



**Cabinet 11 February
2026**

Item

Public



Devolution of Local Services to Town & Parish Councils

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Cabinet Member (Portfolio Holder):	Alex Wagner	

1. Synopsis

Shropshire Council is progressing a strategic programme of devolution designed to empower Town and Parish Councils to take greater ownership of local priorities, aligned with the new administration's commitment to partnership working, financial sustainability, and community-led delivery. Informed by early engagement with the first tranche of Town Councils, the programme builds on the administration's ambition to establish a "Can Do Council" that strengthens localism, transfers services where appropriate and improves responsiveness at community level.

This report is seeking Cabinet approval to delegate elements of Street Scene functions to the four pilot areas, as detailed within the report.

2. Executive Summary

- 2.1 The current Shrewsbury Grounds Maintenance delegation agreement ends in March 2026 and following a detailed review, the preferred approach is for four pilot Town Councils to assume delegated responsibility for Street Scene services either fully, partially, or through partnership arrangements that enable locally funded enhancements. This model supports local accountability, service efficiency and provides the flexibility for future improvements.

2.2 Shropshire Council has reviewed its service specification for the Street Scene function which will serve as guidance, with Town Councils assuming responsibility for how services are delivered going forward. This approach enables Shropshire Council to manage its costs while giving Town Councils the flexibility to fund and implement any service enhancements, through their own resources and funding arrangements.

2.3 It is proposed to develop an agreement between Shropshire Council and the pilot areas that will clearly delegate service delivery for Street Scene services and introduce a Governance and Oversight solution, to meet at least annually, to review the delegated services and intended to have joint membership from Shropshire Council and the relevant Town and Parish Council's.

2.4 Since 2009, Shrewsbury Town Council has delivered grounds maintenance services on behalf of Shropshire Council under a Service Level Agreement (SLA) established following the creation of the unitary authority. The SLA was extended through Deeds of Variation but expired in 2025. While this arrangement ensured continuity of service, ultimate responsibility remained with Shropshire Council. Effective from April 2025, these grounds maintenance services were delegated to Shrewsbury Town Council for direct delivery. This delegation represented the first phase of a planned transition toward full local responsibility forming one of four pilot areas.

2.5 The intention is to fully or part devolve services by April 2026, transferring complete operational and managerial responsibility to participating Town Councils. This approach aims to enhance service efficiency, strengthen local accountability, and ensure greater responsiveness to community needs.

2.6 The Shropshire Plan seeks to improve outcomes under four main headings, of which Healthy Economy and Healthy Environment have greatest relevance for the delivery of a high-quality Street Scene services across the County.

- **Healthy Economy:** This includes a focus on developing Shropshire as a vibrant destination for people that attracts people want to live in, work, learn and visit. Creating an attractive and healthy environment in which to live and work is a key goal, supported by a well-run grounds maintenance service day to day.
- **Healthy Environment:** We will maintain, protect, and enhance our outstanding natural environment, promoting positive behaviours and greater biodiversity and environmental sustainability. Our grounds maintenance service includes a range of public open spaces and other settings which present opportunities to enhance biodiversity.

2.7 It is critical to delivery of the Healthy Economy and Environment goals of The Shropshire Plan that Shrewsbury and its key facilities are well maintained and presented. It was therefore proposed that from April 2025 the Grounds Maintenance SLA is replaced by a formal delegation of these services to Shrewsbury Town Council, with the appropriate associated budgets, subject to a parallel approval by Shrewsbury Town Council at their Finance and General Purposes Committee meeting on 2 December 2025. It is proposed that the details of this delegated arrangement be finalised and agreed under delegated authority by the officers of both councils, in consultation with the portfolio holder.

3. Recommendations

It is recommended that Cabinet approves:

3.1 The delegation of full or part operational and managerial responsibility for Street Scene services to participating pilot areas

- Broseley Town Council
- Oswestry Town Council
- Shifnal Town Council
- Shrewsbury Town Council

Delegation of the final terms of the individual arrangements, (to be agreed by the 31st March 2026) to the Service Director for Infrastructure in consultation with the Deputy Leader of the Council and Portfolio Holder for Communities and the Portfolio Holder for Highways and Environment. The commercial terms of the individual arrangements are detailed within section 5 of this report.

3.2 That an Operations Board is established to meet a minimum of once a year to monitor the operation of the delegated services with joint membership from Shropshire Council and Town Council.

