

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<u>101 Precept</u>							
1176 PRECEPT	549,767	332,141	664,282	332,141			
1178 MATURED INVESTMENTS	100,000	0	0	0			
Precept :- Income	649,767	332,141	664,282	332,141			0
Net Income	649,767	332,141	664,282	332,141			
<u>102 Interest</u>							
1296 INTEREST	4,041	318	1,400	1,082			
Interest :- Income	4,041	318	1,400	1,082			0
Net Income	4,041	318	1,400	1,082			
<u>103 Salaries</u>							
1301 SAL-STAFF SALARIES	283,935	37,534	310,000	272,466		272,466	
1302 SAL-EMP'RS NI	29,764	3,275	30,000	26,725		26,725	
1303 SAL-EMP'R SUPERANN	60,178	7,052	68,000	60,948		60,948	
1304 SAL- LOCUM STAFF	2,790	0	0	0		0	
Salaries :- Indirect Expenditure	376,667	47,861	408,000	360,139	0	360,139	0
Net Expenditure	(376,667)	(47,861)	(408,000)	(360,139)			
<u>104 Administration</u>							
1402 MEMBERS' ALLOWANCES	3,600	4,400	5,016	616		616	
1405 CLERK TRAINING	787	0	1,000	1,000		1,000	
1407 ADM-OFFICERS TRAININ	1,345	(1,300)	3,000	4,300		4,300	
1408 ADM-OFFICERS TRAVEL	250	6	300	294		294	
1410 ADM-Kitchen Supplies	639	120	600	480		480	
1411 ADM-RECRUITMENT FEE	200	0	1,000	1,000		1,000	
1415 HEALTH & SAFETY	2,803	0	3,500	3,500		3,500	
1420 ADM-TELEPHONES	3,438	315	3,000	2,685		2,685	
1421 ADM-POSTAGE	2,188	0	2,000	2,000		2,000	
1422 ADM-STATIONERY	1,557	143	1,500	1,357		1,357	
1423 ADM-SUBS & PUBS	4,203	3,432	5,000	1,568		1,568	
1424 ADM-INSURANCE	3,861	0	4,000	4,000		4,000	
1426 ADM-HOSPITALITY	1,300	6	2,000	1,994		1,994	
1427 FLOWERS ETC-	168	0	150	150		150	
1429 MEETING COSTS	0	0	500	500		500	
1430 REMEMRANCE SUNDAY	115	0	1,200	1,200		1,200	
1434 ADM-MAYORAL/ DEPUTY ALLOW	950	1,950	2,267	317		317	
1435 ADM-MEMBERS TRAINING	30	95	1,500	1,405		1,405	

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
1436 ADM-MEMBERS EXPENSES	63	0	0	0		0	
1438 PHOTOCOPIER & PRINTING	1,551	0	2,500	2,500		2,500	
1439 I.T.SERVICES	3,867	555	12,000	11,445		11,445	
1440 SOFTWARE SUPPORT	2,699	1,506	3,000	1,494		1,494	
1441 IT Consultants	2,703	0	0	0		0	
1448 HBC-PAYROLL SERVICES	400	753	1,400	647		647	
1451 ADM-BANK CHARGES	1,636	117	2,000	1,883		1,883	
1456 ADM-REP & LEGAL FEES	1,026	0	5,000	5,000		5,000	
1457 ADM-AUDIT	3,243	755	3,500	2,745		2,745	
1459 ADVERTISING-PUBLICITY	733	0	500	500		500	
1483 CIVIC REGALIA	198	0	500	500		500	
1484 PARTNERSHIP WORKING	1,067	0	9,500	9,500		9,500	
1485 Neighbourhood Planning	(3,407)	0	0	0		0	
1486 Site Development Consultants	943	0	0	0		0	
1487 MERCHANDISING	0	0	300	300		300	
1488 Marketing	1,244	0	1,600	1,600		1,600	
1489 Football Tournament	0	0	10,000	10,000		10,000	
1490 CORONATION	0	1,919	1,500	(419)		(419)	
Administration :- Indirect Expenditure	45,401	14,770	90,833	76,063	0	76,063	0
Net Expenditure	(45,401)	(14,770)	(90,833)	(76,063)			
<b>106 Community Hall</b>							
1681 COM-LETTINGS	32,082	4,051	25,000	20,949			
1687 VEH-CHARGING RECEIPTS	0	0	1,000	1,000			
Community Hall :- Income	32,082	4,051	26,000	21,949			0
1612 COM-WATER RATES	730	(600)	850	1,450		1,450	
1613 COM-ELECTRICITY	2,748	242	3,100	2,858		2,858	
1614 COM-GAS	5,371	688	6,000	5,312		5,312	
1616 CONSUMABLE SUPPLIES	1,193	3	1,500	1,497		1,497	
1617 COM-REFUSE COLLECTIO	2,999	3,291	3,100	(191)		(191)	
1628 COM-LICENSES	411	0	800	800		800	
1637 COM-MAINTENANCE	4,474	56	4,500	4,444		4,444	
1650 COM-FH CAR PARK LEASE	0	0	6,500	6,500		6,500	
1651 VEH-CHARGING	0	0	700	700		700	
Community Hall :- Indirect Expenditure	17,927	3,681	27,050	23,369	0	23,369	0
Net Income over Expenditure	14,155	371	(1,050)	(1,421)			

