



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Tuesday, 5 December 2017

Committee: Cabinet

Date: Wednesday, 13 December 2017

Time: 10.00 am

Venue: Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

You are requested to attend the above meeting. The Agenda is attached

PLEASE NOTE THE MEETING START TIME.

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Cabinet

Peter Nutting (Leader)
Steve Charmley (Deputy Leader)
Joyce Barrow
Lezley Picton
David Minnery
Robert Macey
Nic Laurens
Nicholas Bardsley
Lee Chapman
Steve Davenport

Deputy Members of Cabinet

Clare Aspinall
Dean Carroll
Rob Gittins
Roger Hughes
Elliott Lynch
Alex Phillips

Your Committee Officer is:

Jane Palmer Senior Democratic Services Officer

Tel: 01743 257712

Email: jane.palmer@shropshire.gov.uk

AGENDA

1 Apologies for Absence

2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Minutes

To approve as a correct record and sign the Minutes of the Cabinet meeting held on 6 December 2017. **TO FOLLOW**

4 Public Question Time

To receive any questions or petitions from members of the public, notice of which has been given in accordance with Procedure Rule 14. Deadline for notification for this meeting is 5.00pm on Friday 8 December 2017

5 Member Questions

To receive any questions of which members of the Council have given due notice. Deadline for notification for this meeting is 5.00pm on Friday 8 December 2017.

6 Scrutiny Items - Environmental Maintenance Grant Programme - proposals for changes to the design and delivery of the programme (Pages 1 - 76)

To receive the report from the Environmental Maintenance Grant Task and Finish Group on the proposals for changes to the design and delivery of the programme.

7 Setting the Council Tax Taxbase for 2018/2019 (Pages 77 - 100)

Lead Member – Councillor David Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 255001

8 Financial Strategy 2018/19 to 2020/21

Lead Member – Councillor David Minnery – Portfolio Holder for Finance

Report of the Head of Finance, Governance and Assurance [Section 151 Officer]

Contact: James Walton Tel: 01743 255001

9 Shrewsbury North West Relief Road - Outline Business Case Refresh

Lead Member – Councillor Steve Davenport – Portfolio Holder for Highways and Transport

Report of the Director of Place and Enterprise **TO FOLLOW**

Contact: George Candler Tel: 01743 255003

10 Shirehall Redevelopment and Refurbishment Scheme

Lead Member – Councillor Steve Charmley – Deputy Leader and Portfolio Holder for Corporate Support

Report of the Director of Place and Enterprise **TO FOLLOW**

Contact: George Candler Tel: 01743 255003

11 Exclusion of the Public and Press

To resolve that, in accordance with the provisions of Schedule 12A of the Local Government Act 1972, and Paragraph 10.4 (3) of the Council's Access to Information Procedure Rules, the public and press be excluded from this meeting during consideration of the following item/s.

12 Treasury Strategy 2017/18 - Mid Year Review

Lead Member – Councillor David Minnery – Portfolio Holder for Finance

Exempt Report of the Head of Finance, Governance and Assurance [Section 151 Officer] **TO FOLLOW**

Contact: James Walton Tel: 01743 255001

13 Exempt Minutes

To approve as a correct record and sign the exempt Minutes of the Cabinet meeting held on 6 December 2017. **TO FOLLOW**

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<u>Committee and Date</u>
Cabinet
13 December 2017

Environmental Maintenance Grant Programme - proposals for changes to the design and delivery of the programme

Responsible Officers: Steven Brown, Highways, Transport and Environment
Commissioning Manager
Kate Garner, Locality Commissioning Manager
email : kate.garner@shropshire.gov.uk Tel: (01743) 252344

1. Summary

Shropshire Council's Highways and Transport team has operated the Environmental Maintenance Grant (EMG) programme for the last 8 years. The programme has operated successfully and is seen as delivering a number of benefits.

The recipients of the grants are overwhelmingly rural parish councils and a small number of town councils. There is one community group using a grant to enable local residents to carry out litter picks and environmental tidy-ups.

Feedback from local councils that have received an EMG is that a review of the design and delivery of the EMG programme is needed. Their general view is that the grants are welcome, valued and a practical way for Shropshire Council to support locality working.

There is an alternative view, which is that the current grants system doesn't achieve a critical mass to make community and service impacts and generate financial efficiencies, and should be stopped, within an agreed and communicated process.

Finally, there is the view that as Shropshire Council is still in the challenging position of budget reductions and increasing expenditure, it simply cannot afford to continue to fund the EMG programme and the activity could be funded directly by local councils.

At its meeting of 4th September 2017, Shropshire Council's Communities Overview Committee confirmed Terms of Reference for a time limited Task & Finish Group to review the EMG programme.

The purpose of the Task & Finish Group was agreed as making recommendations on Shropshire Council's future approach to its EMG programme, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues.

To inform this work the design and the delivery of the current programme – e.g. its budget, the application process, any monitoring and evaluation and the overall outcomes achieved by the programme needed to be understood.

These considerations were made in the context of Shropshire Council's extremely challenging financial position. Members of the Task & Finish Group wanted to consider if continuing the grant programme was a sustainable position at a time of declining revenue budgets, and what added, social and preventative impact is enabled through the investment of the grant.

The status of the EMG programme is a grant programme and as such, Shropshire Council is able to make changes to the delivery of the programme at any point. However, within the 2017/18 EMG application paperwork Shropshire Council advised potential applicants that the EMG programme would be reviewed and that the outcome of this review would be consulted on.

This report summarises work undertaken by the Task & Finish Group and the recommendations confirmed at its workshop on 16th November 2017. These recommendations were confirmed at a meeting of the Communities Overview Committee on Monday 27th November 2017, and it is from that meeting that the Committee makes these recommendations to Cabinet.

Recommendations

Shropshire Council's Environmental Maintenance Grant programme should continue with the following changes to its design and delivery –

- i. Changes to eligible activity**
The activity eligible for funding from the programme should be the activity that brings most added value to the delivery of Shropshire Council's Highways term maintenance contract. i.e. supporting Shropshire Council's status as a Level 3 Asset Management Authority.
- ii. Application eligibility**
The eligible applicants should be limited to Shropshire's rural town and parish councils. Urban town councils a population of over 10K should be ineligible to apply.
- iii. Value for money and incentivising added value**
The grant should not be used to top up core budgets but should be used for discrete maintenance purposes. Applications should be scored according to how they demonstrate value for money and provide added value to the core funding and activity. Examples of VFM and added value should be –
 - Councils demonstrating that they are committed to their effective delivery of environmental maintenance works in their areas by contributing to or matching grant funding.
 - Demonstrating that councils are working together to provide economies of scale and reduce costs, e.g. multiple parishes let 1 contract.
 - The design of activity that clearly creates social value, the appropriate use of volunteers to add value to the core activity
- iv. Design of the funding programme**
Funding decisions should be made for a 3 year period, e.g. 2018/19 – 2020/21. This will reduce bureaucracy associated with the application process and provide more time for monitoring and evaluation of applications. It should also enable local councils to let 3 year contracts that offer greater value for money with confidence. It is recommended that the EMG programme is

reviewed in year 2 and a decision then made about the future of the scheme, from the end of year 3. If the decision is made to end the EMG programme at this point, a 12 month notice period should be given.

- v. Annual value of the funding programme**
The annual value of the programme should be £75,000. There will be no increase to this amount.
- vi. Value of individual grants**
The maximum value of individual grants should be £1500 p.a. There should be no increase to this amount.
- vii. Application criteria, guidance notes and monitoring.**
The guidance notes accompanying the application process should be reviewed and rewritten to ensure that there is absolute clarity about the design and delivery of the grant funded activity. There should be a particular focus on health and safety. This should also include a more robust approach to monitoring the funded activity through the completion and submission of an annual report from each recipient, and a process for this should be designed and implemented. A process should be put in place to ensure appropriate signing off of the annual reports.
- viii. Consultation on proposed changes to the EMG programme**
A 6 week consultation period should be delivered in early 2018 on the proposed changes to the EMG programme.
- ix. Delegated authority**
Approval is sought to delegate authority to the Head of Infrastructure and Communities in consultation with the Portfolio Holder for Highways and Transport to implement the revised EMG programme detailed specification following the consultation.

REPORT

1.0 Risk Assessment and Opportunities Appraisal

3.1 Assessment of risk

- There is a risk that ending the EMG programme will be seen as Shropshire Council demonstrating that it does not value local communities, recognise the efforts they are making to maintain and improve their environment or that it wants to work in partnership with them.
- There is a risk that ending the EMG programme will erode the levels of good will that currently exist between Shropshire Council and local councils, which has a positive effect in other areas of work.
- There is a risk that ending the EMG programme will result in the activity that is currently being delivered stopping, particularly in the most rural areas, as there is no guarantee that local councils will fill the gap left through the total withdrawal of the grant.
- There is an ongoing risk to the Highways revenue budget as it finances an ongoing revenue grant programme whilst making reductions to its other frontline and operation services due to revenue pressures.

- The EMG funded activity is not captured accurately to enter Shropshire Council's asset database. There is a risk that knowledge and service intelligence is not captured.

3.2 Assessment of opportunities

- The continuation of the EMG programme will provide an opportunity for Shropshire Council to maintain an effective partnership with local councils, which will support other areas of work and activity.
- The continuation of the EMG programme is an opportunity to demonstrate that localism in Shropshire has not been lost, even in these difficult times of austerity.
- Redesigning the grants programme will enable Shropshire Council to shape and influence how social action is created in communities, and how social value is generated through the medium of people improving their local environment.

2.0 Financial implications

- 2.1 The Highways revenue budget is top sliced to fund the EMGs, there is no specific budget, other than reducing existing revenue. The allocated budget is £110,000 per annum out of a total revenue and capital budget of £26,881,500.

The £110,000 is the equivalent of the operational budget for 10 pot holes gangs of the county for one month, or significant resurfacing of a road, kilometres of road markings provided. The current revenue reductions and savings provide a negative pressure on day to day services. The revenue budget is 100% funded by Shropshire, Capital budget is 100% externally funded.

The grants place a revenue pressure on the highways services, whilst simultaneously other front line services are being pressured due to revenue budget reductions.

- 4.2 It was agreed to increase the EMG programme to £152,000 in 2017/18 to meet the demand of and increased number of applicants. There is a tension between the highway revenue budget reducing year on year whilst the EMG programme budget stays the same.
- 4.3 Contrary to what many local councils understand, the EMGs do not actually have any savings impact on the amount Shropshire Council spends with its term maintenance contractor on planned and programmed work. If there is a cost saving to emerge, it will benefit the term maintenance contractor as they could find themselves in the position of not having to complete work that has been delivered through EMG funded activity.

4.4 Summary of EMG programme activity 2010 – 2017

Year	Core budget	Actual total grant value of grants awarded	No of grants awarded
2010/11	110,000	109,006	65
2011/12	110,000	103,072	63
2012/13	110,000	107,991	65

2013/14	110,000	106,877	62
2014/15	110,000	114,052	65
2015/16	110,000	101,392	57
2016/17	110,000	152,043	72
2017/18	110,000	152,000	96

4.5 Summary of the 2017/18 EMG applications

96 local councils made an application and received funding. The eventual total budget allocation was £152,000 (an increase of £42,000 on the core budget of £110,000). The total value of the applications was £200,843, a 32.13% increase on 2016/17.

The programme was oversubscribed by £48,843 (@£152k)... or £87,343 of the original £110,000. Therefore 75.68 % of the original application values was agreed and funded.

3.0 Scrutiny and Task & Finish Group

3.1 The report (excluding the detailed appendices) considered by the Communities Overview Committee at its meeting on 27th November 2017 is included as **Appendix 2**. A copy of the full Scrutiny report can be viewed at:

<http://shropshire.gov.uk/committee-services/documents/b11944/Environmental%20Maintenance%20Task%20and%20Finish%20Group%20Report%2027th-Nov-2017%2014.00%20Communities%20Overview%20Co.pdf?T=9>

3.2 In confirming recommendations, Scrutiny considered the outcome of a Task and Finish Group Workshop, which took place on 16th November 2017. The Group heard from a range of witnesses and considered a range of evidence and information including:

3.3. Scrutiny confirmed the following recommendations at its meeting on the 27th November 2017:

A. To confirm the recommendations made by the Task & Finish Group at its meeting of the 16th November 2017 as detailed below.

4.0 The Task & Finish Group

4.1 Questionnaires were sent to all town and parish councils regardless of whether or not they had received an EMG. Responses from 51 councils/organisations were received.

5.2 Summary of questionnaire feedback –

- EMG funded work is of a higher standard than Highways contractor work
- EMGs enable local councils to be more responsive to local issues
- EMGs enable local councils to deliver environmental maintenance works without raising their precept
- The work is delivered by local people with local knowledge

- Local members feel connected to the EMG funded work, which leads to a sense of control, empowerment and ability to respond quickly to local issues
- The EMG work is seen as reducing demand on Shropshire Council services and saving Shropshire Council money
- Local councils would like to see more scrutiny and monitoring of the grant programme
- Some local councils are already match funding the EMG and others would be willing to
- Respondee would like to see the EMG programme continue

5.3 Interviews were carried out with a small number of clerks of councils that receive EMGs.

There were mixed views on the complexity of the application process - some found application process easy, and others found it difficult. It was felt that first time applicants were more likely to find it hard and maybe the process is less complicated for smaller grants.

It was felt that the timings and timescales on grant approval and payment was out of sync with budget setting – some precepts are set before Christmas.

It was also felt that firmer guidelines were needed on how the grants are to be spent.

Through the interviews, it was established that clerks thought that the funding supports local budgets, provides savings that are ‘hidden’ e.g. work on ditches will reduce surface flooding and reduce maintenance costs, and adds to the ‘contentment of communities’.

The fact that local people are employed to deliver the EMG funded work was seen as a positive, as was activity such as gritting on pavements in outlying areas, which was seen as a making a saving to Shropshire Council as a centrally located gritter didn’t have to be sent out to very rural locations.

Finally, it was noted that some local council budgets are set with an assumption that the EMG will automatically be awarded, and that grants are being used to fund activity that is not on highway land.

5.4 Representatives of local councils, a community organisation and a contractor delivering lengthsman activities joined the workshop for a 90 minute question and answer and discussion session.

