44% over the last five years;
2. Note the benefits of LGA membership; and
3. Acknowledge that, despite the approximate 50% reduction in LGA staff, the services to FSMC and the Fire Commission have been maintained.

Action/s

Officers to take forward any actions.

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FRAs as Members of the LGA

Background

1. At the last meeting of FSMC the committee expressed some concerns over whether LGA membership represented value for money for Fire and Rescue Authorities and asked for a report for consideration at the next meeting. This report sets out the position regarding subscription levels and makes a broad comparison with other membership organisations in terms of benchmarking. It also sets out in detail the benefits of LGA membership. Although this demonstrates good value for money, we are always keen to explore how services can be improved and already have some good pointers for the year ahead from the perceptions survey we carried out.

Introduction

2. Established in 1997 to be the single voice of local government nationally, the LGA is a politically-led organisation whose governance structures reflect the political make up of councils across England and Wales. It is a membership body and therefore is led by its members on behalf of its members. All elected members in governance positions and officers work hard to stay in touch with all member authorities across the country to ensure our work and priorities reflect the issues which matter most to our members.
3. The LGA's 435 member authorities include, in addition to the FRAs, district, county, metropolitan and unitary councils, London boroughs, national park authorities, the 22 Welsh authorities in corporate membership through the Welsh LGA, and 22 parish and town councils. It is an effective, well established and recognised organisation that works on behalf of councils and others to ensure local government in all its guises has a strong, credible voice with national government. Unlike many other membership bodies, the cross party philosophy provides a unique basis to represent the sector collectively in dealings with Whitehall, legislators, opinion formers and the media. This strength ensures we are able to speak with a united voice to influence and set the political agenda on the issues that matter to FRAs across different governance arrangements, different geographies, on the different challenges urban and rural authorities face and a variety of local issues.

The cost of membership

4. Along with other members, the 31 combined and metropolitan fire authorities pay an annual subscription to the LGA based on the relative size of the authority; it is a population-based model so for example Kent pays more than Leicestershire, which in turn pays more than Shropshire. The 15 county councils with an embedded fire and rescue service pay a supplement on top of their standalone membership to represent the additional benefits they derive. Unlike most organisations the LGA has frozen subscriptions for the past three years having reduced them by just over 44 per cent between 2009/10 and 2013/14. The average FRA subscription is now £10,051, although when we take out LFEPA as an outlier, the average subscription reduces to £9,423. The LGA therefore receives approximately £0.5 million in subscription fees.

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5. Over the past five years the LGA has been keen to recognise the financial pressures on local government and our subscription structure has reflected that. With the diminishing grant from DCLG to pay for improvement services, and reduced income from subscriptions the LGA has restructured to cut costs, first in 2011 by merging the five different parts of the LGA, and more recently by ensuring that all staff costs are coded correctly to provide clear audit and accountability for the RSG topslice grant. In total, this has meant staff reductions across the board and a cost consciousness strategy, along with developing work on a commercialisation strategy. The LGA is now approximately 50% smaller than in 2011.
6. It is difficult to make meaningful comparisons about value for money with other organisations. However, the former Association of Police Authorities might provide an indication. As a small and standalone organisation, it aimed to focus on representing just police authorities and since it had to pay for accommodation, all staff and associated on-costs, it was necessary to set a subscription level between £19-59,000 per authority. When the Association of Police and Crime Commissioners was set up, PCCs were not prepared to pay these levels and the association relied on a grant from the Home Office. London Councils is in a slightly different position because the amount paid by the boroughs includes a number of pan-London arrangements, but the basic subscription is approximately £167,000.
7. Although we need to be cautious with these comparisons, it is clear that there are significant financial benefits in being part of a bigger organisation. Aside from benefitting from higher quality staffing and accommodation costs, drawing on a public affairs team with excellent connections (rather than employing consultants), and a nationally recognised press team, the sector benefits from professional connections in parliament and influence with Ministers and a national media profile not enjoyed by smaller organisations. Similarly, deploying our research team to carry out our perceptions survey and other ad hoc work would not be possible with a smaller organisation. With the LGA representing local government more widely, driving work forward on cross cutting agendas is more straightforward and effective as we have those well established relationships and policy expertise in-house.
8. Significantly, over the past few years, the profile of fire and rescue has increased within the LGA with dedicated publications, a specific 100 days campaign, business plan objectives and leadership modules, and most recently a Spending Round submission with CFOA. Showcasing the work of the sector in winter weather, terrorist incidents, helping the ageing population and work with young people on the edge of crime ensures that the sector receives recognition for its work and has cemented its place in the LGA's work programme. Drawing on these wider resources, as and when needed, ensures that subscriptions for dedicated interests such as fire and rescue authorities can be kept to a minimum.

