

Executive Report

Wards affected: Ash South and Tongham, Ash Vale, Ash Wharf, Clandon and Horsley, Effingham, Lovelace, Normandy, Pilgrims, Pirbright, Send, Shalford, Tillingbourne and Worplesdon

Report of Director of Finance

Author: Michele Rogers

Tel: 01483 444842

Email: Michele.Rogers@guildford.gov.uk

Lead Councillor responsible: Joss Bigmore

Tel: 07974 979369

Email: joss.bigmore@guildford.gov.uk

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Parish Councils – Concurrent Functions Grant Aid: Applications for Assistance 2020-21

Executive Summary

The Council's concurrent functions grant aid scheme provides financial assistance to parish councils. Concurrent functions are services which both the Borough Council and the parish councils are empowered to undertake.

The Executive is asked to approve the budget for 2020-21 at this time because the parish councils need to be aware of the level of grant aid available to them so that they can build the sums into their budget calculations for the coming year. They will fix their budgets and precept requirements for 2020-21 in December and early January, enabling this information to be included in Guildford Borough Council's final budget approval process in February 2020.

Parishes were asked to complete a detailed application form and written estimate for each project and identify how the project meets at least one of the three fundamental themes within the Council's corporate plan. We have received 27 requests from 14 of the 23 parish councils totalling £91,889. A panel of officers have evaluated the bids. The panel referred any queries raised back to the parish council concerned and obtained satisfactory responses in all cases. Bids brought forward for approval total £91,889 which is £1,889 over the base budget of £90,000. Officers recommend that the residual balance of £1,889 be met from the Parish Council Urgent Schemes Reserves to achieve a balanced budget.

Recommendation to Executive

- (1) That the grant budget for 2020-21 be approved at £90,000, subject to final confirmation by the Council at its budget meeting in February 2020.

- (2) That the parish council requests for grant aid for 2020-21, as set out in Appendix 2 to this report, be approved.
- (3) That the remaining balance of £1,889 be met from the Parish Council Urgent Schemes Reserve.

Reasons for Recommendation:

- To assist parish councils with expenditure on concurrent function schemes in 2020-21.
- To enable parish councils to take account of financial assistance from Guildford Borough Council when calculating their precept requirements for 2020-21.

Is the report (or part of it) exempt from publication? No

1. Purpose of Report

- 1.1 This report gives details of the applications from parish councils for financial assistance through the concurrent functions grant aid scheme in 2020-21. The parish councils will include all grants recommended for approval in their precept calculations for the 2020-21 financial year.

2. Strategic Priorities

- 2.1 As part of the bidding process, we asked parishes to indicate how their project(s) meet one of the fundamental themes within the Council's corporate plan. In all cases, the projects meet at least one of those themes.

3. Background

- 3.1 The Council's concurrent functions grant aid scheme provides financial assistance to parish councils. Concurrent functions are services which both the Borough Council and the parish councils are empowered to undertake. The policy relating to the operation of the scheme was last updated in 2019-20 and is summarised in **Appendix 1**.
- 3.2 In 2018-19, the minimum grant request was amended to £500, this was having an adverse effect on smaller Parish Councils who rely on the grant. Therefore, it was agreed by the Director of Finance, in consultation with the Lead Councillor to reduce this amount to £200 with effect from 2019-20 grant applications.
- 3.3 Parish council tax payers pay more than Guildford town centre tax payers. They contribute towards facilities and services provided throughout the Borough as well as additional facilities provided by the Parish on their behalf. For example, the Parish pays for the upkeep of their own play areas, as well as those for which the Borough is directly responsible e.g. Sutherland Memorial Park. The purpose of the CFGA scheme is essentially to address this 'double-rating' element.
- 3.4 It is important to note that the Parishes only receive a maximum of 50% in grant aid towards any projects (the % is lower for any schemes over £10,000). The balance has to be funded from their precept. Therefore, the Parishes need to

