

## 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 Head of Financial Services

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Date: 29 November 2016

## **Parish Councils: Concurrent Functions Grant Aid – applications for assistance 2017-18**

### **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 2017-18 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 2017-18 in December and early January, enabling this information to be included in the Guildford Borough Council's final budget approval process in February 2017.

Parishes were asked to complete a detailed application form for each project, provide written estimates for projects costing over £2,000 and identify how the project meets at least one of the five fundamental themes within the Council's corporate plan. We originally received 53 requests from 18 of the 23 active parish councils. 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. Officers suggest that three schemes be rejected, as they do not meet the scheme criteria. After an initial review, a further bid has been rejected, and another four have been either deferred, or alternatively funded. The remaining bids total £107,073, which is £1,073 over the base budget of £106,000.

### **Recommendation to Executive**

- (1) That the budget for Concurrent Functions Grant Aid for 2017-18 be set at £106,000, subject to final confirmation at the budget Council meeting in February 2017.

- (2) That the estimated overspend of £1,073 be funded from the Parish Councils Urgent Schemes reserve.
- (3) That the parish council requests for grant aid for 2017-18, as set out in Appendix 3 to this report, be approved.
- (4) That the scheme be amended for 2018-19 onwards to require an estimate to be provided for all applications, rather than just those over £2,000, and that a total scheme limit of £50,000 be set for any individual parish council.
- (5) That the budget for 2018-19 onwards be reduced to £100,000.

Reasons for Recommendation:

- To assist parish councils with expenditure on concurrent function schemes in 2017-18.
- To enable parish councils to take account of financial assistance from Guildford Borough Council when calculating their precept requirements for 2017-18.

## **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 2017-18. The parish councils will include all grants recommended for approval in their precept calculations for the 2017-18 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 five fundamental themes within the Council's corporate plan. In all cases, the projects meet at least one of the five 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 2016-17 and is summarised in **Appendix 1**.
- 3.2 Parish council tax payers pay more than council tax payers in non-parished areas. 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 council tax payers pay 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 Concurrent Functions Grant Aid scheme is essentially to address this 'double-rating' element.

- 3.3 It is important to note that the parishes only receive a maximum of 50% in grant aid towards any projects (the percentage 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.
- 3.4 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).
- 3.5 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 2017-18 in December and early January, enabling this information to be included in the Borough Council's final budget approval process in February.
- 3.6 Parishes have two years to complete the works. In exceptional circumstances, the Head of Financial Services, in consultation with the lead councillor with responsibility for finance, is authorised to agree a one-year extension. In 2015-16, fifteen projects totalling £16,315 were authorised for a one-year extension.
- 3.7 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 2015-16, £22,767 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, 26 applications have been made for urgent assistance.
- 3.8 The Executive is asked to consider the applications for grant aid for 2017-18. We originally received 53 requests from 18 of the 23 active parish councils. A panel of officers namely, the Parks Development Officer, Transportation Projects Manager and Principal Accountant (Corporate Accountancy and Debt Management) 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. One application was removed as it was identified that it could be funded from S106 monies.
- 3.9 In particular, the panel discussed the applications from several parishes for grant towards the provision of benches. The estimated cost of the benches ranges in price from £200 to £1,150. The Parks Development Officer considered that these estimates were reasonable, depending on the quality of the bench. As a comparison, the Council charges the public £1,500 for a memorial bench at the Crematorium.
- 3.10 Ash Parish Council has since agreed to defer two of its schemes, and to bring another scheme forward as it can be funded from the urgent schemes reserve.

- 3.11 Officers originally suggested that three requests are rejected as they do not meet the criteria for the scheme. Following consultation with the Lead Councillor, another scheme has been recommended for rejection (see **Appendix 2**). Grant aid towards the remaining 45 requests totals £107,073. Officers recommend funding the overspend of £1,073 from the Parish Councils Urgent Schemes reserve.

#### **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 These are set out in paragraph 3. above.

#### **7. Legal Implications**

- 7.1 The grant arrangement is in place as a means of dealing with the issues arising from concurrent functions (services which both the Borough Council and the parish councils are empowered to undertake) which avoids issues relating to double taxation. 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 £106,000 by the Executive in November 2015.
- 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 2017-18 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 2017-18 at the appropriate time to be included in Guildford Borough Council's final budget approval process in February 2017.

## **10. Conclusion**

- 11.1 The level of requests from parish councils for concurrent functions grant aid, after some schemes have been rejected, deferred, or funded by alternative methods, can be met by the base budget and a small contribution from the Parish Councils Urgent Schemes reserve. The report recommends that the budget for 2017-18 is set at £106,000 to accommodate all the successful bids, and that the base budget is reduced to £100,000 for 2018-19 onwards. It also recommends that all bids are supported by a written estimate in future years, and that a limit of £50,000 for any individual parish council is introduced.

## **11. Background Papers**

Applications on file (2017-18)

## **13. Appendices**

Appendix 1: Scheme policy

Appendix 2: Rejected applications

Appendix 3: Summary of parish council applications 2017-18

## Concurrent Functions Grant Aid Scheme – Criteria and Operational Arrangements

1.1 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
- Tourism
- Entertainment & Arts support

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 Head of Financial Services, in consultation with the lead councillor with responsibility for finance, is 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 any contribution of £5,000 or more 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 2016-17 onwards was fixed at £106,000 by the Executive in November 2015.
- 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 projects costing in excess of £2,000 to enable projects to go forward for consideration.
- 1.10 A panel of officers will evaluate the bids, against established criteria, prior to going before the Executive.
- 1.11 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 with responsibility for finance.

