

PARISH

CONTRIBUTIONS

SCRUTINY REVIEW

Final Report

May 2004

FOREWORD
PARISH CONTRIBUTIONS SCRUTINY REVIEW
FINAL REPORT
MAY 2004

The Scrutiny Review Panel has now been engaged in the exercise of investigating the Parish Council grant issue for a number of months and is finally in a position to put forward its findings.

It is very clear that a fair distribution of resources between urban and rural areas in the District is a complex subject. The Panel have uncovered a number of anomalies and issues that need to be addressed if the City Council is to draw up a revised scheme which is fair to all, is as simple as possible to administer and will stand the test of time.

The Panel feels that if the recommendations in this report are implemented the revised Parish Council grant scheme will achieve this aim.

The Panel would like to thank all the Parish Councils who participated in the review exercise, by responding to the questionnaire survey, attending individual interview sessions and by responding to the consultation exercise carried out on the interim report and discussion paper published earlier this year.

We commend this report to the City Council.

Scrutiny Review Members

Cllr Harry Cragg (Chairman)
Cllr Rosemary Doyle
Cllr Michael Berridge
Cllr George Mavers
Cllr Fred Whitemore
Mr Ken Terrett (KAPC co-opted member)

Scrutiny Review Officers:

David Reed, Director of Community and Environment Services (Lead Officer)
Trevor Kennett, Senior Community Development Officer (Service Manager)
Tim Wood, Local Taxation Manager
Rosemary Burton, Committee Administrator

PARISH CONTRIBUTIONS SCRUTINY REVIEW

FINAL REPORT

Scrutiny Review Members

Cllr Harry Cragg (Chairman)
Cllr Rosemary Doyle
Cllr Michael Berridge
Cllr George Mavers
Cllr Fred Whitmore
Mr Ken Terrett, co-opted member from KAPC

Officers

David Reed, Director of Development and Planning (Lead Officer)
Trevor Kennett, Senior Community Development Officer (Service Manager)
Tim Wood, Local Taxation Manager
Rosemary Burton, Committee Administrator

1. INTRODUCTION

- 1.1 The Scrutiny Review was carried out by a Panel of six members, including a co-opted member representing the Kent Association of Parish Councils. It was considered that KAPC representation would improve the deliberations of the Review Panel and act as a link between the review process and the Parish Councils in the district. The Review Panel was assisted by an officer team throughout.
- 1.2 The Review Panel met a total of 21 times to conduct the review, and the officer team also met on several further occasions. Given the contentious nature of the review topic, the approach of both members and officers involved in the review has been to conduct a thorough and inclusive process to examine in detail the components of the existing parish council grant scheme, the functions carried out by Parish Councils within the district and the equivalent services provided by the City Council within unparished areas. Only in this way could conclusions be drawn about the future of the scheme.
- 1.3 The first phase of the review process was the fact finding phase. This involved:
 - A questionnaire survey of all 26 Parish Councils seeking detailed information on the range of services provided, both those currently within the scheme and those which might be included, together with a number of general questions. A total of 22 Parish Councils responded to the survey. The schedule of responses received was considered by the Review Panel and is available from the lead officer if required.
 - Between 6 and 15 October 2003 a series of 21 interviews with individual parish councils were held, to discuss the questionnaire returns and other issues relating to the scheme. A full note of these meetings was taken and is available from the lead officer if required.
 - A series of meetings were held with the relevant City Council officers involved in providing the concurrent function services within the unparished area. This

enabled a comparison to be made between the level of service provided by the City Council and that provided by the Parish Councils elsewhere in the district.

- Information was sought on the parish council grant schemes run by other district councils.

1.4 Following this “fact finding” stage, the Review Panel considered the issues and drew up an “interim report and discussion paper” which was published in February 2004 for consultation purposes. The report included 29 questions on which the Panel was particularly seeking views. Copies of the consultation document were circulated to all Parish Councils, City Councillors, County Councillors within the district and the County Council as an organisation.

- 22 of the 26 Parish Councils submitted detailed responses to the consultation paper. The schedule of responses received was considered by the Review Panel and is available from the lead officer if required.
- The consultation document was also the subject of two meetings with representatives of the Parish Councils held on 16 and 23 March 2004. A total of 44 representatives from 23 Parish Councils attended. Notes of these consultation meetings were taken and are available if required.
- The consultation paper was also considered in detail by the Rural Area Member Panels at their meeting on 15 March 2004. Responses were also received from individual councillors, officers and from Kent County Council.

1.5 Following the consultation exercise, the Review Panel considered carefully all of the responses received during two meetings when the final report was drawn up. It is hoped that the extensive research and consultation carried out during the scrutiny review process has led to the production of a robust and authoritative report.

2. THE SCOPE OF THE REVIEW

2.1 The terms of reference of the review were agreed by Overview and Scrutiny Committee at its meeting on 6 August 2003. It was agreed that the scope of the review should include the following:

- (i) Whether grants should be related to concurrent functions (as now) or to support Parish Council’s activities in other ways.
- (ii) The range of functions covered by the scheme.
- (iii) The criteria for the allocation of grants each year.
- (iv) The procedure for the allocation of the grants each year.
- (v) Probity issues.
- (vi) The internal administrative arrangements within the City Council between the Finance and Community Development sections

- (vii) Whether any particular services would be better provided by the Parish or City Council, and the arrangements for the transfer of any function if agreed by the parties concerned.
 - (viii) The standards of service provision which are supported under the scheme, and how these are to be agreed and monitored.
 - (ix) The review will not consider the issue of special expenses in the unparished part of the City Council's area.
 - (x) It is not proposed that capital funding will be considered under the review, although this would not prevent the panel making recommendations on the subject if the issue emerged during the review process.
- 2.2 As set out in (x) above, at the outset it was not proposed that capital funding would formally be considered under the review. In the event, the work of the review to date has established a very close relationship between the concurrent funding revenue grant scheme operated by the City Council and the parallel capital grant scheme. Accordingly the two issues have become intertwined and necessarily need to be considered together. In addition, as a result of the debate on the capital grant scheme Overview and Scrutiny Committee referred the issue of that scheme to the Review Panel and it was agreed that the review should also consider this issue as it is so closely related to the revenue funding issue.

3. THE TOPIC

- 3.1 There are 26 Parish Councils within the Canterbury City Council area, covering 30 percent of the population of the district. There are three unparished areas comprising Canterbury, Herne Bay and Whitstable.
- 3.2 Parish Councils are independent statutory bodies elected every four years which provide a voice for their communities and are able to provide a range of services within their areas. They are able to levy a Council Tax precept which they set annually and is collected by the City Council on their behalf. Their other prime source of income is from the City Council's concurrent function grant scheme, and it is this scheme which is the focus of the review. Concurrent functions are those services which both Parish and City Councils may provide, with arrangements then made between the Councils to defray the expenditure incurred by the Parish Council in exercising those functions which could have been provided by the City Council. Within unparished areas it is necessarily the City Council that provides local day to day services (obviously the County Council provides higher level strategic services for both urban and rural areas throughout the district). Within Parish Council areas, however, those councils provide a number of services on behalf of their communities which in unparished areas are provided by the City Council. The concurrent function grant scheme seeks to reimburse the Parish Councils involved with the cost of providing these basic services at an appropriate level in order to provide fairness in financial terms between the parished and unparished parts of the district. Concurrent function grants are provided by the City Council under powers provided by Section 136 of the Local Government Act 1972. There is no statutory duty to provide such grants however there is government guidance that encourages such an approach and supports it as best practice.
- 3.3 As a further complication, there are three Parish Councils within the district which, for the historic reasons explained in section 3 below, do not provide the services provided by the other 23 Parish Councils and the City Council performs these

functions itself. These parishes, Chestfield, Herne and Broomfield and Thanington Without, are categorised as “new parishes” for the purposes of this review because of the distinctive nature of service provision within them. These three parishes comprise just under 10 percent of the district’s population, with the remaining 23 “old parishes” comprising just over 20 percent. The detailed population figures are contained in appendix 1.

4. HISTORIC CONTEXT

- 4.1 The concurrent function issue arises as a consequence of the 1974 local government reorganisation, and understanding this historic context does help to explain how the City Council is now in the position that it finds itself.
- 4.2 The 1974 reorganisation created Canterbury City Council by combining the areas of Bridge Blean Rural District Council, Whitstable Urban District Council, Herne Bay Urban District Council and Canterbury County Borough Council. Bridge Blean RDC was entirely parished, with 24 Parish Councils also providing a number of day to day services within the area. By contrast, the areas of Whitstable UDC, Herne Bay UDC and Canterbury CBC were unparished. After 1974, therefore, all local services were provided by the City Council in the unparished areas while in the parished former Bridge Blean RDC area Parish Councils continued to provide a number of services which meant that the City Council did not have to provide the full range of services itself. The concurrent function grant scheme was established to reimburse the Parish Councils the cost of this service provision.
- 4.3 Chestfield Parish Council was established in 1988 from part of the previous Whitstable UDC area. Although a Parish Council was established, there was no subsequent transfer of functions from the City Council to the Parish Council. The result is that this Parish Council does not provide the range of services provided by many rural Parish Councils, in particular the maintenance of recreation areas and some other services remain City Council’s functions.
- 4.4 Herne and Broomfield Parish Council was established in 1996 from part of the previous Herne Bay UDC area. As with Chestfield, no City Council functions were subsequently transferred to the Parish Council and the maintenance of recreation areas and some other services remain City Council functions.
- 4.5 Both the recently created Chestfield and Herne and Broomfield Parish Councils are classified as “new parishes” for the purposes of this review because of the distinctive nature of service provision within them.
- 4.6 The third “new parish” is Thanington Without, but for a different reason. Although an historic parish within the Bridge Blean RDC area it lay adjacent to the boundary of Canterbury CBC which built a major Council housing estate on the city side of the boundary, together with an associated recreation ground on land purchased in 1929 and 1936 partly within the parish and partly within the city. The recreation ground was maintained by Canterbury CBC and after 1974 by Canterbury City Council. Subsequently a major boundary review in 1987 transferred the large Council housing estate and the adjacent recreation ground which had previously formed part of the Canterbury CBC area into Thanington Without Parish. The A2 by-pass became the new boundary. As a result of this parish boundary change Thanington Without became a much more urban parish but again there was no subsequent transfer of functions from the City Council to the Parish Council and in particular the maintenance of the recreation ground and some other services remain City Council functions.

4.7 The result of this historic context is that there are now three types of area within the district:

- (a) the 23 “old parishes” where Parish Councils provide a number of concurrent function services which are provided by the City Council in unparished areas
- (b) the three “new parishes” where the Parish Councils provide a more limited range of services and where many are provided by the City Council in a similar way to unparished areas
- (c) the three unparished areas of Whitstable, Herne Bay and Canterbury where all services are provided by the City Council direct.

4.8 The areas covered by Parish Councils are shown on map 1.

5. THE EXISTING CONCURRENT FUNCTION GRANT SCHEME

5.1 Since the early 1980s the City Council has operated the existing concurrent function grant scheme virtually unchanged. It was clearly intended to reimburse Parish Councils their expenditure on the day to day services which are provided in the urban areas by the City Council. Under the City Council’s current scheme, seven categories of operational functions have been agreed for grant support. These are the provision of footway lighting, recreation grounds, burial grounds, village halls, litter, bus shelters and footpaths. The definition of the services included in the current scheme, with a detailed discussion about each, are set out in section 8 below.

5.2 Each year the Parish Councils are invited to put forward bids under the concurrent function grant scheme for the expenditure they expect to incur on the various services in the following financial year. These bids are then assessed against the scheme and, depending on the budget available, an appropriate distribution of the available budget is made. Until recently the budget available more or less equated with the overall level of bids received, with the result that Parish Councils were reimbursed more or less their full expenditure on the seven functions.

5.3 At the end of 2000, the budget for the concurrent function grant scheme was considered by a star chamber exercise as a result of which in the medium term financial strategy then adopted the budget was reduced over the succeeding period as follows:

2001/2 - £158,210
2002/3 - £121,500
2003/4 - £84,000

5.4 In the event the reduction did not taken place quite as rapidly as this, as the fund was supplemented from other sources. In 2003/4 the final settlement added an additional £10,200 to the £84,000 budget, making £94,200. The budget finally agreed for 2004/5 was £107,000 comprising an increase for inflation plus an additional £10,000 to ensure an improved level of support for concurrent function expenditure.

