

**Review of Parish Services Scheme**

<b>Final Decision-Maker</b>	Communities, Housing & Environment Committee
<b>Lead Head of Service/Lead Director</b>	Mark Green, Director of Finance and Business Improvement
<b>Lead Officer and Report Author</b>	Matt Roberts, Community Partnerships and Resilience Manager
<b>Classification</b>	Public
<b>Wards affected</b>	All wards in parished areas

**Executive Summary**

The Parish Services Scheme (PSS) was introduced in 2012 to replace the Concurrent Functions scheme that had previously been in place between Maidstone Borough Council and the Parish Councils in the borough. This report provides members with the results of a review of the scheme and proposed changes to the scheme to take effect from 2018/19.

**This report makes the following recommendations to this Committee:**

1. Note the outcomes of the review of the Parish Services Scheme.
2. Agree the principles set out in paragraph 4.1.
3. Adopt the revised Parish Services Scheme set out in Appendix 3.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Communities Housing & Environment Committee	14 November 2017

# Review of Parish Services Scheme

## 1. INTRODUCTION AND BACKGROUND

1.1 In 2012/13 Maidstone Borough Council introduced the Parish Services Scheme (PSS) as a replacement for the Concurrent Functions scheme that had been in place previously. Details of the current Parish Services Scheme are shown at Appendix 1.

1.2 The scheme was intended to provide funding for the Parishes to carry out services that the Borough Council would otherwise perform, with any additional services, or services provided at a higher standard, funded through the precept that each parish levies and collects. The PSS also avoided having parish bid against each other for pots of funding which could be used for those defined services.

1.3 In summary, the aims of the scheme were specified as follows:

- To ensure equity of council tax funded service provision between non-parished and parished areas;
- Accountability and transparency;
- To provide a mechanism to agree the local provision of services.

1.4 In principle, the funding allocated through the parish services scheme is based on a unit price calculated on what the Borough Council spends on equivalent services in the non-parished areas. This allocation method was felt to be the fairest way to ensure equality of provision for all residents. In light of the above, the following services have been funded by the Scheme to date:

- Grounds Maintenance
- Allotments
- War Memorials
- Notice Boards
- Play Areas
- Churchyards

In addition, a 'small size allowance' has been paid to 16 of the 35 parishes.

1.5 When the PSS was introduced it was anticipated that the scheme would be reviewed after it had been in operation for a period of time. It is therefore appropriate to carry out a review and recommend changes as appropriate.

## 2. CURRENT PARISH SERVICES SCHEME

2.1 The amounts distributed by the scheme in 2017/18 were as follows:

- Grounds Maintenance - £90,108
- Small Size Allowance - £5,600
- War Memorials - £2,550

- Notice Boards - £3,300
  - Play Areas - £10,000
  - Churchyards - £1,075
  - Public Conveniences (added in 2016/17) - £17,500
- Total £130,133

Details of the rationale behind payments under the above headings are set out below.

- 2.2 **Grounds Maintenance** is calculated on a standard applied across the whole borough, based on MBC's contract costs.
- 2.3 The **Small Size Allowance** is intended to compensate small parishes that have a higher proportion of fixed costs.
- 2.4 **War Memorials** is based on the amount that MBC would expect to pay to maintain a war memorial if it were to carry out the work itself.
- 2.5 **Notice Boards** covers the cost of providing notice boards to the extent that they are used to advertise Borough Council business.
- 2.6 **Play Areas** is for play areas that meet a need as identified by MBC.
- 2.7 **Churchyards** is for the maintenance of churchyards if the ownership of the ground has been signed over to MBC.
- 2.8 **Public Conveniences** represents a grant that has been paid to certain parishes for a number of years. Until 2016/17 this was paid separately to the PSS, but was then paid with the PSS in the interests of convenience and transparency.

### 3. PARISH SERVICES SCHEME REVIEW AND CONSULTATION

- 3.1 As part of the review of the scheme a consultation with the parishes was undertaken during July, August and September of this year. In order to inform the review a survey form was sent to the Clerks and Chairs of each Parish Council. The form was intended to gather information about the following issues:
- Services delivered by parishes that would otherwise be provided by the Borough Council, e.g. grounds maintenance and play area maintenance,
  - Cost of these services,
  - Details of notice boards used to display Borough Council notices,
  - Any other issues that parishes felt relevant to the PSS review.
- 3.2 The information about services delivered had not been reviewed since the inception of the scheme. The survey results allow grants payable to be validated against the principle of consistency between delivery of service in parished and non-parished areas.

- 3.3 Information about costs allows the value of the PSS grant to be assessed in proportion to what is actually spent. However, parishes have the operational freedom and the financial resources to 'top up' the PSS grant, so it does not necessarily follow that a shortfall between the grant and actual spend means that the PSS grant is too low.
- 3.4 Responses were received from all but one parish. In many cases substantial additional data has been provided, which has been useful in giving context to the responses. We are grateful for the time and effort that parish clerks and others have devoted to completing the survey.
- 3.5 The information gathered about costs from the survey is summarised in Appendix 2. Overall, the survey indicates that parishes spend more than twice as much on grounds maintenance as is funded by the PSS grant. The play areas grant provides even less as a proportion of total spend, at around 10%.
- 3.6 To put these figures in context, parishes collected £1.7 million in precepts in 2017/18, compared with a PSS grant of £116,000. Accordingly, parishes have access to resources that enable them to top up the grant and it is clear that they are doing so.
- 3.7 The qualitative comments made by parishes, in response to the request for any other information that they felt was relevant to the PSS review, indicate the wide scope of parish activities. Much work is going on, in response to local service demands, that is not covered by the PSS grant, for example:
- Time spent by clerk on play areas and open space management,
  - Repair and replacement of benches,
  - Fencing of open areas,
  - Hedge maintenance,
  - Dog waste bins,
  - Street Lighting,
  - Risk checking of land / facilities enjoyed by the public,
  - Installing and maintaining bollards to manage parking issues,
  - Village hall maintenance,
  - A clean up for 2018 to commemorate the end of WW1.
- 3.8 However, these activities are not within the scope of the PSS, given its remit of funding services that would be provided by the Borough Council in unparished areas. Parishes have a mechanism to do so through the parish precept. So there is no overriding need for the Council to step in and fund these services in the parish's stead.