Report

4. Risk Assessment and Opportunities Appraisal

4.1 Shrewsbury Town Council has the largest number of staff with experienced grounds maintenance operatives, who have been providing these services to the facilities and assets captured in the existing delegation agreement, as well as managing a range of other assets, for many years. Oswestry Town Council also has a competent grounds maintenance team delivering ground maintenance services. This provides confidence in the capacity and capability of the Town Councils team to deliver the identified services to the necessary standards and mitigates any risk around service delivery.

4.2 In this proposal Shropshire Council is transferring the responsibility and risk associated with delivery of Street Scene services to Shrewsbury Town Council, Broseley; and initially elements of play areas and open spaces to Oswestry Town Council. The Town Councils are aware of their Health and Safety obligations towards members of the public who use the parks and open spaces under their control. Town Councils will need to ensure operations conform with legislation, largely but not limited to the Environmental Protection Act 1990, Health and Safety at Work etc Act 1974 and Highways Act 1980.

4.3 The final town Council that makes up the initial pilot is Shifnal, however they have opted for an enhanced service provision only, which means that will undertake some additional street scene functions.

4.4 The risk of challenge from other contractors who might wish to take on devolved services, is dealt with by reference to the regulations which permits devolution of services from one tier of local government to another. Section 101 of the Local Government Act 1972 allows for delegation of any function to another local authority,

allowing Shropshire Council to delegate Street Scene Services without the need for a procurement exercise, where it is satisfied that this is appropriate. Equally, Shrewsbury Town Council, Broseley Town Council and Oswestry Town Council have the General Powers of Competence under the provisions of the Localism Act 2011 which allow it to take on these services.

4.5 It is standard practice, particularly in areas where local government reorganisation has created unitary authorities, for functions such as Street Scene Services to be delegated to local councils, which have wide powers to provide such services. Local government law allows for the delegation of functions from one authority to another. Delegating the function would not create a contract for service between Shropshire and Town councils but can be done through an agreement as to what services are to be provided and funded. It is also possible for the delegated services to be reviewed over time, permitting changes to allow sites or services to be added from the agreed list, and existing delegations to be amended as needed.

4.6 As detailed within the January Cabinet paper and in the context of the recent statutory recommendation by the Council's external auditors, utilising the principles of a zero[1]based-budgeting approach for 2027/28 budget development will greatly assist in understanding how resources are being used and the impact they are achieving. Commencing this process early in 2026/27, as part of a wider business and budget planning approach, may result in in-year budget adjustments wherever appropriate and could change the councils funding of streetscene services in the future.

4.7 Risk table

Risk Title	Risk Description	Mitigation
Commercial Exposure	Transitional cost exposure due to the existing delivery partner, risk of additional cost through loss of operational efficiency if the service cannot be efficiently optimised by Shropshire Council.	<ul style="list-style-type: none"> Contract variation agreed with delivery partner, removing the commercial blockage. Ongoing actions: finalising variation terms, aligning communications, and tightening governance to ensure responsibilities and cost flows are clear. Partnered working to ensure operational efficiency of transferred services
Assurance & Compliance	<p>Lack of clear audit & Monitoring arrangements to evidence value for money for 66% contribution. (more detail in section 5 of this report)</p> <p>Uncertainty remains over which statutory EPA1990 duties remain with SC, creating accountability and assurance gaps.</p>	<ul style="list-style-type: none"> Define assurance and reporting requirements for delegated services. Clarify statutory responsibilities between SC & T&P's Introduce Governance process through T&P Ops board.

TUPE Transfer Complexity	<p>Uncertainty around how TUPE (Transfer of Undertakings Protection of Employment) applies to staff currently employed by delivery organisation.</p> <p>This creates operational and cost risk.</p>	<ul style="list-style-type: none"> • Early involvement of HR and legal specialists. • Clear process mapping and legislative guidance. • Joint discussions with delivery partner and delivery organisation to clarify timing and avoid delays • Use of subject matter experts to ensure compliance and minimise disruption.
Delivery partner Contract Impact	<p>As more services are delegated, the value of the Term Maintenance contract reduces, which could threaten its viability if uptake grows.</p>	<ul style="list-style-type: none"> • Regular commercial reviews with Delivery Partner to track contract viability. • Oversight into the proposed Service Transfer Board. • Development of contingency options (including insourcing) if contract viability is threatened.

5. Financial Implications

5.1 Shropshire Council continues to manage unprecedented financial demands, and a financial emergency was declared by Cabinet on the 10th September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council, reducing spend to ensure the Council's financial survival.

5.2 While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend is being stopped and all essential spend challenged. These actions may involve (this is not exhaustive):

- scaling down initiatives,
- changing the scope of activities,
- delaying implementation of agreed plans, or
- extending delivery timescales.