5.5 In 2002/3, the last year before the serious budget cut came into effect, a total of £149,614 was distributed to the Parish Councils. The sum granted to each Parish Council is set out in appendix 2, together with the figure per head based on the 2001 population. The largest grant was given to Sturry Parish Council (£46,460) followed by Chartham (£27,067) Littlebourne (£15,278) and Blean (£10,640). All the rural

Parish Councils received a grant with the smallest amount (£200) being given to Westbere. Of the three urban Parish Councils, Chestfield and Thanington Without sought no grant and Herne and Broomfield were granted a modest £361.

- 5.6 For 2003/4 the total grant distributed was £94,200, a significant reduction on the previous year's level. The total of the bids received under the scheme amounted to £159,825 (see appendix 3) and accordingly the proportion of bids granted had to be scaled down (to 59% of the bid on average). It is clear that as a result of this reduced grant Parish Councils who received significantly less than they had requested either reduced service provision, raised their Council Tax precept to a significant extent, reduced their reserves significantly or a combination of these. The highest increases in Parish Council precept between 2002/3 and 2003/4 were Harbledown (a 139% increase), Littlebourne (88%), Sturry (72%), Chartham (58%) and Bridge (46%) although it is not possible to determine what proportion of this increase was due to other factors, for example there were parish elections in May 2003 for which Councils needed to budget. Many of the smaller Parish Councils were able to avoid a significant increase in precept. Herne and Broomfield and Thanington Without Parish Councils increased their precept but this was obviously not related to the concurrent function grant.
- 5.7 For 2004/5 the total of the bids received under the scheme amounted to £191,854 but after items ineligible under the current scheme were deleted, this figure fell to £166,624 (see appendix 4). With the funding added to the concurrent function grants budget, it was possible to fund 64% of the bids on average, an improvement on the 59% granted in 2003/4.
- 5.8 Although seven functions are covered by the existing scheme, it is important to note that there are significant differences between the importance of the various functions within the scheme. Taking the bids for funding in 2003/4 (the pattern is similar in 2004/5), the relative importance of the seven functions in both financial terms and in terms of the number of Parish Councils involved can be seen from the following table:

<u>Function</u>	<u>Total Funding sought</u>	<u>Number of Parish Councils seeking Funding</u>
Recreation Grounds	£ 77,282	19
Lighting	£ 35,109	11
Burial Grounds	£ 20,890	13
Village Halls	£ 17,324	12
Litter	£ 6,385	6
Footpaths	£ 1,610	4
Bus Shelters	£ 1,225	3

- 5.9 Approximately half of all the concurrent funding grant sought therefore relates to the issue of recreation ground maintenance, followed, in declining order of importance, by street lighting, burial ground maintenance and village hall provision. The remaining three functions, namely litter collection, footpath maintenance and bus shelter maintenance are relatively less important. This issue is considered further in section 9 below.

6. THE CAPITAL GRANTS SCHEME

- 6.1 In parallel with the concurrent function revenue grant scheme, the City Council operates a capital grants scheme for Parish Councils. Each year Parish Councils are

invited to put forward capital schemes which are assessed and funds allocated from the sum included in the City Council's capital programme for this purpose. In the current financial year 2003/4 £20,000 was available for supporting capital projects, and a similar amount is available in the capital programme for the next few years.

- 6.2 Allocations from the capital grants fund are made annually on the basis of bids received from Parish Councils. Grants are restricted to support improvements in the same service areas as covered by the concurrent function revenue grants scheme, namely recreation grounds, street lighting, burial grounds, village halls, litter, footpaths and bus shelters. The scheme is not available to fund the acquisition of land or buildings, progressing major village hall schemes, or the acquisition, installation or replacement of plant, machinery, apparatus, vehicles or vessels. The scheme is designed to assist with small works in the rural community that will encourage both economic development and the promotion of employment opportunities, as well as providing local amenities.
- 6.3 There is no equivalent capital grant scheme for non-parished areas.
- 6.4 In 2003/4 the allocation of capital grants was determined by the City Council Executive on 2 October 2003. Grants were made to 11 Parish Councils to provide waste bins, benches and picnic tables for recreation grounds, five new bus shelters, a village hall sign, village hall repairs and one footway lighting scheme.
- 6.5 Given current City Council policy to mirror the concurrent function revenue grant scheme with the capital grant scheme, any amendments to the former will potentially affect the latter, and the implications for the capital grant scheme are therefore considered later in this report in section 13 (iv).

7. POPULATION, HOUSING AND TAX BASE STATISTICS

- 7.1 The most recent population statistics are those derived from the 2001 census. The population of the various parishes, together with that of the district as a whole are set out in appendix 1. The percentages of the rural parish total and overall parish total are also given for information purposes. Of the rural parishes, the largest parish is Sturry with a population of 6,257 followed by Blean with 4,153 (although this includes a large part of the University of Kent campus), Chartham with 3,363 and Harbledown with 2,141. The smallest parish is Bishopsbourne with a population of 238. The urban parishes have larger populations, Herne and Broomfield being the largest with 7,339, Chestfield with 2,922 and Thanington Without 2,661. The rural parishes together comprise 20.7% of the total district population and the urban parishes a further 9.6% giving an overall parish total of 30.3% .
- 7.2 There has been some interest in the tax raising ability of the Parish Councils, both in relation to each other and in relation to the unparished areas. The Council Tax system is based on classifying properties into Council Tax bands. Band D properties pay the standard Council Tax level, with band A to C properties paying various fractions of the band D charge and band E to H properties various multiples. The tax raising ability of each Parish Council is directly related to the "tax base" of band D equivalent properties which are set out in appendix 3. To illustrate the relative ability of each Parish Council to raise Council Tax in relation to the number of properties in its area the final column in appendix 3 sets out the relevant statistic. The ratio ranges from Chestfield (1.19) to Sturry (0.81). This means that in the case of Chestfield, one pound levied on each band D property will bring in £1.19 per property on average, whereas in Sturry one pound per band D property will bring in £0.81 per property on average. This is because Chestfield has a larger number of more

expensive properties in bands E to H whereas Sturry has a larger number of cheaper properties in bands A to C. It is a matter for consideration whether or not the tax raising ability of each parish should be reflected in the grant scheme in some way.

7.3 This issue attracted a variety of responses during the consultation exercise but no clear views emerged. The issue is whether the grant scheme should be geared to supporting “poorer” parishes in a more favourable way than “richer” parishes, however poorer or richer are defined. Given the strong view that the scheme should be related to actual expenditure, and should address double taxation, there is a clear conflict with relating the grant to each Parish Council’s tax raising ability. It would also make the scheme more complicated and harder to understand. The Review Panel have therefore concluded that a Parish Council’s tax raising ability should not be a factor within the grant scheme.

7.4 **Recommendation 1: A Parish Council’s tax raising ability in relation to the number of properties in its area should not be reflected in the Parish Council grant scheme.**

7.5 The three unparished areas in the district comprise 66.9% of the overall district-wide council tax base compared with 69.7% of the district’s population. The parished areas are slightly better able to raise tax with 33.1% of the tax base and 30.3% of the population.

8. DOUBLE TAXATION AND DOUBLE PROVISION

8.1 At the heart of this scrutiny review is the need to develop a revenue grant system that provides an agreed equitable solution to the issue of concurrent function services provided in the district. Consultation with the Parish Councils has confirmed that the issue of “double taxation” is a very serious concern for rural council tax payers and the clear view from Parish Council representatives is that the revised scheme should address this issue. “Double taxation” arises when the costs of certain services are charged twice to local tax payers in Parish Council areas. This happens if the Parish Council provides a particular service but the City Council still charges tax payers in the parish concerned for the equivalent services it provides elsewhere in the district, namely in the urban areas. The most obvious example is the provision of recreation ground facilities, which are provided by the 23 old Parish Councils for their communities. These communities, however, also pay towards the provision of recreation ground facilities in the urban areas which are provided by the City Council out of the City council tax. Unless there is some financial recompense to Parish Councils for providing such services a situation of “double taxation” exists in parished areas. This can be seen as inequitable and a potential grievance for the council tax payers involved.

8.2 The existing concurrent function grant scheme sought to address the issue of double taxation by reimbursing Parish Councils for the expenditure actually incurred on a specified range of services. This system worked reasonably well until the star chamber 2000 budget reduction came fully into effect in 2003/4. This year only 59% of Parish Council expenditure on concurrent function services was reimbursed, and it is the Parish Council’s contention that “double taxation” has arisen as a result.

8.3 On the other hand, there is a potential danger which is potentially of concern to unparished areas. If the concurrent function grant scheme reimburses the cost of services in the Parish Council areas which are already provided district-wide by the City Council, effectively the parished areas are having additional or enhanced services which could be termed “double provision”. An example identified later in this

report is in respect of litter and cleansing services. This could also arise if the level of reimbursement related to an enhanced standard of service compared to that provided in unparished areas, but there is no evidence that this is the case.

- 8.4 Parish Councils have the ability to levy their own precept which enables them to provide additional services within their areas or to enhance the standard of service otherwise provided. This is of course their right but this type of discretion is not available to unparished areas. Together with the opportunity to provide an additional voice for their communities, this is essentially the main benefit of a Parish Council. Enhanced or additional services provided out of the Parish Council precept are obviously entirely legitimate, but must not be confused with enhanced or additional services being provided within parished areas by way of grant from City Council tax payers which amounts to a form of “double provision”.
- 8.5 The review therefore has the difficult task of devising a parish grant system which addresses the issue of double taxation while avoiding the possibility of double provision. Given the complex pattern of service delivery throughout the district this is a very difficult task and only careful consideration of the issues and analysis of service costs can assist in providing an equitable solution.
- 8.6 The consultation carried out during the review revealed very strong support from Parish Councils for this principle being the basis of the grant scheme.
- 8.7 **Recommendation 2: The aim of the Parish Council grant scheme should be to address the issue of double taxation while avoiding the possibility of double provision.**

9. THE SEVEN FUNCTIONS CURRENTLY IN THE SCHEME

- 9.1 These are considered in the order of importance established in paragraph 5.8.

Recreation Grounds

- 9.2 The provision and maintenance of recreation grounds, playing fields, children’s play areas, village greens and other open spaces are the single most important concurrent function carried out by the 23 rural Parish Councils and the most obvious example of where equivalent services are provided in urban areas by the City Council. In 2003/4 a total of 19 out of the 23 rural Parish Councils sought revenue grant funding totalling £77,282; in 2004/5 21 Parish Councils sought £84,456.
- 9.3 In order to compare provision between urban and rural areas to assess the appropriate level of financial support which might be made available to Parish Councils, various issues arise:
- a) Is the level of provision (ie the area and nature of facilities provided) reasonable in relation to that provided in urban areas, taking into account of course the different geographical characteristics of urban and rural areas. Information from the open spaces audit which is currently being carried out is not yet available to answer this question, but there is no evidence of either over or under provision in rural areas at this stage.
 - b) Is the standard of maintenance of these facilities in rural areas equivalent to the standard of maintenance which would be provided by the City Council within urban areas, bearing in mind any difference in usage of the facilities?

- c) A further factor to be borne in mind may be that the cost of maintenance is different in rural areas because of the greater availability of voluntary or small scale contractors. The City Council's contractor Serco maintain all recreation grounds and open spaces in the urban areas on its behalf as part of the Environmental Services Contract which was competitively tendered in 2002/3.

9.4 In order to try and understand these issues, an exercise has been undertaken to cost the maintenance of the recreation facilities provided in the three **new** parishes by the City Council. These recreation grounds are maintained by Serco under the Environmental Services Contract and it is possible to establish relatively accurately the cost involved. These are set out below.

(1) Chestfield Parish

Chestfield Road play area (15,065 m²). Annual maintenance cost £6,000 plus costs of occasional tree surgery, repairs to play equipment, fencing and hard surfaces as required.

Radfall recreation ground (26,604 m²). Annual maintenance cost less income £11,500 plus costs of occasional tree surgery, repairs to pavilion, fencing and hard surfaces as required.