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<b><u>108 Cost of Elections</u></b>							
1800 TO ELECTION FUND	0	0	10,000	10,000		10,000	
Cost of Elections :- Indirect Expenditure	0	0	10,000	10,000	0	10,000	0
Net Expenditure	0	0	(10,000)	(10,000)			
<b><u>109 Contingency</u></b>							
1900 GENERAL CONTINGENCY	4,742	0	2,500	2,500		2,500	
Contingency :- Indirect Expenditure	4,742	0	2,500	2,500	0	2,500	0
Net Expenditure	(4,742)	0	(2,500)	(2,500)			
<b><u>201 Allotments</u></b>							
2185 ALL-RENT RECEIPTS	4,816	13	4,700	4,688			
Allotments :- Income	4,816	13	4,700	4,688			0
2112 ALL-WATER RATES	2,405	(500)	2,000	2,500		2,500	
2116 ALL-SUPPLIES	707	0	1,000	1,000		1,000	
2117 TROPHIES	200	0	200	200		200	
2140 ALL-SITE IMPROVEMENT	1,000	(311)	500	811		811	
2141 TREE MAINTENANCE	2,800	0	0	0		0	
2142 ALL-SKIP HIRE	628	0	800	800		800	
2143 ALL-MOWER MAINT	320	0	200	200		200	
Allotments :- Indirect Expenditure	8,061	(811)	4,700	5,511	0	5,511	0
Net Income over Expenditure	(3,245)	824	0	(824)			
<b><u>202 War Memorials</u></b>							
2203 WAR MEM-MAINTENANCE	260	0	510	510		510	
War Memorials :- Indirect Expenditure	260	0	510	510	0	510	0
Net Expenditure	(260)	0	(510)	(510)			
<b><u>203 Churchyards</u></b>							
2377 CHU-BOROUGH GRANT	1,589	0	2,589	2,589			
2378 SECTION 106-AGREEMT	2,810	0	2,300	2,300			
Churchyards :- Income	4,399	0	4,889	4,889			0
2337 TREE WORKS	2,067	0	2,000	2,000		2,000	
2339 CHU-MAINTENANCE	797	0	800	800		800	
Churchyards :- Indirect Expenditure	2,864	0	2,800	2,800	0	2,800	0
Net Income over Expenditure	1,536	0	2,089	2,089			

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<u>205 Clocks</u>							
2538 CLO-MAINTENANCE	737	0	1,000	1,000		1,000	
Clocks :- Indirect Expenditure	737	0	1,000	1,000	0	1,000	0
Net Expenditure	(737)	0	(1,000)	(1,000)			
<u>206 Street Furniture</u>							
2637 STR-MAINTENANCE	562	0	2,000	2,000		2,000	
Street Furniture :- Indirect Expenditure	562	0	2,000	2,000	0	2,000	0
Net Expenditure	(562)	0	(2,000)	(2,000)			
<u>207 Equipment</u>							
2746 EQU-NEW TOOLS/EQUIPM	1,209	(757)	800	1,557		1,557	
Equipment :- Indirect Expenditure	1,209	(757)	800	1,557	0	1,557	0
Net Expenditure	(1,209)	757	(800)	(1,557)			
<u>209 Van</u>							
2943 VAN- SERVICE, MOT & REPAIR	1,940	0	0	0		0	
2944 VAN-PETROL	1,214	0	0	0		0	
2945 VAN- TAX & INSURANCE	1,650	0	2,000	2,000		2,000	
2948 Electric Van Costs	248	2,096	3,000	904		904	
Van :- Indirect Expenditure	5,052	2,096	5,000	2,904	0	2,904	0
Net Expenditure	(5,052)	(2,096)	(5,000)	(2,904)			
<u>301 Entertainments</u>							
3148 Fireworks Sponsorship	0	0	5,750	5,750			
3186 TICKET SALES CHRISTMAS	630	0	700	700			
Entertainments :- Income	630	0	6,450	6,450			0
3110 EVENT STAFF	2,022	0	0	0		0	
3125 ENT-PUBLICITY	454	0	500	500		500	
3126 BAND & HALL CHRISTMAS	1,102	0	1,100	1,100		1,100	
3127 EVENTS-HOSPITALITY	734	0	600	600		600	
3130 ENT-FIREWORKS DISPLA	10,000	0	10,000	10,000		10,000	
3131 FIREWORKS SOUND	1,732	0	1,800	1,800		1,800	
3133 FILM PLAQUE INSTALL	0	0	1,000	1,000		1,000	
3142 EQUIPMENT PURCHASE & HIRE	1,663	725	1,600	875		875	
3143 British Red Cross-First Aider	1,015	0	1,500	1,500		1,500	

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
3147 New Initiatives	7,123	0	5,000	5,000		5,000	
Entertainments :- Indirect Expenditure	25,846	725	23,100	22,375	0	22,375	0
Net Income over Expenditure	(25,215)	(725)	(16,650)	(15,925)			
<u>302 Civic Festival</u>							
3287 Ticket Sales-Others	912	0	3,475	3,475			
3291 STALLS HIRE-F/DAY	450	0	500	500			
Civic Festival :- Income	1,362	0	3,975	3,975			0
3210 EVENT STAFF	4,050	0	5,000	5,000		5,000	
3225 CIV-PUBLICITY	0	0	300	300		300	
3226 CIV-HOSPITALITY	0	0	500	500		500	
3229 CIV-EVENT/ARTISTE FEES	15,659	4,000	18,000	14,000		14,000	
3232 CIV-PRIZES/TROPHYS	282	0	400	400		400	
3235 FLOATS-F/ASSISTANCE	1,192	0	2,000	2,000		2,000	
3241 CIV-PREMISES HIRE	750	0	750	750		750	
3248 ITEM PURCHASE/HIRE	3,071	0	3,000	3,000		3,000	
Civic Festival :- Indirect Expenditure	25,004	4,000	29,950	25,950	0	25,950	0
Net Income over Expenditure	(23,642)	(4,000)	(25,975)	(21,975)			
<u>303 Town Centre - Initiatives</u>							
3305 Teddy's Trails Book Sales	330	20	350	330			
Town Centre - Initiatives :- Income	330	20	350	330			0
Net Income	330	20	350	330			
<u>401 Grants</u>							
4161 Community Grant Awards	7,125	0	10,000	10,000		10,000	
4190 Budgeted Grant - BETTA	0	0	1,500	1,500		1,500	
Grants :- Indirect Expenditure	7,125	0	11,500	11,500	0	11,500	0
Net Expenditure	(7,125)	0	(11,500)	(11,500)			
<u>403 School Swimming</u>							
4363 SWI-TRANS & ADMITANC	32,395	10,850	31,000	20,150		20,150	
School Swimming :- Indirect Expenditure	32,395	10,850	31,000	20,150	0	20,150	0
Net Expenditure	(32,395)	(10,850)	(31,000)	(20,150)			

