

Concurrent Functions

- Objectives and Approach
- Current scheme
- New Scheme
- Implementation



Objectives

- To clarify our proposals
- To set the timetable for the transition to a new scheme
- To inform parishes of the consultation process
- To be as open and transparent as possible



Our Approach

- Appreciate the role of parishes
- Do not want to damage our relationship
- New way of working in a different climate
- Build relationships including alternatives to finances
- Keep localism in mind



Local Government Act 1972

136 Contributions towards expenditure on concurrent functions

Two or more local authorities may make arrangements for defraying any expenditure incurred by one of them in exercising any functions exercisable by both or all of them.



Aims of current scheme

- To avoid double taxation in parish areas
- To give full discretion to parish councils
- Minimise administration
- Achieves all three aims but...



Consequences

- Minimal controls and monitoring
- Funding has not been aligned against MBC objectives
- Some subsidisation of parish areas by non-parish areas
- Unsustainable grant in current climate



2012/13

- Current scheme will continue
- Current budget only allows for a maximum pot of £203k
- Separate discussions to take place with KALC between now and December
- Important but can have no impact on them today



New Scheme

Aims

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

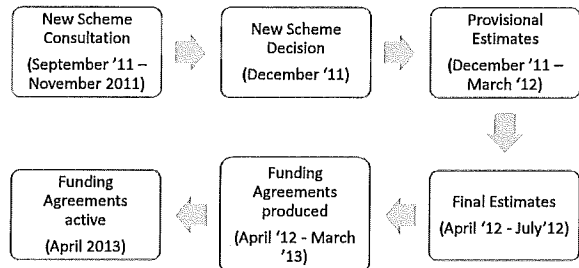


Scheme Outline

- See 'Parish Services Scheme' document
- No open grant pot from 2013/14
- Funding provided for MBC priority services
- Funding Agreements in place
- Parish discharge the service as they see fit – just need to meet the standards
- Open for other services to be included in future (phase 2)



Implementation



New Scheme Consultation

- 9 September 2011 – Financial information to be returned
- 30 September 2011 – Consultation document issued
- 11 November 2011 – Deadline for comments on consultation document
- December 2011 – Proposed scheme reviewed and finalised



New Scheme Decision

- 1 December 2011 – Report to Cabinet Member published
- 9 December 2011 – Decision taken by Cabinet Member on the new scheme
- 16 December 2011 – Call-in period ends



Provisional Funding Estimates

- Financial returns analysed
- New scheme applied – services MBC will fund identified
- Meeting with parish to consider special cases
- Provisional estimate based on 2010/11 figures provided



Final Funding Estimates

- 2011/12 Financial return to be provided by 31 May 2012
- Standard returns for final year of grant, plus
- Detailed finance forms completed for agreed parish services
- Final estimate given 30 September 2012



Which Funding Estimate?

- 3 estimates will be produced
 - MBC estimate (our decision – no financial return)
 - Provisional estimate (negotiated based on 10/11)
 - Final estimate (accurate based on 10/11 and 11/12)



Funding Agreements produced

- Negotiations begin January 2012
- Estimates based on agreed services
- Use Parish Services Scheme
- New services and ideas welcome
- Signed by both parties in 2012/13



Funding Agreements Active

- Live and monitored from April 2013
- Open to amendment and review
- New services considered with business case (phase 2)



What is a Funding Agreement?

- Sets standards and amount paid toward service(s)
- Run for agreed period but reviewed annually
- Not a contract – more flexible and rely on trust
- Not a service agreement – parish discretion



Advantages

- Ensures accountability and transparency
- Confidence in funding
- Clear service expectations
- Services are genuinely concurrent
- Delivers priorities
- Parishes retain control of service (not a contract)
- MBC audit controls over expenditure



Disadvantages

- Financial demands on MBC services
- Increased admin, particularly for MBC
- Less parish services funded by MBC
- Less flexibility
- Enforcement and recovery needed



What next

- Follow consultation timetable
- Views and comments from parishes welcome
- Where can we work smarter together?
- Alternatives to financial provision – parish input into services



What we want from you

- Feedback and discussion today
- Financial information (9 Sept 11 & 31 May 12)
- Response to consultation document
- Contacts for funding agreements and estimate discussions