(2) Herne and Broomfield Parish

Cherry Orchard recreation ground (45,408 m²). Annual maintenance cost less income £24,500 plus costs of occasional tree surgery, repairs to play equipment, pavilions, fencing and hard surfaces as required.

Magnolia Rise play area (752 m²). Annual maintenance cost £1,000 plus costs of occasional repairs to play equipment and fencing as required.

Savernake Drive (2,973 m²). Annual maintenance cost £3,000 plus costs of occasional tree surgery, repairs to play equipment, hard surfaces and fencing as required.

(3) Thanington Without

Thanington recreation ground (41,548 m²). Annual maintenance cost less income £32,000 plus occasional costs of tree surgery, repairs to play equipment, pavilions, fencing and hard surfaces as required.

9.5 It should be noted that the above costs are rounded and net of income to avoid revealing commercially sensitive information. These figures comprise the contract cost only, central administration costs relating to the management of the contract are not included.

9.6 It is immediately apparent that the City Council is spending a significant sum maintaining the recreation facilities in the three new Parish Council areas whereas of course it does not incur similar costs in the old Parish Council areas. This distinction must surely be taken into account in drawing up the revised Parish Council grant scheme.

9.7 In order to compare maintenance costs for some **old** Parish Council facilities, an exercise has been undertaken to establish what the maintenance costs would be of certain facilities run by Parish Councils if they were maintained by the City Council

under the Serco contract. As this exercise is time consuming, a sample of three facilities (Littlebourne recreation ground, Bridge recreation ground and Petham recreation ground) has been analysed. The results are as follows.

(1) Bridge Parish

Bridge Recreation Ground (26,300 m²). Annual maintenance cost less income £16,500 plus costs of occasional tree surgery, repairs to play equipment, fencing and two pavilions as required.

This compares with £3,441 which was the sum Bridge Parish Council sought for the maintenance of the recreation ground under the concurrent function grant scheme in 2003/4.

(2) Littlebourne Parish

Littlebourne Recreation Ground (19,270 m²). Annual maintenance cost less income £10,500 plus costs of occasional tree surgery, repairs to pavilion, fencing and play equipment as required.

This compares with £6,250 which was the sum Littlebourne Parish Council sought for the maintenance of the recreation ground under the concurrent function grant scheme in 2003/4.

(3) Petham Parish

Petham Recreation Ground (8,820 m²). Annual maintenance cost less income £5,500 plus costs of occasional tree surgery, repairs to play equipment and fencing as required.

This compares with £2,000 which was the sum Petham Parish Council sought for the maintenance of the recreation ground under the concurrent function grant scheme in 2003/4.

9.8 As with the new parishes, it should be noted that the above costs are rounded and net of income to avoid revealing commercially sensitive information. These figures comprise the contract cost only, central administration costs relating to the management of the contract are not included.

9.9 It is immediately apparent from these figures that the costs of maintenance incurred by the three Parish Councils concerned are significantly less than the cost which would be incurred by the City Council if the recreation grounds were maintained under the Serco contract. This is obviously an important factor to be taken into account in the review. It is considered that there are probably two reasons for this. Firstly, from a brief inspection of the facilities, it is likely that the sports pitches on the parish recreation grounds are maintained to a lesser standard than on equivalent recreation grounds in the urban area maintained by Serco for the City Council, with more work carried out on a voluntary basis by members of sports clubs, for example. In the urban areas the more intensive use of sports pitches by a variety of clubs make more formal maintenance arrangements necessary. The cost of grass cutting, by contrast, is more comparable between urban and rural areas. A second factor which seems to result in the cost effective arrangements operated by Parish Councils would appear to be the use of smaller scale, probably local, contractors who are able to operate on a very competitive basis.

- 9.10 It is clear that recreation ground maintenance is the single most important concurrent function service operated by the old Parish Councils, and the service which would result in the most significant double taxation issue for Parish Councils if the cost of provision is not reimbursed. Given that the arrangements in place in the rural parishes would appear to be very cost effective, there is a strong argument that the aim should be that the cost of provision be reimbursed in full. If the aim of full reimbursement is agreed in principle, there would need to be arrangements put in place to ensure that costs do not subsequently increase without prior agreement either as a result of improving the standard of maintenance or alternatively the acquisition of additional recreational land. The City Council could not be expected to reimburse in full additional costs such as these without there being prior agreement that it would do so, but there would need to be a mechanism to establish such prior agreement as there will be cases when increased provision would be fully justified. Chartham Parish Council, for example, point out that the St Augustine's development may lead to additional areas of open space requiring maintenance by the Parish Council.
- 9.11 **Recommendation 3: The aim should be that the expenditure incurred on maintaining recreation grounds and open spaces is reimbursed in full by the Parish Council grant scheme.**
- 9.12 **Recommendation 4: Prior agreement between the City Council and Parish Council concerned needs to be reached before additional recreational land or significantly increased expenditure is eligible for grant support, but it is important that such requests are considered fairly.**
- 9.13 The definition in the existing scheme used by the City Council to determine the expenditure which is eligible for grant support is "the maintenance of pleasure grounds, playing fields, and open spaces. The maintenance or insurance of any equipment used on such grounds is included".
- 9.14 This definition is very brief and leaves many areas of uncertainty which cause confusion in operating the current scheme. If the revised scheme is to reimburse expenditure actually incurred, it is necessary to develop a more precise definition as to the areas of expenditure which are eligible for City Council financial support under the scheme.
- 9.15 A proposed new definition is as follows:
- "The maintenance of the recreation ground, village green and open space facilities agreed between the City Council and Parish Council concerned are eligible, including a reasonable level of litter picking and rubbish clearance, grounds maintenance, grass cutting, tree and shrub maintenance, the repair of fencing, of play equipment, seating, pavilions and shelters, directly associated car parking and access facilities, but not the replacement, enhancement or extension of any existing facilities which would need to form a bid for a capital grant. Insurance (including public liability insurance) costs are eligible".
- 9.16 **Recommendation 5: The above definition is proposed as the expenditure eligible for reimbursement in the Parish Council grant scheme.**
- 9.17 As suggested above, it would be helpful to define precisely which recreation grounds and open spaces provided by each Parish Council are eligible for support under the scheme. This will establish the baseline position. It would be possible to add further

facilities to the list in future by agreement between the City Council and Parish Council concerned.

- 9.18 Officers will be drawing up a definitive list for each Parish Council area in due course for inclusion as an appendix to the final report.
- 9.19 **Recommendation 6: That a definitive list is drawn up of recreation grounds and open spaces which are currently eligible for support under the Parish Council grant scheme.**

Street Lighting

- 9.20 The provision of street lighting is the second most important concurrent function carried out by the 23 rural Parish Councils. In 2003/4 a total of 11 rural Parish Councils sought revenue grant funding totalling £35,109 in respect of this service. In 2004/5 £38,167 was sought but after electricity costs of £8,700 were excluded in accordance with the current definition the total sought was reduced to £29,467. The Parish Councils who sought funding were Barham, Blean, Bridge, Chartham, Chislet, Fordwich, Hackington, Harbledown, Kingston, Petham and Sturry.
- 9.21 Street lighting is a very complex subject which is particularly difficult to analyse. Firstly, there are two categories of street lighting which must be understood at the outset. These are road lighting and footway lighting. Confusingly these categories do not relate to the type of areas lit, but rather the standard of illumination involved.
- 9.22 **Road lighting** is the higher standard of lighting that conforms to the requirements of British Standard 5489 in relation to the type and wattage of lantern, and the height and spacing of columns or brackets. These factors combine to produce a level of illumination which meets the relevant standard and the lighting system is thus adoptable by the County Council as highway authority. Such lighting systems deal with the lighting requirements of all classes of highways from small residential roads, through more major roads to dual carriageways, in both urban and rural areas. Some 15,600 lighting units are currently provided within the district. Neither the City nor Parish Councils are involved in funding this service, although the City Council manages this lighting on behalf of the County Council under the Kent Highways Partnership at the County Council's expense.
- 9.23 The second category of street lighting, which falls short of British Standard 5489, is termed **footway lighting** and is not adoptable by the County Council. Within the district some footway lighting is owned by the City Council and some by Parish Councils and the responsibility for maintenance falls accordingly. Footway lighting is not adoptable by the County Council unless upgraded first to the British Standard after which it would be adopted and maintained by the County Council at their expense.
- 9.24 At Local Government Reorganisation in 1974 the County Council took over all the road lighting which met the appropriate standard, leaving a significant amount of footway lighting in both urban and rural parts of the district. Within the urban areas, this lighting fell to be maintained by the City Council at its expense while in rural areas the lighting fell to be maintained by the relevant Parish Councils at their expense. The concurrent function grant scheme was put in place, however, to reflect the cost of this service to Parish Councils.

- 9.25 Since 1974 the City Council has invested a significant amount of capital funding to upgrade lighting systems that were previously of footway lighting standard to the road lighting standard in order for the County Council to adopt them. As a result of this process, which has involved upwards of £500,000 over the years, much of the City Council's lighting has been handed over to the County Council and only 360 lighting columns remain. These are in areas which are not capable or suitable for upgrading, such as low level park lighting in the Dane John and lighting in certain private streets which are not adoptable by the County Council. These City Council lighting columns include 33 or so in Chestfield Parish and at least 5 in Herne and Broomfield Parish.
- 9.26 Within the rural areas, the 1974 reorganisation left Parish Councils responsible for a significant amount of footway lighting. Unlike the urban areas, however, there has been no concerted effort to upgrade this lighting for adoption by the County Council. No doubt there has been a lack of resources but also in many rural areas aesthetically a lower level of lighting is felt to be more appropriate and thus upgrading to adoptable standard was not felt to be desirable in any event.
- 9.27 The maintenance arrangements for the City Council's lighting are that it is managed by the same contractor who maintains the County Council's lighting. This results in significant economies of scale and the provision of a cost effective service. By contrast, those Parish Councils who remain responsible for their own footway lighting make their own arrangements, often with Seeboard as contractor, and as will be seen below these arrangements are without doubt less cost effective.
- 9.28 As from April 2000, in order to take advantage of the more cost effective arrangements operated by the City Council, and to ease the burden on the concurrent function grant budget, an offer was made to the Parish Councils to transfer their lighting to the City Council for the City Council to maintain them in future. This offer was taken up by six Parish Councils namely Adisham, Bekesbourne, Thanington Without, Westbere, Womenswold and Littlebourne (April 2002). This lighting, totalling 208 columns, is now maintained by the City Council at its expense, and together with those previously maintained gives a total of 568 lighting columns which are now the full responsibility of the City Council.
- 9.29 Subsequently, in April 2003, the City Council took over responsibility for the routine maintenance only of the footway lighting in Fordwich (34 columns), but not their ownership and thus insurance and electricity costs still fall to the Parish Council. In addition, the City Council started managing the footway lighting owned by Sturry Parish Council (335 columns). The latter was on a contractual basis only and the cost of running the service remains the responsibility of Sturry Parish Council, albeit eligible for concurrent function grant support.
- 9.30 The case of Sturry is instructive, significant cost savings have been achieved by using the main County Council contractor compared to the cost previously incurred by the Parish Council using Seeboard as contractor although the Parish Council have noted the average response time is slower. Nevertheless the concurrent function grant sought by the Parish Council fell from £7,475 in 2003/4 to £5,576 in 2004/5 (excluding electricity costs), a useful saving of some 25%.
- 9.31 A further nine Parish Councils provide and maintain footway lighting directly in their areas. The number of lighting columns involved is in the order of a further 542 columns. The parishes involved are Barham (60 columns), Blean (71), Bridge (67), Chartham (138), Chislet (15), Hackington (33), Harbledown (120), Kingston (8) and Petham (30).