Organisation represented	Name	Link to EMG programme
Various rural PCs across south Shropshire	Eileen Reynolds	Clerk to PC that uses EMG
Various rural PCs across south Shropshire	Jayne Madeley	Clerk to PC that uses EMG
Cleobury Mortimer Town Council	Matt Sheehan	Clerk to PC that uses EMG
Church Stretton	Danny Chetwood	Clerk to PC that uses

Town Council		EMG
Church Stretton Pride of Place	Trevor Halsey	Clerk to PC that uses EMG
Various rural PCs across central and south Shropshire	Rebecca Turner	Clerk to PC that uses EMG
Environmental Maintenance Officer for Munslow, Diddlebury & Culmington.	Gary Trim	Delivering EMG funded lengthsman activity Also a councillor for PC that uses EMG

5.5 Summary of the final thoughts that emerged through discussion –

- The EMGs offer value for money and have a wider benefit to Shropshire Council for creating a high quality environment
- If Shropshire Council wants to have pride in its county, it should do what it can to help local councils to help Shropshire Council to achieve this
- Health & Safety has to be a priority
- Rural road networks have to be kept safe and clear to enable residents to travel to work and school
- Can Shropshire Council afford not to continue with the programme, given all the evidence it has heard at the workshop
- No EMGS will result in a worsened environment leading to fewer tourists and less economic growth activity
- Town councils could not guarantee to be able to continue with the same level of environmental maintenance in their towns if they didn't have an EMG.

6.0 Consultation

6.1 Proposed communication and consultation timeline

Date	Action
27 th November	Communities Overview Committee meeting
	Consultation and application materials preparation – staff briefing
13 th December	Cabinet report – approval to consult sought
21 st December	Communication with TPCs advising them of intent to consult (subject to call in period)
2 nd Jan	Consultation starts (survey monkey, TPC Forum)
13 th Feb	Consultation ends
14 – 22 nd Feb	Evaluation
23 rd – 28 th Feb	Delegated authority to proceed *
1 st March	2018/19 EMG programme opens *
30 th March	2018/19 EMG programme closes *
w/b 1 st April	Grant assessments*
w/b 14 th April	Grants awarded*

* Dependent on Cabinet recommendations

7.0 Equality & Social Inclusion Impact Assessment (ESIIA)

7.1 An Equality and Social Inclusion Impact Assessment is attached to this report as Appendix 5. This will be updated following the outcome of the proposed consultation.

8.0 Conclusions

8.1 The Task & Finish Group considered that the EMG programme achieves 2 important things –

- the delivery of the actual grant funded activity
- the way EMGs make the local councils feel, i.e. supported and trusted by Shropshire Council to design and deliver their own environmental maintenance programme, which in turn results in a sense of empowerment and local ownership over the resolution of programmed and reactive works.

Consequently, Task & Finish Group members felt that there was a balance to be achieved between the value generated by the existence of the programme and the value of the EMG funded activity through a redesigned scheme, alongside Shropshire Council's budgetary constraints and the need to make fiscal savings.

8.2 It was demonstrated through the workshop that EMG funded activity makes a big difference to day to day life in very rural areas, where local lengthsmen are most active. It could be argued that this is where EMGs are making their greatest impact and where their loss would be most keenly felt.

8.3 It was agreed that many of the issues of concern that were raised through the workshop could be addressed by a review and update of the guidance, criteria and health and safety advice that is supplied through the application process. It is recommended that these are reviewed and updated in light of what has been discovered through the workshop.

8.4 The Task & Finish Group recognised the importance of good communication and co-operation between local councils and their area Highways officers (inspectors/technicians). When this relationship is working well, additional value can be achieved without the needed for additional funding.

8.5 Through the workshop it was demonstrated that there was a mixed understanding of health and safety issues linked to the delivery of EMG funded activity along with concerns about liability. A consistent appreciation and understanding of these issues will be addressed through improved guidance in the application process and through training.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

- Communities Scrutiny Committee EMG Task & Finish Group Terms of Reference
- Information about other local authority grant programmes
- EMG application paperwork
- Summary of EMG applications 2017/18

- Summary of EMG funded activity delivered in 2017/18
- Collated feedback from EMG questionnaires
- Summary of EMG questionnaire feedback
- Feedback from EMG applicant interviews
- Highways financial background and context
- Highways/EMG financial comparison
-

Cabinet Member:

Cllr Steve Davenport– Portfolio Holder for Highways
 Cllr Joyce Barrow – Portfolio Holder for Communities

Local Members:

All Members

Appendices:

Appendix 1 – Report to the EMG Task & Finish Group, 16th November 2017
 Appendix 2 – Presentation to the EMG Task & Finish Group, 16th November 2017
 Appendix 3 – Notes from the EMG Task & Finish Group, 16th November 2017
 Appendix 4 – Report from the EMG Task & Finish Group to the Communities Overview Committee (excluding appendices), 27th November 2017
 Appendix 5 – ESIIA, Environmental Maintenance Grant Programme: proposals for consultation on changes to the design and delivery of the programme

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**Shropshire Council
Communities Scrutiny Group
Task & Finish Group Workshop
Environmental Maintenance Grant Programme**

Workshop Part 1

**Purpose of the Task & Finish Group –
Terms of Reference (Appendix 1)**

The purpose of the Task & Finish Group has been agreed as making recommendations on Shropshire Council's future approach to its Environmental Maintenance Grant programme, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues.

To inform this work the design and the delivery of the current programme – e.g. its budget, the application process, any monitoring and evaluation and the overall outcomes achieved by the programme should be understood.

Specifically, the Task & Finish Group will be looking for evidence that the programme -

- provides value for money for the council, i.e. it fulfils the benefits of the Highways service
- adds value to the council's core environmental maintenance work, i.e. investing in the programme results in overall savings
- generates social value within communities
- makes a difference to the residents of Shropshire

The budget for the EMG programme is derived directly from Highways revenue budgets. Members of the Group will want to consider if there is an opportunity for further investment in highways maintenance if the grant programme was to cease, and what the impact of this might be on local communities.

These considerations are being made in the context of Shropshire Council's extremely challenging financial position. Members of the Group will want to consider if continuing the grant programme is a sustainable position at a time of declining revenue budgets, and what added, social and preventative impact is enabled through the investment of the grant.

Background

Shropshire Council's Highways and Transport team have operated the Environmental Maintenance Grant for the last 7 years. The programme has operated successfully and is seen as delivering a number of benefits –

- Local provision of services at a reduced cost
- Flexibility and responsiveness through service delivery at a local level
- Removal of contractual and administrative process from Shropshire Council
- Local determination of services and requirements
- Recycling of the Shropshire pound

The recipients of the grants are overwhelmingly rural parish councils and a small number of town councils. There is one community group using a grant to enable local residents to carry out litter picks and environmental tidy-ups.

In previous years the programme had been limited to existing recipients, i.e. the opportunity to apply for funding was not widely advertised. In 2016 it was agreed that the 2017/18

programme would be opened up to all town and parish councils. This resulted in many more applications being received and the available budget being greatly oversubscribed. The value of individual approved grants (capped at £3,000) was reduced significantly to enable all eligible applications to be supported.

Feedback from local councils that have received an EMG has been that a review of the design and delivery of the EMG programme is needed. Their general view is that the grants are welcome, valued and a practical way for Shropshire Council to support locality working.

There is an alternative view, which is that the current grants system doesn't achieve a critical mass to make community and service impacts and generate financial efficiencies.

Finally, there is the view that as Shropshire Council is still in the challenging position of budget reductions and increasing expenditure in areas of social care, it simply cannot afford to continue to fund the EMG programme and the activity could be funded directly by local councils.

To understand the value and impact of the EMG programme, it was agreed that it would be scrutinised through the Communities Scrutiny Committee and consequently a Task & Finish Group established and a Workshop organised.

Examples from other councils (Appendix 2)

As part of the evidence we have collated, we have looked at 44 unitary, county, borough or district councils to see if they have specific programmes in place to support local environmental maintenance works.

We found that -

31 had no details of a local environmental maintenance grant programme

13 had funding programmes that can be spent on maintenance/highway works as part of a range of activities along with a number of other options

2 had dedicated grant programmes for EM works – Devon and Surrey

1 council provided 'annual funding pots' for recommendations made by elected members to support initiatives in their areas – including highways/EM work - Gloucestershire

Description of the current programme EMG programme paperwork (Appendix 3)

Summary of programme activity 2010 – 2017

Year	Core budget	Actual total grant value of grants awarded	No of grants awarded
2010/11	110,000	109,006	65
2011/12	110,000	103,072	63
2012/13	110,000	107,991	65
2013/14	110,000	106,877	62
2014/15	110,000	114,052	65
2015/16	110,000	101,392	57

2016/17	110,000	152,043	72
2017/18	110,000	152,000	96

Summary of the 2017/18 applications
Appendix 4

96 local councils made an application and received funding. The eventual total budget allocation was £152,000 (an increase of £42,000 on the core budget of £110,000). The total value of the applications was £200,843, a 32.13% increase on 2016/17.

The programme was oversubscribed by £48,843 (@£152k)... or £87,343 of the original £110,000. Therefore 75.68 % of the original application values was agreed and funded.

Summary of the activity funded by the grants in 2017/18
Appendix 5

Through all the applications, a total of 407 different activities will be delivered in 2017/18.

The top 5 activities were –

- Tidying grass - mowing/ strimming grass in amenity spaces – 109 councils
- Clearing leaves/debris from grids – 41 councils
- Straighten and clean road signs – 41 councils
- Litter picking – 39 councils
- Controlling weeds – 36 councils

The bottom 5 activities were –

- Street sweeping - 10
- Clear vegetation from culverts – 9
- Maintain closed churchyards – 9
- Pointing of visibility fences – 5
- Cleaning toilets – 4

Office time spent administrating the programme

Using conservative figures it has been calculated that the cost of officer time spent administering the grant programme using the current approach is between £3,500 and £4,000 per annum. These costs would increase if a greater level of monitoring and evaluation of the grant funded activity was carried out.

Collated questionnaire feedback
Appendix 6

Questionnaires were sent to all town and parish councils regardless of whether or not they had received an EMG. Responses from 49 councils/organisations were received.

Summary of the feedback received in the questionnaires
Appendix 7 (to follow)

Summary of interviews with a small number of grant recipients

Full report Appendix 8 (to follow)

Interviews have been carried out with a small number of clerks of councils that receive EMGs.

Organisation represented	Name
Various rural PCs across south Shropshire	Jayne Madeley
Various rural PCs across north Shropshire	Melanie Joyce
Ellesmere Town Council	Mandy Evans
Cleobury Mortimer Town Council	Matt Sheehan
Church Stretton Town Council	Danny Chetwood
Various rural PCs across central and south Shropshire	Rebecca Turner

Headline feedback on the application process

There were mixed views on the complexity of the application process - some found application process easy, and others found it difficult. It was felt that first time applicants were more likely to find it hard and maybe the process is less complicated for smaller grants.

It was felt that the timings and timescales on grant approval and payment was out of sync with budget setting – some precepts are set before Christmas.

It was also felt that firmer guidelines were needed on how the grants are to be spent.

Headline feedback on the effect of the grants

Through the interviews, it was established that clerks thought that the funding supports local budgets, provides savings that are 'hidden' e.g. work on ditches will reduce surface flooding and reduce maintenance costs, and adds to the 'contentment of communities'.

The fact that local people are employed to deliver the EMG funded work was seen as a positive, as was activity such as gritting on pavements in outlying areas, which was seen as a making a saving to Shropshire Council as a centrally located gritter didn't have to be sent out to very rural locations.

Finally, it was noted that some local council budgets are set with an assumption that the EMG will automatically be awarded, and that grants are being used to fund activity that is not on highway land.

Financial comparison

Appendix 9 (to follow)

Members of the Group will want to understand how the cost of the activity delivered through the EMG programme compares to the cost of similar activity delivered by the council's term maintenance contractor. e.g. approximation of contract costs, local agreements and costs and current Highways processes.

Discussion session with local council clerks and councillors and others involved in the delivery of EMG funded activity

Representatives of local councils, a community organisation and a contractor delivering lengthsman activities will be joining the Workshop for a 90 minute question and answer and discussion session.

Organisation represented	Name	Link to EMG programme
Various rural PCs across south Shropshire	Eileen Reynolds	Clerk to PC that uses EMG
Various rural PCs across south Shropshire	Jayne Madeley	Clerk to PC that uses EMG
Various rural PCs across north Shropshire	Melanie Joyce	Clerk to PC that uses EMG
Ellesmere Town Council	Mandy Evans	Clerk to PC that uses EMG
Cleobury Mortimer Town Council	Matt Sheehan	Clerk to PC that uses EMG
Church Stretton Town Council	Danny Chetwood	Clerk to PC that uses EMG
Church Stretton Pride of Place	Trevor Halsey	Clerk to PC that uses EMG
Various rural PCs across central and south Shropshire	Rebecca Turner	Clerk to PC that uses EMG
Environmental Maintenance Officer for Munslow, Diddlebury & Culmington.	Gary Trim	Delivering EMG funded lengthsman activity Also a councillor for PC that uses EMG

Workshop Part 2

Reflection on the available information and the evidence heard

Members of the Group will want to discuss what they have heard so far. Members will also want to share their initial thinking as it relates to the purpose of the Workshop and the future of the grant programme, i.e. stop, continue as is, or continue with change.

Further exploration of the options

Building a shared understanding of the pros and cons of each option and reaching an agreement on which will be recommended and the implications of this.

Design of the recommended option and actions related to this

The grant programme is stopped – when would this happen, would there need to be a transition period?

The grant programme continues without change – what would be the justification for this?

The grant programme continues with change – what would a redesigned programme look like?

Agreement on recommendations to the Communities Scrutiny Committee

The next meeting of the Communities Scrutiny Committee is on 27th November. It is proposed that a report is then taken to Cabinet on 20th December.

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Communities Scrutiny Group Task & Finish Group Workshop

Environmental Maintenance Grant Programme

Welcome

Introductions

Agenda

Workshop Part 1

Coffee break

Lunch

Session with grant recipients

Workshop Part 2

Housekeeping – toilets, fire exits

Purpose of the Task & Finish Workshop

The purpose of the Task & Finish Group has been agreed as making recommendations on Shropshire Council's future approach to its Environmental Maintenance Grant programme, e.g.