- carefully consider their priorities and spending needs when submitting bids. The parishes vary considerably in size, tax base, responsibilities for service provision etc. They are autonomous bodies and each will have its own priorities.
- 3.5 The tax payers in the Parishes also pay towards the annual provision for concurrent functions grant aid as included in the Borough's budget (the cost is included in the basic Borough council tax levy).
 - 3.6 The parish councils need to be aware of the level of grant aid available to them so that they can build the sums into their budget calculations for the coming year. They will fix their budgets and precept requirements for 2020-21 in December and early January, enabling this information to be included in the Borough Council's final budget approval process in February.
 - 3.7 Parishes have two years to complete the works. In exceptional circumstances, the Director of Finance, in consultation with the Lead Councillor for Finance & Assets, Customer Services are authorised to agree a one-year extension. In 2018-19, five projects totalling £24,226 were authorised for a one-year extension.
 - 3.8 In 2012-13, an amendment to the scheme was made to allow unspent monies to be retained in a reserve and available for applications for urgent schemes during a financial year. In 2018-19, £39,213 was transferred to this reserve as a result of amounts that were either not used, as schemes were out of time, or were delivered within the estimated cost. To date, 40 applications have been made for urgent assistance.
 - 3.9 The Executive is asked to consider the applications for grant aid for 2020-21. We have received 27 requests from 14 of the 23 parish councils. A panel of officers namely, the Parks Development Officer, Transportation Projects Manager, Principal Planning Officer, S106 Officer and Capital & Assets Accountant assessed the bids to ensure compliance with both the scheme criteria and the Council's wider policy objectives, and in the light of the budget available. The panel referred back to the parish council concerned any queries raised and obtained satisfactory responses in all cases. Grant aid towards the requests total £91,189. In order to bring this figure within the budget of £90,000, the officers request that the remaining £1,889 be met from the Parish Council Urgent Schemes Reserves.
 - 3.10 Concurrent Functions grant is not the only grant the Council provides to the parish councils. The Council also provides a grant called the Local Council Tax Support (LCTS) grant. The grant compensates for the loss of council tax income from those properties in receipt of Local Council Tax Support. The grant was introduced when the LCTS scheme was introduced and originally funded from central government grant, which the Council passed through to parish councils. The grant from central government has now ceased, as such the Council now funds the LCTS grant to parishes from its own locally raised taxes (e.g. council tax and retained business rates). The total of LCTS grant to parishes for 2020-21 is proposed to be £92,291 (see **Appendix 3**). This is the same as the LCTS grant paid in 2019-20.

4. Consultations

- 4.1 All parish councils were invited to bid for concurrent functions grant aid.
- 4.2 All councillors within affected wards have been consulted and all responses have been supportive.

5. Equality and Diversity Implications

- 5.1 There are no equality and diversity implications as a result of this report

6. Financial Implications

- 6.1 The financial implications are set out throughout the report.

7. Legal Implications

- 7.1 The Local Government Act 1972 (s.136) empowered the Borough Council to contribute towards expenditure on concurrent functions i.e. functions exercisable by both the parishes and/or the Borough. Although the grant was discretionary when introduced, the provisions of the Local Government Finance Act 1992, required local authorities to consider their treatment of special expenses (section 35(2)(d)). In 1993, following consultation with parish councils, the Council decided its policy of not treating any of the Borough's expenditure as special expenses be continued and that the cost of all services be charged equally to all Council Tax payers with financial assistance continuing to be offered to the parishes via the Concurrent Functions Grant Scheme. The Concurrent Functions Grant Aid scheme, which has been operating since 1975, is an appropriate arrangement for dealing with the issues arising from concurrent functions. The scheme is a clear and fair way for grants to be distributed to support parish council activities, based upon pre-determined criteria.
- 7.2 The Council has general powers to make grants of the type referred to in the report. The annual base budget provision for the scheme was fixed at £90,000 by the Executive in November 2017.
- 7.3 The grant award recommendations are based on the current scheme policy set out at Appendix 1. The functions referred to are concurrent.

8. Human Resource Implications

- 8.1 There are no human resource implications as a result of this report

9. Summary of Options

- 9.1 The Executive is asked to approve the budget for 2020-21 at this time because the parish councils need to be aware of the level of grant aid available to them so that they can build the sums into their budget calculations for the coming year. Any delay in approving the budget would affect the parish councils' ability to fix their budget and precept requirement for 2020-21 at the appropriate time to be

included in Guildford Borough Council's final budget approval process in February 2020.