- 9.32 In conclusion, there is a complex pattern of street lighting provision in the district which can be summarised as follows:
- (a) County Council lighting, comprising 15,600 lighting units at present, which meets the relevant British Standard. This is a district-wide service covering all classes of highways, including many in rural areas. The vast majority of lighting in urban areas is provided by this service.
 - (b) City Council lighting, comprising 568 columns in total in the urban areas, the three urban parishes of Chestfield, Herne & Broomfield and Thanington Without and the five rural parishes of Adisham, Bekesbourne, Littlebourne, Westbere and Womenswold.
 - (c) Parish Council lighting, comprising approximately 542 columns in total, provided and maintained directly by the Parish Councils of Barham, Blean, Bridge, Chartham, Chislet, Hackington, Harbledown, Kingston and Petham.
 - (d) Fordwich Parish Council lighting, comprising 34 columns, provided by the Parish Council but with routine maintenance now the responsibility of the City Council.
 - (e) Sturry Parish Council lighting, comprising 335 columns, provided by the Parish Council but managed on their behalf by the City Council under an agency arrangement.
- 9.33 It is clear that the current arrangements result in a number of anomalies, both between urban and rural areas and between the way service provision is now split between the City and Parish Councils in rural areas. A satisfactory resolution of the split in responsibilities between the City and Parish Councils should form an integral part of the revised Parish Council grant scheme.
- 9.34 The level of service provided by the County Council lies outside the scope of this review, but as a result of the scrutiny review exercise the North East Kent Highways Area Office have instigated a review within the County Council of their adoption policy in relation to street lighting which does not meet "road lighting" standards. This review, whilst very welcome, will take a while to complete and in the meantime the Parish Council grant scheme will have to work on the basis that the current KCC adoption policy will remain. If this position changes at some stage in the future the implications for the Parish Council scheme should be reassessed. The present arrangements mean that the County Council street lighting service is less comprehensive in rural than in urban areas, a somewhat inequitable position considering that the KCC standards are not necessarily wanted or appropriate in rural areas.
- 9.35 **Recommendation 7: Kent County Council should be urged to complete as soon as possible a review of their adoption policy in relation to street lighting in order to take a more flexible approach towards the adoption of lighting which does not fully meet the relevant British Standard. Once this review is completed, a report should be prepared on any implications for the Parish Council grant scheme.**
- 9.36 The County Council lighting contract was let on a competitive basis and, as the Sturry parish experience shows, is significantly more cost effective (albeit slightly less responsive) than the arrangements Parish Councils are able to enter into with certain other contractors, in Sturry Parish Council's case, Seaboard. The cost of the County

Council's contract is likely to rise slightly in the near future but will remain very competitive.

9.37 The cost of running the street lighting service using the County Council contractor, including routine maintenance, bulk lamp changing, electricity costs, a small allowance for the replacement of accident damaged units (but not the replacement of life expired units, improvements or additional lighting columns which would need to be the subject of a capital scheme) is calculated at £30 per lighting column. This allows for a slight rise in both the contract and electricity prices in the near future.

9.38 Applying the £30 per lighting column figure to the amount of lighting provided in the 11 parish areas where the Parish Council remains responsible for footway lighting would suggest a significant saving could be realised. Depending on the exact number of columns involved the annual cost (including electricity) could be £27,000 rather than the £38,167 sought under the concurrent function grant scheme (including electricity).

9.39 There are three possible options as to how this issue could be tackled which are set out below.

Option 1

9.40 The status-quo. This would be hard to justify given the clear anomalies existing in the current service delivery arrangements and the fact that this would represent a lost opportunity to reduce costs.

Option 2

9.41 This would be for the City Council to offer to manage footway lighting as it does for Sturry Parish Council at present, on an agency basis. This would enable the remaining Parish Councils who manage their own footway lighting to benefit from the economies of scale offered by the County Council contract. Under this option, however, the cost of the service would still be paid by the Parish Council concerned albeit the expenditure would be eligible for Parish Council grant support. A decision would need to be taken whether to make the cost of electricity eligible for grant support, but this would appear reasonable to reduce the current anomalous position.

9.42 This option would provide a more cost effective service overall, and hence would ease the demands on the Parish Council grant budget, but the anomaly between those Parish Councils remaining responsible for their footway lighting and those which have transferred their lighting would remain, clearly an inequitable position. Parish Councils which did not want the City Council to manage their lighting would only be entitled to the level of grant they would have received if they had taken up the offer. In all cases Parish Councils would remain responsible for any replacements or improvements required, although capital grants could be sought for this purpose.

Option 3

9.43 This option would allow the remaining Parish Councils (should they wish) to transfer full responsibility for their footway lighting to the City Council in the same way as the previous tranche of Parish Councils. This would correct the current anomaly and no further costs would then fall to the Parish Council. Alongside any transfer appropriate budgetary provision would be transferred from the Parish Council grant budget to the lighting budget. Parish Councils which did not wish to transfer their footway lighting to the City Council would then only be entitled to claim Parish

Council grant under this heading based on the County Council contract rate i.e. £30 per lighting column. Should all parish lighting be transferred this element of the Parish Council grant scheme would cease.

- 9.44 Eleven Parish Councils at present remain responsible for footway lighting within their parishes. Of these parishes Barham, Blean, Bridge, Hackington, Harbledown and Sturry indicate they would now be happy to transfer the full responsibility for their footway lighting to the City Council (option 3). This would amount to the transfer of a further 686 lighting columns to the City Council, and it is proposed that this should be implemented with effect from 1 April 2005 (the start of the next financial year) together with the transfer of £30 per lighting column, i.e. a total of £20,580 from the Parish Council grants budget to the district lighting budget each year in order to cover the cost of ongoing maintenance.
- 9.45 Should further Parish Councils wish to transfer their footway lighting in the same way, either for 2005/6 or subsequent financial years, this should be agreed again with the necessary £30 per lighting column transfer between budgets.
- 9.46 **Recommendation 8: The City Council should accept full responsibility for the maintenance of footway lighting by transfer from those Parish Councils who wish to do so, with effect from 1 April 2005. A budgetary transfer of £30 per lighting unit per annum should be made from the Parish Council grants budget to the district lighting budget to cover maintenance costs. The same arrangements would apply to any Parish Council which wishes to transfer its lighting at a later stage.**
- 9.47 Kingston and Petham Parish Councils indicate their preference for option 2, which would involve the City Council maintaining their footway lighting on an agency basis but the Parish Council retaining overall responsibility and continuing to make an annual bid under the Parish Council grant scheme. Chartham Parish Council have indicated their wish at present is to maintain their current maintenance arrangements with SEEBBOARD.
- 9.48 **Recommendation 9: For those Parish Councils who do not wish to transfer full responsibility for their street lighting to the City Council, the offer should remain that the Council will manage the lighting on an agency basis on behalf of the Parish Council, with the Parish Council responsible for the costs involved albeit eligible to seek financial support from the Parish Council grant scheme.**
- 9.49 The consultation exercise revealed a high level of support for the principle that a limit of £30 per lighting column or unit should be placed on eligible expenditure for street lighting purposes from 2005/6, on the basis that this is the cost that the City Council would incur to provide the lighting service. This figure includes electricity costs.
- 9.50 **Recommendation 10: Parish Councils should be limited in the expenditure on street lighting which is eligible for Parish Council grant support to a sum of £30 per lighting column or unit from 2005/6.**

Separate Issue – Capital Investment to achieve full Road Lighting Standards where considered appropriate.

- 9.51 This is a separate issue, but complimentary to the above. This would involve, over no doubt a lengthy period of time, capital investment to upgrade the footway lighting in certain rural areas to full road lighting standard in order for it to be adopted by the

County Council. This approach would only be appropriate in some rural areas, for example not in smaller settlements where a lower level of illumination is necessary for aesthetic reasons. In parts of the larger settlements, however, such as Sturry and Chartham, the justification in the long term for a lower standard of illumination in residential areas than in equivalent urban areas is unclear. Indeed in significant new developments in rural areas street lighting is usually provided to adoptable standards. For example, in Chartham the St Augustines development has street lighting which will be adopted by the County Council while the older part of the village has lower standard lighting which is the responsibility of the Parish Council (albeit eligible for parish grant support). Improved lighting can reduce crime and the fear of crime and with modern fittings need not cause light pollution.

- 9.52 Any programme of upgrading rural lighting would need to be “demand-led” and carefully discussed with the communities concerned. It would clearly take many years to implement a programme of improvements and careful prioritisation would be required. Over, say, a 10 year period, however, some progress could be made. As the existing lighting columns become older significant investment will be required at some stage in any event. In order to achieve such a capital investment programme a substantial proportion of the City Council’s “district lighting” capital budget of £20,000 per annum could be earmarked for this purpose and potentially part of the Parish Council capital budget of £20,000 per annum if not required for more pressing matters. There could be other sources of capital funding available.
- 9.53 The consultation exercise revealed that not all Parish Councils wish to be considered for upgraded street lighting, but there does appear to be some support for the idea provided there is full consultation prior to any decisions being reached. Chartham, Hackington, Harbledown and Sturry would appear to be the parishes where there is the greatest potential for provision of enhanced street lighting. Indeed in the case of Sturry an enhancement programme has already been undertaken by the Parish Council and it may be possible to transfer some lighting to KCC without further investment.
- 9.54 **Recommendation 11: A carefully prioritised programme to upgrade footway lighting to full road lighting standard should be considered with initial consideration given to the parishes of Chartham, Hackington, Harbledown and Sturry. A further report should be prepared on how any enhancement programme would be progressed.**
- 9.55 The general view was that any footway lighting enhancement programme should be funded from the City Council’s “district lighting” capital budget rather than the Parish Council capital budget, and the Review Panel supports this approach.
- 9.56 **Recommendation 12: A substantial proportion of the City Council’s “district lighting” capital budget should be earmarked for a programme of street lighting enhancement within Parish Council areas.**

Burial Grounds

- 9.57 The provision and maintenance of burial ground facilities are the third most important concurrent function carried out by the 23 old Parish Councils. In 2003/4 a total of 13 out of the 23 old Parish Councils sought revenue grant funding totalling £20,890, in 2004/5 15 Parish Councils sought £22,697. The Parish Councils concerned were Adisham, Barham, Bekesbourne, Bishopsbourne, Chartham, Chislet, Harbledown, Hoath, Ickham & Well, Littlebourne, Lower Hardres, Petham, Sturry, Upper Hardres, Waltham and Wickhambreaux.

9.58 There are two categories of burial ground, closed burial grounds and open burial grounds, which require separate consideration. Closed burial grounds are effectively full and no further burials are permitted, however there are ongoing maintenance responsibilities. By contrast, open burial grounds are still used for burial purposes. Although closed burial grounds are excluded from the existing concurrent function grant scheme they are considered here because the issues are interrelated.

(i) Closed burial grounds

9.59 Under burial ground legislation, when a cemetery is declared closed the responsibility for ongoing maintenance must be accepted by an appropriate local authority. In rural areas the Parish Council is given the first option to take over responsibility for maintenance, and if this is turned down the City Council must take over responsibility. In non parished areas it is obviously the City Council to who must take responsibility.

9.60 The City Council currently maintains 18 closed churchyards, 14 within Canterbury, one in Whitstable, one in Herne Bay and two in the rural parishes, at Adisham and Bridge.

9.61 Within the old parishes, there are a number of closed churchyards maintained by Parish Councils. Sturry Parish Council maintain the St Nicholas churchyard, Chartham Parish Council maintain St Mary's churchyard, Womenswold Parish Council maintain St Margaret's churchyard, and Westbere Parish Council maintain two closed churchyards. Stodmarsh churchyard may also be closed.

9.62 Because closed churchyards are maintained by the City Council within urban areas, and indeed in two rural parishes, it is considered appropriate that any closed churchyards maintained by Parish Councils should be eligible for Parish Council grant support.

9.63 **Recommendation 13: It is proposed that the expenditure incurred on maintaining closed churchyards should be eligible for support through the Parish Council grant scheme.**

9.64 A clear definition of the expenditure eligible is therefore required. The following is suggested:

"The maintenance of the closed burial ground is eligible including grounds maintenance, grass cutting, tree and shrub maintenance, the repair of memorials, of fencing, seating, directly associated car parking and access facilities, but not the replacement, enhancement or extension of any existing facility which would need to form a bid for a capital grant. Insurance (including public liability insurance) costs are eligible".

9.65 **Recommendation 14: The above definition is proposed as the expenditure eligible for reimbursement in the Parish Council grant scheme.**

(ii) Open burial grounds

9.66 The City Council provides three municipal cemeteries in the three main urban areas of the district, one each in Canterbury, Whitstable and Herne Bay. These facilities were provided pre 1974 by Canterbury CBC, Whitstable UDC and Herne Bay UDC respectively. The net cost of providing these three cemeteries, after income from

burial fees etc has been taken into account, is approximately £80,000 per annum. Anyone resident within the district has a right of burial in these cemeteries.

