

Background

Milton Keynes established a Parish Partnership Fund in 1996/97. Originally, £50,000 was allocated by Milton Keynes Council for this Fund. This has lately been increased to £100,000.

Parish Councils (and more lately) Neighbourhood Councils have been invited to submit bids for these Funds, the distribution of which has been determined using criteria delivered by the Council following consultation with Parish and Neighbourhood Councils.

Parish and Neighbourhood Councils have been awarded grants on a 50/50 basis, with Parish and Neighbourhood Councils expected to contribute the remaining funds.

The Council now wishes to consult on a variety of proposals concerned with this Fund and its application. In part this is in response to representations already received relating to the distribution of the fund between small and large population Councils.

Section 1 - Eligible Bodies

At the moment, the Fund is available for Parish and Neighbourhood Councils who have signed the Parish Partnership Convention or Neighbourhood Council Protocol. In fact, all Councils have now signed up to this. It has been suggested that the Fund should be restricted only to properly accredited Parish Councils or should be extended to other bodies such as residents' associations. It has been suggested that the Fund might be restricted to those councils signing the Section 136 Landscape Maintenance Agreement.

Milton Keynes Council is not persuaded that any changes on eligibility are required or would be useful but would welcome views on this aspect.

Section 2 - Eligible Schemes

The current criteria suggest that only schemes that do not require future funding or where future revenue costs would be met by the Parish or Neighbourhood Council will be considered. The criteria also restricts applications on those matters where the two councils enjoy concurrent powers although it has never been made clear whether this includes Section 137 powers (which in effect authorise both Milton Keynes Council and Parish Councils to spend money on other matters which benefit their community other than those where specific powers have been provided for - up to a defined financial limit).

In addition, the funding has been restricted to schemes for one financial year only.

It would be possible to provide funding for a scheme over more than one year, similarly to, for example, Single Regeneration Budget schemes awarded for regeneration by the government.

Milton Keynes Council would welcome views on the proposition that schemes could be funded over more than one year (say a maximum of 3 years). This would facilitate imaginative medium term proposals that are perhaps ruled out by the current single year basis. It is not thought worthwhile restricting schemes to those matters where concurrent powers exist, save for the absolute requirement that both parties must have the legal power to spend the money on the proposed

scheme. This would clarify the current situation in line with current practice.

Section 3 - Criteria

The current criteria are as shown in Annex A. In practice, the number of requests for support has been such that little use has been made of these criteria to judge the applications against.

Views on these criteria would be welcomed. It would be possible to abolish the criteria altogether, but this would make scheme selection extremely subjective.

Alternatively, it has been suggested that social and economic disadvantage should be a factor to be considered as part of the criteria. This would suggest a higher proportion of the funds going to areas of social and economic deprivation.

Milton Keynes Council would like to receive views on the proposition that the criteria should be amended to include social and economic disadvantage.

Section 4 - Capital/Revenue Projects

Originally, the criteria restricted grants to scheme of a capital nature only. This criterion was deleted in 1997/98. It is often very difficult in practice to distinguish between capital and revenue expenditure, and in any event the requirement that ongoing costs should be met by the parishes achieves much the same end.

It is suggested that no criteria relating to capital projects be included, that bids be invited for both revenue and capital items, provided that ongoing expenditure be met by the parishes. This is partly addressed by the earlier suggestion that funding be available over more than one year (up to three).

Views are invited on this proposition.

Section 5 - Size of Grant

The maximum value of grants in any one year was £2,500 (1996/97 criteria). In 1997/98 this was amended to read £2,500, although this will not preclude applications being submitted for higher bids.

Arguably, this amended criterion means very little if anything.
It is suggested that this criterion be deleted although views are welcomed on this issue.

Section 6 - Scheme Funding

At present, schemes are funded on a 50/50 basis only. It has been suggested by the Milton Keynes Association of Local Councils that this could be amended on a sliding scale so that small councils be expected to pay a lower proportion and conversely, that large councils be expected to pay a higher proportion.

The argument used in the case of the former is that small councils cannot themselves raise a large precept. However, it can equally be argued that they have fewer people to serve and provide schemes for - for example, one bus shelter may suffice for a small village but for a large neighbourhood, ten bus shelters may be required.

Most small councils are also precept-rich per person or household. Parish Councils set a precept which is calculated on a Band D basis. Thus a parish with all Band H houses would only need to levy a precept 1/3 that of a parish with all Band A houses for the same yield. Clearly, these extremes do not exist, but the differences are quite marked.

An alternative would be to establish different funding formula for different sizes and kinds of proposals. An example is shown below.

Schemes under £500	80% grant available
Schemes £500-1,000	60% grant available
Schemes £1,000 - 5,000	50% grant available
Schemes £5,000 - 20,000	40% grant available
Schemes over £20,000	20% grant available

Similarly, the proportion could change depending on the type of scheme, or a combination of both.

Alternatively again, no fixed percentage division might be shown with this being part of the bidding process. The dangers here are

- (a) uncertainty

**ANNEX A
TO ANNEX A
TO ITEM 4**

b) perceived unfairness in favour of those
councils able to offer a high proportion

Also, some of the schemes put forward by Local Councils also attract grants from elsewhere. For example, the provision of sports equipment may attract a grant from the Sports Council. At present any such grant counts towards part of the Parish Councils 50% contribution, with Milton Keynes Council picking up the remainder.

However, Milton Keynes Council is of the view that Parish Councils' need to have ownership of the scheme and therefore should be required to make a minimum contribution to the scheme, for example 25% of the sum not being met by Milton Keynes Council.

Milton Keynes Council would welcome views on these questions and in particular the proposition that the proportions may vary according to the size of the scheme. Milton Keynes Council is not persuaded that the size of the council should be a determining feature.