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<u>404 Town Twinning</u>							
4464 TWI-ACTIVITIES	5,339	299	10,000	9,701		9,701	
Town Twinning :- Indirect Expenditure	5,339	299	10,000	9,701	0	9,701	0
Net Expenditure	(5,339)	(299)	(10,000)	(9,701)			
<u>405 Town News</u>							
4581 Town Crier Adverts	3,646	(1,244)	8,000	9,244			
Town News :- Income	3,646	(1,244)	8,000	9,244			0
4566 Town Crier Production	40,767	0	12,750	12,750		12,750	
4568 Town Crier Distribution	4,875	0	1,000	1,000		1,000	
Town News :- Indirect Expenditure	45,642	0	13,750	13,750	0	13,750	0
Net Income over Expenditure	(41,996)	(1,244)	(5,750)	(4,506)			
<u>406 Youth Council</u>							
4666 YOU-ACTIVITIES	278	0	500	500		500	
Youth Council :- Indirect Expenditure	278	0	500	500	0	500	0
Net Expenditure	(278)	0	(500)	(500)			
<u>407 Coach Trips</u>							
4787 COA-TICKET SALES	6,174	0	7,717	7,717			
Coach Trips :- Income	6,174	0	7,717	7,717			0
4767 COA-COACH HIRE/ADMIN	10,470	0	10,470	10,470		10,470	
Coach Trips :- Indirect Expenditure	10,470	0	10,470	10,470	0	10,470	0
Net Income over Expenditure	(4,296)	0	(2,753)	(2,753)			
<u>408 Christmas Decorations</u>							
4846 CHR-HIRE CHARGE	12,500	0	12,500	12,500		12,500	
4847 SWITCH ON CEREMONY	5,345	0	5,500	5,500		5,500	
4868 CHR-CONTRACT	14,760	0	15,000	15,000		15,000	
4869 CHR-MAINT/ELECTICITY	1,000	0	1,300	1,300		1,300	
4870 CHR-REWIRING/TIME C	1,239	0	2,500	2,500		2,500	
4871 Chanukah Lights	0	0	5,500	5,500		5,500	
Christmas Decorations :- Indirect Expenditure	34,844	0	42,300	42,300	0	42,300	0
Net Expenditure	(34,844)	0	(42,300)	(42,300)			

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	Transfer to/from EMR
<u>901 Ear Marked Reserves</u>							
9025 EMR - CIL Funds Received	139,886	104,648	0	(104,648)			
Ear Marked Reserves :- Income	<u>139,886</u>	<u>104,648</u>	<u>0</u>	<u>(104,648)</u>			<u>0</u>
9013 Capital Projects	51,933	0	0	0		0	
9014 COMMUNITY WELLBEING PROJECTS	6,007	0	0	0		0	
9023 EMR - CIL Funds Spent	186,374	30,000	0	(30,000)		(30,000)	30,000
Ear Marked Reserves :- Indirect Expenditure	<u>244,313</u>	<u>30,000</u>	<u>0</u>	<u>(30,000)</u>	<u>0</u>	<u>(30,000)</u>	<u>30,000</u>
Net Income over Expenditure	<u>(104,427)</u>	<u>74,648</u>	<u>0</u>	<u>(74,648)</u>			
6000 plus Transfer from EMR	244,313	30,000					
6001 less Transfer to EMR	139,886	0					
Movement to/(from) Gen Reserve	<u>0</u>	<u>104,648</u>					
Grand Totals:- Income	847,132	439,946	727,763	287,817			
Expenditure	894,735	112,714	727,763	615,049	0	615,049	
Net Income over Expenditure	<u>(47,603)</u>	<u>327,232</u>	<u>0</u>	<u>(327,232)</u>			
plus Transfer from EMR	244,313	30,000					
less Transfer to EMR	139,886	0					
Movement to/(from) Gen Reserve	<u>56,824</u>	<u>357,232</u>					



## **ELSTREE AND BOREHAM WOOD TOWN COUNCIL**

### **PROCUREMENT POLICY**

Elstree and Borehamwood Town Council, hereinafter referred to as “the Council”, is aware of the Public Contracts Regulations 2015 and has set out this policy to comply with relevant legislation. The Council will follow The National Associations of Local Councils Toolkit and the existing Financial Regulations for the Council.

#### **1. Introduction**

2. Every Contract by the Council or person acting on its behalf shall comply with this Procurement Policy.

3. A Contract is an agreement between the Council and an individual or organisation for the individual or organisation to provide works, goods, or services (including the engagement of consultants) for which the Council will provide consideration. The following contracts are exempt from the requirement of these rules:

- Contracts relating solely to disposal of acquisition of land
- Employment contracts
- Individual agency contracts for the provision of temporary staff

4. Persons involved with awarding the Contract on behalf of the Council must ensure that the best value for money is obtained. Prior to the commencement of procurement, it is essential that the person leading the procurement, usually the Clerk, has identified the need and fully assessed the options for meeting those needs. The Council will strive to use local suppliers from within the district where possible but not exclusively.