5.3 The following table details the current cost to Shropshire Council for each of the pilot areas and also the proposed 66% Contributions in year 1, 2026/27.

Town / Parish Council	Type	Current Cost - 100%	Contribution - 66%
Brosley Town Council	Full	£ 47,601.38	£ 31,416.91
Oswestry Town Council	Partial	£ 87,181.46	£ 57,539.76
Shifnal Town Council	Enhancement	£ -	£ -
Shrewsbury Town Council (inc Delegated)	Full	£ 1,697,319.39	£ 1,120,230.80

5.4 For assurity beyond next financial year (2026/27), to support the pilots in tranche 1, it is proposed that the contributions reduce from 66% to 58% in year 2 and then reduced to a de minimis value based on the statutory service costs for the activities in tranche 1.

5.5 The contribution levels for future tranches will be calculated individually, based on the specific services being delegated, the number of councils included in each tranche, and the commercial impact of removing these services from the current delivery provider's workload.

6. Climate Change Appraisal

There are no anticipated changes in energy and fuel consumption, carbon offsetting or mitigation, renewable energy generation or climate change adaptation arising from the recommendations of this report. It is proposed that services are maintained in their existing form, still delivered by the Town Council and its team.

7. Governance Model

As part of the initial phase of devolution, there will be a Service Transfer Board to oversee the delegation process.

Once that has been established, the Operations Board will meet quarterly in the first year to ensure that statutory obligations, that remain with Shropshire Council, are being met. This will move to an annual meeting after the first year.

Service Transfer Board:	Proposed to oversee financial arrangements, track efficiency, coordinate with the delivery partner, and use pilot outcomes for wider rollout.
Operations Board:	Continue to oversee progress, align priorities, and refine governance.
Partnership Working Task & Finish Group:	Focused on work on specific areas to support delivery and assurance
Members Steering Group:	Member engagement, feedback, and political input.

8. Best Value

The Council has a best value duty under the Local Government Act 1999 to secure "continuous improvement" in the way it exercises its functions "having regard to a combination of economy, efficiency and effectiveness". The accompanying statutory

guidance makes reference to seven “themes of good practice” through which compliance with the duty should be demonstrated, and that it is more about intentions than outcomes.

One of those key themes is “Partnership and Community Engagement” under which the emphasis is on maximising the opportunities for sharing resources, and “creating a more joined-up offer that meets the needs of residents and local service users.”

Since the May elections there has been extensive consultation with town and parish councils and careful consideration given to what can feasibly be delegated. Currently the proposal is for four pilot delegations (in Oswestry, Shrewsbury, Broseley and Shifnal) limited to the Street Scene function.

Another theme is effective service delivery and it is a central aim of the devolution process that it should improve outcomes for local communities through a more responsive a locally tailored service.

The current analysis is that these pilots will deliver some savings to Shropshire Council and generate evidence, in terms of “economy, efficiency and effectiveness”, as to whether further devolution initiatives should be explored.

9. Conclusions

Opportunities will be taken to review and refine the specification of services, to seek savings and develop a formal agreement. Further phases of service delegation will need to be considered once they are defined and commercially modelled.

Delegated responsibilities for the tranche 1, year 1 Street Scene pilot agreement will sit with the Director for Infrastructure, acting in consultation with the Portfolio Holder for Finance, Corporate Resources and Communities. Oversight and responsibility of ongoing and subsequent delegated projects and developments will fully transition to the Service Director for Strategy from 1st April 2027.

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

Local Member:

Caroline Bagnall - Broseley
Wendy Owen - Oswestry North
James Owen - Oswestry North East
Duncan Kerr - Oswestry South
Mark Owen - Oswestry South East
Thomas Clayton - Shifnal North
Elizabeth Barker - Shifnal Rural
Ed Bird - Shifnal South
Julian Dean - Porthill
Jon Tandy - Bicton Heath
Chris Lemon - Radbrook
Bernie Bentick - Meole
Kate Halliday - Belle Vue

Vicky Moore - Oteley & Reabrook
Rosemary Dartnell - Column & Sutton
David Vasmer - Underdale
Jamie Daniels - Abbey
Adam Fejfer - Monkmoor
Mandy Duncan - Sundorne & Old Heath
Harry Hancock-Davies - Battlefield
Rhys Gratton - Harlescott
Ben Jephcott - Bagley
Alan Mosley - Castlefields & Ditherington
Alex Wagner - Quarry & Coton Hill
Rob Wilson – Copthorne

Appendices

Appendix 1: Scrutiny Task and Finish Paper

Appendix 2: Initial Letter to Town and Parish Councils

Appendix 3: Letter to Town and Parish Councils re signed MOU