- the programme is stopped
- the programme continues without change
- the programme is redesigned and continues

Appendix 1 – Task & Finish Group Terms of Reference

Appendix 9: Environmental Maintenance Grants – Task and Finish



Introduction

Highways & Transport provides the following services:

- Highways maintenance
- Highways projects
- Bridges & structures
- Street lighting
- Flooding and drainage
- Weather emergencies
- Street scene
- Emergency responses
- LTP
- Street works
- Dog wardens
- Car parking

A mixture of statutory, discretionary, historical services across the county, 365 days per year, seven days per week, 24 hours per day, about 5,000 orders per month.



Financial impact of the Environmental Maintenance Grants.

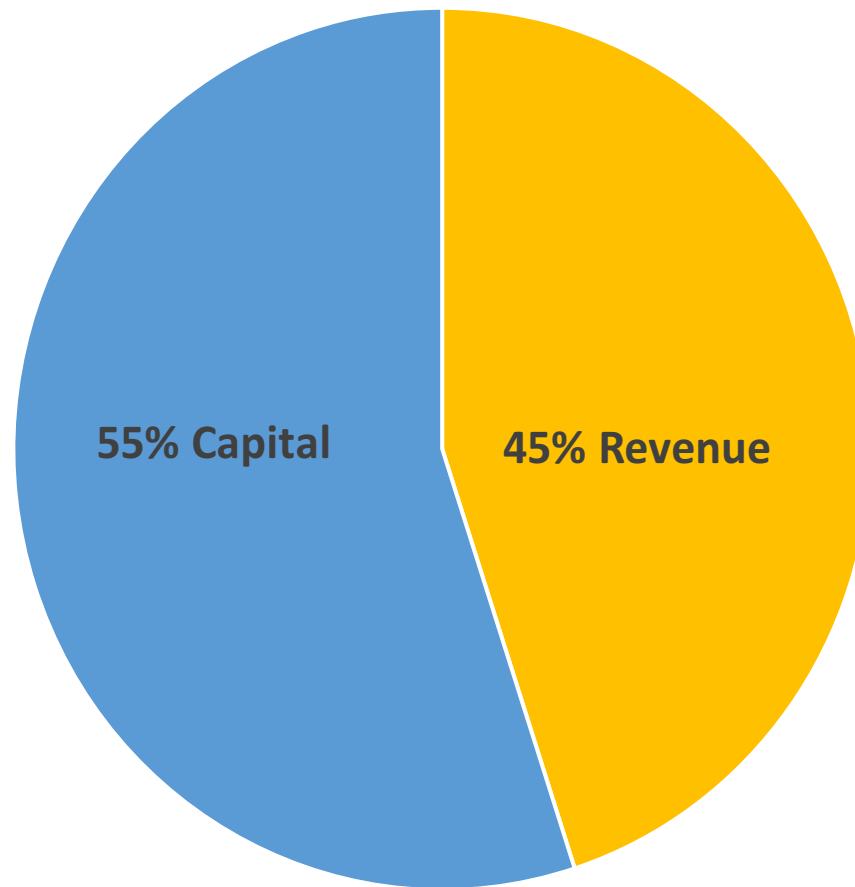
- Highways revenue budget is top sliced to fund the Grants, there is no specific budget , other than reducing existing revenue.
- Allocated budget is £110,000 pa out of a total revenue and capital budget of £26,881,500.
- The £110,000 effectively is the operational budget for 10 pot holes gangs of the county for one month, or significant resurfacing of a road, kilometres of road markings provided..
- Current revenue reductions and savings provide a negative pressure on day to day services.
- Revenue budget is 100% funded by Shropshire, Capital budget is 100% externally funded.
- Consider the councils position reducing or ceasing other grants or services but continuation with this process?



- Over cost of administration and loss of opportunity cost ?
- Factor in new contract costs?
- Does £110,000 provide a critical mass of improvements to justify itself ?
- Does the budget currently meet “modern costs” of local contractors and necessary health and safety ? A point often raised from local councils?
- Health and Safety obligation / burden the grants require on local councils ?
- On going revenue pressure for the service and the council ?
- Undoubtedly there are local benefits and improvements that the Grants provide, which will be evidenced today....



Budget Ratio.



Revenue and capital budgets going in different trajectories

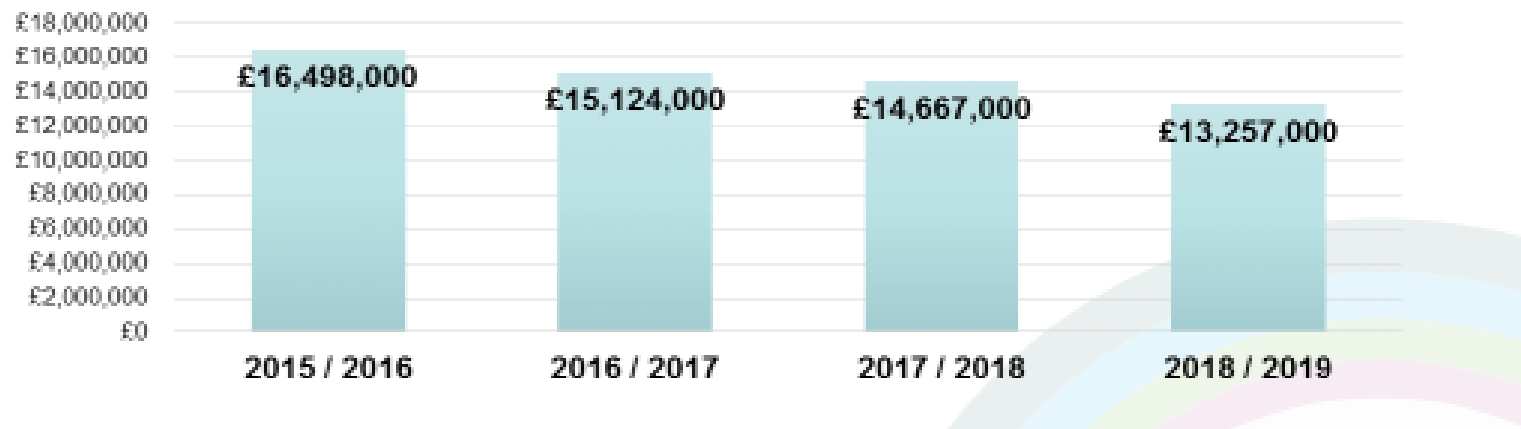
Trajectory of Revenue and Capital Budgets



Financial Issues

Introduction: Reduction in Capital Grant

DfT Block Grant Award



Minus 19.644% over 4 years in direct capital grant



2017 / 2018 capital budgets

Highways Maintenance Block Needs Formula	Pothole Action Fund	National Productivity Investment Fund	Level 3 award – of verified by DFT*	Total 2017/18 possible allocation
14,667,000	1,335,000	2,827,000	1,373,000	20,202,000

Environmental Maintenance Grant Programme

- £110,000 could pay for an additional 10 pot hole gangs for a month
- If every local council was to receive an equal share of the £110,000 budget they would each receive £718.95 – by itself probably not enough to make a significant difference to each area
- Service increased grant pot to £152,000 in 2017/18 to meet demand of increased applicants

Background

- Shropshire Council's Highways and Transport team have operated the Environmental Maintenance Grant for many years. The programme has operated successfully and is seen as delivering a number of benefits –
- Local provision of services at a reduced cost
- Flexibility and responsiveness through service delivery at a local level
- Removal of contractual and administrative process from Shropshire Council
- Local determination of services and requirements
- Recycling of the Shropshire pound

Background

The recipients of the grants are overwhelmingly rural parish councils and a small number of town councils. There is one community group using a grant to enable local residents to carry out litter picks and environmental tidy-ups.

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In previous years the programme had been limited to existing recipients, i.e. the opportunity to apply for funding was not widely advertised. In 2016 it was agreed that the 2017/18 programme would be opened up to all town and parish councils. This resulted in many more applications being received and the available budget being greatly oversubscribed.

Background

- Feedback from local councils that have received an EMG has been that a review of the design and delivery of the EMG programme is needed. Their general view is that the grants are welcome, valued and a practical way for Shropshire Council to support locality working.
- There is an alternative view, which is that the current grants system doesn't achieve a critical mass to make community and service impacts and generate financial efficiencies.
- Finally, there is the view that as Shropshire Council is still in the challenging position of budget reductions and increasing expenditure in areas of social care, it simply cannot afford to continue to fund the EMG programme and the activity could be funded directly by local councils.

What's happening within other local authorities?

We looked at 44 unitary, county, borough or district councils to see if they had specific programmes in place to support local environmental maintenance works -

- 3 had no details of a local environmental maintenance grant programme
- 13 had funding programmes that can be spent on maintenance/highway works as part of a range of activities along with a number of other options
- 2 had dedicated grant programmes for EM works – Devon and Surrey
- 1 council provided 'annual funding pots' for recommendations made by elected members to support initiatives in their areas – including highways/EM work – Gloucestershire

Appendix 2

Summary of programme activity 2010 - 2017

Year	Core budget	Actual total grant value of grants awarded	No of grants awarded
2010/11	110,000	109,006	65
2011/12	110,000	103,072	63
2012/13	110,000	107,991	65
2013/14	110,000	106,877	62
2014/15	110,000	114,052	65
2015/16	110,000	101,392	57
2016/17	110,000	152,043	72
2017/18	110,000	152,000	96

Summary of programme activity 2010 - 2017

Headlines

- Promoting the grant to all local councils in 2017 significantly increased the number of applicants
- The core budget was increased to try and meet demand – however only 70% of each grant application was awarded and no applicant received the same level of funding as in previous years

Grant application paperwork

- Covering letter
- Agreement
- Schedule
- Description of tasks that can be funded by EMG
- Advice about the use of volunteers
- Guidelines for people working on the public highway
- Business case
- Annual review

Summary of programme activity 2010 - 2017

96 local councils made an application and received funding. The eventual total budget allocation was £152,000 (an increase of £42,000 on the core budget of £110,000). The total value of the applications was £200,843, a 32.13% increase on 2016/17.

The programme was oversubscribed by £48,843 (@£152k)... or £87,343 of the original £130,000. Therefore 75.68 % of the original application values was agreed and funded.

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Grant recipients in 2017 –

- 1 community group
- 11 town councils
- 84 parish councils

Appendix 4

Issues we're already aware of

- Grants are not being used up within the financial year
- Grants are sometimes being considered as part of a local council's core budget
- Grants are being used to support activity that is not on Shropshire Council owned land

Possible opportunities

- Use of volunteers to support EM activity
- Local sponsorship of infrastructure or activity
- Local councils working in partnership with one contract

Summary of the activity funded by 2017/18 grants

Through all the applications, a total of 407 different activities will be delivered in 2017/18

- **The top 5 activities were –**
 - Tidy grass - mowing/ strimming grass in amenity spaces – 109 councils
 - Clearing leaves/debris from grids – 41 councils
 - Straighten and clean road signs – 41 councils
 - Litter picking – 39 councils
 - Controlling weeds – 36 councils
-
- Appendix 5

Summary of the activity funded by 2017/18 grants

The bottom 5 activities were –

- Street sweeping - 10
- Clear vegetation from culverts – 9
- Maintain closed churchyards – 9
- Pointing of visibility fences – 5
- Cleaning toilets – 4

- Appendix 5

Officer time spent administering the programme

Using conservative figures it has been calculated that the cost of officer time spent administering the grant programme using the current approach is between £3,500 and £4,000 per annum. These costs would increase if a greater level of monitoring and evaluation of the grant funded activity was carried out.

Collated questionnaire feedback

Questionnaires were sent to all town and parish councils regardless of whether or not they had received an EMG. Responses from 50 councils/organisations have been received.

Appendix 6

Appendix 7

Interviews with a small number of grant recipients

Approach

- Small number of of clerks approached and interviewed
- Purpose - to gain further understanding of the effect of EMGs in local communities
- General conversational interview with a few written questions

Interviews with a small number of grant recipients

Process

- Mixed views on complexity of application process
- Timescale on approval and payment out of sync with setting budgets

Effect

- Supports local budgets
- Hidden savings
- “Contentment of Communities”
- Local people employed

Financial comparison with the Maintenance Contract

- Approximation of contract costs
- Local agreements and costs
- Current Highways processes

Coffee Break

Session with clerks, councillors and other EMG recipients

Representatives of local councils, a community organisation and a contractor delivering lengthsman activities will be joining the Workshop for a 30 minute question and answer and discussion session.

Workshop Part 2

Using the information and evidence heard

Page 48

WORKING LUNCH

Reflection on the available information and the evidence heard

Using the information and evidence heard

Further exploration of options

- stop the programme
- continue the programme without change
- continue the programme with change

Building a shared understanding of the pros and cons of each option and reaching an agreement on which will be recommended and the implications of this.

Using the information and evidence heard

Design of the recommended option and actions relating to this

Page 5
The grant programme is stopped – when would this happen, would there need to be a transition period?

The grant programme continues without change – what would be the justification for this?

The grant programme continues with change – what would a redesigned programme look like?

Using the information and evidence heard

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Agreement on recommendations to
Communities Scrutiny Committee and next steps

Next meeting of the Communities Scrutiny Committee is on 27th November.
It is proposed that a report is then taken to Cabinet on 20th December.

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**Communities Overview Committee
Environmental Maintenance Grant Task & Finish Group Workshop
16th November 2017**

Cllr Cecilia Motley, Cllr David Evans, Cllr Viv Parry, Cllr Simon Harris, Cllr Paul Milner, Cllr David Turner

Chris Edwards, Steve Brown, Ffion Horton, Nikki Cheek, Tom Dodds, Danial Webb, Kate Garner

Apologies – Cllr Robert Tindall

Workshop Part 1 notes

Issues and queries raised

Tension between highway revenue budget reducing whilst EMG top sliced amount stays the same.

Strategic scales of economy versus locality delivery opportunities.

How are TPCs spending the grant, e.g.

Is it being spent efficiently?

Is it being matched?

Is it being programmed over 1 year?

Is the EMG saving SC funding on the planned programmed work? Is the saving actually to the term maintenance contractor?

Is the EMG saving SC money on the responsive works?