5. Exceptions from any of the following provisions of these Contract Procurement Rules may be under the direction of Council where they are satisfied that the exception is justified in special circumstances. Every exception and reason, therefore, will be recorded.

#### **6. Specifications**



Enquiries and invitations to Tender shall be based on a written specification. The specification shall adequately describe the requirement procedure in sufficient detail to enable effective procurement in accordance with these rules.

## **7. Supplier Pre-qualification and Due Diligence**

The Council shall only enter a contract with a supplier if it is satisfied as to the supplier's suitability, eligibility, financial standing, and technical capacity to undertake the contract by carrying out appropriate due diligence.

## **8. Requirement for Quotation/Tender and Public Advertising**

Consideration shall be given to other costs associated with procurement (lifetime costings including, for example, maintenance costs and power consumption). Where these could be significant, such as in the final disposal of a product, appropriate arrangements shall be put in place to consider these costs against alternative options.

### **Financial Regulations 9b**

Where the council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £25,000 or more, the council shall comply with the relevant requirements of the Regulations. The Parish Council must advertise on the .gov website: [Contracts Finder - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

## **9. Contracts above £500 and below £3,000**

The Clerk/RFO, Deputy Clerk or relevant Officer, shall strive to obtain 3 estimates.

## **10. Contracts above £3,000 and below £30,000**

Written quotations must be sought by not less than three individuals or organisations that could undertake the contract.

## **11. Contracts above £30,000**

- A public notice must be made setting out any particulars of the contract and inviting persons interested to apply, within a period of not less than ten days, for opportunity to tender.
- After the expiration of the period specified in the public notice, invitations to tender shall be sent to not less than four individuals or organisations that could undertake the contract (or, if fewer than four apply, to those that are suitable).
- Tenders to be submitted and opened in accordance with no.14 in this document.

12. Contract Procedure Rules 8 and 9 shall not apply to the following but, wherever possible, alternative quotations shall be obtained:

- Purchase by auction or at public fairs.
- Contracts involving special, technical, scientific, or artistic knowledge.
- Contracts comprising spare or replacement parts of existing machinery or plant repairs to such machinery or plant.
- Urgent situations as agreed with the Chairman of the Council where the Council is put at significant risk, or where significant costs could be incurred, by not taking urgent remedial action.

13. Every written contract will specify:

- The work, materials, matters or things to be furnished, had, or done.
- The price to be paid, with a statement of discounts or other deductions (if any).
- The time or times to be performed within the contract.

14. Every contract which exceeds £30,000 and is either for the execution of work or the supply of goods or materials shall provide for payment of liquidated damages by the contractor in case the terms of the contract are not performed.

## **15. Submission of Tenders**

Submission procedures for contracts above £30,000

- Where an invitation to tender is made, such invitation to tender shall state the general nature of the intended contract and the Responsible Finance Officer shall obtain the necessary technical assistance to prepare such a specification in appropriate cases. The invitations shall, in addition, state that tenders must be addressed to the Responsible Finance Officer in the ordinary course of the post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed dates for opening tenders for the contract.
- The tenders shall be kept in the custody of the appropriate nominated person until the time and date specified for opening.
- Tenders shall be opened by the Responsible Finance Officer in the presence of at least one Member of the Council. Tenders shall be date stamped and signed on all pages containing price information.
- Quotations and tenders may be received electronically provided they are kept in a separate secure folder under the control of the Responsible Finance Officer which is not opened until the deadline has passed for the receipt of tenders.

## **16. Acceptance of Quotations and Tenders**

- The tender that offers the best value to the Council shall be accepted. Each tender shall be evaluated for price and quality to ascertain the most economically advantageous tender. Local companies should be encouraged to apply.
- For procurements over £30,000 the questions and scoring system used shall be written before tenders are received. The basis of this exercise shall be explained in any invitation to tender documentation.
- Where the authorised person considers it in the best interest of the Council, he or she may negotiate with the tenderers whose tenders are being considered for acceptance. No negotiation on contracts whose value is in excess of £25,000 can take place without reference to the Chairman of the Council. Any negotiation which would distort competition is expressly forbidden. Details of the negotiation must be placed on the contract file.
- Arithmetical errors found in any tender when checking shall be dealt with as follows: The tenderer shall have the error pointed out to them and be offered the opportunity to stand by their original tender, or their corrected tender, or to withdraw it.

## **17. Signing and Sealing of Contracts**

Every successful quotation/tender shall be accepted in writing if contracts as the Solicitors to the Council shall determine shall be set out in a formal contract document.

## **18. Nominated Sub-Contractors and Suppliers**

Where a sub-contractor or supplier is to be nominated to a main contractor, the procurement of the services of the sub-contractor or supplier shall be the subject to these Contract Procurement Rules. In the event of Contractor nominating any sub-contractor for delivery of all or part of the services, the Council's contract will remain with the main contractor and the main contractor remains responsible for and liable for delivering the agreed contract. The main contractor holds responsibility for the delivery of the contract and any associated penalties, financial or otherwise, to the Council as agreed in the main contract.

## **19. Contracts Record**

A record of all contracts in excess of £30,000 in value placed by the Council shall be kept by the Clerk. This record shall specify for each contract the name of the contractor, the works to be executed or the goods or services to be supplied, the contract value and contract period. It is the responsibility of the person authorising the contract to ensure that an accurate record is maintained.

## **20. Contract Project Management**

Project management shall be practised at all times in undertaking procurement, using industry agreed project management and framework standards as appropriate to the work being undertaken (for example, but not limited to PRINCE 2, PMI, RIBA, RICS). Suppliers will be expected to demonstrate their Project Management, competency, and qualifications.

## **21. Contract Variations to Scope**

Any necessary instructions to vary a contract shall be made in writing by the Chairman, Clerk/RFO or persons responsible for supervising the contract. Where a variation occurs during the currency of the contract that is material and cannot be met from within the original contract sum, an immediate report shall be made to the Council who shall decide what further action is necessary.