- 9.67 Within the urban areas, there is only limited alternative cemetery provision. Most of the anglican and other churches either have no churchyards or closed churchyards. The one known exception is All Saints Church, Whitstable, which provides a burial ground which is not supported financially by the City Council.
- 9.68 Within the old parishes, cemeteries are provided directly by just two Parish Councils, at Chartham and Sturry. These parishes sought £8,487 and £6,560 respectively towards the provision of these two cemeteries in 2003/4, £10,500 and £2,660 respectively in 2004/5. Together these bids comprise the majority of the total funding sought under the relevant category of the existing concurrent function grant scheme.
- 9.69 In the remaining old parishes, cemeteries are provided by local anglican churches and are the responsibility of the appropriate Parochial Church Council. In these parishes there is no need or tradition for secular provision but because of the community benefit provided Parish Councils offer financial support to the PCC in a number of cases. In 2003/4 a total of 11 grants ranging between £218 and £1,225 were sought to support such burial ground provision, totalling £5,843 in all. In 2004/5 13 grants ranging between £150 and £1,800 were sought, totalling £9,537 in all.
- 9.70 Given the provision of three municipal cemeteries in the urban areas at the City Council's expense, it is appropriate to support the Chartham and Sturry Parish Council cemeteries under the concurrent function grant scheme otherwise double taxation in those parishes would arise. Any further proposals for cemetery provision by Parish Councils could be eligible for support if justified in discussion with the City Council.
- 9.71 **Recommendation 15: Appropriate expenditure incurred by Chartham and Sturry Parish Councils in running their cemeteries should be eligible for support under the Parish Council grant scheme.**
- 9.72 A clear definition of the expenditure eligible for support is therefore required. It is proposed that the same definition used for closed burial grounds, as set out in paragraph 9.64 above, be adopted, with the addition of "Expenditure incurred in the administration and supervision of the active cemetery, and the maintenance of chapel and lodge buildings, less all income received from fees and charges and a fair rent from any lodge accommodation".
- 9.73 **Recommendation 16: The above definition is proposed as the expenditure eligible for reimbursement in the Parish Council grant scheme.**
- 9.74 The issue as to whether Parish Council grant support should be available to those Parish Councils who wish to support their local churchyard facility is a difficult one. In the non parished areas churchyard cemetery provision is not supported financially by the City Council, and so consistency would suggest that there should be no financial support to the equivalent facilities in rural areas. On the other hand local people have a right to be buried within their local parish churchyard and the nature of cemetery provision in rural areas is more dispersed compared to that in urban communities so it could be considered appropriate to continue to provide financial support under the concurrent function grant scheme. The consultation exercise revealed general support amongst Parish Councils for continuing grant support but the Panel's view on balance concurred with that of the Rural Area Member Panels that it should cease in order to strictly follow the same approach as in urban areas.

The Panel noted that the sums involved were relatively small and that Parish Councils may wish to maintain support out of precept funds. In addition since support would effectively be Parish Councils grant aiding a third party it is not clear how an appropriate level of grant support can be established.

- 9.75 **Recommendation 17: Grant support should no longer be available to those Parish Councils who wish to support their local churchyard facility.**

Village Halls

- 9.76 The provision or support of village hall facilities is the fourth most important concurrent function carried out by the 23 old Parish Councils. In 2003/4 a total of 12 out of 23 old Parish Councils sought revenue grant funding totalling £17,324. In 2004/5 14 Parish Councils sought a total of £24,416. The Parish Councils concerned were Adisham, Barham, Bekesbourne, Bishopsbourne, Blean, Bridge, Chislet, Fordwich, Harbledown, Hoath, Ickham & Well, Kingston, Littlebourne, Sturry, Upper Hardres and Waltham.
- 9.77 The provision of village hall facilities is clearly of great importance to village communities, as they provide flexible accommodation for a range of social, community and cultural activities. In some cases, halls are provided by the Parish Council itself, sometimes by an independent Village Hall Trust and sometimes by other organisations such as local churches, scout and guide groups etc. Within urban areas there are also a wide range of community hall facilities but such areas do not tend to look to the “village hall” as the centre of their activities in the way that a rural village community often does.
- 9.78 The City Council owns and manages three community centres in the three urban areas, two of which have recently been refurbished. The centres are staffed and there is significant revenue support provided. In addition, there are a number of other community centres which are owned by independent organisations with revenue support from external sources, some directly or indirectly from the City Council. There are also a number of other buildings provided in the urban areas by the City Council which provide for community activities, such as the Westgate Hall Canterbury, Kings Hall Herne Bay and the Horsebridge Arts and Community Centre Whitstable (to be supported by revenue funding initially at least).
- 9.79 The appropriate extent of financial support for village hall facilities is a difficult area to define for concurrent function grant purposes. At present the definition states “the maintenance of buildings and the provision of equipment for either offices, public meetings or assemblies within the hall”. Expenditure on supporting the activities themselves, and running costs such as lighting and heating are thus excluded at present although it is possible there is some support for this wider range of expenditure in urban areas. Major expenditure on the refurbishment or extension of village hall facilities is excluded from the revenue grant scheme although it is eligible for support from the capital grant scheme.
- 9.80 It is not easy to predict maintenance expenditure on village halls in advance and it is considered impossible to develop a “norm” for an appropriate level of support as the type and size of village hall facilities varies so much. It is important to note that the level of support given by Parish Councils to village hall facilities also varies greatly. Of the £17,324 sought in 2003/4, the largest three grants sought were Blean (£5,000), Littlebourne (£3,450) and Sturry (£2,000) which together comprised £10,450, 60% of the total. The remaining nine Parish Councils sought grants ranging from £250 to £1,200. In 2004/5 the largest grant sought was by Chislet (£7,200).

- 9.81 Given the importance of village hall facilities to rural communities and the fact that the City Council plainly makes some provision for community hall facilities within the urban areas it is considered that village hall support should continue to be eligible for Parish Council grant. It is hard to devise a funding formula, however, that is both transparent and fair and it is considered that audited expenditure is the only realistic approach which can be followed.
- 9.82 The consultation exercise revealed strong support amongst Parish Councils for the principle of continued financial support for village hall facilities. Such facilities are vitally important within rural communities and facilities are provided within the urban area by the City Council. It was pointed out that support should be available for village halls run by Hall Management Committees as well as those run by Parish Councils directly, and this should be made clear within the scheme. Since this is essentially a technicality it is recommended that this clarification be made. The village halls supported under the scheme should be listed in the same way as recreation grounds and open spaces for the purpose of certainty for both the City and Parish Council concerned.
- 9.83 **Recommendation 18: Support for village hall facilities should continue to be eligible for Parish Council grant, both for those provided directly by Parish Councils and those provided by Village Hall Management Committees. Expenditure incurred is considered to be the most appropriate method of assessing the level of grant.**
- 9.84 It is necessary to determine a more detailed definition of the expenditure eligible for grant support. The following definition is suggested:
- “A reasonable level of repair and maintenance of village hall buildings and of basic equipment such as tables and chairs. The purchase of new or replacement equipment such as tables, chairs, kitchen, electrical or public address/presentation equipment is excluded. Insurance (including public liability insurance) costs are included. The replacement or enhancement of facilities within the hall or the overall extension of the hall is excluded but could be the subject of a capital grant application. Essential internal and external decoration costs are included”.
- 9.85 **Recommendation 19: The above definition is proposed as the expenditure eligible for reimbursement in the Parish Council grant scheme.**
- 9.86 As suggested above, it would be helpful to define precisely which village halls are eligible for support under the scheme. This will establish the baseline position. It would be possible to add further facilities to the list in future by agreement between the City Council and Parish Council concerned.
- 9.87 Officers will be drawing up a definitive list for each Parish Council area in due course for inclusion as an appendix to the final report.
- 9.88 **Recommendation 20: That a definitive list is drawn up of village halls which are currently eligible for support under the Parish Council grant scheme.**

Litter

- 9.89 The provision of litter and cleansing services attracts only a modest bid from the 23 old Parish Councils under the concurrent function revenue grant scheme. In 2003/4 a total of six Parish Councils sought revenue grant funding totalling £6,385 but of this

figure Littlebourne Parish Council sought £3,500 and Blean Parish Council sought £1,500. A further four Parish Councils sought sums ranging from £85 to £600. In 2004/5 just three Parish Councils sought £1,250 in total.

- 9.90 The definition of this service for the purposes of the current scheme is “the provision and maintenance of receptacles for refuse or litter only”.
- 9.91 The City Council provides a litter bin and cleansing service on public highways throughout the district using Serco as contractor. Under the contract there are 730 litter bin sites throughout the district including the rural areas although only about 500 litter bins are on site at present, the remainder being lost, stolen or vandalised. The Council is steadily increasing the number of bins to the specified number and the contractor is also required to provide extra litter bins within the contract price. The repair or replacement of missing or vandalised bins is included within the contract, together with periodic emptying.
- 9.92 Litter bins are provided by the City Council throughout the district in appropriate locations based on perceived need. Requests for additional bins are responded to whenever possible. In the case of litter bins the City Council provides at least 50 bins in rural Parish Council areas for example Sturry (22), Fordwich (2), Littlebourne (5), Blean (6), Hersden (5), Upstreet (2), Harbledown (4) and Chartham (10).
- 9.93 Notwithstanding this district-wide service, some Parish Councils also provide a number of litter bins within their areas. For example Chartham provide approximately 19 litter bins but these are emptied by Serco at the City Council’s expense.
- 9.94 Because the City Council provides a district-wide service, this is a clear example of where the existing concurrent function grant scheme represents “double provision”. So long as the service provided is truly district-wide and takes proper account of the different needs of both rural and urban areas, which is the intention, it is inequitable for Parish Councils to be able to secure additional funding via the Parish Council grant scheme for an enhanced level of service in rural areas. It is therefore considered that this element of the grant scheme should be abandoned. This also has implications for the capital grant scheme under which additional litter bins can at present be provided for rural areas. Litter collection within recreation grounds and open spaces however will be included within the definition for that service.
- 9.95 **Recommendation 21: Support for expenditure on litter and cleansing services should cease in the revised Parish Council grant scheme.**

Footpaths

- 9.96 Only a very limited amount is sought under this category of the concurrent function grant scheme. In 2003/4 just £1,610 was sought by a total of four of the old Parish Councils and in 2004/5 just £810 was sought by four Parish Councils.
- 9.97 The definition of this service contained in the current scheme is “the maintenance and repair of public footpaths and bridle ways which are not designated as public rights of way”. The public rights of way network is a responsibility of Kent County Council who operate a district-wide service in respect of signage, maintenance and repairs from their area office in Dover. This service, which covers both urban and rural areas, is funded by the County Council as a core service.
- 9.98 It is not, therefore, clear to what type of footpath the existing concurrent function grant scheme is directed, and as a result it would appear that there may be

understandable confusion amongst Parish Councils regarding this aspect of the scheme. Funding may be being sought in some cases to maintain the public rights of way network. This would, of course, amount to a form of double provision and in view of the County Council's comprehensive service it is not considered this is sustainable. Accordingly it is proposed that this aspect of the concurrent function grant scheme should be abandoned.