Volunteers have more flexibility when doing things like litter picking as they will cover all areas – not be limited or constrained by ownership issues – a lengthsman will be constrained by land ownership issues.

Issues of concern we've raised – may not be clear in our guidance leading to lack of clarity.

The work done through EMG is not taken out of the term contract, therefore it doesn't reduce the cost of the term contract.

Therefore however, does the EMG add value to the way the contract is delivered? Does it result in better outcomes? Could this still be the case without the EMG?

The importance of good communication between parishes and the Highways teams (Inspectors/technicians) – when it's working it works really well.

Health & Safety issues, clarity needed.

Feedback from interviews with EMG applicants

Eileen Reynolds, Jayne Madeley, Rebecca Turner, Gary Trim, Trevor Halsey, Danny Chetwood, Matt Sheehan, councillor from Billingsley PC

Apologies – Mandy Evans

Eileen Reynolds – exceptionally rural parishes vulnerable to flooding. 2 local lengthsman working over the parishes able to respond to issues such as the need for gritted roads early in the morning - people getting to work, children getting to school.
There is good communication between the lengthsman, the parish clerk and Shropshire Council. Lengthsman is able to respond very quickly to issues that could become serious by taking preventative action.

Q. any suggested changes?

A. More budget!

Church Stretton Pride of Place Group

Trevor Halsey : group of volunteers started after F&M to help to attract visitors back to CS – used to get grant via CSTC, not gets it directly from the EMG; litter picking, street sweeping, station gardens, planting

Group relies on the EMG – only source of income – has enough funds for 2 more years, but will run out of money after that.

The group is going over and above both the SC works and the CSTC works – adding a lot of value.

Need a regular source of income.

Rebecca Turner– Clerks for 5 parishes - small to medium councils – precept £5k - £25,000k

Atcham – maintenance, viability splays, pavement between bridge and Salop Leisure, it is a gateway into Shrewsbury, improve it as a gateway to Shrewsbury

Play areas, street lighting, support other organisations such as local play areas

Get good value for money and better customer services from small organisations

Timeline for the grant is difficult – precept set before the grant is aware

Aware of current arrangements, what are the current standards

Is insurance level appropriate? £5m?

Do give more budget to the work but smaller parish less able to do so

Rebecca:– Atcham PC – ‘highways work’ on an area that is a gateway into Shrewsbury

Great Ness – maintaining a cemetery owned by SC

Good VFM by using local contractors – standard of customer service is greater

Could do with knowing what the maintenance contract standards are to help with resident queries.

Gary Trim – lengthsman

No expectation with safety, bollards, bridges, culverts, weld bridges back up, should be immediately done, when requested the materials not available from SC,

Lots of emails thanking for their work

If he doesn't do it then who will

Let things get to a desperate point before work is done

Will provide materials at own cost, needs a flow of materials

Can't dispose of the material he's collected – can't they put it in the tip and therefore should they not be able to put it in the same place of the SC waste is put

Seeing works that need to be done, e.g. repairs to metal work on bridges - that are a hazard – SC saying that they can't do these works – so these works aren't 'nice to have' – they are resolving hazards - a safety issue.

Has used his own materials FOC to resolve issues

Jayne Madeley: 2 lengthsman over 3 parishes - used to be able to involve people from Oak Farm (not currently)

Lots of reporting back to JM who reports it on to relevant services

Contented communities – little jobs that SC will never be able to do, get done and this increases community well-being.

DPPC doing more works than originally agreed in the application – adding value.

Cleobury Mortimer Town Council

Matt Sheehan

Feels the loss of Hedge 2 Hedge gangs

EM person partially funded by grant – about 40% of the EM budget from the grant

Partnership working, alternative potentially cheaper option than contractor gang

MS is listed as a environmental penalty officer

Potential for collaborative works with other councils

Taken things away but didn't replace - £5-6k spent but only received £1,900

Communication – will contact H&T to inform of the work they have done – great working relationship

Church Stretton Town Council

Danny Chetwood

Has dedicated environmental team, grant tops up the team. It is 4-man team, parks, environmental work, they deliver the grant work, much less of the cost of the work funded by the grant than Cleobury but figures not known

Quickly and efficiently deliver on site reactions

Value added – residents know the team, team know the area, seamless deliver, quickly, efficiently, don't have to complain to get a reaction

Reduction on the grant this year but no discussion on what the grant will no longer fund

Time sheets taken – not requested by SC

Record of assets in each area and which ones are managed by who – discussions can be had on how added value can be given

Stops a lot of complaints coming through to the council

Question & Answer session

Viv: How responsive are lengthsman to issues such as trees on footpaths?

Jayne: ROW are not part of the EMG (not pavements)

Danny: CS EM team looking after the growth at the bottom of the lime trees

Paul: Would the parishes EM work continue if the budget stopped/reduced?

Jayne: Ditton Priors pC would not continue once it has spent all of its remaining grant.

Rebecca: Parishes already topping up grants/going over and above the core grant – and having to meet the shortfall of other services.

Matt: Adding value at every opportunity (volunteers from JCP) – sees the grant as SC supporting the parishes to do over and above and generate social value

David T: Obvious that there is a huge range of activities being undertaken through the EMG.

Eileen: Lengthsman paid £10 per hour – own tools, own vehicle - obviously a voluntary contribution from him and VFM.

David E: CATC tenders every three years for its EM contractor – EMG is topped up by the TC (about to re-contract)

Jayne: The PCs also put out a tender saying what they want doing for a fixed price.

Jayne: VFM – would like to know what SC wants from the TPCs to create VFM

Steve: We recognise the VFM that is created, just has to balance with the budget challenges.

What advice would TPCs give to us about how to go forward?

Rebecca: Link well-managed places to the appeal of Shropshire as a place to live, work and play in (EG Strategy)

Matt: Recognise that the people here today are the proactive ones – wanting to go over and above and really support SC – think about how these people contribute to SC's outcomes.

Gary: If every TPC was given £3k they would probably find a way to spend it. If no TPC got the EMG, no work would get done. Focus the grant on the important issues – be more focused in what SC wants to see done.

Danny: Blurred lines in CS about who should be doing what – would welcome a new discussion on this to create clarity and avoid duplication.

David: Different expectations and aspirations in the parishes around the county

Jayne: Can tell the difference between a parish with a lengthsman, and one that doesn't – the PCs will work with whatever funding they are given – the PCs have stuck only to Highways Maintenance works only.

Cecilia: If PCs were given less money would they just 'manage' this and still keep on going? Majority of people thought they would.

Confirmed that CIL cannot be used to replace the EMG funding.

Confirmed that the EMG is a grant not a subsidy.

Rebecca: Concerned that a reduction in the grant would not fit well with reducing works. e.g. the cost of cutting a cemetery could not be easily reduced.

Matt: The person within the TPC who looks after the EMG is almost an additional employee for SC

Trevor: If you want VFM, make the TPCs utilise volunteers to add lots of value to the paid for work

Rebecca: Concern that PCs would not be able to co-ordinate volunteer groups

Kate: Could they be able to organise themselves?

Matt: CM only been in the scheme for a couple of years.

EMG is used to contribute to the cost of employing a LM (PC pays the rest)

EMG is giving SC the option of using local people to deliver works instead of sending people from Bridgnorth to CM.

CM PC is very proactive around EM – the EMG is used as part of a package of resources

CM PC could work in partnership with local parish councils

Very small feedback loop in reporting and resolution

The EMG is important to the PC – sees SC supporting the PC

Danny: CS has an EM team 4 people – added value – residents know the EM team; the EM team knows the area.

This year the grant reduced, but there was no conversation between SC and CSTC about what was not going to be done. CSTC has managed this itself – timesheets are kept, but not asked for by SC. Could there be a discussion about the assets within CS to establish who is going to do what and how?

CSTC values the grant – thinks that it could show VFM – (DC doing some work on this)

Workshop 2 – discussions on what was heard

Importance of communication and co-operation between the TPCs and local Highways teams around EM issues and resolving these.

Health and Safety issues – can't be ignored, but there is a mixed understanding.

The role of volunteers in local environmental maintenance

Conclusions

Do the EMGs do 2 things? How do these balance?

1. the actual activity the grant funds
2. The way the grants make the councils feel, e.g. supported by SC, giving a sense of empowerment.

The added value generated by the EMG?	The actual activity
Localism agenda, which SC has always valued	Small acts are making a big difference in very rural areas
Match funding as a criteria – sharing the burden of the cost	There are some activities that are more valuable to us than others – streamline the grants to these?
A well maintained environment supports the vibrant economy that Shropshire values	Much more clarity needed through the guidance
The generation of social value through the activity	What does good look like? What is best practice? Need for case studies.

What would we need to continue?

A set of criteria would be a very wise addition in order to ensure the grant goes to those who genuinely need it. We need also to include something to the effect that the grant cannot be used to top up core budgets but must be used for discrete maintenance purposes. Recipients also need to report on the use to which they have put the maintenance grants on an annual basis to ensure they are meeting the criteria. We may have to think about who will be signing off the annual reports .

Much greater clarity in the guidelines

Review the criteria for eligible activity

The role of volunteers – what would we want them to do?

More accountability.

Match funding

Assume that it is unlikely that more TPCs will apply for funding if the activity criteria is limited and the application eligibility criteria changes.

Take out the larger market towns, population more than 10K

Offer training on insurance issues

Use the eligible activity criteria to shape a future programme and therefore, who would want to apply?

Rewarding the proactive areas – working with the willing

Link the eligible activity to the activity that is important to the Highways teams

Make match funding a desirable criteria

Impact of stopping the programme

What's the cost of this?

What message do we give to communities about how we value them and how we work in partnership with them?

The activity that is currently being delivered will stop (not all of it, but a lot and probably where it matters most in the most rural areas)

An opportunity to have the relationship with local councils that means we can have a conversation with them about other things.

An opportunity to demonstrate that Localism is not lost, but difficult in times of austerity.

The following recommendations were confirmed at the workshop:

Shropshire Council's Environmental Maintenance Grant programme should continue with the following changes to its design and delivery –

i. Changes to eligible activity

The activity eligible for funding from the programme should be the activity that brings most added value to the delivery of Shropshire Council's Highways term maintenance contract. Highways officers should advise what this activity should be.

ii. Application eligibility

The eligible applicants should be limited to Shropshire's rural town and parish councils. Urban town councils a population of over 10K should be ineligible to apply.

iii. Value for money and incentivising added value

The grant should not be used to top up core budgets but should be used for discrete maintenance purposes. Applications should be scored according to how they demonstrate value for money and provide added value to the core funding and activity. Examples of VFM and added value should be –

- Councils demonstrating that they are committed to their effective delivery of environmental maintenance works in their areas by contributing to or matching grant funding.
- Demonstrating that councils are working together to provide economies of scale and reduce costs, e.g. multiple parishes let 1 contract.
- The design of activity that clearly creates social value, the appropriate use of volunteers to add value to the core activity

iv. Design of the funding programme

Funding decisions should be made for a 3 year period, e.g. 2018/19 – 2020/21. This will reduce bureaucracy associated with the application process and provide more time for monitoring and evaluation of applications. It should also enable local councils to let 3 year contracts that offer greater value for money with confidence. It is recommended that the EMG programme is reviewed in year 2 and a decision then made about the future of the scheme, from the end of year 3. If the decision is made to end the EMG programme at this point, a 12 month notice period should be given.

v. Annual value of the funding programme

The annual value of the programme should be £75,000. There will be no increase to this amount.

vi. Value of individual grants

The maximum value of individual grants should be £1500 p.a. There should be no increase to this amount.

vii. Application criteria, guidance notes and monitoring.

The guidance notes accompanying the application process should be reviewed and rewritten to ensure that there is absolute clarity about the design and delivery of the grant funded activity. There should be a particular focus on health and safety. This should also include a more robust approach to monitoring the funded activity through the completion and submission of an annual report from each recipient, and a process for this should be designed and implemented. A process should be put in place to ensure appropriate signing off of the annual reports.

viii. Consultation on proposed changes to the EMG programme

A recommendation should be made to Cabinet that it approves the delivery of a 6 week consultation period in early 2018 on the recommended changes to the EMG programme based on previous Committee Overview Committee reports.

ix. Delegated authority

A recommendation should be made to Cabinet to delegate authority to the Head of Infrastructure and Communities in consultation with the Portfolio Holder for Highways and Transport to implement the revised EMG programme detailed specification following the consultation.

These recommendations will be made to the meeting of the Communities Overview Committee on 27th November 2017.

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Communities Scrutiny
Committee
27th November 2017

Item

Report from the Task & Finish Group on the Environmental Maintenance Grant Programme

Responsible Officer Steven Brown, Highways, Transport and Environment
Commissioning Manager
Kate Garner, Locality Commissioning Manager
e-mail: Kate.garner@shropshire.gov.uk Tel: (01743) 252344

1. Summary

Shropshire Council's Highways and Transport team have operated the Environmental Maintenance Grant (EMG) programme for the last 8 years. The programme has operated successfully and is seen as delivering a number of benefits.

The recipients of the grants are overwhelmingly rural parish councils and a small number of town councils. There is one community group using a grant to enable local residents to carry out litter picks and environmental tidy-ups.

Feedback from local councils that have received an EMG is that a review of the design and delivery of the EMG programme is needed. Their general view is that the grants are welcome, valued and a practical way for Shropshire Council to support locality working.

There is an alternative view, which is that the current grants system doesn't achieve a critical mass to make community and service impacts and generate financial efficiencies, and should be stopped, within an agreed and communicated process.

Finally, there is the view that as Shropshire Council is still in the challenging position of budget reductions and increasing expenditure, it simply cannot afford to continue to fund the EMG programme and the activity could be funded directly by local councils.

At its meeting of 4th September 2017, Shropshire Council's Communities Overview Committee confirmed Terms of Reference for a time limited Task & Finish Group to review the EMG programme.

The purpose of the Task & Finish Group was agreed as making recommendations on Shropshire Council's future approach to its EMG programme, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues.

To inform this work the design and the delivery of the current programme – e.g. its budget, the application process, any monitoring and evaluation and the overall outcomes achieved by the programme needed to be understood.

These considerations were made in the context of Shropshire Council's extremely challenging financial position. Members of the Task & Finish Group wanted to consider if continuing the grant programme was a sustainable position at a time of declining revenue budgets, and what added, social and preventative impact is enabled through the investment of the grant.