## **22. Bonds, Guarantees and Insurances**

- For procurement projects where the spend is greater than £25,000, consideration must be given as part of the pre-qualification assessment and evaluation process as to whether a performance bond and/or any parent company guarantee (if applicable) shall be required from the successful tenderer.
- Consideration must be given as to the appropriate type (employee liability, public liability, professional indemnity etc) and level of insurance requirements for each contract.

## **23. Termination of Contracts**

The Council reserves the right to terminate any contract immediately for any of the following reasons:

- Termination for Cause – where a supplier commits a material breach of the agreement to deliver services, or fails to deliver agreed services, in the agreed timeframe without a plan to address the failings.

## **24. Status**

This policy will be considered for adoption by Full Council on DD February 2023 and will be reviewed periodically.



## **ELSTREE AND BOREHAM WOOD TOWN COUNCIL**

### **CIL GRANT POLICY**

#### **Introduction**

Community Infrastructure Levy (CIL) is a charge placed on new development. The funds raised help to pay for a wide range of infrastructure to support development across the Borough. CIL is intended to supplement rather than replace other infrastructure funding streams and to help ensure that new development is supported by the infrastructure. CIL funds are meant to help fund new, or upgrade existing infrastructure to support growth, rather than being used simply to cover the cost of existing deficiencies.

#### **What are Community Infrastructure Levy Grants?**

The Community Infrastructure Levy is a charge which can be levied by local authorities on new building developments in the area within the Town of Elstree and Borehamwood. These funds can be spent in the local community. Community Infrastructure Levy

Grants of up to are available to Community Groups to enhance their work. These guidance notes will tell you who can apply and how to apply.

#### **Groups and organisations can apply for.**

- Capital costs such as sports equipment, furniture, renovations, or IT equipment.

#### **Groups and organisations cannot apply for.**

- Revenue costs such as staffing, rent, or events.

Constituted groups and organisations are encouraged, to provide match funding. For example by putting in cash from your own funds, using grants from other funding bodies or other CIL funds from the Borough Council.

## **Eligibility to apply.**

The following organisations are eligible to apply for CIL Grants.

- Constituted community groups.
- Registered charities.
- Social Enterprises (i.e., CICs).
- Schools or Academies (where the project benefits the wider community)
- Faith groups/organisations.

Your group will need to provide the following information for your proposal to be considered.

- A copy of the current constitution/articles of association for your community group or organisation.
- A list of current management board members for your community group or organisation.
- A copy of your organisation's bank statements for the last three consecutive months – as payments can only be made directly to the organisation.
- Current and valid quotes for the items included in your proposal.
- Evidence of a local consultation being completed in support of your proposal.

## **How to apply**

Application forms are available on the Town Council's website, or you can request an application by contacting the Town Council office. Email xxx

Your application will be decided by the Environment and Planning Committee at the next subsequent meeting and ratified at the next Full Council Meeting.

Applications meets the requirements of Community Infrastructure Levy.



## **ELSTREE AND BOREHAM WOOD TOWN COUNCIL**

### **A PRACTICAL GUIDE TO TAKING ON DEVOLVED SERVICES FROM PRINCIPAL AUTHORITIES**

This practical guide is designed to assist parishes who wish to consider taking on devolved services from their principal authorities. It provides guidance on how to start the process, an understanding of the range of service that may be available for devolution, and information on getting to grips with the practicalities of taking on devolved services.

To do this, it is broken up into the following steps:

1. Engaging with your principal authority on devolution.
2. Taking decisions on types of services to be devolved and the types of service models that can be adopted.
3. Impact on precept.
4. Examples of Councils who have taken on devolved services/assets. 5. Paperwork within the devolution process.

#### **1. ENGAGING WITH PRINCIPAL AUTHORITIES ON DEVOLUTION OF SERVICES**

Whereas a few years ago most principal authorities would have shuddered in horror at the thought of handing over vast chunks of service delivery to parish councils, a change of heart is taking place, owing to the constraining financial climate which has these authorities struggling to meet their statutory demands on social service alone. Principal authorities all over the country are now beginning to openly engage their parish and community councils in discussion about sharing services, or even handing over services and assets wholesale.

##### **1.1 The Community Right to Challenge**

However, even if your principal authority or authorities (for regions with both County and District Councils) have not thought to open up conversations on services the Town or Parish Councils might wish to deliver there is nothing to stop parishes approaching them directly.

The Community Right to Challenge, unlike Neighbourhood Plans, is not a well-used piece of local legislation, but it does give parishes the ability to force engagement with principal authorities where the parish feels it can run a service better: more efficiently, or more effectively and with better support from the local community. Parishes and Community Councils will vary enormously in their appetite to take on local services with many seeing this as a form of double

taxation, and others chomping at the bit to run services they believe are not being properly or efficiently performed.

## **1.2 Double Taxation**

To address the issue of double taxation, when exactly does this apply? If a principal authority were, for example, to reduce the number of times it cuts the grass in its borough from 12 cuts per year to 8 cuts per year, and asks the parish to make up the costs of the additional 4 cuts per year, is this double taxation?

No. A principal authority has the right to reduce the scope or frequency of the services it provides, as long as it maintains its statutory obligations. Is there a statutory obligation to cut the grass on verges, play areas and parks? No, other than an obligation to maintain effective sight lines around bends and at certain road junctions where safety is compromised by long grass. In theory, any principal authority may consider not ever cutting the grass in your parish again.

However, if your principal authority continued to cut the grass in another parish in its borough, but didn't cut the grass in your parish, unless residents in the other parish were charged a special reserve within their borough precept, this would be double taxation.