#### **4. PROPOSED CHANGES TO PARISH SERVICES SCHEME**

- 4.1 It is proposed that the broad aims of the PSS remain as at present, including specifically the objective of equity between non-parished and parished areas. The only change is that we propose an additional aim, namely to recognise the financial constraints faced by the Borough Council. The Council has been compelled to reduce expenditure in recent years, owing to the loss of Revenue Support Grant and a cap on the amount by

which Council Tax can be increased. Parishes do not face these external constraints. It is important to recognise that support through the Parish Services Scheme cannot be frozen at a specific level when the underlying funding position of the Council has deteriorated and is likely to continue to deteriorate.

- 4.2 It follows from this that it is appropriate to explore ways in which expenditure on the Parish Services Scheme can be reduced, whilst continuing to serve its overall objectives. Some specific changes are therefore proposed which will have the effect of reducing expenditure, without significant detriment to the parishes affected. These changes are described below.
- 4.3 Grounds Maintenance will be recalculated based on a current standard amount per hectare of open space and will be reviewed annually in line with the Council's overall grounds maintenance budget.
- 4.4 The analysis of survey returns did not indicate that small parishes incur significantly higher costs per unit of population on the services covered by the PSS. Accordingly, it is proposed that the Small Size Allowance is removed for future years.
- 4.5 The War Memorials grant will be retained at the same fixed amount as in 2017/18.
- 4.6 It appears that there is some disparity around the numbers of notice boards in each parish. In any case there does not appear to be any merit in paying a regular annual amount for notice boards if they are only renewed after a number of years. Accordingly it is proposed that we cease paying the grant for notice boards and establish a central fund of a fixed amount from which parishes can apply for a grant as and when notice boards require replacing.
- 4.7 The Play Areas grant will in future be a fixed amount to cover basic compliance costs (eg quarterly inspection) for strategic play areas. The cost of replacing equipment etc. will be covered in future by a one-off grant that we plan to offer for strategic play areas across the borough.
- 4.8 The Churchyards grant will be retained at the same fixed amount as in 2017/18.
- 4.9 The specific financial implications of the above changes will depend on the costs to be reimbursed for grounds maintenance and play areas. It is anticipated that the overall impact for 2018/19 will be a small reduction in the cost of the PSS. This would be consistent with the projected savings of 2% on total spend for 2018/19 in the Council's overall Medium Term Financial Strategy.

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## **5. AVAILABLE OPTIONS**

- 5.1 Option 1: It could be decided to maintain the grant at existing levels. However, this would be unfunded and would not be in line with the Council's

priorities and the Council's approach to external funding and could mean that additional savings would need to be found in the Medium Term Financial Strategy from the Council's priority services.

5.2 Option 2: Adopt the revised Parish Services Scheme proposed in section 4.

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## **6. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

6.1 Option 2 is preferred as it provides a framework for the Parish Service Scheme to continue, the principles have been discussed with representatives of the Parishes and no further consultation or agreement is currently required if this is adhered to.

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## **7. RISK**

7.1 There is a risk that services such as grounds maintenance in the parished areas might be not be delivered to an appropriate standard in the absence of the Parish Services Scheme. This risk is mitigated by the fact that parishes have their own revenue raising powers. They are able and have shown themselves willing to complement Borough Council funding through the Parish Services Scheme.

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## **8. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

8.1 The proposed changes to the Parish Services Scheme were discussed at the Council's regular quarterly meeting with Parish representatives on 20 October 2017. If this Committee agrees the proposals, details will be circulated to parishes.

8.2 Specific amounts payable to each parish will be reviewed at the next quarterly meeting with Parish representatives in January 2018.

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## **9. CROSS-CUTTING ISSUES AND IMPLICATIONS**

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	We do not expect the recommendations will by themselves materially affect achievement of corporate priorities. However, they will support the Council's overall achievement of its aims as set out in section 4 [preferred	Head of Housing and Community Services

	alternative].	
<b>Risk Management</b>	Already covered in the risk section.	Head of Housing and Community Services
<b>Financial</b>	The proposals set out in the recommendation are all within already approved budgetary headings and so need no new funding for implementation.	Section 151 Officer & Finance Team
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Head of Housing and Community Services
<b>Legal</b>	The existence of a formal agreement in the shape of the Parish Services Scheme ensures that there is appropriate basis on which the Borough Council may fund parishes.	Head of Housing and Community Services
<b>Privacy and Data Protection</b>	Accepting the recommendations will not have any impact on the volume or nature of data held by the Council.	Head of Housing and Community Services
<b>Equalities</b>	The recommendations do not propose a change in service therefore will not require an equalities impact assessment.	Head of Housing and Community Services
<b>Crime and Disorder</b>	The recommendation will have no impact on Crime and Disorder.	Head of Housing and Community Services
<b>Procurement</b>	No implications.	Head of Housing and Community Services

## 10. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix 1: Current Parish Services Scheme
  - Appendix 2: Summary of Survey Results
  - Appendix 3: Proposed updated Parish Services Scheme
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## **11. BACKGROUND PAPERS**

None.