- 9.99 **Recommendation 22: Support for expenditure on maintenance of public footpaths and bridleways should cease in the revised Parish Council grant scheme.**

Bus Shelters

- 9.100 The final category within the concurrent function grant scheme is the maintenance of bus shelters. In 2003/4 a total of £1,225 was sought by just three of the old Parish Councils to support the maintenance of bus shelters in their areas. In 2004/5 eight Parish Councils sought £3,527 in total, although £3,000 of this was sought by one Council, Chartham. Bids for the provision of additional bus shelters are considered under the capital grant scheme.
- 9.101 Although the County Council are responsible for the strategic management of public transport services across Kent, the provision of bus shelters is a responsibility of either the City or Parish Councils. The County Council have grant aided bus shelter provision in the past under a variety of initiatives, and continue to do so, but it falls to either the City or Parish Council to take up the grant and to then be responsible for future maintenance. Within Canterbury district both the City and Parish Councils are involved.
- 9.102 The City Council has entered a contract with Adshel under which the latter provide a number of bus shelters which are funded by the revenue from the advertising they display. As part of this contract Adshel provide a number of non-advertisement bus shelters in addition to those shelters which carry advertisements. Adshel are responsible for the maintenance of all the bus shelters concerned and therefore neither the City nor Parish Councils are involved financially. In view of the need for illuminated advertisements the Adshel contract concentrates on bus shelter provision primarily in the urban areas but some have replaced previous City Council shelters which have then been relocated elsewhere.
- 9.103 Separately from the Adshel contract, the City Council provides approximately 70 bus shelters at its own expense across the district. This includes a number in rural areas, including Blean (1 shelter), Littlebourne (1), Sturry (3), Herne & Broomfield (5) and Thanington Without (3). The remainder are in non-parished areas. The revenue budget to maintain these bus shelters amounts to £8,800 per annum, approximately £125 per bus shelter per annum. This sum covers the cost of maintenance, repairs, vandalism etc and barely covers the costs involved. Should any funds be available towards the end of the year there may be the possibility of acquiring an additional bus shelter but this is not always possible. A new shelter costs a minimum of £2,000 depending on the type of construction.
- 9.104 In addition to the City Council bus shelters, a number of Parish Councils also provide bus shelters within their areas. The questionnaire survey established bus shelter provision by the Parish Councils in Barham (2 shelters), Bishopsbourne (1), Blean (1), Bridge (3), Chartham (5-6), Harbledown (4), Herne & Broomfield (1), Kingston (1), Littlebourne (2), Lower Hardres (1), Sturry (1), Upper Hardres (1) and Westbere (5). It would appear therefore there are approximately 30 bus shelters at present

provided by Parish Councils. As part of the 2003/4 capital grant scheme the funds were made available for a further 5 bus shelters in Chartham (2), Harbledown, Lower Hardres and Waltham (1 each).

- 9.105 There is consequently a patchwork of bus shelter provision across the district. The maintenance of bus shelters by Parish Councils involves only relatively modest costs and would appear to be cost-effective. There is no evidence to suggest that the City Council's contractor, Serco, could maintain the Parish Council's bus shelters more cost-effectively than current arrangements. However the City Council could offer to take over responsibility for Parish Council bus shelters and for these to be maintained thereafter at City Council expense, again, as with street lighting, with an appropriate transfer between the Parish Grants budget and the bus shelter maintenance budget.
- 9.106 Expenditure on the maintenance of bus shelters could continue to be eligible for support under the Parish Council grant scheme although the number of Parish Councils and the sum of money involved each year is relatively modest. In order to simplify the overall scheme it would be possible to cease this separate category of financial support, it being included instead in a possible flat rate or population related element intended to cover a number of minor concurrent functions. This option is not proposed however for the reasons explained in paragraphs 12.11 – 12.18 below, and the Panel recommend instead that financial support for the maintenance of bus shelters should continue.
- 9.107 **Recommendation 23: Expenditure on the maintenance and repair of bus shelters should continue to remain a separate category in the Parish Council grant scheme.**
- 9.108 **Recommendation 24: Parish Councils should be able to transfer the responsibility for bus shelter maintenance to the City Council with an appropriate transfer between the Parish Grants and bus shelter maintenance budgets.**
- 9.109 In relation to the capital grant scheme there would appear to be an anomaly under which Parish Councils are able to bid for additional bus shelters while the funding available for additional bus shelter provision in urban areas is more constrained. A more integrated district-wide provision of additional bus shelters could be argued to be more appropriate. With the likely commencement of a quality bus partnership across the district the provision of bus shelters will increase in importance and a more integrated approach across the district is likely to be required in any event.

10. OTHER FUNCTIONS PROVIDED BY PARISH COUNCILS

- 10.1 The existing concurrent function grant scheme reimburses expenditure in seven service areas, but of course Parish Councils within the district may provide a number of other services provided in the urban areas by the City Council and these need to be considered by the review. Annex A to the Government's document "The Quality Parish and Town Council Scheme: The Quality Scheme Explained" contains an extensive list of services which may, in certain circumstances, be concurrent functions and this list was used in a questionnaire survey of all 26 Parish Councils within the district which was carried out as part of the review.
- 10.2 The remainder of this section of the report deals in turn with each of these functions and discusses the extent of Parish Council activity in each case, whether the City Council provides equivalent functions in the urban areas and from this reaches a

conclusion as to whether the service should be considered for inclusion in the revised Parish Council grant scheme.

Allotments

- 10.3 Four Parish Councils provide allotments for their residents, Bekesbourne (8 plots), Bridge (14), Harbledown (32) and Littlebourne (48). Of these Bridge is a relatively new facility. The level of net expenditure involved appears to be variable, with Harbledown spending approximately £300 per annum whilst Littlebourne spend considerably more.
- 10.4 The City Council provide 14 allotment sites in the non parished areas, but there is a programme of transferring the larger sites at least to allotment associations on long lease arrangements with the association then managing the facilities for the allotment holders with no financial contribution from the City Council. Given the strategy of the City Council to divest itself of responsibility for providing allotments and the low level of activity amongst Parish Councils it is suggested that this service area is not included as a separate category in the revised scheme.

Boating Pools

- 10.5 No Parish Councils reported involvement in this service area.

Car Parks – Off-Street

- 10.6 Four Parish Councils reported the provision of car parking facilities, but these appear to be provided in conjunction with either recreation grounds or village halls which are already included within the Parish Council grant scheme. The proposed definitions in each case include the maintenance of associated car parking areas.

CCTV

- 10.7 Parish Councils are only involved in a limited way with a CCTV service. Littlebourne provide a CCTV camera adjacent to the village hall, Chestfield are about to purchase a camera and Bekesbourne are considering a CCTV facility for their station.
- 10.8 The City Council provide and operate a district-wide CCTV service and proposals for new CCTV cameras are considered across the district on the basis of priority need. The Littlebourne facility for example was not considered high enough priority to merit provision by the City Council. Accordingly it has been concluded that this service should not fall within the Parish Council grant scheme although Parish Councils are, of course, able to provide a service using precepted funds.

Christmas Lights and Trees

- 10.9 Six Parish Councils report activity in this area with expenditure in the range £150 to £400 per annum. The City Council provide Christmas lights within the three main urban areas each year, and thus this service could be considered a concurrent function. However, the sums involved are small and it is considered the inclusion of this service as a separate category within the Parish Council grant scheme would unnecessarily complicate administration.

Closed Burial Grounds

- 10.10 A number of Parish Councils are involved in maintaining closed burial grounds. This service is not part of the existing concurrent function grant scheme but in view of its very close relationship with the provision of open burial grounds the issue has been covered in paragraphs 9.59 – 9.64 earlier in this report. The conclusion is that expenditure on this service should be eligible for grant support.

Entertainment and Arts; Leisure Facilities; Play Schemes

- 10.11 Three Parish Councils report supporting activities such as summer events, firework displays, street parties, New Year's parties and exhibitions. The expenditure involved is minimal. The City Council supports entertainment and arts activity throughout the district in a number of ways including an events budget and it is therefore not considered that this service can be considered a concurrent function, rather something that Parish Councils can provide using precepted funds. It therefore need not be considered further.
- 10.12 In respect of leisure facilities, two Parish Councils report activity, including the provision of a BMX track, youth group and evening classes. This provision is very similar to entertainment and arts set out in the previous paragraph and the same conclusions are felt to apply.
- 10.13 Three Parish Councils support play scheme activity but again the same conclusions are felt to apply.

Grants to Bus Operators; Taxi Fare Concessions

- 10.14 No Parish Council activity is reported.

Information Services (eg Transport, Tourism)

- 10.15 Five Parish Councils reported activity in this area, including the provision of notice boards, parish newsletters and websites. The costs involved are minimal.

Highways Maintenance

- 10.16 Only occasional, minor activity is reported by two Parish Councils.

Dog Waste Bins

- 10.17 Ten Parish Councils provide a small number of dog waste bins each within their areas. The costs involved are relatively modest.
- 10.18 The City Council provides a dog waste bin service throughout the district using Serco as contractor. There are approximately 180 dog waste bins located throughout the district and the contractor is required to provide an extra ten per annum on suitable sites. Additional dog bins are therefore provided by the City Council throughout the district in appropriate locations based on perceived need. Requests for additional bins are responded to whenever possible.
- 10.19 Because the City Council provides a district-wide service, this is not considered to be a service appropriate for inclusion in the revised Parish Council grant scheme. Parish Councils can, however, provide additional provision using precepted funds.

Museums

10.20 No Parish Council activity is reported.

Parish Wardens

10.21 Two Parishes, Herne & Broomfield and Chestfield, provide financial support for a Parish Warden service. In the absence of wider activity by Parish Councils it is not considered the issue justifies further consideration in this review.

Public Clocks

10.22 Three Parish Councils report financial provision towards public clocks, at Blean (1 clock costing £100 per annum), Bridge (2 clocks at the village hall and church) and most significantly Chartham, which provides the clock at St Mary's Church costing £2,300 per annum.

10.23 Although the City Council provides public clocks in the non parished areas, for example the Herne Bay Clock Tower and the clock on St George's Tower, Canterbury, the provision of this service by Parish Councils is not considered sufficiently wide-spread to justify a separate category within the Parish Council grant scheme.

Public Conveniences

10.24 Two public conveniences are provided in the rural parishes, at Chartham and Sturry. However, these are provided by the City Council and although the Parish Councils undertake the cleaning arrangements the cost of these is reimbursed by the City Council. The City Council thus provides a district-wide service and the issue of a concurrent function does not therefore arise.

Public Seats adjoining Highways

10.25 Twelve Parish Councils report the provision of highway seats, up to 16 in number (Sturry Parish Council) and at a cost of up to £800 (again Sturry Parish Council). Although a small number of highway seats are provided in the non parished areas by the City Council the budget involved is small and it is not considered that the expenditure on this service by Parish Councils justifies a separate category within the Parish Council grant scheme.

Subsidies for Uneconomic Post or Telecommunication Services

10.26 Only Littlebourne Parish Council report activity in the area, namely modest financial support to the village shop. It is not considered this issue warrants further consideration.

Tourism Promotion

10.27 One Parish Council, Herne & Broomfield, report supporting tourism by floodlighting Herne Mill. Only a modest sum of money is involved.

Traffic Calming

10.28 Six Parish Councils report activity in this area, most particularly Blean and Littlebourne Parish Councils who have supported traffic calming schemes within their areas. The County and City Councils provide a district-wide programme of traffic calming improvements and it is consequently considered a concurrent function does

not arise. Parish Councils are of course empowered to supplement County and City Council provision by the use of precepted funds but to reimburse such costs by the City Council would amount to a form of double provision and it is not considered such expenditure should therefore be included within the revised Parish Council grant scheme.

Village Greens

- 10.29 A number of Parish Councils support the maintenance of village greens but as stated in paragraph 9.15 above this is considered to fall within the definition of recreation grounds and open spaces which forms a significant category in both the existing and proposed Parish Council grant scheme.

War Memorials

- 10.30 Ten Parish Councils report involvement in the maintenance of war memorials within their areas. In each case one or two are maintained at a cost ranging from £50 up to £1,000 per annum. The City Council is responsible for maintaining the war memorials in the urban areas of the district and consequently this service can be considered as a concurrent function. Nevertheless, in view of the relatively modest costs involved it is not considered that the service warrants a separate category in the grant scheme.