## **1.3 Approaches – Adversarial or collaborate.**

If your principal authority approaches parishes on devolution, you are likely to at least start out the engagement process in a collaborative manner. It is more complex when a push upward is required, but a collaborative manner is still possible if you can get to grips with the finances at a reasonably early stage. Seeing things from your principal authorities point of view, and particularly couching your approach to them through demonstrating direct savings to them is likely to at gain you a foothold in the door, even if things don't remain cordial for very long.

Collaboration will almost always offer more speedy results, but even if you are using adversarial methods such as demanding information on service delivery and costs through freedom of information requests, arranging to 'call in' your principal authorities decisions (easily done if enough of your members agree to write individually to the principal authority) or taking legal advice on The Community Right to Challenge, it is helpful to maintain a cordial tone and manner during discussions and in the letters and emails you send. Screaming matches between Borough and Parish Councils rarely result in good news stories and are often played out in the press with no benefit to either party.

## **1.4 Gaining information**

Perhaps more complex is the point that, because devolution is a relatively new concept, no-one really knows how to do it until you have done it. And this includes principal authorities. Even in circumstances where principal authorities approach parishes, stating they have a willingness to engage on devolution and need help in meeting their financial obligations, they will often approach the matter with no clear devolution strategy in mind. Phrases like, 'This must be driven from the parishes upwards,' 'One size does not fit all,' and, 'You tell us what services you are interested in taking on,' are typical, with parishes and community councils countering with, 'We don't know what issues to address unless you give us a full breakdown of costs,' 'What are statutory and non-statutory services,' and 'Tell us how much are you cutting this year and next.' The general lack of information at the starting point can paralyse both parties into inaction. It should be recognised that when a borough council goes out to tender, it will tender for a whole borough, not an individual parish, and so does not have at its fingertips the exact costs of emptying all your litter bins, cutting



your grass verges, dealing with glass on your pavements, or providing an elderly person's anti-isolation service.

## **2. TAKING DECISIONS ON THE TYPES OF SERVICES TO BE DEVOLVED**

### **2.1 Setting a vision.**

It is therefore a helpful starting point if parishes consider during a visionary item on their meeting agenda, 'What services are most important to our residents and what would they most miss if there were withdrawals of service.' This will vary from parish to parish. One parish might feel, for example, that maintaining the quality of the High Street is its number one priority through a good cleansing routine, proper street furniture maintenance and good lighting, whilst another might feel that providing on-going or expanded services for the young or the elderly takes precedence. Other examples of key goals might be to maintain library services or improve the health of the parish residents through good leisure facilities, play provision and health and safety related services. Parish Council are best placed to know and to undertake surveys of residents, to get to grips with what are considered the most important services. A borough authority might believe it would be helpful if all parishes in its area focussed only on landscaping devolution, or cleansing issues, or the borough might introduce a community asset transfer regime without considering other services for devolution, but that doesn't mean that parishes must be content with such limited thinking. Start from the point of view of what would your residents most want you to do, given that they will end up paying for these devolved service, most likely through increases in the parish precept.

### **2.2 Undertaking a resident survey on services.**

It is difficult to decide on exactly when to broach the concept of devolved services with residents. Some parishes may feel it is necessary to engage with residents at the earlier opportunity to find out what services are most important to them.

Other parishes may feel that until they have a fully worked proposal on exactly how much it is going to cost for any services, there is no point in consulting with residents. In truth, it is up to the parish itself to decide when to engage with residents, and it is possible to engage more than once on this important subject.

If you decide residents need to tell your parish what they regard as most important, then a survey is the best approach. Your survey should detail a list of services you may consider taking on and for the purposes of survey results collation, it is best to ask residents to rank each service between 1 and 6 for importance to them.

Your list of services could be fairly long including for example:

Landscaping – cutting grass on verges Landscaping – maintenance of trees

Landscaping – maintenance of shrubs and wooded plants and plant beds

Landscaping – installation of bedding plants, maintenance of beds. Landscaping – weed spraying of pavements, street edges. Landscaping- grass cutting public amenity areas,

Landscaping- maintenance of shrubs, trees and flower beds, public amenity areas.

Landscaping- maintenance of public footpaths.

etc.

Cleansing – Removal of rubbish from all public amenity bins

Cleansing – Emptying dog waste disposal bins

Cleansing – removal of graffiti

Cleansing – removal of chewing gum from High St pavements. etc.

Play area and park maintenance – maintenance and renewal of play equipment

Play area and park maintenance – maintenance and renewal of seating, paths, fencing and waste provision.

etc.

On-going provision of library – for adult books

On-going provision of library – for children's books Retained hours of Library service provision etc.

Provision of youth club facilities

Provision of youth club staff to run programme activities

Leisure services provision – of whatever services are run in the parish by the principal authority.

Elderly person club provision

Elderly person home contact anti-isolation provision etc.

Environmental services – street sign maintenance Environmental services – enforcement on dog waste and litter.

Environmental services – dealing with fly tipping and flyposting.

etc.

The list is almost endless but if you've undertaken a vision exercise, and isolated your thinking in terms of what the parish might realistically consider, then your first survey with residents would only reflect these items.

To ensure you engage with all age groups in your population it is a good idea to send out your survey questionnaire to every household by post/dropped delivery service, but also to include an option to complete the survey electronically. Survey Monkey is a good tool for this and allows you to construct a simply survey on-line in some cases for free, and others for a reasonably low cost, depending on exactly how complex your survey is.

Once you have done your costings of those services it looks most likely that you would take on, you can consult with residents a second time, perhaps this time through putting on engagement events, where you display options on services to residents and get them to put their responses in a box. However, another way to engage with residents is simply to take a ballpark view of costs i.e., if the parish were to take on all landscaping services from its principal authority it would cost 'X' which would be a 'Y' increase on every D band household. A simple questionnaire to every household asking if residents would be willing to pay an extra 'Y' per annum to ensure landscaping in the parish was maintained and improved could give you an excellent mandate going forwards.