July 2016

## CONCURRENT FUNCTIONS GRANT AID 2017-18 - REJECTED APPLICATIONS

Parish Council / Project	Estimated Cost £	Grant Aid £
1 <b>CLANDON EAST</b> Defibrillator - this is not a concurrent function	2,000	1,000
2 <b>NORMANDY</b> Megaphone - minor project not suited to CFGA  Website redesign - this does not meet the scheme criteria	80  3,800	40  1,900
3 <b>OCKHAM</b> Legal/surveying work re definition of Parish green - the scheme does not grant aid feasibility studies	1,000	500
	<b>6,880</b>	<b>3,440</b>

## CONCURRENT FUNCTIONS GRANT AID 2017-18 - PARISH COUNCIL APPLICATIONS

Parish Council / Project	Estimated Cost £	Grant Aid £
<b>1 ALBURY</b>		
Provision of disabled toilet	18,000	6,600
<b>Total</b>	<b>18,000</b>	<b>6,600</b>
<b>2 ARTINGTON</b>		
Provision of benches along North Downs Way	400	200
<b>Total</b>	<b>400</b>	<b>200</b>
<b>3 ASH</b>		
Carrington Rec. Ground - new storage units	15,000	6,000
Carrington Rec. - play equipment	15,000	6,000
CCTV/Wi-Fi Node installation	20,000	7,000
Ash Centre - new tables	724	362
<b>Total</b>	<b>50,724</b>	<b>19,362</b>
<b>4 CLANDON EAST</b>		
Play equipment ( PC has requested fixed sum of £2,500)	12,500	2,500
<b>Total</b>	<b>12,500</b>	<b>2,500</b>
<b>5 CLANDON WEST</b>		
Replacement chairs (120) - West Clandon Village hall	1,812	906
<b>Total</b>	<b>1,812</b>	<b>906</b>
<b>6 EAST HORSLEY</b>		
Installation of public toilets at Kingston Meadow	50,000	13,000
<b>Total</b>	<b>50,000</b>	<b>13,000</b>
<b>7 EFFINGHAM</b>		
Provision of mini kitchen at King George V Hall	9,950	4,975
<b>Total</b>	<b>9,950</b>	<b>4,975</b>
<b>8 NORMANDY</b>		
Park bench - Manor Fruit farm	1,150	575
Dog waste bin	626	313
Lidded waste bins x 5	1,670	835
Jubilee footpath - resurfacing	4,900	2,450
Gazebo	400	200
Planting on swale banks - Manor Fruit Farm	3,400	1,700
Bulb planting - Phase V	1,500	750
Hunts Hill Car Park - relining	500	250
Electricity Junction box	2,564	1,282
<b>Total</b>	<b>16,710</b>	<b>8,355</b>
<b>9 OCKHAM</b>		
Burial Ground - replacement gate	1,290	645
<b>Total</b>	<b>1,290</b>	<b>645</b>
<b>10 PIRBRIGHT</b>		
Benches x 2 - Pirbright Village Green	1,300	650
Children's playground - new gates	5,250	2,625
<b>Total</b>	<b>6,550</b>	<b>3,275</b>
<b>11 PUTTENHAM</b>		
Benches x2	1,400	700
<b>Total</b>	<b>1,400</b>	<b>700</b>

<b>Parish Council / Project</b>	<b>Estimated Cost £</b>	<b>Grant Aid £</b>
<b>12 RIPLEY</b>		
Posts and rails at The Green, Ripley	17,886	6,577
Creation of footpath at allotments	5,210	2,605
<b>Total</b>	<b>23,096</b>	<b>9,182</b>
<b>13 SEALE &amp; SANDS</b>		
Storage facility at The Sands Recreation Ground	3,196	1,598
Create car park - The Sands recreation ground	3,530	1,765
Parish Maps with walks x 2	1,000	500
Storage facility at Seale Recreation Ground	3,530	1,765
<b>Total</b>	<b>11,256</b>	<b>5,628</b>
<b>14 SEND</b>		
Replacement of 2 items of fitness equipment	2,755	1,378
Installation of child/adult combination swing	1,230	615
External redecoration - Send pavilion	1,200	600
Installation of benches x2 and litter/dog bins x2	1,927	964
<b>Total</b>	<b>7,112</b>	<b>3,556</b>
<b>15 SHALFORD</b>		
Bus shelters x 2	9,702	4,851
Benches x 2	1,950	975
<b>Total</b>	<b>11,652</b>	<b>5,826</b>
<b>16 SHERE</b>		
Play equipment - under 5's - Holmbury St. Mary	5,366	2,683
Play equipment - Shere	8,391	4,196
Shere Mile fitness track	20,000	7,000
Picnic bench - Peaslake	200	100
Adult fitness equipment	800	400
<b>Total</b>	<b>34,757</b>	<b>14,379</b>
<b>17 TONGHAM</b>		
Refurbishment of two bus shelters	2,068	1,034
War memorial - cleaning and restoration	600	300
Benches x 2	900	450
Allotment clearance and compost bin	2,000	1,000
<b>Total</b>	<b>5,568</b>	<b>2,784</b>
<b>18 WORPLESDON</b>		
New land drains - Wood Street Village Green	11,000	5,200
<b>Total</b>	<b>11,000</b>	<b>5,200</b>
<b>TOTAL OF GRANT REQUESTS</b>	<b>273,777</b>	<b>107,073</b>

Base Budget 106,000

Over budget 1,073