

## **Scheme of financial arrangements with parish councils as amended from 1 April 2004**

### **1. Introduction**

- 1.1 The basis of this Scheme was agreed by Members with effect from 1 April 1992. All amendments to the Scheme since that date have been incorporated in these notes. The latest amendment to the scheme resulted from a scrutiny review in 2004.

### **2. Objectives of Scheme**

- 2.1 Under the provisions of the Local Government Act 1972, two or more local authorities may make arrangements for defraying any expenditure incurred by one of them in exercising any functions exercisable by both or all of them. The Borough Council accepts that part of the expenses of Parish Councils absolves the Borough Council from incurring direct expenditure in the provision of certain recreational services and in contributing to the expenses of Parish Councils, the Borough Council wishes to pursue the following objectives:

#### Group (i) Recreation & Amenity Services and Additional Priorities

(a) *Allotments, Footpaths, Parks, Open Spaces, Sports Grounds and Village Halls*

Parish Councils are significant providers and managers of sports facilities, open spaces and village halls. The Borough Council accepts the responsibility for the provision of sports and community facilities which are either of borough-wide significance or are significant to a group of parishes and which could not be provided by any individual Parish Council within those groups. In arriving at financial arrangements by which Parish Councils are encouraged to provide and improve facilities, the Borough Council's view is that it is important to guarantee, as far as possible, that scarce financial resources are applied to those areas and projects which will meet the demands of local people. Against that background, a cohesive approach is required towards the planning of recreation provision. In addition, before resources are expended upon the provision of new facilities, it is important to establish that existing facilities are utilised to their maximum advantage and more co-ordination is achieved.

The Borough Council wishes to achieve its objectives through a close working relationship with Parish Councils on a borough-wide basis, as set out in the Borough Leisure Strategy.

(b) *Street Scene, crime and disorder reduction, drug and alcohol abuse reduction and anti-social behaviour reduction.*

Following a scrutiny review of the Scheme of Financial Arrangements with Parish Councils in 2004, this group has been extended to include projects covering street scene, crime and disorder reduction, drug and alcohol abuse reduction and anti-social behaviour reduction. This widens Parish Council's choice of projects in a way that fits in with the Borough Council's Key Priorities.

Group (ii) Cemeteries and Churchyards

In regard to the Group (ii) function of Cemeteries and Churchyards, Parish Councils are the sole local authority providers within the parishes and it is reasonable to reflect this concurrent function within the overall arrangements which the Borough Council has with Parish Councils. The Borough Council wishes to ensure that burial facilities throughout the Borough remain open as long as possible. With the co-operation of Parish Councils, arrangements can be established for the maintenance of both open and closed churchyards, having due regard to any special conservation needs of older churchyards. Opportunities can also be identified to retain open churchyards in continued use.

Group (iii) Footway Lighting

The Borough Council wishes to contribute towards Parish Councils' costs of this concurrent function although costs are not incurred, except to a very minor extent, in the southern part of the Borough. Footway lighting, properly upgraded, can, in many instances, provide both highway and footway lighting. The adoption, by Kent County Council as Highway Authority, of upgraded lighting will mean that future maintenance is at the Highway Authority's expense. The Borough Council wishes to encourage Parish Councils to upgrade footway lighting for adoption. In due course, this will reduce the level of financial commitment at local level to maintaining footpath lighting or footway lighting which serves those footways which cannot be lit in conjunction with highways, but are nevertheless needed for the general safety of the public.

3. **Operation of the Scheme**

3.1 The scheme of Financial Arrangements will be administered by Cabinet. Projects will be subject to technical scrutiny by the appropriate chief officer(s). Applications for grants towards special works projects will be determined by Cabinet, following advice from the Finance and Property Advisory Board, to whom the applications will first be reported.

3.2 In considering the annual budget, the Cabinet may determine a cash limit which will be made available to Parish Councils.

3.3 Financial assistance will be provided to Parish Councils in two ways:-

(a) Annual Allocations

These are intended to assist with the running costs of Groups (i) to (iii).

(b) Special Works Projects

In addition to the annual payments, sums will be allocated towards Special Works. Again, these will be available in respect of Groups (i) to (iii). Projects will be considered for grant aid if the proposed expenditure is not regular annual expenditure and the total exceeds £6,000 or expenditure of £1.00 per head of parish population,

whichever is the less. Grant aid is normally calculated on a percentage scale, to a maximum of £25,000.

### 3.4 Group (i) Functions

These functions will attract financial assistance towards:-

- (a) Running expenses (basic allocation)
- (b) Debt charges.

#### (a) Running Expenses (Basic Allocation)

It will be for individual Parishes to decide how the Basic Allocation is spent, as long as it is expended on Group (i) functions. Expenditure not approved by the Borough Council under the heading of special works or debt charges can still be met from the Basic Allocation if Parish Councils so wish.

Distribution of the Basic Allocation to Parish Councils will be based on a rate per head of the electorate of each parish per the Register of Electors as at 1 December preceding the relevant financial year. A notional adult population of 1,250 will be used as a minimum for those parishes with a smaller population.

#### (b) Debt Charges

Debt charges which are being met under the 1984/85 Scheme will continue to be reimbursed.

### 3.5 Group (ii) – Cemeteries and Churchyards

Contributions to Parish Councils in respect of the maintenance of Cemeteries and Churchyards were reviewed in 1994. This review introduced a new approach to the calculation of contributions. The transition from the old system to the new has been phased in over a period of five years, commencing in April 1995.

3.6 As for Group (i) functions, Parishes will be able to use this Basic Allocation for financing any work on Cemeteries and Churchyards, including any special works or debt charges which are not specifically approved by the Borough Council.

3.7 Parish Councils are requested to assist the Borough Council in identifying opportunities to extend the life and use of open churchyards for burials.

### 3.8 Group (iii) – Footway Lighting

The sum allocated towards footway lighting will continue to be distributed as an amount per lighting column to contribute towards the general running expenses of Parishes.

3.9 In order to assist Parish Councils to progress proposals for the installation or upgrading of parish lighting, such schemes will be eligible for special works grants. The Borough Council will meet 50% of the cost of approved schemes, but would not normally wish to see more than one third of the capital element of the Special Works allocation being committed to such schemes. Approved schemes will fall under three categories:-

- (i) The upgrading of existing footway lighting to adoptable standards. The Borough Council continues to encourage Parish Councils to bring forward such proposals, as adoption will mean that future maintenance is at the Highway Authority's expense;
- (ii) The upgrading of existing footway lighting to standards which do not meet the adoption criteria. However, where such lighting systems do not meet the criteria for adoption, the Borough Council will cease to provide revenue support for the relevant lighting columns;
- (iii) The installation or upgrading of footpath lighting. Responsibility for the maintenance of such lighting would remain with the Parish Council.

#### 4. **Administrative Arrangements**

4.1 The administrative arrangements will require Parish Councils to certify at the year end that expenditure has been incurred to the value of the allocations made towards the approved functions. If an allocation has not been fully utilised, the underspending will be reimbursable by the Parish Council in the following year. Further, it will be necessary for Parish Councils to supply details of number of footway lighting columns and, if required, estimates of debt charges from the 1984/85 scheme which are subject to reimbursement. It will be necessary for Parish Councils to apply separately for allocations for Special Works Grants.

Financial Services  
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