The status of the EMG programme is a grant programme and as such, Shropshire Council is able to make changes to the delivery of the programme at any point. However, within the 2017/18 EMG application paperwork Shropshire Council advised potential applicants that the EMG programme would be reviewed and that the outcome of this review would be consulted on.

This report summarises work undertaken by the Task & Finish Group and the recommendations confirmed at its workshop on 16th November 2017.

2. Recommendations

- A. To confirm the recommendations made by the Task & Finish Group at its workshop of the 16th November 2017 as detailed in 3.6 below.

REPORT

3. Risk Assessment and Opportunities Appraisal

3.1 Assessment of risk

- There is a risk that ending the EMG programme will be seen as Shropshire Council demonstrating that it does not value local communities, recognise the efforts they are making to maintain and improve their environment or that it wants to work in partnership with them.
- There is a risk that ending the EMG programme will erode the levels of good will that currently exist between Shropshire Council and local councils, which has a positive effect in other areas of work.
- There is a risk that ending the EMG programme will result in the activity that is currently being delivered stopping, particularly in the most rural areas, as there is no guarantee that local councils will fill the gap left through the total withdrawal of the grant.
- There is an ongoing risk to the Highways revenue budget as it finances an ongoing revenue grant programme whilst making reductions to its other frontline and operation services due to revenue pressures.
- The EMG funded activity is not captured accurately to enter Shropshire Council's asset database. There is a risk that knowledge and service intelligence is not captured.

3.2 Assessment of opportunities

- The continuation of the EMG programme will provide an opportunity for Shropshire Council to maintain an effective partnership with local councils, which will support other areas of work and activity.

- The continuation of the EMG programme is an opportunity to demonstrate that localism in Shropshire has not been lost, even in these difficult times of austerity.
- Redesigning the grants programme will enable Shropshire Council to shape and influence how social action is created in communities, and how social value is generated through the medium of people improving their local environment.

4. Financial implications

- 4.1 The Highways revenue budget is top sliced to fund the EMGs, there is no specific budget, other than reducing existing revenue. The allocated budget is £110,000 per annum out of a total revenue and capital budget of £26,881,500.

The £110,000 is the equivalent of the operational budget for 10 pot holes gangs of the county for one month, or significant resurfacing of a road, kilometres of road markings provided. The current revenue reductions and savings provide a negative pressure on day to day services. The revenue budget is 100% funded by Shropshire, Capital budget is 100% externally funded.

The grants place a revenue pressure on the highways services, whilst simultaneously other front line services are being pressured due to revenue budget reductions.

- 4.2 It was agreed to increase the EMG programme to £152,000 in 2017/18 to meet the demand of and increased number of applicants. There is a tension between the highway revenue budget reducing year on year whilst the EMG programme budget stays the same.
- 4.3 Contrary to what many local councils understand, the EMGs do not actually have any savings impact on the amount Shropshire Council spends with its term maintenance contractor on planned and programmed work. If there is a cost saving to emerge, it will benefit the term maintenance contractor as they could find themselves in the position of not having to complete work that has been delivered through EMG funded activity.
- 4.4 Summary of EMG programme activity 2010 – 2017

Year	Core budget	Actual total grant value of grants awarded	No of grants awarded
2010/11	110,000	109,006	65
2011/12	110,000	103,072	63
2012/13	110,000	107,991	65
2013/14	110,000	106,877	62
2014/15	110,000	114,052	65
2015/16	110,000	101,392	57
2016/17	110,000	152,043	72
2017/18	110,000	152,000	96

4.5 Summary of the 2017/18 EMG applications

96 local councils made an application and received funding. The eventual total budget allocation was £152,000 (an increase of £42,000 on the core budget of £110,000). The total value of the applications was £200,843, a 32.13% increase on 2016/17.

The programme was oversubscribed by £48,843 (@£152k)... or £87,343 of the original £110,000. Therefore 75.68 % of the original application values was agreed and funded.

5.0 The Task & Finish Group

5.1 Questionnaires were sent to all town and parish councils regardless of whether or not they had received an EMG. Responses from 51 councils/organisations were received.

5.2 Summary of questionnaire feedback –

- EMG funded work is of a higher standard than Highways contractor work
- EMGs enable local councils to be more responsive to local issues
- EMGs enable local councils to deliver environmental maintenance works without raising their precept
- The work is delivered by local people with local knowledge
- Local members feel connected to the EMG funded work, which leads to a sense of control, empowerment and ability to respond quickly to local issues
- The EMG work is seen as reducing demand on Shropshire Council services and saving Shropshire Council money
- Local councils would like to see more scrutiny and monitoring of the grant programme
- Some local councils are already match funding the EMG and others would be willing to
- Respondees would like to see the EMG programme continue

5.3 Interviews were carried out with a small number of clerks of councils that receive EMGs.

There were mixed views on the complexity of the application process - some found application process easy, and others found it difficult. It was felt that first time applicants were more likely to find it hard and maybe the process is less complicated for smaller grants.

It was felt that the timings and timescales on grant approval and payment was out of sync with budget setting – some precepts are set before Christmas.

It was also felt that firmer guidelines were needed on how the grants are to be spent.

Through the interviews, it was established that clerks thought that the funding supports local budgets, provides savings that are 'hidden' e.g. work on ditches will reduce surface flooding and reduce maintenance costs, and adds to the 'contentment of communities'.

The fact that local people are employed to deliver the EMG funded work was seen as a positive, as was activity such as gritting on pavements in outlying areas, which was seen as a making a saving to Shropshire Council as a centrally located gritter didn't have to be sent out to very rural locations.

Finally, it was noted that some local council budgets are set with an assumption that the EMG will automatically be awarded, and that grants are being used to fund activity that is not on highway land.

- 5.4 Representatives of local councils, a community organisation and a contractor delivering lengthsman activities joined the workshop for a 90 minute question and answer and discussion session.

Organisation represented	Name	Link to EMG programme
Various rural PCs across south Shropshire	Eileen Reynolds	Clerk to PC that uses EMG
Various rural PCs across south Shropshire	Jayne Madeley	Clerk to PC that uses EMG
Cleobury Mortimer Town Council	Matt Sheehan	Clerk to PC that uses EMG
Church Stretton Town Council	Danny Chetwood	Clerk to PC that uses EMG
Church Stretton Pride of Place	Trevor Halsey	Clerk to PC that uses EMG
Various rural PCs across central and south Shropshire	Rebecca Turner	Clerk to PC that uses EMG
Environmental Maintenance Officer for Munslow, Diddlebury & Culmington.	Gary Trim	Delivering EMG funded lengthsman activity Also a councillor for PC that uses EMG

- 5.5 Summary of the final thoughts that emerged through discussion –

- The EMGs offer value for money and have a wider benefit to Shropshire Council for creating a high quality environment
- If Shropshire Council wants to have pride in its county, it should do what it can to help local councils to help Shropshire Council to achieve this
- Health & Safety has to be a priority
- Rural road networks have to be kept safe and clear to enable residents to travel to work and school
- Can Shropshire Council afford not to continue with the programme, given all the evidence it has heard at the workshop
- No EMGS will result in a worsened environment leading to fewer tourists and less economic growth activity
- Town councils could not guarantee to be able to continue with the same level of environmental maintenance in their towns if they didn't have an EMG.

5.6 The full report and presentation considered by the Task & Finish Group at its workshop on the 26th April 2017 is included as **Appendix 1 and 2**. The notes from the workshop are included as **Appendix 3**.

5.7 The following recommendations were confirmed at the workshop:

Shropshire Council's Environmental Maintenance Grant programme should continue with the following changes to its design and delivery –

- i. Changes to eligible activity**
The activity eligible for funding from the programme should be the activity that brings most added value to the delivery of Shropshire Council's Highways term maintenance contract. Highways officers should advise what this activity should be.
- ii. Application eligibility**
The eligible applicants should be limited to Shropshire's rural town and parish councils. Urban town councils a population of over 10K should be ineligible to apply.
- iii. Value for money and incentivising added value**
The grant should not be used to top up core budgets but should be used for discrete maintenance purposes. Applications should be scored according to how they demonstrate value for money and provide added value to the core funding and activity. Examples of VFM and added value should be –
 - Councils demonstrating that they are committed to their effective delivery of environmental maintenance works in their areas by contributing to or matching grant funding.
 - Demonstrating that councils are working together to provide economies of scale and reduce costs, e.g. multiple parishes let 1 contract.
 - The design of activity that clearly creates social value, the appropriate use of volunteers to add value to the core activity
- iv. Design of the funding programme**
Funding decisions should be made for a 3 year period, e.g. 2018/19 – 2020/21. This will reduce bureaucracy associated with the application process and provide more time for monitoring and evaluation of applications. It should also enable local councils to let 3 year contracts that offer greater value for money with confidence. It is recommended that the EMG programme is reviewed in year 2 and a decision then made about the future of the scheme, from the end of year 3. If the decision is made to end the EMG programme at this point, a 12 month notice period should be given.
- v. Annual value of the funding programme**
The annual value of the programme should be £75,000. There will be no increase to this amount.
- vi. Value of individual grants**
The maximum value of individual grants should be £1500 p.a. There should be no increase to this amount.

vii. Application criteria, guidance notes and monitoring.

The guidance notes accompanying the application process should be reviewed and rewritten to ensure that there is absolute clarity about the design and delivery of the grant funded activity. There should be a particular focus on health and safety. This should also include a more robust approach to monitoring the funded activity through the completion and submission of an annual report from each recipient, and a process for this should be designed and implemented. A process should be put in place to ensure appropriate signing off of the annual reports.

viii. Consultation on proposed changes to the EMG programme

A recommendation should be made to Cabinet that it approves the delivery of a 6 week consultation period in early 2018 on the recommended changes to the EMG programme based on previous Committee Overview Committee reports.

ix. Delegated authority

A recommendation should be made to Cabinet to delegate authority to the Head of Infrastructure and Communities in consultation with the Portfolio Holder for Highways and Transport to implement the revised EMG programme detailed specification following the consultation.

6.0 Key areas of feedback from the Task & Finish Workshop

6.1 Future funding arrangements

It is recommended that the maximum amount of future individual EMGs will be reduced from £3,000 to £1,500, recognising that the majority of the applications in 2017/18 were for less than the maximum amount; there were 35 applications for the maximum amount and 59 applications for less than this.

Reducing the maximum funding figure will help to manage the pressure on the significantly reduced total budget that is being recommended, but managing the demand on the budget will have to be done in other ways. It is recommended that this is done through a streamlining of the eligible activity, which should reduce application values, through application eligibility criteria, and through how applications can demonstrate added value (economic, social and environmental) and value for money.

It is recommended that a scoring assessment against these criteria is designed and used as part of the application assessment process. Applications should be assessed by officers from Highways, Environmental Maintenance and the Community Enablement Team.

6.2 It was clear through the evidence heard by the Task & Finish Group that it is felt by grant recipients that EMG funded activity has a greater impact than its key purpose of maintaining the local environment. The wider agendas that it was felt the works contributed to were –

- economic growth – creating an attractive, safe and welcoming environment that people will want to live, work and play in
- individual and community well-being – creating contentment within communities through a sense of local ownership over the works that are delivered through the EMGs

Evidence was also received that demonstrated that the funded works did not

fall into the category of 'nice to have', but were necessary for a safe and healthy infrastructure within a community.

- 6.3 Added value (economic, social, environmental) and value for money
The Task & Finish Group recommends that future EMG applications are assessed on how they demonstrate added value through the delivery of the core activity, or provide value for money through the way the grant will be spent. Examples of added value are the contribution of additional funding to the EMG by the applicant, demonstrating that the way in which the activity will be delivered will generate social value, e.g. use of volunteers or provision of work experience placements, or that the environment is being improved over and above the what the core funded activity will achieve. Examples of value for money are a number of parishes working together to create and tender one contract, providing greater economies of scale.
- 6.4 Current application process and associated guidance
There is a need for much greater clarity in the EMG programme application criteria, guidelines and supporting paperwork to ensure high quality, appropriate applications are received. This should also include a more robust approach to monitoring the funded activity through the completion and submission of an annual report from each recipient, and a process for this should be designed and implemented.
- 6.5 Health & Safety issues
There appears to be a mixed understanding of the important Health & Safety issues associated with the delivery of EMG funded activity. The current grant application does provide some guidance, but this should be reviewed and updated to make it clearer and more comprehensive. The grant agreement, signed by the recipients discharges responsibility for H & S and insurance cover from Shropshire Council to them, and this needs to be as clear as possible. Currently, members of the Highways teams will support grant recipients with any H & S or liability queries they may have, and this support should remain in place.

7.0 Conclusions

- 7.1 The Task & Finish Group considered that the EMG programme achieves 2 important things –
- the delivery of the actual grant funded activity
 - the way EMGs make the local councils feel, i.e. supported and trusted by Shropshire Council to design and deliver their own environmental maintenance programme, which in turn results in a sense of empowerment and local ownership over the resolution of programmed and reactive works.
- Consequently, Task & Finish Group members felt that there was a balance to be achieved between the value generated by the existence of the programme and the value of the EMG funded activity through a redesigned scheme, alongside Shropshire Council's budgetary constraints and the need to make fiscal savings.
- 7.2 It was demonstrated through the workshop that EMG funded activity makes a big difference to day to day life in very rural areas, where local lengthsman are most active. It could be argued that this is where EMGs are making their

greatest impact and where their loss would be most keenly felt.

