**Appendix Four**

**HEREFORD CITY COUNCIL**

**COUNCIL MEETING 1ST December 2015**

**NALC Subscription**

**1. Background**

1.1 The National Association of local Councils (NALC) is the representative body for parish councils in England and community councils in Wales. It is the only body that provides the representation. NALC functions through county associations, in our case Herefordshire Association of Local Councils (HALC). While there is some debate going on in NALC about whether members joint the county association and are then nationally affiliated or join the national body and are then allocated to a local association when it forms, the fact remains that membership is of both groups. There is no facility to join a local association but not the national one, or vice versa.

1.2 Between them NALC and HALC provide training for members, technical briefings on a wide range of topics (normally directed to the clerk but available on the web site to members, legal advice on a number of matters and campaign on local and national issues of interest to parishes. NALC was successful in obtaining the council tax support grant in the aftermath of the decision by DCLG to alter the way the tax base was calculated and without that success the City Council would have lost around £102,000 for its income at a given level of council tax. NALC also campaigned for wider powers for parishes, exemplified by the award of general power of competence to eligible parishes. On the debit side NALC has not been successful in getting the council tax support grant protected by law rendering it vulnerable to decision by principal authorities not to pass the money on. It has also not been able to persuade the government to do away with the parish poll, an expensive and in many people’s view archaic power held by the annual parish meeting. A brief resume of membership benefits is attached to this report.

1.3 In the past when the Council has debated membership of NALC the decision has been a close one, giving rise to a level of uncertainty within HALC about our plans each year. Council has resolved to review subscriptions annually when they arise. A key factor in the debate on the NALC subscription has been a perception that the membership charge per head has been to our disadvantage. Some smaller communities with wider powers than Hereford’s have been charge much less for NALC membership despite having a much larger budget. Hereford is not alone in raising this inequality and NALC have announced this year that the larger councils’ subscriptions are capped at £1,750 per annum. HALC has a 40 pence per head subscription rate for the first 3,000 population and 4 pence per head above that, but it does not count any population above 9,000, effectively capping the City’s contribution.

1.4 NALC National Committee has voted to impose a 20% increase in subscriptions nationally but has also agreed to respond to the concern of larger councils by imposing a cash cap of £1,750. The effect of all these adjustments is that next year’s total subscription and affiliation for NALC and HALC will cost £3,250, down from £3,365 this year.

1.5 Noting some difficulties with cash flow, HALC have asked for members to pay their subscription promptly on 1st April or very soon thereafter. In order to do this it will be necessary for Council to have made a commitment to renew the subscription. Given the reduction in the total charge despite the national increase of 20%it seems appropriate to make that decision now as it can inform the budget setting process for the coming financial year.

**2. Recommendation**

**2.1 That the Council decides its position on NALC/HALC membership for the coming financial year and mandates its officers accordingly.**

Steve Kerry

Town Clerk