Conclusion

- 10.31 In the light of the results of the questionnaire survey described above it is not considered that there are any significant further areas of service provision undertaken by Parish Councils which justify a separate category within the Parish Council grant scheme. At the one to one sessions with Parish Councils there were no suggestions made as to any further categories which warranted separate inclusion in the scheme. The maintenance of closed burial grounds is proposed for inclusion within the main burial grounds category.
- 10.32 There are a number of minor concurrent functions, however, which do involve Parish Councils in some expenditure which could be covered by a small flat rate or population related element of the Parish Council grant scheme, unrelated to actual expenditure. This issue is dealt with in paragraphs 12.11 – 12.18 below although the Panel do not recommend this approach for the reasons given.
- 10.33 **Recommendation 25: There are no further services which warrant separate inclusion in the Parish Council grant scheme.**

11. GRANT SCHEMES OPERATED BY OTHER DISTRICT COUNCILS

- 11.1 For comparison purposes and to assist the review, two particularly interesting schemes were identified.
- 11.2 The Maidstone Borough Council scheme, which appears to be one of the most generous, comprises both a flat rate element of £1,936 per Parish Council with a further amount per head of population, currently £5.18 per person. There is also a third element where Parish Councils are able to bid for particular schemes, which would appear to be similar to the City Council's capital grant scheme. It was unfortunately not possible to consider the Maidstone scheme in detail, but the

scheme is under review and there has been some criticism that it is not sufficiently related to the expenditure of particular Parish Councils.

- 11.3 The Braintree District Council scheme is also of interest. It is clearly less generous. Like the City Council scheme certain types of parish expenditure are eligible for support but the list of concurrent functions is more comprehensive than the City Council list. However, only a proportion between 30% and 90% of eligible expenditure is reimbursed depending on the tax base of the Parish Council. The largest parishes, with the highest tax base, are granted 30% of their expenditure up to a maximum of £15,594 while the smallest parishes are reimbursed 90% of their eligible expenditure. Again it was not possible to investigate the scheme in detail, but it would appear to be complex to administer and it is not clear why it is felt desirable to have an extensive list of concurrent functions but then only fund in many cases a relatively low percentage of that expenditure.
- 11.4 It is not considered by the Panel that either of these schemes have sufficient advantages over the current City Council scheme to warrant a change in approach.

12. POSSIBLE OPTIONS FOR A REVISED GRANT SCHEME

(i) The Overall Approach

- 12.1 This part of the report discusses a number of possible options for a revised grant scheme before leading to a recommendation as to the preferred approach.
- 12.2 There are a number of possible ways in which a revised grant scheme could be constructed. The scheme could be based on the actual **expenditure** of Parish Councils on specified services. The current scheme works on this basis. This obviously addresses the double taxation issue, but is relatively complex to administer although it would be simpler if the number of categories is reduced as recommended in this report.
- 12.3 An alternative approach would be to develop a **population** based scheme. This would use the latest up to date population figures (currently the 2001 census) as an indicator of need which would then be used to distribute the grant funds available. The Maidstone scheme works on this basis. While relatively simple to administer, the scheme would not relate directly to expenditure and could result in some councils spending more on relevant services than the grant they are given, so that double taxation would still arise to some extent. In other Parish Councils, with a lower level of service provision, the grant would exceed expenditure.
- 12.4 Population is obviously a simple way in which grant funding could be allocated, but there could be a number of variations giving different weightings to elderly population, children etc.
- 12.5 A further variation would be to distribute grant on the basis of the number of taxable properties in the parish.
- 12.6 The third approach would be to develop a **provision** based scheme. This would analyse the area of recreation space, number of lighting columns etc provided and allocate the available funds at a set rate per m² of recreation ground and set rate per lighting column, etc. Unfortunately it is not at all clear how a fair rate could be established for the maintenance of recreation grounds, burial grounds and village halls where the nature of provision varies so greatly between parishes. The only rate

which it has been possible to establish accurately is that for street lighting, namely £30 per lighting column or unit.

- 12.7 In general the consultation exercise revealed wide support for the overall principle of the current scheme, namely a scheme which seeks to reimburse actual expenditure in relation to a number of specific service areas. There was little support for a grant scheme which distributes the sum available on a population basis (which is the basis of the Maidstone Borough Council scheme) as this does not relate the level of grant to the actual level of expenditure incurred. There was support for two relatively minor exceptions from the “expenditure incurred” principle, in the case of street lighting the potential for a set grant per lighting unit and secondly some support for the idea of a flat rate or population related element of grant. This latter issue is considered below.
- 12.8 In the light of this response the recommendation of the Panel is that the Parish Council grant scheme should continue to operate on the basis of reimbursing actual expenditure. However, the opportunity should be taken to simplify the current scheme as much as possible to reduce administration costs and the potential for misunderstanding the various categories. The submission of annual accounts by Parish Councils to demonstrate how the grant monies have been spent should clearly be introduced, and a reduction in the number of categories will also simplify this process.
- 12.9 The recommendation of the review panel is that in the case of street lighting a set figure of £30 per lighting column or unit would be the amount Parish Councils should potentially be reimbursed under the Parish Council grant scheme. In the case of recreation grounds and open spaces, burial grounds and village halls, however, a scheme based on actual expenditure is preferable.
- 12.10 **Recommendation 26: The overall approach to designing the revised Parish Council grant scheme should remain actual expenditure incurred for specified services with the exception of street lighting where a flat rate per lighting column or unit should be used.**
- (ii) A flat rate or population related element
- 12.11 Careful consideration has been given to the issue as to whether there should be a small flat rate or population related element of grant distributed to all Parish Councils. This would reflect the costs of minor concurrent function services which it would not be worthwhile to analyse in detail, such as those services listed in section 10 of this report. It would also cover the cost of maintaining bus shelters if this service is deleted as a separate category from the current scheme although this is not recommended by the Panel.
- 12.12 Clearly a small flat rate or population related element of grant would be simple to administer. The level of such a flat rate element would need careful consideration as it would take up a proportion of the total budget available for the Parish Council grant scheme.
- 12.13 The consultation response on this issue was mixed. Many Parish Councils felt that this would depart from the “actual expenditure incurred” principle and thus was undesirable. Others thought it would unnecessarily complicate the scheme and that so long as the four main categories of expenditure were reimbursed fully by the City Council there would be little point in a flat rate or population related element which would add unnecessary complexity to the overall scheme and would not involve a significant additional sum. On the other hand, some Parish Councils did support the

idea in order to cover the cost of minor concurrent functions. All were agreed that should a flat rate or population related element of grant be paid, it should be limited to a maximum of at most 10% of the overall grant and perhaps not be paid at all if the four main categories of expenditure are not reimbursed in full first.

12.14 There are obviously a number of ways in which a flat rate or population related element of grant could be distributed. To assist debate four options were developed to show, for illustrative purposes, how a total of approximately £10,000 could be distributed.

12.15 The four options developed which are illustrated in appendix 6 are:

- Option (a) - A flat rate grant of £385 per Parish Council
- Option (b) - A grant based on 24.4p per head of population using the 2001 census figure
- Option (c) - A grant based on 23p per head of population, but with a minimum of £150 per Parish Council
- Option (d) - A 3-tier system, with parishes up to 1,000 population receiving £200, parishes between 1,000 and 5,000 population receiving £500 and the two parishes with a population over 5,000 receiving £1,000.

12.16 Clearly there are a wide variety of other combinations along the same lines. It is considered that should such an element of grant be paid, the parishes of Herne & Broomfield, Chestfield and Thanington Without would have to be eligible since these Parish Councils are involved in the minor concurrent function services which this element of grant would be designed to cover.

12.17 The Review Panel has considered carefully the arguments for and against a flat rate or population related element of grant. The Panel's conclusion, on balance, is that such an element should not form part of the revised Parish Council grant scheme. It would unnecessarily complicate the scheme, lead to potential argument as to the precise basis of distributing this element of grant and, most importantly, would depart from the generally agreed principle that the scheme should be based on reimbursing expenditure incurred rather than giving grant unrelated to expenditure.

12.18 **Recommendation 27: It is not proposed that a small flat rate or population related element of grant should be distributed to all Parish Councils to reflect the cost of minor concurrent function services for the reasons set out above.**

13. OTHER MATTERS

(i) The Overall Budget for the Grant Scheme

13.1 At present the overall budget available for distribution under the Parish Council grant scheme is significantly less than the total bids received from Parish Councils under the scheme. The Review Panel believe that the overall budget to be made available for the Parish Council grant scheme is a matter for the City Council as a whole. The review exercise has investigated the current scheme in detail and reached conclusions as to those service areas which should be included within the revised scheme, and the detailed definition of expenditure which should be eligible for grant support. If the scheme is amended as recommended in this report, together with open and transparent accounting as proposed below, it is considered that the scheme will be robust and the reimbursement of Parish Council expenditure fully justified with the aim of avoiding double taxation in the parished areas.

13.2 The Panel therefore consider that the amended grant scheme should have sufficient funds made available by the City Council each year to cover the eligible bids made, whilst recognising that it is for the Executive to recommend an overall budget to the City Council each year and it would be for the Executive to justify the overall level of funding made available for the scheme.

13.3 **Recommendation 28: The Panel believes that the revised Parish Council grant scheme recommended in this report is robust and fully justified. The Executive and City Council are urged by the Panel to fully fund the scheme.**

(ii) A Parish Grants Working Group

13.4 In order to provide oversight for both the Parish Council revenue grant and capital grant schemes, consideration was given to setting up a parish grants working group consisting of a small number of City Councillors and perhaps a co-opted member from the Kent Association of Parish Councils. This group could meet two or three times a year to consider the grant applications received under both schemes, to query any applications as felt appropriate and to recommend to the City Council Executive how the available budget should be distributed in accordance with the Council's two schemes. The group could also be empowered to recommend, from time to time, any minor amendments which might usefully be made to the schemes to maintain their effectiveness. A group of this nature oversees the City Council's annual distribution of grant funding to voluntary organisations and a similar group to oversee the two Parish Council grant schemes could be established.

13.5 Whilst the consultation exercise revealed some support for this idea the recommendation of the Review Panel is that there is no need for such a working group as effective oversight of both revenue and capital schemes can be provided by the Rural Area Member Panels and the Executive. Officers would oversee the detailed running of the schemes and would consult with the relevant portfolio holders for authority to approach any Parish Council for clarification over any particular issue.

13.6 **Recommendation 29: There is no need for a Parish Council grants working group to be established to oversee the revenue or capital grant schemes.**

(iii) Open and Transparent Accounting

13.7 Concerns have been raised that the existing revenue grant scheme does not include appropriate arrangements to ensure that the funds grant aided in any particular year are actually spent on the services for which they have been sought. In order to ensure both transparency and accountability in the use of parish grant funds it is considered that Parish Councils should account separately for the expenditure of City Council grant monies in their annual accounts. It is proposed that the submission of such accounts be made a requirement of applying for City Council grant support under either the revenue or capital schemes. There is wide support for this proposal. Should this exercise reveal that the grant monies were not fully spent on the relevant services in any particular year the underspend would be offset against the eligible bid made by the Parish Council concerned the following year.

13.8 **Recommendation 30: Parish Councils should account separately for the expenditure of City Council grant monies in their annual accounts as a condition of applying for grant; grant monies not spent in accordance with the scheme will be offset against a future application.**

(iv) The Future of the Capital Grants Scheme

- 13.9 This report makes a number of recommendations in relation to the revenue grant scheme which have a knock-on effect to the capital grant scheme. Deleting litter and cleansing services and footpath maintenance from the revenue grant scheme implies that capital grants will no longer be made available for these purposes. There was, however strong support for retaining the current Parish Council capital grant scheme. There is an ongoing need for capital expenditure to upgrade village hall and recreation ground facilities which is not eligible under the revenue support scheme. Village hall grants from the County Council, for example, require match funding which could potentially be provided by the City Council's capital grant scheme. The problem in the last two or three years has been that capital grants to Parish Councils have been made on an annual basis, leading to bids for minor schemes such as waste bins, benches and picnic tables for recreation grounds and bus shelters. The City Council's capital programme is intended to support more major projects and the bidding process therefore needs to be reconsidered.
- 13.10 Now that the Parish Council capital programme has been set at £20,000 per annum for the next few years, there is an opportunity for a more strategic, longer term view to be taken of the use of these funds.
- 13.11 A helpful suggestion put forward during the consultation exercise was that Parish Councils should be requested to propose a medium term (say 5 year) programme of desirable capital schemes rather than put forward a bid each year. This would enable a better overall view to be taken of the most effective use of this capital programme, and would enable a comparison to be made between the Parish Councils' proposals and the relative merits of the other parts of the City Council's capital programme. It would also enable parishes to bid ahead for more major schemes such as improvements to village hall or recreation ground facilities which could then be prioritised in accordance with an analysis of need.
- 13.12 This approach would have the benefit of allowing the use of capital funds for more major projects rather than small works such as litter bins and recreation ground seats. In this way the scheme can be made more comparable to the other parts of the City Council's capital programme, which provides funds for schemes across many of the urban areas of the district in accordance with an established prioritisation procedure.
- 13.13 **Recommendation 31: The Parish Council capital grant scheme should be retained but operated on a longer term, more strategic basis. Parish Councils should be invited to put forward their proposals for a 5 year period for potential inclusion in a longer term capital programme to support Parish Council facilities, to be prioritised in accordance with an analysis of need.**
14. CONCLUSION
- 14.1 The Review Panel commends this report to the Executive and City Council. The report is intended to inform the budget setting process for 2005/6 and succeeding years, and to enable the revised Parish Council grant scheme for both revenue and capital support to be introduced well in time for the 2005/6 financial year.

