

# HERTFORDSHIRE COUNTY COUNCIL

## CABINET

MONDAY 29 JANUARY 2001 AT 10.00 AM

Agenda Item No

18

## MEMBERSHIP OF EXTERNAL ORGANISATIONS

### Report of the Assistant Chief Executive, Strategy

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#### 1. Purpose of the Report

To report to members the relevant findings of a value for money review of HCC membership of external organisations, concentrating on those directly involving or administered by the Corporate Services Department. The aim of the review was to act as a brief 'healthcheck' on membership of and involvement with external organisations. Cabinet are asked whether they wish to put a proposal to the Resources Prosperity Partnership & Consultation Select Committee to discontinue membership of the Assembly of European Regions.

#### 2. Summary

##### *a. Report on the review of membership of external organisations*

The constituent parts of the Corporate Services department are corporate members / subscribers to a number of external organisations. As well as the benefits the authority and individuals receive from these organisations, there is clearly a cost in terms of both membership / subscription fees and staff time spent working with these organisations. A review has been undertaken by officers; the aim of this short piece of research was to assess the extent of the benefits or otherwise that the County Council receives from membership of the most significant (in terms of cost or staff time) external organisations, through the development of a set of basic evaluation criteria.

The criteria concentrated on:

- Information and advice
- Networking opportunities
- Lobbying
- Professional Development
- Necessity of membership
- Working relationship with HCC
- Responsiveness to the political environment
- Credit given to HCC
- Cost and operational effects of ceasing membership on individuals / units/ the Authority
- Cost of membership in subscription fees and staff hours

The process proved to be valuable in terms of stimulating thought about the value and necessity of membership of organisations and, if undertaken on a regular basis, will provide a

sharper focus on the value that external organisations add to the work of Hertfordshire County Council.

***b. Report of changes***

As a result of this piece of work, continued membership of the following organisations has been ceased and the savings taken into account in next year's budget. Work with these organisations will cease as soon as is practicable and most advantageous to HCC. For example, when current membership has expired or, where the most significant contribution is staff time, immediately.

- **Warwick University Consortium**

Scored below average using the chosen criteria, membership is not a necessity and some doubt existed over whether HCC gets full value from the organisation.

- **Warwick University Better Value Group**

Scored below average using the chosen criteria, membership is not a necessity. Continued membership of this organisation is of decreasing value as the Best Value programme of reviews progresses.

- **Service First**

Scored poorly using the chosen criteria and involvement appears to offer little tangible benefit to HCC.

***c. Opportunities to reconsider membership***

Initial analysis of the Assembly of European Regions (AER) has provided an appropriate opportunity to reconsider the value HCC receives from membership of this organisation.

Policy Committee of 27<sup>th</sup> January 2000 received a paper from the Corporate Director (Strategy) suggesting that the Council should consider whether membership of the AER would deliver sufficient inward investment to Hertfordshire to justify the cost of continuing membership. The decision of the committee was that the County Council should "continue its membership of the AER for the time being".

In the year since then, the AER has lost more members and the level of involvement by HCC with the organisation has been minimal. Therefore there are clearly question marks over the benefits of continued membership of this organisation.

It was felt that the organisation scores poorly on a number of the chosen criteria, specifically membership of the organisation does not deliver significantly in the following areas ;

- Provision of information and advice  
There is a very low level of information and advice supplied by the AER
- Quality of support with lobbying  
No significant activity in this area
- Necessity of membership  
Membership is not compulsory, and therefore needs to be weighed up against the benefits accrued

- Working relationship with HCC  
Contact between the AER and HCC has been minimal over the last 12 months

Additionally, the organisation fared poorly when the following issues were considered;

- Cost and operational effects of ceasing membership on individuals / units/ the Authority  
There would be a minimal effect if membership were ceased
- Cost of membership in subscription fees and staff hours  
The cost of membership is not particularly high (subscription for 2000 was 9,223 euros (approximately £5,900)) and few staff hours were spent on AER activities over the last 12 months. It was not possible to identify directly attributable benefits to be gained from the membership fee.

The organisation scored most strongly on its ability to respond to political change, giving credit to the County Council for work done in partnership and the networking opportunities for the County Council that membership affords. However, it was felt that these opportunities are also now available from other more appropriate organisations / forums.

The AER is suffering from a high dropout rate amongst its members. As at 7<sup>th</sup> December 2000, there were 14 remaining UK members, and a further 8 withdrawals had been notified to the General Assembly. The remaining members are Bedfordshire, Devon, Dorset, East Riding, Fife, Gloucestershire, Hampshire, Hertfordshire, Somerset, South Yorkshire, Surrey, Warwickshire, West Midlands, and West Yorkshire.

### **3. Conclusions**

The 'healthcheck' work on membership of external organisations has determined that there are lingering doubts over the value HCC receives from continued membership of the AER and therefore there is an opportunity for members to consider whether the County Council should withdraw from this organisation. A Cabinet proposal to this effect would need to go to the Resources Prosperity Partnership & Consultation Select Committee for comment.

### **4. Financial Implications**

Discontinuing membership of the AER would save approximately £6,000 per year in subscription fees.

*Background material used by the author in compiling this report*

*Policy Committee minutes, (27<sup>th</sup> January 2000)*

*Review of Membership of External Organisations, Corporate Services Department (October 2000) This report is available from Paul Drake (Strategy and Consultancy) on 01992 58(8747) or e-mail.*