The benefits of membership

9. There are a number of standard services and products which are available to FRAs as set out below. However, in addition, a lot of work is on a bespoke basis when FRAs ask for assistance or support and most of this is offered freely. The benefits accruing to FRAs from membership can be broadly split into:
 - 9.1. Those applying directly to FRAs

9.2. Additional benefits that FRAs share with other members

FRA benefits

10. **Meetings** – The LGA arranges four fully funded meetings per year of the Fire Services Management Committee and two of the Fire Commission serviced by a member services officer, and supported by a principal policy adviser, a policy team senior adviser and an adviser.
11. **Policy support** – There is a dedicated policy team, led by a principal policy adviser and including approximately 80 per cent of a senior adviser's time and 50 per cent of an adviser, to develop policy positions, lobby, and share good practice and information amongst members. The team also works to ensure that the interests of FRAs are properly heard both inside and outside the LGA. The team also provide regular policy updates through newsletters, the web site and the knowledge hub, and are available on the phone or via e-mail to answer individual queries and requests.
12. **Conference and events** – Members will be aware of the prestigious annual fire conference which is now a key event in the fire sector's calendar. This is a key opportunity to influence and hear from Ministers, civil servants and showcase the work of the sector. Members of the LGA are able to benefit from a preferential rate for delegates. Income from the event ensures that we are able to organise a wide ranging conferences schedule across local government business. We are keen that FRAs members take advantage of these other opportunities.
13. **Leadership Essentials programme** – The LGA organises and delivers two free Leadership Essential courses per year at the Warwick Business School specifically for FRAs. This started two years ago, and is now an established part of our offer.
14. **Press and public affairs** – The media and public affairs teams provide dedicated support to the FRAs alongside their wider role on behalf of the whole local government sector. They are able to access Ministers, manage campaigns and deliver effective lobbying support both above and below the radar.
15. **Representation on outside bodies** – FSMC members currently represent FRAs on 12 national outside bodies, such as the Joint Emergency Services Implementation Programme Board, the Fire Services College Advisory Board and the Arson Prevention Forum. With support from officers, this ensures the sector is properly plugged into key forums.

Additional benefits

16. **Access to other leadership programmes** – The LGA runs a range of nine political leadership development programmes to support and develop councillors and to ensure local politicians are confident and capable; well-equipped and well-supported to make a difference, deliver and be trusted. One free place per authority, worth £1,000, is for example, available to members on the two day Leadership Academy. Alongside these, it also runs a number of managerial leadership programmes.
17. **Legal opinion** – As and when necessary the LGA can seek legal opinion for the whole sector at significant saving to individual authorities. The LGA can also take collective

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action over other issues, such as over the recovery of almost 100 per cent of the Icelandic investments that many authorities thought they had lost in the 2008 crash.

18. **Access to Local Government House** – The facilities of LGH are available to FRAs. Members will be familiar with what it offers from Monday to Friday between 8.30am to 5.30pm.
19. **Access to support from the political groups** - The groups lead the LGA's political activity, influencing and networking with Government, shadow teams and party administrations; liaising with political groups in councils; maintaining a watching brief over council performance and coordinating political intervention where and when necessary. They also help sustain our campaigns, policy and media work and support board and committee members.
20. **LG Inform** – LG Inform and LG Inform plus, the LGA's online data and benchmarking service, provide members with transparent and comparable performance information. LG Inform is a flexible site that can be personalised to each authority's needs. The home page dashboard can be tailored to monitor important indicators and, in future, the ability to collect local data will be available. LG Inform plus provides authorities with access to small area data reports and tools and gives support and guidance to authorities to drive improvement.

Other LGA support to FRAs

21. **Peer challenge** – The peer challenge process delivered by the LGA is a key element of the sector led improvement framework. Every FRA has benefitted from a free peer challenge since the programme was introduced in 2013 and the schedule is now filling up for 2015 onwards. Although funded from RSG and therefore open to non-members, any specific follow up support from the LGA, eg from the regional Principal Advisers, would only be open to members of the Association.
22. **Support to the NJC** – The LGA provides the secretariat to the employer's side of the National Joint Council for Local Authority Fire and Rescue Services, the Middle Managers' Negotiating Body, and the NJC for Brigade Managers of Local Authority Fire and Rescue Services. It also provides regular circulars to update FRAs on manpower issues.

Conclusion

23. It is encouraging that all 46 FRAs choose to remain in membership of the LGA and our ability to maintain resources and continue to expand our offer in constrained times, plus the real reduction in the cost of LGA membership over the past six years have all been positive. It is clear that if FRAs take advantage of all the services on offer, this more than covers the subscription levels. For example, the peer review programme for all 46 FRAs would cost £552,000 on a paid-for basis; and when we have costed specific parts of our offer for individual authorities, it invariably exceeds the subscription level. However, it is difficult to put a financial value on lobbying: clearly winning additional funding or financial flexibilities can be costed, but changing Ministers' minds about policy is often difficult to quantify. We are keen that our members are fully engaged with the LGA to shape our work and to ensure they benefit fully from the work of the organisation. Although we have never offered a service level type agreement, where members pay for different levels of

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service/access, our commercialisation work is looking at a range of membership options for the future. We remain keen to represent the entire fire family, and although we acknowledge the difficulties around finance impacting on different members and how we lobby on this important issue, we work closely with the Association of Metropolitan Fire and Rescue Authorities and other sector bodies to shape and nuance our work.

24. As our perceptions survey concluded, there is more to do on ensuring all members of all FRAs are able to fully benefit from the LGA. With our invoices, the Chief Executive sends a written summary tailored to each authority, setting out what activity the LGA has undertaken over the past year. Building on that we are now going to review what else we can do to support FRAs going forward.

Next steps

25. Members are asked to:

- 25.1. Note the decrease in subscriptions by over 44% over the last five years;
- 25.2. Note the benefits of LGA membership; and
- 25.3. Acknowledge that, despite the approximate 50% reduction in LGA staff, the services to FSMC and the Fire Commission have been maintained.

Financial Implications

26. None.