(not needed for report to Executive 22 July)

APPENDIX 7

DEFINITIVE LIST OF FACILITIES WHICH ARE CURRENTLY ELIGIBLE FOR SUPPORT UNDER THE PARISH COUNCIL REVENUE GRANT SCHEME (JUNE 2004)

Recreation Grounds and Open Spaces

Cemeteries

Chartham Parish Council
Chartham Cemetery

Sturry Parish Council
Sturry Cemetery

Closed Churchyards

Chartham Parish Council
St Mary's Churchyard

Littlebourne Parish Council
Stodmarsh Churchyard?

Sturry Parish Council
St Nicholas Churchyard

Westbere Parish Council
Two closed churchyards (clarify)

Womenswold Parish Council
St Margaret's churchyard
(note – closed churchyards at Adisham and Bridge are maintained by the City Council)

Village Halls

Adisham Parish Council
Adisham Village Hall

Barham Parish Council
Barham Village Hall

Bekesbourne with Patrixbourne Parish Council
Bekesbourne Village Hall

Bishopsbourne Parish Council
None

Bridge Parish Council
Bridge Village Hall

Chartham Parish Council
Chartham Village Hall

Chislet Parish Council
Chislet Village Hall

Fordwich Parish Council
None

Hackington Parish Council
Tyler Hill Memorial Hall

Harbledown Parish Council
Harbledown Village Hall
Rough Common Village Hall

Hoath Parish Council
Hoath Village Hall

Ickham and Well Parish Council
Ickham Village Hall

Kingston Parish Council
Kingston Village Hall

Littlebourne Parish Council
Littlebourne War Memorial Hall

Lower Hardres Parish Council
Lower Hardres Village Hall

Petham Parish Council
Petham Village Hall

St Cosmos & St Damien in the Blean Parish Council
Blean Village Hall

Sturry Parish Council
Broad Oak Village Hall
Hersden Neighbourhood Centre
Sturry Social Centre

Upper Hardres Parish Council
None

Waltham Parish Council

Waltham Village Hall

Westbere Parish Council

None

Wickhambreaux Parish Council

Wickhambreaux Village Hall

Womenswold Parish Council

None

	2001 Population	% of Old Parish Total	% of Overall Parish Total
The 23 "Old" Parishes			
Adisham	617	2.2%	1.5%
Barham	1,185	4.2%	2.9%
Bekesbourne with Patricbourne	869	3.1%	2.1%
Bishopsbourne	238	0.8%	0.6%
Bridge	1,466	5.2%	3.6%
Chartham	3,363	12.0%	8.2%
Chislet	866	3.1%	2.1%
Fordwich	349	1.2%	0.9%
Hackington	521	1.9%	1.3%
Harbledown	2,141	7.6%	5.2%
Hoath	533	1.9%	1.3%
Ickham & Well	417	1.5%	1.0%
Kingston	438	1.6%	1.1%
Littlebourne	1,453	5.2%	3.5%
Lower Hardres	557	2.0%	1.4%
Petham	674	2.4%	1.6%
St Cosmos & St Damian in the Blean*	4,153	14.8%	10.1%
Sturry	6,257	22.3%	15.3%
Upper Hardres	390	1.4%	1.0%
Waltham	425	1.5%	1.0%
Westbere	368	1.3%	0.9%
Wickhambreaux	469	1.7%	1.1%
Womenswold	302	1.1%	0.7%
Old Parish Total	28,051	(20.7% of District Total)	
The 3 "New" Parishes			
Chestfield	2,922		7.1%
Herne & Broomfield	7,339		17.9%
Thanington Without	2,661		6.5%
New Parish Total	12,922	(9.6% of District Total)	
Overall Parish Total	40,973	(30.3% of District Total)	
District Total	135,278		

Note: * Population includes a large part of the University of Kent campus.

Comparison of Expenditure on Concurrent Function Services

	2001 Population	Expenditure (£)	Expenditure per head (£)
The 23 "Old" Parishes			
Adisham	617	4,287	6.95
Barham	1,185	5,200	4.39
Bekesbourne with Patricxbourne	869	3,834	4.41
Bishopsbourne	238	721	3.03
Bridge	1,466	7,352	5.02
Chartham	3,363	27,067	8.05
Chislet	866	1,050	1.21
Fordwich	349	1,350	3.87
Hackington	521	2,206	4.23
Harbledown	2,141	7,674	3.58
Hoath	533	824	1.55
Ickham & Well	417	800	1.92
Kingston	438	1,305	2.98
Littlebourne	1,453	15,278	10.51
Lower Hardres	557	350	0.63
Petham	674	5,750	8.53
St Cosmos & St Damian in the Blean*	4,153	10,640	2.56
Sturry	6,257	46,460	7.43
Upper Hardres	390	4,250	10.90
Waltham	425	1,200	2.82
Westbere	368	200	0.54
Wickhambreaux	469	435	0.93
Womenswold	302	1,020	3.38
Old Parish Total	28,051		
The 3 "New" Parishes			
Chestfield	2,922	0	0
Herne & Broomfield	7,339	361	0.05
Thanington Without	2,661	0	0
New Parish Total	12,922		
Overall Parish Total	40,973	149,614	

Note: For the purposes of this table the expenditure of each Parish Council on the concurrent function services is taken to be the expenditure supported by grant in 2002/3.

* Population includes a large part of the University of Kent campus.

Concurrent Function Grant Scheme Bids 2003/4

	Recreation Ground £	Street Lighting £	Burial Grounds £	Village Halls £	Litter £	Footpaths £	Bus Shelters £	Total
The 23 "Old" Parishes								
Adisham	2,535		550	950		5		4,040
Barham	4,500	4,000	300				1,000	9,800
Bekesbourne with Patrixbourne	2,822		1,225	1,068		160		5,276
Bishopsbourne	218		218	328				764
Bridge	3,441	3,344		787				7,572
Chartham	10,600	7,650	8,487		500			27,237
Chislet	515	565						1,080
Fordwich		2,000		1,200	200			3,400
Hackington	860	1,855						2,715
Harbledown	2,070	2,620	775	600	85		125	6,275
Hoath	324		250	250				824
Ickham & Well	7,800							7,800
Kingston	412	100		790		245	100	1,647
Littlebourne	6,250		1,000	3,450	3,500			14,200
Lower Hardres			350					350
Petham	2,000	1,500	500					4,000
St Cosmos & St Damian Blean	5,000	4,000		5,000	1,500	1,200		16,700
Sturry	24,700	7,475	6,560	2,000	600			41,335
Upper Hardres								
Waltham	1,900		350	900				3,150
Westbere								
Wickhambreaux	170		325					495
Womenswold	1,165							1,165
The 3 "New" Parishes								
Chestfield								
Herne & Broomfield								
Thanington Without								
Overall Total	77,282	35,109	20,890	17,323	6,385	1,610	1,225	159,825

Concurrent Function Grant Scheme Bids 2004/5 (after ineligible items excluded)

	Recreation Ground £	Street Lighting £	Burial Grounds £	Village Halls £	Litter £	Footpaths £	Bus Shelters £	Total £
The 23 "Old" Parishes								
Adisham	2,991		550	1,150				4,691
Barham	2,500	2,000	200	1,330			150	6,180
Bekesbourne with Patribourne	2,820		1,230	1,070		160		5,280
Bishopsbourne	925		250	530				1,705
Bridge	2,379	2,085		2,800			474	7,738
Chartham	15,000	8,000	10,500		600	500	2,000	36,600
Chislet	1,287	506	1,707	7,200			400	11,101
Fordwich								
Hackington	1,570	1,500			50			3,120
Harbledown	6,270	3,400	1,800	1,500			150	13,120
Hoath	643			250				893
Ickham & Well			500	300				800
Kingston	393			746			100	1,289
Littlebourne	3,500		1,000	3,000				7,500
Lower Hardres	250		300				100	650
Petham	2,100	1,400	500					4,000
St Cosmos & St Damian Blean	7,100	5,000		2,000				14,100
Sturry	31,108	5,576	2,660		600			39,944
Upper Hardres	150		150	1,890				2,190
Waltham	1,100		850	650				2,600
Westbere	692					100	153	945
Wickhambreaux	190		500					690
Womenswold	1,488							1,488
The 3 "New" Parishes								
Chestfield								
Herne & Broomfield								
Thanington Without								
Overall Total	84,456	29,467	22,697	24,416	1,250	810	3,527	166,624

	Number of Properties	Tax Base (band D equivalent properties)	Tax Base/ Properties
The 23 "Old" Parishes			
Adisham	246	238	0.97
Barham	520	545	1.05
Bekesbourne with Patrixbourne	351	364	1.04
Bishopsbourne	100	118	1.18
Bridge	659	642	0.97
Chartham	1,562	1,467	0.94
Chislet	348	350	1.01
Fordwich	155	172	1.11
Hackington	241	242	1.00
Harbledown	833	875	1.05
Hoath	215	211	0.98
Ickham & Well	175	186	1.06
Kingston	204	224	1.10
Littlebourne	632	571	0.90
Lower Hardres	240	281	1.17
Petham	297	295	0.99
St Cosmos & St Damian in the Blean	669	642	0.96
Sturry	2,590	2,087	0.81
Upper Hardres	156	175	1.12
Waltham	170	194	1.14
Westbere	137	152	1.11
Wickhambreaux	219	236	1.08
Womenswold	123	121	0.98
Old Parish Total	10,842		
The 3 "New" Parishes			
Chestfield	1,292	1,533	1.19
Herne & Broomfield	3,164	2,864	0.91
Thanington Without	1,064	871	0.82
New Parish Total	5,520		
Overall Parish Total	16,362		
District Total	59,252		

POSSIBLE OPTIONS FOR A FLAT RATE OR POPULATION RELATED GRANT TOTALLING APPROXIMATELY £10,000

Parish Council	Option (a) £385 per Parish Council	Option (b) 24.4 p per head of population	Option (c) 23p per head of population with floor of £150	Option (d) £200,£500or£1,000 per Parish Council dep.on population
The 23 "Old" Parishes				
Adisham	£385	£151	£150	£200
Barham	£385	£289	£273	£500
Bekesbourne with Patribourne	£385	£212	£200	£200
Bishopsbourne	£385	£58	£150	£200
Bridge	£385	£358	£337	£500
Chartham	£385	£821	£773	£500
Chislet	£385	£211	£199	£200
Fordwich	£385	£85	£150	£200
Hackington	£385	£127	£150	£200
Harbledown	£385	£522	£492	£500
Hoath	£385	£130	£150	£200
Ickham & Well	£385	£102	£150	£200
Kingston	£385	£107	£150	£200
Littlebourne	£385	£355	£334	£500
Lower Hardres	£385	£136	£150	£200
Petham	£385	£164	£155	£200
St Cosmos & St Damian in the Blean	£385	£1,013	£955	£500
Sturry	£385	£1,527	£1,439	£1,000
Upper Hardres	£385	£95	£150	£200
Waltham	£385	£104	£150	£200
Westbere	£385	£90	£150	£200
Wickhambreaux	£385	£114	£150	£200
Womenswold	£385	£74	£150	£200
The 3 "New" Parishes				
Chestfield	£385	£713	£672	£500
Herne & Broomfield	£385	£1,791	£1,688	£1,000
Thanington Without	£385	£649	£612	£500
Total	£10,010	£9,998	£10,079	£9,200