### **2.3 Models of engagement**

There are a number of different ways to engage with your principal authority in taking on devolved services. These range from

#### **2.3.1 Parish Councils topping up reduced level of services provided by their principal authorities.**

This is very simple model, where the parish simply agrees that it does not want it's principal authority to reduce the level of a particular service, which could range from grass cutting frequency to running a social club for the elderly.

The parish then provides its principal authority with funding to continue providing the service at the same level it was previously provided. This model tends to work for very small parishes, who don't have the infrastructure to run services themselves, but don't want to see their residents suffer cutbacks in service. It does not work where the principal authority has decided to remove the service entirely, only where it is cutting back on its current provision.

#### **Advantages of this model**

- Less work for parishes
- Each parish in a borough can decide how much top up it wants
- Economies of scale in purchasing the service

#### **Disadvantages**

- A base level service must be agreed by the principal authority, and with changing budget constraints this may vary from year to year.
- Parish residents pay more precept to parishes, but parish cannot control contractual outcomes.
- Not all parishes in the borough will agree with top up option and will want control over own destiny.
- Various sets of on-costs (management fees) may apply, as the borough council will have its own team to manage contracts, will have engaged a contractor who will also have a management team, and they in turn may sub-contract adding yet another set of management fees to the cost of undertaking the service.

### **2.3.2 Parish Councils take over the management of the contract the borough council has with their contractor.**

This model works where parishes want a more active engagement with the organisations supplying the contracted services. The borough council would undertake the development of the contract tender and would appoint their preferred bidder. The parish would then develop a relationship with the management team of the contractor, to ensure that the contractor sticks to what was agreed in the tender. This gives the parish a hands-on approach to maintain an effective relationship with the contractor but does not give the parish rights to dictate who the contractor is, or what services they are contracted to provide. The parish may use this model in conjunction with the model in 2.3.3 to top up services so that the contractor provides an additional frequency of services which it is not applying in other parishes.

#### **Advantages**

- Parish can decide how much top up it wants
- Parish has control over contractor and outcomes.
- Parish will not need to draw up a contract or go out to tender, as it takes over existing contract with existing specifications, terms and conditions.
- Economies of scale

#### **Disadvantages**

- One contract, multiple clients each placing their own demands on contractor. Who get priority?
- Parish takes over existing contract with existing specifications, terms and conditions, but may top-up, not adjust specifications.
- Contract on-costs will apply.

### **2.3.3 Parish Council provides its own contractors, or employs its own staff, while the borough council provides the parish with base level funding.**

In this model the parish will take over the running of a service, either by going out to tender for a contractor to run the service, engaging its own staff, or taking on through Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) legislation the staff the borough council or its contractor used to run the service. If the borough council has decided to cut the service entirely, then there is not likely to be any funding from the borough council. If however, it has decided to reduce its service level then it may be willing to provide the parish with a base level of funding equal or similar to the cost it puts into running the service for other parishes. However, much will depend on the timing of the end date of the contract the borough council has with its own contractor. If the borough council is mid-way through its contractual term, then it is unlikely to have funding to give to the parish, as it will still have to pay its existing contractor for the remainder of the contractual term. The way in which TUPE arrangements can be negotiated will affect this calculation. TUPE issues are a legal minefield, and it is always best for a parish to take advice if this forms part of the transfer of services. TUPE doesn't always apply when parishes take on services, because the original contract will have been written for the whole borough, and not for an individual parish. However, determining whether it does or does not apply in each instance is a matter on which you should engage an HR expert to give you sound advice. Sometimes a borough council will automatically agree to redundancies and to make redundancy payments, because of changes in their circumstances, and this will remove obligations for TUPE to extend to the parish.

#### Advantages

Control over own contracts.

Control over decision on who will provide service and how. e.g. man and mower, volunteers, engaged contractor, multiple methods, engage own staff, clustering with other parishes.

No unrelated on-costs.

Ownership options e.g. play areas, parks, libraries, buildings for providing youth or elderly services, etc.

May get better prices from smaller local businesses.

#### Disadvantages

Parish must have skill set to write tenders and manage contracts unless clustering with other parishes who already have these skills.

Parishes lose economies of scale benefits – e.g. for landscaping consider provision of a depot, number of gang mowers, etc.

Existing contract obligations e.g. TUPE, claims, penalty clauses, duration of existing contracts.

### **2.3.4 Hybrid version – Borough Council provides a base level of service, while parishes use their own contractor or staff to top up services**

In this model the Borough Council offers a base level of service provision, but a parish can add to this provision by engaging their own staff or using their own contractor to add services e.g. A borough council may reduce grass cuts to 6 per year whilst the parish employs a 'man/woman with a mower' to undertake a further 4-6 grass cuts per year.

#### Advantages

- Parish can decide how much top up it wants
- Parish has control over own contractor and to some extent outcomes.

#### Disadvantages

- Two distinct contractors to control – each blaming the other for faults
- Programme scheduling e.g. will be difficult
- Contract specifications may be different between contractors – e.g. outcome specifications versus input specifications making it hard to manage. An output specification is where for example the contract states grass must be no longer than 3 cm before being cut, whereas an input contract specification states that, irrespective of rainfall, the grass must be cut 12 times per year, on the following schedule.

### **2.4 Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)**

TUPE issues are a legal minefield, and it is always best for a parish to take advice if this forms part of the transfer of services. TUPE doesn't always apply when parishes take on services, because the original contract will have been written for the whole borough, and not for an individual parish. However, determining whether it does or does not apply in each instance is a matter on which you should engage an HR expert to give you sound advice. Sometimes a borough council will automatically agree to redundancies and to make redundancy payments, because of changes in their circumstances, and this will remove obligations for TUPE to extend to the parish.