- 7.3 It was agreed that many of the issues of concern that were raised through the workshop could be addressed by a review and update of the guidance, criteria and health and safety advice that is supplied through the application process. It is recommended that these are reviewed and updated in light of what has been discovered through the workshop.
- 7.4 The Task & Finish Group recognised the importance of good communication and co-operation between local councils and their area Highways officers (inspectors/technicians). When this relationship is working well, additional value can be achieved without the needed for additional funding.
- 7.5 Through the workshop it was demonstrated that there was a mixed understanding of health and safety issues linked to the delivery of EMG funded activity along with concerns about liability. A consistent appreciation and understanding of these issues will be addressed through improved guidance in the application process and through training.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

- Communities Scrutiny Committee EMG Task & Finish Group Terms of Reference
- Information about other local authority grant programmes
- EMG application paperwork
- Summary of EMG applications 2017/18
- Summary of EMG funded activity delivered in 2017/18
- Collated feedback from EMG questionnaires
- Summary of EMG questionnaire feedback
- Feedback from EMG applicant interviews
- Highways financial background and context
- Highways/EMG financial comparison

Cabinet Member:

Cllr Steve Davenport– Portfolio Holder for Highways
Cllr Joyce Barrow – Portfolio Holder for Communities

Local Members:

All Members

Appendices:

Appendix 1 – Report to the EMG Task & Finish Group, 16th November 2017
Appendix 2 – Presentation from the EMG Task & Finish Group, 16th November 2017
Appendix 3 – Notes from the EMG Task & Finish Group, 16th November 2017

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Appendix 5

Shropshire Equality and Social Inclusion Impact Assessment (ESIIA)

Shropshire Council Part 1 ESIIA: initial screening and assessment

Name of service change

**Environmental Maintenance Grant Programme: proposals for consultation
13 12 17**

Aims of the service change and description

Introduction

At its meeting of 4th September 2017, Shropshire Council's Communities Overview Committee confirmed Terms of Reference for a time limited Task & Finish Group to review Shropshire Council's Environmental Maintenance Grant (EMG) programme.

The purpose of the Task & Finish Group was agreed as making recommendations on Shropshire Council's future approach to its EMG programme, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues.

To inform this work the design and the delivery of the current programme – e.g. its budget, the application process, any monitoring and evaluation and the overall outcomes achieved by the programme needed to be understood.

These considerations were made in the context of Shropshire Council's extremely challenging financial position. Members of the Task & Finish Group wanted to consider if continuing the grant programme was a sustainable position at a time of declining revenue budgets, and what added, social and preventative impact is enabled through the investment of the grant.

The status of the EMG programme is a grant programme and as such, Shropshire Council is able to make changes to the delivery of the programme at any point. However, within the 2017/18 EMG application paperwork Shropshire Council advised potential applicants that the EMG programme would be reviewed and that the outcome of this review would be consulted on.

Summary of proposals

Shropshire Council's Environmental Maintenance Grant programme should continue with the following changes to its design and delivery –

i. Changes to eligible activity

The activity eligible for funding from the programme should be the activity that brings most added value to the delivery of Shropshire Council's Highways term maintenance contract. i.e. supporting Shropshire Council's status as a Level 3 Asset Management Authority.

ii. Application eligibility

The eligible applicants should be limited to Shropshire's rural town and parish councils. Urban town councils a population of over 10K should be ineligible to apply.

iii. Value for money and incentivising added value

The grant should not be used to top up core budgets but should be used for discrete maintenance purposes. Applications should be scored according to how they demonstrate value for money and provide added value to the core funding and activity. Examples of VFM and added value should be –

- Councils demonstrating that they are committed to their effective delivery of environmental maintenance works in their areas by contributing to or matching grant funding.
- Demonstrating that councils are working together to provide economies of scale and reduce costs, e.g. multiple parishes let 1 contract.
- The design of activity that clearly creates social value, the appropriate use of volunteers to add value to the core activity

iv. Design of the funding programme

Funding decisions should be made for a 3 year period, e.g. 2018/19 – 2020/21. This will reduce bureaucracy associated with the application process and provide more time for monitoring and evaluation of applications. It should also enable local councils to let 3 year contracts that offer greater value for money with confidence. It is recommended that the EMG programme is reviewed in year 2 and a decision then made about the future of the scheme, from the end of year 3. If the decision is made to end the EMG programme at this point, a 12 month notice period should be given.

v. Annual value of the funding programme

The annual value of the programme should be £75,000. There will be no increase to this amount.

vi. Value of individual grants

The maximum value of individual grants should be £1500 p.a. There should be no increase to this amount.

vii. Application criteria, guidance notes and monitoring.

The guidance notes accompanying the application process should be reviewed and rewritten to ensure that there is absolute clarity about the design and delivery of the grant funded activity. There should be a particular focus on health and safety. This should also include a more robust approach to monitoring the funded activity through the completion and submission of an annual report from each recipient, and a process for this should be designed and implemented. A process should be put in place to ensure appropriate signing off of the annual reports.

viii. Consultation on proposed changes to the EMG programme

A 6 week consultation period should be delivered in early 2018 on the proposed changes to the EMG programme.

Background to proposals

Shropshire Council's Highways and Transport team has operated the Environmental Maintenance Grant (EMG) programme for the last 8 years. The programme has operated successfully and is seen as delivering a number of benefits.

The recipients of the grants are overwhelmingly rural parish councils and a small number of town councils. There is one community group using a grant to enable local residents to carry out litter picks and environmental tidy-ups.

Feedback from local councils that have received an EMG is that a review of the design and delivery of the EMG programme is needed. Their general view is that the grants are welcome, valued and a practical way for Shropshire Council to support locality working.

There is an alternative view, which is that the current grants system doesn't achieve a critical mass to make community and service impacts and generate financial efficiencies, and should be stopped, within an agreed and communicated process.

Finally, there is the view that as Shropshire Council is still in the challenging position of budget

reductions and increasing expenditure, it simply cannot afford to continue to fund the EMG programme and the activity could be funded directly by local councils.

At its meeting of 4th September 2017, Shropshire Council's Communities Overview Committee confirmed Terms of Reference for a time limited Task & Finish Group to review the EMG programme.

The purpose of the Task & Finish Group was agreed as making recommendations on Shropshire Council's future approach to its EMG programme, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues.

To inform this work the design and the delivery of the current programme – e.g. its budget, the application process, any monitoring and evaluation and the overall outcomes achieved by the programme needed to be understood.

These considerations were made in the context of Shropshire Council's extremely challenging financial position. Members of the Task & Finish Group wanted to consider if continuing the grant programme was a sustainable position at a time of declining revenue budgets, and what added, social and preventative impact is enabled through the investment of the grant.

The status of the EMG programme is a grant programme and as such, Shropshire Council is able to make changes to the delivery of the programme at any point. However, within the 2017/18 EMG application paperwork Shropshire Council advised potential applicants that the EMG programme would be reviewed and that the outcome of this review would be consulted on.

Intended audiences and target groups for the service change

Summary of principal target groups:

Previous and current recipients of the EMGs
All town and parish councils

Summary of other target groups:

Shropshire Council elected members
Residents within areas where EMG funded activity is delivered
Lengthsman and other contractors delivering EMG funded activity

Evidence used for screening of the service change

The information gathered by the EMG Task & Finish Group at a workshop on 16th November 2017
Outcomes of the proposed consultation to be held in January 2018

Specific consultation and engagement with intended audiences and target groups for the service change

EMG Task & Finish Group Workshop held on 16th November 2017
Proposed consultation on proposed changes to be held in January 2018

Potential impact on Protected Characteristic groups and on social inclusion Guidance notes on how to carry out the initial assessment

Using the results of evidence gathering and specific consultation and engagement, please consider how the service change as proposed may affect people within the nine Protected Characteristic groups and people at risk of social exclusion.

1. Have the intended audiences and target groups been consulted about:
 - their current needs and aspirations and what is important to them;
 - the potential impact of this service change on them, whether positive or negative, intended or unintended;
 - the potential barriers they may face.
2. If the intended audience and target groups have not been consulted directly, have representatives been consulted, or people with specialist knowledge, or research explored?
3. Have other stakeholder groups and secondary groups, for example carers of service users, been explored in terms of potential unintended impacts?
4. Are there systems set up to:
 - monitor the impact, positive or negative, intended or intended, for all the different groups;
 - enable open feedback and suggestions from a variety of audiences through a variety of methods.
5. Are there any Human Rights implications? For example, is there a breach of one or more of the human rights of an individual or group?
6. Will the service change as proposed have a positive or negative impact on fostering good relations?
7. Will the service change as proposed have a positive or negative impact on social inclusion?

Guidance on what a negative impact might look like

High Negative	Significant potential impact, risk of exposure, history of complaints, no mitigating measures in place or no evidence available: urgent need for consultation with customers, general public, workforce
Medium Negative	Some potential impact, some mitigating measures in place but no evidence available how effective they are: would be beneficial to consult with customers, general public, workforce
Low Negative	Almost bordering on non-relevance to the ESIIA process (heavily legislation led, very little discretion can be exercised, limited public facing aspect, national policy affecting degree of local impact possible)

Initial assessment for each group

Please rate the impact that you perceive the service change is likely to have on a group, through inserting a tick in the relevant column.

Protected Characteristic groups and other	High negative impact <i>Part Two</i>	High positive impact <i>Part One ESIIA required</i>	Medium positive or negative impact	Low positive or negative impact <i>Part One ESIIA required</i>
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groups in Shropshire	<i>ESIIA required</i>		<i>Part One ESIIA required</i>	
Age (please include children, young people, people of working age, older people. Some people may belong to more than one group eg young person with disability)				√
Disability (please include: mental health conditions and syndromes including autism; physical disabilities or impairments; learning disabilities; Multiple Sclerosis; cancer; HIV)				√
Gender re-assignment (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
Marriage and Civil Partnership (please include associated aspects: caring responsibility, potential for bullying and harassment)				√
Pregnancy and Maternity (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
Race (please include: ethnicity, nationality, culture, language, gypsy, traveller)				√
Religion and belief (please include: Buddhism, Christianity, Hinduism, Islam, Judaism, Non conformists; Rastafarianism; Sikhism, Shinto, Taoism, Zoroastrianism, and any others)				√
Sex (please include associated aspects: safety, caring responsibility, potential for bullying and harassment)				√
Sexual Orientation (please include associated aspects: safety; caring responsibility; potential for bullying and harassment)				√
Other: Social Inclusion (please include families and friends with caring responsibilities; people with health inequalities; households in poverty; refugees and asylum seekers; rural communities; people you consider to be vulnerable)			Very rural communities √	

Decision, review and monitoring



Decision	Yes	No
Part One ESIIA Only?	√	
Proceed to Part Two Full Report?		√

If Part One, please now use the boxes below and sign off at the foot of the page. If Part Two, please move on to the full report stage.


Actions to mitigate negative impact or enhance positive impact of the service change
The proposed recommendations in the report to Cabinet – ‘ Environmental Maintenance Grant Programme - Proposals for changes to the design and delivery of the programme ’ whilst reducing the total amount of funding available within the programme and the maximum amount of individual grants, have been designed to mitigate any negative impact.

Actions to review and monitor the impact of the service change
Deliver proposed consultation on proposed changes in January 2018.
Evaluation and review of the ESIIA to incorporate feedback from the proposed consultation and any changes to the anticipated likely impacts of the proposed service change.

Scrutiny at Part One screening stage

People involved	Signatures	Date
<i>Lead officer carrying out the screening</i> Kate Garner, Locality Commissioning Manager		13 December 2017
<i>Any internal support</i>		
<i>Any external support</i>		
<i>Head of service</i> Steve Brown, Highways, Transport and Environment Commissioning Manager		13 December 2017

Sign off at Part One screening stage

Name	Signatures	Date
Kate Garner, Locality Commissioning Manager		13 December 2017



Committee and Date

Cabinet
13 December 2017

Council
14 December 2017

SETTING THE COUNCIL TAX TAXBASE FOR 2018/19

Responsible Officer James Walton

e-mail: james.walton@shropshire.gov.uk

Tel:(01743)258915

1. Summary

- 1.1. In order to determine the appropriate Council Tax levels for Shropshire Council, it is necessary to determine the Council Tax taxbase for the area. The budget requirements of the various precepting authorities are divided by this figure to arrive at the Band D Council Tax.
- 1.2. For 2018/19 the Council Tax taxbase will be 109,095.60 Band D equivalents, this is an increase of 2.37% from 2017/18.
- 1.3. The Council Tax taxbase has a direct impact on the Council Tax that will be levied by the Council for 2018/19.

2. Recommendations

Members are asked:

- 2.1 In accordance with the Local Government Act 2012 to approve the removal of the discretionary Council Tax discount policy awarded in respect of vacant properties undergoing major repair for the 2018/19 financial year, i.e. removing the discount of 50% for up to 12 months and, therefore, inclusion of an additional 114.37 Band D equivalents in the taxbase.
- 2.2 In accordance with the Local Government Act 2012 to approve the revised discretionary Council Tax discount policy awarded in respect of vacant properties i.e. former Class C exempt properties for the 2018/19 financial year i.e. continuation of 100% for one month, and the resulting exclusion of 257.66 band D equivalents from the taxbase, and the removal of the 25% discount for the remaining five months and the resulting inclusion of 268.00 Band D equivalents in the Council Tax taxbase.

- 2.3 To approve the publication of a notice regarding the new discretionary Council Tax discount policy awarded in respect of vacant properties within 21 days of the determination.

On the assumption that the changes to the discount policy in relation to vacant dwellings detailed in Sections 2.1, 2.2 and 7.2 of this report have been approved and the changes to the Council's localised Council Tax Support scheme detailed in the Shropshire Council - Council Tax Support Scheme 2018-19 report is approved at Council, members are asked:

- 2.4 To approve, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by Shropshire Council as its Council Tax taxbase for the year 2018/19, as detailed in Appendix A, totalling 109,095.60 Band D equivalents.
- 2.5 To note the changes to the Council's localised Council Tax Support (CTS) scheme in 2018/19. The scheme is attached at Appendix B.
- 2.6 To note the exclusion of 9,353.67 Band D equivalents from the taxbase as a result of localised Council Tax Support.
- 2.7 To note continuation of the discretionary Council Tax discount policy of 0% in respect of second homes (other than those that retain a 50% discount through regulation as a result of job related protection) and note the inclusion of 670.95 Band D equivalents in the Council Tax taxbase as a result of this discount policy.
- 2.8 To note continuation of the "six week rule" in respect of vacant dwellings, i.e. former Class C exempt properties.
- 2.9 To note continuation of the discretionary power to levy a Council Tax premium of 50% in relation to dwellings which have been empty for more than two years and the resulting inclusion of 245.89 Band D equivalents in the Council Tax taxbase.
- 2.10 To approve a collection rate for the year 2018/19 of 97.8%.

REPORT

3. Risk Assessment and Opportunities Appraisal

- 3.1 Expression of Council Tax Support in terms of Band D equivalents results in a higher potential for inaccuracies in the determination process as Council Tax Support is a significantly more volatile discount element.