10. Conclusion

- 10.1 The level of requests from parish councils for concurrent functions grant aid has slightly exceeded the budgetary provision and it is necessary to determine a method to address this, Officers recommend that the residual balance of £1,889 be met from the Parish Council Urgent Schemes Reserves to achieve a balanced budget. The report recommends that the budget for 2020-21 is set at £90,000 to accommodate all the successful bids and that the base budget remains at £90,000 for future years with a minimum grant of £200 for each scheme.

11. Background Papers

Applications on file (2020-21)

12. Appendices

Appendix 1: Scheme policy

Appendix 2: Summary of parish council applications 2020-21

Appendix 3: Summary of LCTS Grant 2020-21

CFGA GRANT SCHEME – CRITERIA & OPERATIONAL ARRANGEMENTS

The scheme provides financial assistance to parish councils towards parish expenditure on 'concurrent function' projects of a non-routine nature only. Concurrent functions are services which both Guildford Borough Council and the parish councils are empowered to undertake and include the following areas of activity:

- Allotments
- Commons
- Open spaces
- Playing fields
- Play areas
- Burial grounds & cemeteries
- Closed churchyards
- Parking
- Litter bins
- Seats
- Bus shelters
- Public conveniences
- War memorials
- Public clocks
- Village Halls & Community Centres
- Tourism
- Entertainment & Arts support
- Leisure facilities owned by Parish

In addition, the scheme supports environmental improvement and traffic calming projects undertaken by the parishes, provision of CCTV and street lighting, and the acquisition of IT equipment etc. to assist in the administration of parish duties; all areas of activity also undertaken by the Council.

1.2 The current formula for the calculation of grant aid entitlement is as follows:-

- (i) for schemes costing up to £10,000, grant aid is calculated at the rate of 50% of expenditure incurred, up to the maximum grant approved;
- (ii) any approved expenditure in excess of £10,000 as in (i) above is assisted at the rate of 20%.

However, the Council may adjust the above formula as necessary if the parish councils' requests exceed the Council's financial provision for the scheme.

1.3 Parishes must amalgamate any parish projects, which relate to a particular location in the same year.

1.4 We allocate grants on condition that works are completed and the grant claimed within two years, with the proviso that the Director of Finance in conjunction with the Lead Councillor for Finance are authorised to agree an extension request for one year, in exceptional circumstances.

1.5 Parish councils must submit relevant invoices for approved works when claiming grant aid.

- 1.6 Parish councils are required to acknowledge **all** contributions towards a project by including some form of notice or branding on the facility, wherever possible
- 1.7 The annual base budget provision for the scheme for 2020-21 onwards was fixed at £90,000 by the Executive in November 2018.
- 1.8 Parish councils will be required to complete a detailed grant application form, prioritising their bids.
- 1.9 Parish councils will be required to supply written estimates for **all** projects from 2018-19 onwards
- 1.10 The total scheme limit for each parish council is set at £50,000 from 2018-19 onwards
- 1.11 The minimum grant request is £200 from 2019-20 onwards.
- 1.12 A panel of officers will evaluate the bids, against established criteria, prior to going before the Executive.
- 1.13 Grant monies returned by parish councils during any year are retained in a reserve and available for applications for **urgent** schemes during a financial year. Such applications have to justify why they are urgent and cannot wait until the next normal bidding round in addition to meeting the scheme criteria. We will only approve applications if there is sufficient money from returned grants to cover the new grant. Parishes are required to complete a detailed Urgent Schemes Request form, similar to the grant application form. Approval of the urgent in-year grants is delegated to the Head of Financial Services in consultation with the Lead Councillor for Finance. Please contact Michele Rogers (01483 444842) if you require any further information with regard to the Urgent Schemes process.

