

21.10.14

Community Committee

Parish Council Discretionary Grants

Report of: *Ashley Culverwell, Head of Borough Health, Safety and Localism*

Wards Affected: *All Brentwood Borough wards*

This report is: *Public report*

1. Executive Summary

- 1.1 As part of the Funding Strategy that was agreed at Strategy and Policy Board on 21 November 2013 (minute ref. 263), all discretionary grants and support to voluntary and community sector organizations were reviewed. A set of future funding principles were agreed at Strategy and Policy Board in relation to the Parish Councils.
- 1.2 Various one to one meetings have been undertaken with each of the Parish Councils to review the level of funding and looking at ways in which Brentwood Borough Council and the Parish Council can work more effectively together. This includes a much clearer idea on roles and responsibilities for Essex County Council, Brentwood Borough Council and the Parish Councils. Although it is proposed to reduce the Discretionary Grant funding over the next three years, the Borough Council is also looking at strengthening the support that it provides to the Parish Councils with the development of a Service Level Agreement, and other in kind support to mitigate against this reduction, and minimize the impact on local residents.

2. Recommendations

That Members agree to:

- 2.1 **Officers developing a Service Level Agreement (SLA) for each Parish Council outlining the services that the Council will provide.**
- 2.2 **Phase out the Parish Council Discretionary Grant over three years commencing on 1st April 2015 with a 20% reduction for each of the 3 years, such that the grant level is zero by April 2018.**
- 2.3 **Officers continue to review the impact of the reduction of the Parish Council Discretionary Grant through regular meetings with the Parish Councils.**

3. Introduction and Background

- 3.1 The discretionary grant has been provided to the Parish Councils in Brentwood since the local Government reorganisation in 1973/4.
- 3.2 Parish Council funding was reviewed in 2011/12 which gave rise to the agreed grants for Parishes in 2012/13.
- 3.3 As part of the discretionary grant review a partnership agreement was entered into with some of the Parish Councils with the intention that a Service Level Agreement (SLA) would be developed at a later stage of the review of the Parish Council funding process. The aim of the SLA was to specify those services the Council would fund, which work would be undertaken by the Parish Council and work undertaken by the Council on behalf of the Parish (avoiding paying of a grant and re-commissioning). The SLA was not pursued and as a result the grant was frozen for 2013/14.
- 3.4 The Council has come under increased pressure from Central Government to reduce its costs and use its resources more efficiently, while ensuring that any support for the voluntary and community sector is both effective and targeted to support the most vulnerable.
- 3.5 As part of the Funding Strategy review the Council looked at the situation across Essex to see what support other authorities currently provide to the Voluntary and Community Sector.
- 3.6 The Borough Council values the work that the Parish Council currently undertakes to support their local community.
- 3.7 At the Strategy and Policy Board meeting on 21 November 2013 members agreed (minute ref. 263) to adopt the following principles for future Parish Council funding:
 - All parishes should have charging policies in place where applicable, which cover the cost of services being provided i.e. they should be self financing. For example, charges for the use of playing fields and changing rooms should be set to recover the costs for maintenance. If the Parish choose not to go down that route then any subsidy provided should be borne by the Parish not by the Borough.
 - All administrative costs relating to the running of the Parish should be borne by the precept not by the Borough – this would include salaries, office costs, insurance, loan charges, cost of being a quality council, risk management, health and safety.

- Repairs and replacement of capital equipment should be budgeted for by the Parish by making provision over the life expectancy of the asset in the same way the Council must do this. This will not be covered by the grant.
- Any agreement to fund costs by the Borough will be on the basis of standards provided in other parts of the Borough. If the Parish wish to increase these standards then these costs should be borne by the precept.
- Any new provision or investment made by the Parish will not be funded as to start up costs or ongoing liabilities unless specifically agreed in advance by the Borough. Any other approach would be unrealistic in the current climate.
- The Borough wishes to avoid the situation when a grant is paid to the Parish and the work is then commissioned from the Council – this creates administrative work where none is required.

3.8 During August and September 2014 there have been follow up meetings with each of the Parish Councils to analyse their requests for assistance from the Discretionary Grant for 2015/16. The meetings also looked at future funding arrangements and options, where potential efficiencies could be made and to discuss any issues that they are currently experiencing.

4. Issue, Options and Analysis of Options

- 4.1 Feedback from the one to one meetings that the Officers had with the Parish Councils in August and September 2014 identified some common themes and issues that were raised.
- To develop a Service Level Agreement so that there are clear roles and responsibilities for all three tiers of authority
 - For the Council to make a final decision rather than having a continued uncertainty for the Parish Councils on an annual basis
 - If the grant is to be reduced or cut completely, to allow the Parish Councils sufficient time to adjust to the reduction
 - Issues with the 'Bring Sites' especially at Crown Corner and at Mountnessing Village Hall and the accumulation of dumped rubbish
 - To provide improved engagement/ communication channels with Council Officers
 - Identify areas or services that Brentwood Borough Council could assist that might enable the Parish Councils to reduce some of their existing overheads