- 3.2 Details of the potential risk in relation to establishing a collection rate allowance is detailed within this report in Section 9.

4. Financial Implications

- 4.1 The Council Tax taxbase figure impacts on the Council Tax that will be levied by the Council for 2018/19.
- 4.2 The implication of the Council's localised Council Tax Support scheme are detailed in Section 6.
- 4.3 The implications of maintaining the discount in respect of second homes at 0% are detailed in Section 7.1.
- 4.4 The implications of removing the 50% discount in respect of vacant dwellings undergoing major repair at are detailed in Section 7.2
- 4.5 The implications of maintaining the 1 month exemption in respect of vacant dwellings, but removing the 25% discount from months 2 to 6 are also detailed in Section 7.2.
- 4.6 The implications of maintaining a 50% premium in respect of properties which have been empty for more than two years are detailed in Section 7.3.
- 4.7 The implications regarding the determined collection rate are detailed in Section 9.

5. Background

- 5.1 Shropshire Council has responsibility for determining the Council Tax taxbase for the Council's geographical area.
- 5.2 The taxbase for Council Tax must be set between 1 December 2017 and 31 January 2018 in relation to 2018/19, as prescribed by the Local Authorities (Calculation of Council Tax Base) Regulations 2012.
- 5.3 The Council is also required to inform the major precepting authorities, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, of the taxbase in order to enable the calculation of Council Tax for the following year. Each town and parish council is also notified of its own Council Tax taxbase.
- 5.4 The purpose of this report, therefore, is to determine and approve the Council Tax taxbase for Shropshire Council for 2018/19.

6. Council Tax Support

- 6.1 The 2010 Spending Review announced the localisation of council tax support and The Welfare Reform Act 2012 abolished Council Tax Benefit from 31 March 2013 and required that Local Government created a localised Council Tax Support (CTS) scheme effective from 1 April 2013, accommodating a reduction in funding of 10%.
- 6.2 Shropshire Council's localised CTS scheme was approved in October 2012. Changes to the scheme are proposed for 2018/19 which are detailed in a separate report. The amended scheme is attached at Appendix B.
- 6.3 From 2013, therefore, council tax support has taken the form of reductions within the council tax system, replacing national council tax benefit. Making reductions part of the council tax system reduces a billing authority's Council Tax taxbase. Billing and major precepting authorities receive funding (Council Tax Support Grant) which reduce their council tax requirement and, depending on the design of the local council tax scheme, can help offset the council tax revenue foregone through reductions.
- 6.4 An estimate of the effect of the local Council Tax Support Scheme on the Council Tax taxbase has been determined for Shropshire. It is estimated that the Council Tax Support Scheme will reduce the Council Tax taxbase by 9,353.67 Band D equivalents.
- 6.5 As Council Tax Support entitlement will vary throughout the year and this will affect the taxbase it is more likely that the amount of Council Tax collected in 2018/19 will vary from the estimate.

7. Discretionary Discount Policies

7.1 *Second Homes*

- 7.1.1 Second homes are defined as furnished properties which are not occupied as a person's main residence and include furnished properties that are unoccupied between tenancies.
- 7.1.2 The Local Government Act 2003 gave councils new discretionary powers to reduce the 50% Council Tax discount previously awarded in respect of second homes to between 10% and 50% with effect from 1st April 2004. Councils retain the additional income raised by reducing the second homes Council Tax discount.
- 7.1.3 The Local Government Act 2012 further extended billing authorities' discretion over the second homes discount to between 0% and 50%. On 17 October 2012

Cabinet approved the reduction of the second homes Council Tax discount from 10% to 0%.

- 7.1.4 The figures used for the 2018/19 Council Tax taxbase incorporate a 0% Council Tax discount in respect of second homes (other than those that retain a 50% discount through regulation as a result of job related protection). Implementation of this policy results in the inclusion of 670.95 Band D equivalents in the taxbase.

Vacant Properties

7.2 Former Class A & Class C Exempt Properties

- 7.2.1 The Local Government Act 2012 abolished both Class A and Class C exemptions and gave billing authorities' discretion to give discounts of between 0% and 100%. Class A exemptions were previously available for up to 12 months in respect of a vacant property which required, was undergoing, or had recently undergone major repair work to render it habitable, or structural alteration. Class C exemptions were previously available for up to six months after a dwelling became vacant.
- 7.2.2 On 17 October 2012 Cabinet approved the award of a 50% Council Tax discount in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties.
- 7.2.2 Members are asked to approve a revised policy to not award any discount in respect of vacant property which requires, or is undergoing, or has recently undergone major repair work to render it habitable, or structural alteration. (former class A exempt).
- 7.2.3 In respect of former Class A exempt properties the figures used for the 2018/19 Council Tax taxbase do not account for 50% discount for up to 12 months. Amendment to this policy results in the inclusion of 114.37 Band D equivalents in the taxbase.
- 7.2.4 On 17 October 2012 Cabinet also approved the award of a 25% Council Tax discount in respect of vacant dwellings, i.e. former Class C exempt properties.
- 7.2.5 Implementation of this policy resulted in a large number of low value Council Tax demands being raised primarily in relation to landlords whose properties are between tenants. A significant number of landlord complaints were received in relation to these Council Tax demands and these small amounts proved to be very difficult to collect. It was, therefore, proposed and approved that a 100% discount be awarded for one month, i.e. effectively reinstating the exemption, and then a 25% discount be awarded for the remaining five months.

- 7.2.6 In order to avoid fraudulent 100% claims in respect of these types of properties it was also proposed and approved that the “six week rule” be applied, i.e. if a dwelling which is unoccupied and unfurnished is either exempt or entitled to a discount, becomes occupied or substantially furnished for a period of less than six weeks, after which it falls empty again, it will only resume exemption or discount for any of the original exemption or discount period which remains.
- 7.2.6 Members are asked to approve continuation of the policy to award one month exemption when a property becomes unoccupied and unfurnished (subject to the six week rule) and approve a revised policy to remove the 25% for the following five months. This would mean that when a property becomes unoccupied and unfurnished it would attract one month exemption, then pay full charge for the following twenty three months, then attract an additional 50% council tax premium after two years.
- 7.2.7 In respect of former Class C exempt properties the figures used for the 2018/19 Council Tax taxbase incorporates a discount of 100% for one month but no longer incorporates a 25% discount for the remaining five months. Continuation of this policy to continue the 1 month exemption results in the exclusion of 257.66 Band D equivalents from the taxbase, and removal of the 25% discount for the remaining five months results in the inclusion of 268.00 to the taxbase.

7.3 ***Empty Homes Premium***

- 7.3.1 The Local Government Act 2012 also gave billing authorities’ discretion to levy an empty homes premium of 50% after a dwelling has been empty and unfurnished for at least two years. In December 2013 Shropshire Council chose to enact this discretionary power with effect from April 2014.
- 7.3.2 The figures used for the 2018/19 Council Tax taxbase incorporate a 50% Council Tax premium in respect of dwellings which have been empty for more than two years. Implementation of this policy results in the inclusion of 245.89 Band D equivalents in the taxbase.

8. **Taxbase Calculation**

- 8.1 Based on the valuation list, the Council Tax taxbase is the number of properties in the area falling within each council tax property valuation band, modified to take account of the adjustments set out below. Taxbase is expressed as a Band D equivalent.

8.2 An analysis of Council Tax bands within Shropshire Council is detailed below:

Property Band	House Value	Ratio to Band D	Analysis of Dwellings on the Valuation List (%) (as at 11 th September 2017)	% Increase / (Decrease) over 2016/17
A	Under £40,000	6/9	18.8	1.0
B	40,001 - 52,000	7/9	25.8	1.2
C	52,001 - 68,000	8/9	20.7	1.5
D	68,001 - 88,000	9/9	14.4	1.3
E	88,001 - 120,000	11/9	11.0	2.5
F	120,001 - 160,000	13/9	5.8	1.8
G	160,001 - 320,000	15/9	3.2	1.1
H	Over 320,000	18/9	0.2	0.3

8.3 There are 141,074 properties in the valuation list for the Shropshire Council area. This compares with a figure of 139,098 in the list at the same time last year. There has been an increase of 1,976 properties overall, which equates to 1.42%. The number of properties in property bands A – H has increased.

8.4 The methodology followed for calculating the taxbase is as follows:

- Ascertain the number of properties in each Council Tax band (A to H) shown in the valuation list as at 11 September 2017.
- Adjust for estimated changes in the number of properties through new build, demolitions and exemptions.
- The number of discounts and disabled relief allowances which apply as at 2 October 2017.
- Convert the number of properties in each Council Tax band to Band D equivalents by using the ratio of each band to Band D and so arrive at the total number of Band D equivalents for the Council.
- Adjust the total number of Band D equivalents by the estimated Council Tax collection rate for the year

These calculations are undertaken for each property band in each parish.

9. Collection Rate

9.1 In determining the taxbase, an allowance has to be made to provide for changes to the taxbase during the year (e.g. due to new properties, appeals against banding, additional discounts, Council Tax Support award changes, etc.) as well as losses on collection arising from non-payment. This is achieved by estimating a Council Tax collection rate for the year and must be common for the whole of Shropshire.

- 9.2 A collection rate of 98.2% was assumed for the 2017/18 financial year and it is recommended that a collection rate of 97.8% should be assumed for the purpose of determining the Council Tax taxbase in 2017/18.
- 9.3 Actual in year collection rates in 2014/15, 2015/16 and 2016/17 were 98.3%, 98.4% and 98.4% respectively. The collection rate for 2017/18 is currently projected to outturn at around 98.4%.
- 9.4 A survey of other Councils that have introduced a minimum payment to their Council Tax Support scheme has shown that there is a detrimental effect on their overall council tax collection rate. This has varied among different Councils between 0.3% and 0.7% in the first year, but gradually improving over subsequent years. Therefore the proposed collection rate for 2018/19 includes a reduction of 0.4% for the potential impact of the changes to the Council Tax Support scheme.
- 9.5 A rate of 97.8% is considered prudent given the current level of recovery, the collection rates of the last 3 years and the potential impact of the Council Tax Support scheme changes.
- 9.6 If the actual rate exceeds 97.8% a surplus is generated, which is shared between the Unitary Council, West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority, pro rata to their demand on the Collection Fund for the relevant year. Conversely, any shortfall in the collection rate results in a deficit, which is shared in a similar manner. The surplus or deficit is taken into account in setting the Council Tax in the following year.

10. Council Tax Base

- 10.1 The estimated Council Tax taxbase for the whole of the area will be used by this Council to calculate its Council Tax Levy. It will also be used by West Mercia Police & Crime Commissioner and Shropshire & Wrekin Fire Authority to calculate the levy in respect of their precepts.
- 10.2 The Council Tax taxbase for this purpose in 2018/19 is 109,095.60 Band D equivalents, an increase of 2.37% from 2017/18. The detailed build of this figure analysed by both parish and town council and Environment Agency region is shown in Appendix A.

List of Background Papers (This MUST be completed for all reports, but does

not include items containing exempt or confidential information)

N/A

Cabinet Member (Portfolio Holder)

David Minnery

Local Member

N/A

Appendices

Appendix A: 2018/19 Parish and Town Council Tax Taxbase Summary for Shropshire Council.

Appendix B: Shropshire Council's Localised Council Tax Support Scheme

2018/19 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council	APPENDIX A
Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Abdon & Heath	104.38
Acton Burnell, Frodesley, Pitchford, Ruckley & Langley	242.81
Acton Scott	37.55
Adderley	193.77
Alberbury with Cardeston	368.48
Albrighton	1,498.97
All Stretton, Smethcott & Woolstaston	168.93
Alveley & Romsley	835.40
Ashford Bowdler	37.73
Ashford Carbonel	187.82
Astley	198.21
Astley Abbotts	238.81
Aston Bottrell, Burwarton & Cleobury North	113.42
Atcham	98.97
Badger	54.92
Barrow	259.91
Baschurch	1,037.50
Bayston Hill	1,781.03
Beckbury	151.61
Bedstone & Bucknell	308.91
Berrington	395.94
Bettws-Y-Crwyn	86.54
Bicton	430.79
Billingsley, Deuxhill, Glazeley & Middleton Scriven	161.30
Bishops Castle Town	639.08
Bitterley	344.10
Bomere Heath & District	791.80
Boningale	139.98
Boraston	73.58
Bridgnorth Town	4,549.05
Bromfield	117.03
Broseley Town	1,497.61
Buildwas	101.80
Burford	429.05
Cardington	203.40
Caynham	495.05
Chelmarsh	222.27
Cheswardine	391.54
Chetton	156.69
Childs Ercall	293.63
Chirbury with Brompton	334.77
Church Preen, Hughley & Kenley	124.31
Church Pulverbatch	167.08
Church Stretton & Little Stretton Town	2,139.43
Claverley	846.10
Clee St. Margaret	69.65
Cleobury Mortimer	1,154.36
Clive	234.82
Clun & Chapel Lawn	498.10
Clunbury	241.84

2018/19 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council		APPENDIX A
Parish / Town Council		Council Tax Taxbase (Band D Equivalents)
Clungunford		145.98
Cockshutt-cum-Petton		290.45
Conover		855.13
Coreley		131.87
Cound		211.41
Craven Arms Town		801.06
Cressage, Harley & Sheinton		403.92
Culmington		167.77
Diddlebury		267.19
Ditton Priors		326.63
Donington & Boscobel		564.04
Eardington		236.54
Easthope, Shipton & Stanton Long		199.94
Eaton-Under-Heywood & Hope Bowdler		183.50
Edgton		47.90
Ellesmere Rural		894.72
Ellesmere Town		1,397.62
Farlow		177.41
Ford		296.76
Great Hanwood		379.05
Great Ness & Little Ness		440.73
Greete		49.69
Grinshill		111.62
Hadnall		308.05
Highley		1,051.58
Hinstock		434.10
Hodnet		559.35
Hope Bagot		28.96
Hopesay		241.04
Hopton Cangeford & Stoke St. Milborough		162.11
Hopton Castle		40.70
Hopton Wafers		277.11
Hordley		100.07
Ightfield & Calverhall		188.50
Kemberton		115.03
Kinlet		402.52
Kinnerley		488.85
Knockin		113.10
Leebotwood & Longnor		198.01
Leighton & Eaton Constantine		205.46
Llanfairwaterdine		98.70
Llanyblodwel		268.32
Llanymynech & Pant		659.11
Longden		517.68
Loppington		276.23
Ludford		246.95
Ludlow Town		3,426.26
Lydbury North		220.96
Lydham & More		127.07
Mainstone & Colebatch		87.72