Guildford Borough Council – Corporate Plan

The Council's vision:

For Guildford to be a town and borough:

that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs

Fundamental themes that support this vision:

- **Place-making**
Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes
Making travel in Guildford and across the borough easier.
Regenerating and improving Guildford town centre and other urban areas.
- **Community**
Supporting older, more vulnerable and less advantaged people in our community
Protecting our environment
Enhancing sporting, cultural, community and recreational facilities

- **Innovation**
 - Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need
 - Creating smart places infrastructure across Guildford
 - Using innovation, technology and new ways of working to improve value for money and efficiency in Council services

CONCURRENT FUNCTIONS GRANT AID 2020-21 - PARISH COUNCIL APPLICATIONS

Parish Council / Project	Estimated Cost £	Grant Aid* £
1 ASH		
PLAY AREAS RESURFACING - Ash & Harpes Recreation Grounds	15,000	6,000
PLAY EQUIPMENT ASH HILL RECREATION GROUND	5,000	2,500
STREET LIGHTING PHASE X111	20,000	7,000
SECURITY FENCING CARRINGTON REC/ SHAWFIELD ALLOTMENTS	10,000	5,000
		20,500
2 CLANDON WEST		
PLAY EQUIPMENT WEST CLANDON RECREATION GROUND	18,000	6,600
		6,600
3 EFFINGHAM		
KGV PLAYING FIELDS MARK OUT TRACK AND MARKER POSTS	6,468	3,234
		3,234
4 EAST HORSLEY		
CONSTRUCT FOOTPATH - HORSLEY RING TRAIL	9,500	4,750
		4,750
5 NORMANDY		
LOCKABLE NOTICE BOARD WESTWOOD LANE/CHAPEL CLOSE	1,792	896
NOTICE BOARDS FOR NORMANDY COMMON AND POND	2,596	1,298
		2,194
6 OCKHAM		
VEHICLE ACTIVATED SPEED DEVICES X 2	5,390	2,695
		2,695
7 PIRBRIGHT		
BARRIER POSTS PIRBRIGHT VILLAGE GREEN	15,225	6,045
LORD PIRBRIGHTS HALL WORKS TO BOILER AND WATER TANK	5,610	2,805
CONSTRUCT CAR PARK AT CRICKET PAVILLION	19,215	6,843
		15,693
8 PUTTENHAM		
LAPTOP FOR PARISH CLERK	579	290
FENCING FOR CHILDRENS PLAY AREA	8,260	4,130
		4,420
9 RIPLEY		
REPLACE BUS SHELTERS	9,300	4,650
RIPLEY VILLAGE HALL	10,000	5,000
REPLACE BENCHES X 3	3,351	1,676
		11,326
10 SEALE & SANDS		
ADULT FITNESS EQUIPMENT - THE SANDS RECREATION GROUND	8,836	4,418
RENOVATION OF FOOTBALL PITCHES	2,415	1,208
LANDSCAPING WITHIN THE PARISH	700	350
		5,976
11 SEND		
BUS SHELTER PORTSMOUTH ROAD, BURNT COMMON	7,140	3,570
		3,570
12 SHALFORD		
REPAIRS TO ST MARYS CHURCH WALL PHASE 2	13,000	5,600
REPLACEMENT BENCH SHALFORD WAR MEMORIAL	1,200	600
		6,200
13 SHERE		
SLIDE FOR SHERE RECREATIONS GROUNDS	6,494	3,247
NEW BENCH IN GOMSHALL	972	486
		3,733
14 TONGHAM		
SEATING FOR PLAYAREAS AND BASKETBALL COURT	2,000	1,000
		1,000
TOTAL OF GRANT REQUESTS		91,889
	re works estimated to cost	208,042
	Base Budget	90,000
	Over budget	1,889

Appendix 3

Local Council Tax Support (LCTS) Grant 2020-21

	£
Albury	1,865.00
Artington	175.00
Ash	44,986.00
East Clandon	146.00
West Clandon	776.00
Compton	1,841.00
Effingham	1,561.00
East Horsley	1,476.00
West Horsley	1,045.00
Normandy	7,235.00
Ockham	-
Pirbright	1,197.00
Puttenham	750.00
Ripley	3,805.00
St Martha	39.00
Seale & Sands	352.00
Send	1,396.00
Shackleford	237.00
Shalford	4,223.00
Shere	5,303.00
Tongham	4,401.00
Wanborough	58.00
Worplesdon	9,424.00
	<u>92,291.00</u>