- 4.2 It is proposed to phase out the Parish Council Discretionary Grant over three years commencing on 1 April 2015 with a 20% reduction for each of the 3 years, such that the grant level is zero by April 2018.
- 4.3 The following enhanced areas of support are offered to the Parish Councils:
- Development of a clear and unambiguous Service Level Agreement with officers and each of the Parish Councils to ensure that there is no duplication of effort, clear responsibilities and with assurances that the Council could meet the standards specified.
 - Introduce clearer lines of communication with Council Officers particularly grounds maintenance staff to ensure that any issues could be quickly rectified and promote more partnership working with the Parish Councils.
 - Improved engagement with Brentwood Borough Council with the continuation of the two Parish Council Liaison Meetings a year with senior officers and relevant Borough Council Members invited; plus an annual meeting with the Leader of the Council and the Chief Executive and representatives from all of the Parish Councils; and for the Leader of the Council to occasionally visit the individual Parish Council meetings.
 - Assisting the Parish Councils with unlawful caravan incursions including repossession of land the removal of rubbish.
 - Assisting the Parish Councils to utilise the Neighbourhood Action Teams and the Highway Rangers more effectively in their areas
 - Assisting the Parish Councils to utilise and promote Brentwood Community Transport schemes that will support the more isolated and vulnerable residents to access transport in their area.
 - Liaising with Parish Councils to identify potential projects/initiatives that require additional funding such as the Brentwood Community Fund or the ward budgets, or other external funding pots. The proposal is to run a funding workshop for the Parish Councils.
- 4.4 In addition to the Discretionary Grant, the Council has, since April 2013 provided an additional grant to support the adjustments arising from the introduction of Local Council Tax Support Schemes. This grant has protected the Parish Councils from any impact to their individual tax base figures.
- 4.5 Brentwood Borough Council will not know until December 2014 whether this grant will be available for 2015/16 and therefore cannot make any commitment at this stage regarding this element of funding. If it should be available, the Council will only be able to provide the grant for 2015/16

since the outcome of the General Election in May 2015 could change the funding arrangements for 2016/17 and beyond.

5. Reasons for Recommendation

- 5.1 Although some common themes emerged from the one to one meetings the Borough Council recognises that each Parish Council is different so the Council will need to adopt a process that is seen to be fair for all of the Parish Councils.
- 5.2 A number of the Parish Council's highlighted that if the funding were to be reduced or cut completely then they would need time to prepare for this. A phased reduction in funding would be beneficial to allow them time to prepare for when the grant will eventually cease.
- 5.3 The Parish Council's also indicated that a clear Service Level Agreement needs to be in place so that each of the three tiers of authority, Essex County Council, Brentwood Borough Council and the Parish Councils are aware of each authority's specific roles and responsibilities.
- 5.4 Brentwood Borough Council fully supports the work that the Parish Council's undertake so is keen to provide a number of measures that will continue to support the Parish Council's as indicated in 4.3 of this report.

6. Consultation

- 6.1 As part of the Funding Strategy review a number of one to one meetings took place in 2013 with each of the Parish Councils. The Council's Overview and Scrutiny Committee also had a Task and Finish group to review the support that is currently given to the voluntary and community sector and this was reported back to the Overview and Scrutiny meeting on 26 November 2013 (minute ref. 273).
- 6.2 Throughout August and September 2014 a number of one to one meetings have taken place to discuss potential future funding arrangements, and how the Borough Council and the Parish Council's can work more effectively together.
- 6.3 On 22 September 2014 a summary of the one to one meetings was presented to the Parish Councils Liaison Meeting and highlighted that this report will be coming before Members for recommendation.
- 6.4 The Council has also consulted with other Essex authorities to establish what arrangements they have in place regarding funding to their Parish Councils. The majority do not provide any direct discretionary grant

funding. Colchester has a flat allocation of £500 per Parish Council. Braintree has merged their Parish Support Grant with their Local Council Tax Support Grant into a single Localism Fund. Moving forward this grant will reduce if the District Council's funding from Central Government is also reduced. The Parish Council's can also sign up to a Service Scheme which covers street cleansing and litter bins to apply for additional funding. Braintree District Council also has a Community Fund that Parish Council's can apply to. Braintree have 56 Parish Council's and the average Localism Fund allocation is between £1- £5k and a total pot of £340,000.

7. References to Council Priorities

The Parish Council Discretionary Grants sits under the Localism priority and looking at the support that is given to the Voluntary and Community Sector is both targeted, supports the Council's priorities and provides effective support for the local community.

8. Implications

Financial Implications

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- 8.1 The Financial Implications are set out in the table below. The impact for each of the Parish Councils is set out in **Appendix A** of this report.

	Grant awarded in 2014/15	20% reduction for 2015/16	20% reduction for 2016/17	20% reduction for 2017/18	2018/19
Total Parish Council Grant awarded	112,509	90,007	72,006	57,605	0

Legal Implications

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- 8.2 The Council cannot fetter its discretion and bind itself.

Other Implications (where significant)

Equality and Diversity implications – The Council values the contribution made to the rural areas by the Parish Council's and the Council will continue to offer support to the Parish Council's and all sections of the community as indicated in this report.

9. Appendices

Appendix A – Proposed reduction schedule for Parish Councils

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