2018/19 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council	APPENDIX A
Parish / Town Council	Council Tax Taxbase (Band D Equivalents)
Market Drayton Town	3,757.62
Melverley	51.95
Milson & Neen Sollars	121.04
Minsterley	575.15
Montford	237.34
Moreton Corbett & Lee Brockhurst	124.91
Moreton Say	195.87
Morville, Acton Round, Aston Eyre, Monkhopton & Upton Cressett	346.01
Much Wenlock Town	1,186.97
Munslow	175.01
Myddle & Broughton	597.33
Myndtown, Norbury, Ratlinghope & Wentnor	257.09
Nash	136.21
Neen Savage	151.55
Neenton	63.64
Newcastle	129.25
Norton-In-Hales	284.28
Onibury	130.57
Oswestry Rural	1,586.39
Oswestry Town	5,185.28
Pontesbury	1,181.42
Prees	1,057.35
Quatt Malvern	92.28
Richards Castle	136.52
Rushbury	271.43
Ruyton-XI-Towns	453.40
Ryton & Grindle	79.35
Selattyn & Gobowen	1,216.54
Shawbury	821.88
Sheriffhales	322.42
Shifnal Town	2,895.52
Shrewsbury Town	24,061.06
Sibdon Carwood	47.52
St. Martins	897.76
Stanton Lacy	164.05
Stanton-Upon-Hine Heath	231.00
Stockton	133.56
Stoke-Upon-Tern	466.87
Stottesdon & Sidbury	322.49
Stowe	47.35
Sutton Maddock	110.86
Sutton-Upon-Tern	407.66
Tasley	407.99
Tong	118.92
Uffington	105.29
Upton Magna	155.61
Welshampton & Lyneal	357.34
Wem Rural	665.52
Wem Town	1,957.42
West Felton	541.83

2018/19 Parish and Town Council Council Tax Taxbase Summary for Shropshire Council		APPENDIX A
Parish / Town Council		Council Tax Taxbase (Band D Equivalents)
Westbury		531.42
Weston Rhyn		844.03
Weston-Under-Redcastle		122.95
Wheathill		73.98
Whitchurch Rural		572.77
Whitchurch Town		3,175.86
Whittington		834.39
Whitton		57.49
Whixall		331.49
Wistanstow		332.75
Withington		103.47
Woore		577.42
Worfield & Rudge		907.31
Worthen with Shelve		774.92
Wroxeter & Uppington		159.39
Shropshire Council Total		109,095.60
Environment Agency - Severn Trent Region		102,511.99
Environment Agency - Welsh Region		4,159.74
Environment Agency - North West Region		2,423.87
Shropshire Council Total		109,095.60

APPENDIX B

SHROPSHIRE COUNCIL – BENEFITS SERVICE

COUNCIL TAX SUPPORT (CTS)

Introduction

The current Council Tax Benefit scheme is a means tested benefit that helps people with a low income to pay their Council Tax.

From April 2013 this will be abolished and all local authorities will provide a new scheme called 'Council Tax Support'. The funding that is provided for this scheme will be reduced by 10% and therefore it is likely that some people will have to pay more towards their Council Tax bill.

The changes will not affect pensioners even though they will move into the new scheme. The Government have confirmed that all pensioners will be protected and receive the same amount of benefit they do now under the current Council Tax Benefit Scheme.

Each local authority will be able to provide Council Tax support in a different way depending on local needs, funding available and how it can be administered. Each Council is expected to devise a new scheme and then put this to public consultation by the end of 2012.

Our new scheme was devised and published on the Shropshire Council website for customers, stakeholders and other agencies to comment on. Public consultation closed on the 14th December and the new scheme was formally adopted by the Council on 16th January 2013.

Anyone of working age will now be subject to the new scheme from April 2013. The differences that you will see in the new Council Tax Support Scheme are: -

- Removal of second adult rebate
- Reduction of the capital limit from £16,000 to £10,000
- Removal of earnings disregards
- Removal of child benefit disregard
- Increase in non-dependant deductions

Please note the following amendments are for the calculation of Council Tax Support only and do not affect Housing Benefit calculations.

Removal of Second Adult Rebate

Second Adult Rebate (2AR) is awarded to a customer based on the circumstances of a second adult living in the property. Under the new scheme this has been abolished and will no longer be effective from 01.04.13.

Reduction of the capital limit

For working age people the capital limit will reduce to £10,000 from 01.04.13. This will mean that if a customer’s savings amounts to more than £10,000 they will not be entitled to CTS. The lower capital limit of £6,000 remains the same.

Tariff income calculations remain as is i.e. from the total amount if capital £6,000 is deducted, the remainder is then dived by 250 if the result is not an exact multiple of £1 the result is rounded up to the next whole £1

All other capital rules including static savings, land and property, shares, etc remain the same.

Removal of Earnings disregards

All income disregards for working age people will cease from the 01.04.13.

Removal of Child Benefit disregards

Child benefit will no longer be disregarded from the calculation of CTS from the 01.04.03.

Increase in non-dependant earned income deductions (working age only)

From 01.04.13 non dep deductions will increase to the following: -

- £5 for anyone earning under £100,
- £10 for anyone earning between £100 and £150
- £20 for anyone earning over £150 per week

This deduction will only be made from their earned income. It won’t affect any other income they receive.

Non-dependant earned income deductions (pension age only)

Gross income less than £186.00	=	£3.65
Gross income £186.00 to £321.99	=	£7.25
Gross income £322.00 to £400.99	=	£9.15
Gross income £401.00 or above	=	£10.95

Unearned income will attract the following disregards (working age and pension age):

Others aged 18 or over incl. JSAC & ESAC = £3.65
In receipt of Pension Credit, IS, JSA (IB), ESA(IR) = nil

(If nil income is added to the claim for the non-dep it appears to take the maximum deduction).

(This disregard will be up-rated annually in line with figures provided annually by DCLG)

A new minimum earnings threshold will be introduced with effect from 01/04/15 to reflect the current arrangements in the Housing Benefit scheme.

This minimum earnings threshold will help to determine whether a European Economic Area (EEA) national's previous or current work can be treated as genuine and effective for the purposes of deciding whether they have a right to reside in the UK as a worker or self-employed person.

The minimum earnings threshold has been set at the level at which workers start to pay National Insurance Contributions (NICs), currently £153 a week in the 2014/15 tax year. If an EEA national can prove that they have been earning at least this amount for a period of 3 months immediately before they claim CTS their work can be treated as genuine and effective and they will have a right to reside as a worker or self-employed person.

If they do not satisfy the minimum earnings threshold criteria, a further assessment will be undertaken against a broader range of criteria (such as hours worked, pattern of work, nature of employment contract etc.) to determine whether their employment is genuine and effective.

Ultimately, if an EEA national's income does not meet the minimum earnings threshold or the additional criteria to be classified as genuine and effective employment they will not be eligible for CTS.

Special Educations Needs Allowance – to be disregarded in full with effect from 01/09/14

War Pensions / Armed Forces Compensation Scheme Guaranteed Income Payments – to be disregarded in full with effect from 01/04/13 (and to be consistent with Housing Benefit)

From 01/04/15 the CTR scheme will include changes to the habitual residency test to reflect changes to the Housing Benefit (HB) regulations.

The amendments to the CTS scheme removes access to CTS for EEA jobseekers who make a new claim for CTS on or after 1 April 2015. EEA nationals who are self-employed, are workers or who are unemployed but retain their worker status have the same rights to CTS as a UK national and their situation remains unchanged.

EEA jobseekers who are entitled to CTS and JSA(IB) on 31 March 2015 will be protected until they have a break in their claim for CTS or JSA. If their JSA ends because they have started work, then as long as we can be satisfied that their employment is genuine and effective they will be able to access in-work CTS as either a worker or a self-employed person. Claimants receiving in-work CTS beyond 1 April will continue to be able to access CTS, if they become entitled to JSA(IB) on or after that date, but only if they retain their worker status. If they are a jobseeker then their CTS entitlement ends from the Monday following the cessation of work.

Changes with effect from 1 April 2018 to bring the scheme in line with Housing Benefit changes

- **2 child cap**
The Government has announced that they will limit benefit support by only taking into account a maximum of two dependent children per family. It affects all claims where new children are born after April 2017. This will apply in Housing Benefit to families that make a new claim from April 2017
- **Loss of the family premium**
The Government removed the family premium for new claims within the assessment of Housing Benefit with effect from May 2016
- **Bereavement Support Payments to be disregarded in full**
This was introduced into Housing Benefit with effect from April 2017
- **Any payments from the 'We love Manchester Fund' and the 'London Emergency Trust' to be disregarded in full**
- **Maximum backdate period of 1 month**
- **Absence from home limited to 4 weeks when outside GB**
The temporary absence rules for Housing Benefit were amended in 2015 reducing the allowable period of temporary absence outside Great Britain from 13 weeks to 4 weeks.

The limit applies to new periods of absence only. Exceptions are when an absence is in relation to

- Death of a partner, child or close relative
- Receiving medical treatment
- A person who has fled their home due to fear of violence

- A member of Her Majesty's forces posted overseas
- **Beneficial changes in circumstances to be reported within one month of the change in order for the claim to be updated from the date of change, otherwise changes will take effect from the Monday following date notified.**
- **All working aged claimants who receive Council Tax Support (unless they are a pensioner or classed as vulnerable) will pay 20% of their council tax liability, (after appropriate discounts have been awarded)**

An example of this change is as follows:

- 1) Current scheme (which allows for 100% reduction)
The customer's liability is £20.00 per week. As they are in receipt of Jobseekers Allowance they are entitled to full Council tax reduction making their council tax balance for the year £0.00
- 2) Proposed new scheme (20% minimum payment)
The customer liability is £20.00. Before any calculation takes place 20% of this amount is reduced from the liability to be used. This means that any calculation will be carried out on a figure of £16.00. Again the customer is on Jobseekers Allowance and so they are entitled to a full award. This will mean their council tax balance for the year will be £208.00 (£4.00 x 52).

- **De Minimis change amount of £10.00 per week for claimants in receipt of Universal Credit**
- **Claimants who meet the specific criteria of severe disablement contained within the policy will be protected from any percentage reduction in council tax support. Claimants in receipt of Employment and Support Allowance will be protected from any percentage reduction in council tax support. This will also apply to customers who meet the criteria for receiving a war compensation related benefit or pension. Specifically this includes**

Criteria to be awarded for the severe disability premium:

- The customer has to be in receipt of
 - 1) Attendance allowance or
 - 2) Higher or middle rate care component of disability living allowance or
 - 3) The daily living allowance rate of personal independence payments
- They must not have a resident non-dependant

- No person is entitled to, and in receipt of, carers allowance in respect of caring for the customer and;
- If the customer has a partner they must also meet all above criteria

Criteria to be awarded the support component of employment and support allowance –

It is accepted that some people's difficulties or disabilities are such that not only is the person not expected to look for work but are also not expected to undertake an work related activities or plan for starting work due to the severity of their difficulties

Criteria to qualify for the war pension's exemption

The customer and/or partner has to be in receipt of either:

- War pension
- War disablement pension
- War service attributable pension
- War widows pension
- War mobility supplement

SUMMARY OF CHANGES FROM 01.04.13

Current Council Tax Benefit Scheme (CTB)	Council Tax Support (CTS)
Second Adult Rebate - Awarded to the customer based on the circumstances of 'second adult'. Can be awarded due to a 'better buy' comparison	No award due for second person. On 'better buy' calculation customer will only be awarded any CTS due.
Reduction of the capital limit - Upper capital limit of £16,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit	Upper capital limit of £10,000. Above this limit the person would not qualify for CTB. Lower capital of £6,000. Below this figure amount is ignored. Amounts above £6,000 attract tariff income at £1 for every £250 or part of above the lower capital limit
Removal of earnings disregards – Permitted work - £97.50 Lone parents - £25.00 Disabled, carers or special occupations - £20.00 Couples - £10 Single £5	Permitted work - £0 Lone parents - £0 Disabled, carers or special occupations - £0 Couples - £0 Single £0
Removal of Child Benefit disregard – Child Benefit is fully disregarded for the calculation of CTB	Child benefit is fully included for the calculation of CTS
Increase in non-dependant deductions (using current figures) On pass ported benefit - £0.00 On JSA C/ESAC - £3.30 Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30 Income more than £394.00 per week – £9.90 £316.00 to £393.99 per week – £8.25 £238.00 to £315.99 per week - £6.55 £183.00 to £237.00 per week - £3.30 £124.00 to £182.99 per week – £3.30 Under £124.00 – £3.30	On pass ported benefit - £0.00 On JSA C/ESAC - £3.30 Works less than 16 hours on maternity, paternity, adoption or sick leave - £3.30 Earnings less than £100 - £5.00 Earnings between £100 and £150 - £10.00 Earnings above £150 - £20.00

APPEALS

There will be no joint HB/CTR appeals – they will be heard separately by different bodies. First Tier Tribunals will hear the Housing Benefit appeals (as now) and the Valuation Tribunals Service will hear Council Tax Support appeals.

The legislation is contained within the Local Government Finance Act. Appeals against the local Council Tax Support Scheme will be covered by Regulation 16(b).

Process:

- The customer firstly needs to write to the Council saying they disagree with the decision. There is no time limit to do this. They can request this at any time.
- If we do not alter our original decision the customer has the right to appeal to the Valuation Tribunal.
- To appeal to the Valuation Tribunal the customer will need to do this on line at www.valuationtribunal.gov.uk
- The customer must complete the on line appeal application within two months of the date of the decision notice sent by ourselves upholding the original decision

As local schemes are not legislation, but are locally defined schemes, the Valuation Tribunal will not consider an appeal against a billing authority's actual scheme, as that is beyond their jurisdiction. However, the Valuation Tribunal will advise dissatisfied claimants of their right to apply to the billing authority for a discretionary discount under section 13 (1) (c) of the Local Government Finance Act 1992. They will also hear appeals where the authority refuses to exercise this discretion.

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