Section 7 - Awarding Decisions

At present the awards of grant are determined by the Council. Last year, though, this was helped by the closeness of the total applications to the size of the fund. The new reporting arrangements were used. In the past, decisions have been made or recommended by the Milton Keynes Council Members of the Parish Consultative Assembly (Liaison Committee). This has caused some difficulties at least in perception, because members of that Assembly are very often themselves members or closely related to Parish and Neighbourhood Councils. Indeed, it would be surprising and perhaps even worrying if this were to be so.

A case can be made for setting up a body to determine applications. Whilst this could be a body comprising both Parish and Milton Keynes Council members, the same concerns of fairness, added to the necessity to declare interests might mitigate against this.

Alternatively awards could be determined using agreed procedures by an independent body perhaps comprising one or two councillors from Milton Keynes Council and parishes but also including representatives of

1. Voluntary organisations

2. Business interests
3. Churches
4. Milton Keynes Forum

Views are invited on the proposition that there should be an independent panel or independent element in the awarding body, and on related issues.

Section 8 - Size of the Fund

The Fund has been set at £100,000 for the past two years. Any decision to increase the size of the Fund is likely to have other effects on the budget of Milton Keynes Council to a greater or lesser degree.

However, it can easily be seen that Parish and Neighbourhood Councils are in fact taking on increased responsibility for a range of matters that were previously seen as the responsibility of Milton Keynes Council. It could be argued that this is likely to be a continuing process and that in such circumstances the size of the fund should be increased to partly offset this.

Views are welcomed on the size of the fund in the light of experiences and the growing role of Parish and Neighbourhood Councils.

Section 9 - Other Matters

Views are welcomed on other matters concerning the Partnership Fund, such as matters concerning the release of funds, audit trails, technical considerations, supporting documentation and the time of the year when applications should be invited, considered and determined. It has been argued that the current practice of determining applications during rather than before the financial year leaves Parish Councils uncertain as to whether to precept for their share of the expenditure. In addition, some schemes may depend upon planning approval, design etc. and may take some time before the money can actually be spent following the decision.

**ANNEX A
TO ANNEX A
TO ITEM 4**

Attached are details of previous decisions made and the amount of grant distributed per elector to each parish.

Section 10 - Implementation Date

For a new scheme to be implemented for 2000/01 agreement will need to be reached by November of this year, particularly if applications are required to be determined earlier (as suggested in Section 9 above). This would mean that Local Councils would need to comment on this document by the time of the next Consultative Assembly meeting on 16 September 1999. Views were expressed at a recent meeting of the Parish and Neighbourhood Consultative Assembly that the introduction of any revised scheme should not be rushed and that they would prefer the present scheme to continue for a further year to allow detailed consultation on any proposals to revise the scheme.

Views are requested on whether consultations should be completed in time to permit any new scheme to be implemented for next year's Fund or continue with the present scheme for a further year and allow a longer period for consultation. The Councils initial view is to introduce a new or enhanced scheme for the financial year 2000/01 - although some transitional arrangements may be necessary. Views however are requested on this and any transitional arrangements that may be necessary.

Submission of Comments

Views are welcomed on all matters outlined in this document and any other related matters.

Views should be submitted by **15 September 1999** and addressed to Paul Robinson, Corporate Policy Officer, Chief Executive's Office, Milton Keynes Council, Civic Offices, 1 Saxon Gate East, Central Milton Keynes MK9 3HG (Telephone 01908 252389).

PARISH PARTNERSHIP FUND CRITERIA

1. The criteria for approval under the Partnership Scheme will be:

the project shall be undertaken in exercise of a function for which both parishes and Milton Keynes Council have powers;
 - a. the project shall not normally involve any continuing payments, other than any costs to be met by the Local Council;
 - b. the project shall involve and provide a permanent benefit to the Parish/Neighbourhood;
 - c. each Council will be entitled to submit applications for projects (any number of bids) which in total will normally not require a grant in excess of £2,500, although this will not preclude applications being submitted for higher bids;
 - d. priority will be given to applications relating to transport, young people, environmental and safety issues;
 - e. normally as many Local Councils as possible will be awarded grants; and
 - f. those Parish Councils which have not signed the Parish Partnership Convention and those Neighbourhood Councils which have not supported the Protocol will not be eligible to apply for a grant from this Fund.

2. The Milton Keynes Council's share of the cost of the works will be no greater than 50% of the lower of the following figures:
 - a. the lowest quotation; or
 - b. the amount approved for the project Milton Keynes Council.

3. Approvals may be given in principle, and quotations for works are not necessary at the application stage.

4. Final approval will only be given within the scope of the resolution of the Committee and upon the presentation of three quotes for the work to be undertaken and, where necessary, written confirmation of any approvals required e.g. planning permission.

5. For any approved project, where appropriate, an indication should be given that support to the project has been given by Milton Keynes Council.

6. The Local Council will be required to maintain adequate insurance for capital equipment, public and employee liability.

7. The Local Council is required to conform with the 1974 Health and Safety at Work Act, which includes:
 - safe place of work, access to it and egress from it
 - safe working environment

**ANNEX A
TO ANNEX A
TO ITEM 4**

■ information, instructions, handling and supervision

- 8. If a grant is used to buy a large item of equipment or asset, it must be recorded in the accounts that the Council has an interest in it. If the asset is to be disposed of, the Council must be contacted before the disposal is made. The Council may want a share of the proceeds in relation to the original contribution.**
- 9. If the Local Council stops carrying out the activities for which the grant was provided, or expect that it will be stopping, it must immediately inform the Council in writing. The Council will reserve the right to ask for the grant back or not send any further payments.**