

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.

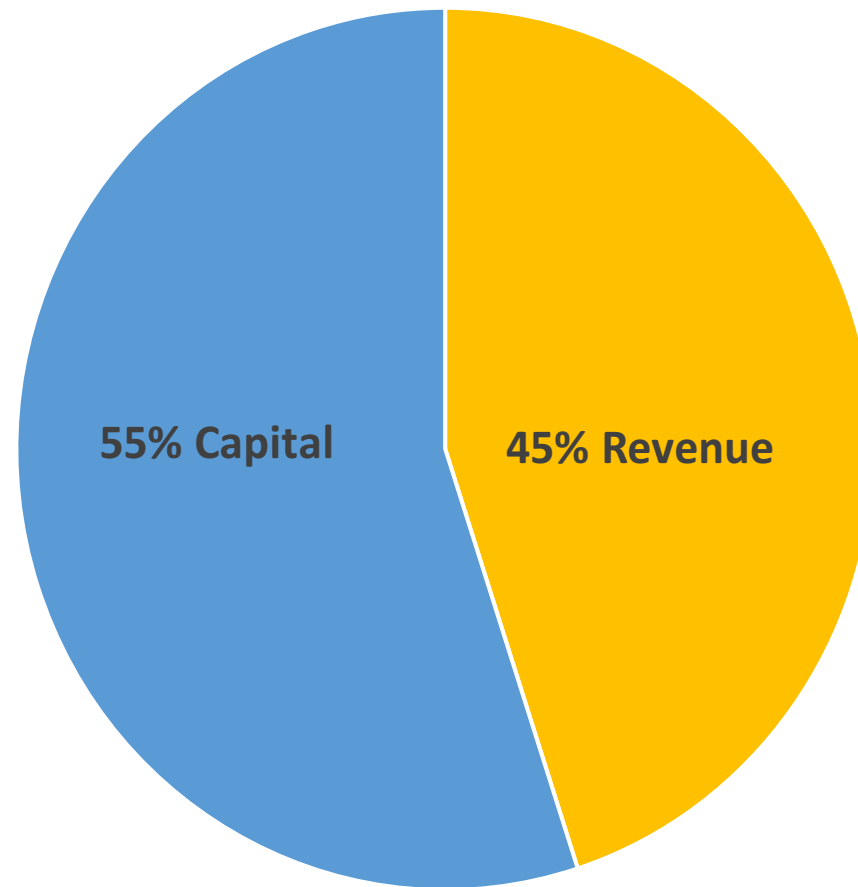
- Highways revenue budget is top sliced to fund the Grants, there is no specific budget , other than reducing existing revenue.
- Allocated budget is £110,000 pa out of a total revenue and capital budget of £26,881,500.
- The £110,000 effectively is the operational budget for 10 pot holes gangs of the 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

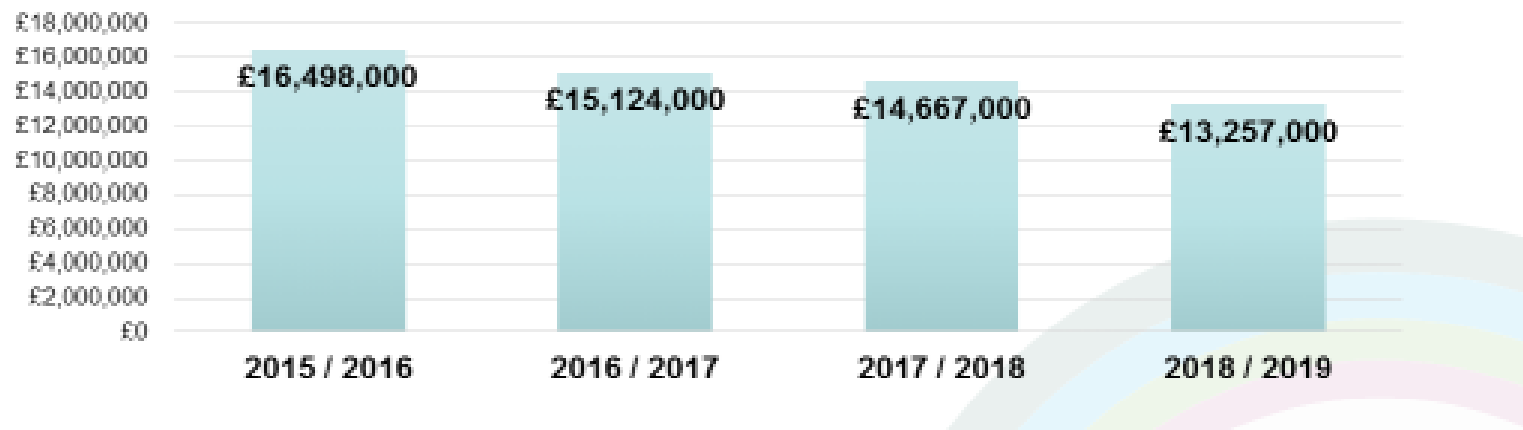




Financial Issues

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.

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 -

- 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

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 £110,000. Therefore 75.68 % of the original application values was agreed and funded.

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 –**
 - 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
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- 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 10 minute question and answer and discussion session.

Workshop Part 2

Using the information and evidence heard

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

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

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.