One of the significant issues with respect to TUPE obligations is any deficit that exists for the pension funds of those employees. Many LGPS pension funds are currently running deficits, so it is important to check this out. An actuary will be required to determine the exact level of the deficit. Part of your negotiation with your principal authority if you are taking on TUPE staff is who pays for the actuarial valuation and who pays the on-going deficit for the years of service the staff member has already worked. Generally speaking, it should be the transferring employee (in other words the borough council or their contractor) who pays for both the actuarial valuation and the on-going deficit for previous years of work.

Another complexity of TUPE is the transfer of adequate records of staff members. Data transference on staff should include two years of Human Resource records, including absenteeism, discipline, and grievance records (where there are still within their active deadline) and precise information on conditions of service, contracts of employment, pensions, leave, etc. Even apparently small changes such as changing the date on which pay is received, can be a major issue where TUPE is undertaken.

### **2.5 Taking on ownership of assets from the principal authority.**

Any parish who has taken on an asset (usually in the form of a building and land, but sometimes just land alone as in the case of parks or play areas) will tell you that actually they haven't taken on an asset at all, they've taken on a liability. This is because most often when a borough council has been

struggling with retaining a range of services that take place through a variety of small assets, it has had neither the funding nor the man/womanpower to invest in ensuring those assets are kept in excellent condition. Stories about therefore about assets taken on where there has been immediate failure of industrial boilers, where ventilation systems have needed replacement, where floors have sunk, or where quite literally the roof has fallen in. It's never an easy process, and it is made harder by the hoop's borough councils will try to set up when taking on an asset from them.

### **2.5.1 Borough Council concern**

Borough councils have to consider the following when undertaking Transfer of assets to a parish council:

Who could the asset be transferred to? This need not necessarily be a parish council but could be a charitable organisation, a private users group constituting themselves as a cooperative body/company, or an existing company. These other organisations are not democratically accountable to their residents, so therefore the selection process that borough councils adopt is likely to be strict.

Can the organisation to whom the asset is being transferred afford to continue to run the building? To answer this question, you may be asked to prepare a business case in making application to take ownership of the building. More on this shortly.

Does the asset's value mean that state aid is being given to the organisation it is being transferred to? If the value is so high that it is interpreted as state aid, then the building cannot be transferred for the usual £1.00 even though it may be a loss-making operation. Usually, state aid in this context will be for buildings valued at more than £2M.

What are the long-term aspirations of the organisation applying to take on the asset? These should in the mind of the borough council at least meet existing service needs. However, this is a point subject to negotiation. You may have a very different purpose in mind for the building/land.

What do existing users think of the parish taking over the building/land? Borough councils do not wish to get bad press about such asset transfers so often borough councils will seek to ensure that the existing users' needs are being met, which can place onerous burdens on parish councils, as these may be incompatible with the parish vision or ability to run the building in a financially successful way. Again, this is a matter for negotiation.

### **2.5.2. Writing a business plan**

A business plan is a roadmap that outlines goals and details how you plan to achieve those goals. It:

- clarifies your business idea.
- helps to spot potential problems.
- sets out your goals for the future.
- makes financial projections.

A typical business plan includes.

- A description of the service, asset or power you wish to take on from the principal authority.
  - Brief details about the parish – current assets and value of these, precept, reserves on hand, annual return.
- A statement of intent – what the level of service or asset is like now, how do you plan to deliver against current standards, do you plan to raise/improve the service or asset? • Are there overlaps between existing services or assets your parish owns or runs and the new service/asset?

- Any specific details about the product/service you wish to raise.
- What consultation you have undertaken with residents and other groups
- What social purposes would be filled by your parish running the operation.
- Details on finance including new capital outlay required and where funding will come from, 5-year forecast of income and expenditure, how cash flows will be managed.
- What are the principal risks and how will these be mitigated?
- Environmental issues.
- Legal issues.
- Health and safety issues.
- What staffing requirement do you need to run the asset, and what provision have you made for this?
- Have condition surveys been undertaken on the asset?
- Relationships with current service/assets users and how these will be managed.
- An Executive summary for those members of the cabinet who don't have time to read the rest.

A worked example of a business plan can be found at the end of this toolkit.

### **2.5.3. Process of applying to take over an asset.**

It is possible that your principal authority may have set up a process for this to take place, which will involve a pre-application stage, where you need to prove you are a suitable body to take on the ownership of the asset and won't fritter it away, or allow it to fall into disrepair, whereafter the borough council will have to 'rescue' the asset from you at great cost to themselves. You may be invited to attend several interviews after making your application and sending in as much paperwork as is necessary in the form of your business plan, financial projections, your own financial statements to prove level of income, and level of reserves, proof of your audited accounts, your financial and health and safety regulations, your code of conduct, your standing orders and whatever other policies may be particularly relevant such as your policy on safeguarding if you are taking on a youth club.

On the other hand, your application to take over the asset may come completely out of the blue to the borough council, and they will need time to adjust their thinking around to yours. Be prepared to allow a bit of time for this to take place, speak regularly with ward members and officers of your borough council, send them your business plan demonstrating that you have thought seriously about the matter, before raising legislation such as the Community Right to Challenge as an overt threat.

Asset transfers can take three or more years to complete. This is not a quick process.

### **2.5.4. Legal clauses**

One of the reasons why such asset transfers often fall by the wayside is because both parties employ lawyers, and solicitors make their money by having long drawn-out legal debates and not actually achieving what it is either party wishes to achieve. Whatever you do, don't let the solicitors of both parties talk to each other. Keep them apart, and insist all meetings are attended by the parish and the borough council, and no phone calls take place between solicitors. This will save you a significant sum of legal fees. Documents too should be emailed directly to the parish, and not sent to your solicitor for comment.

Solicitors will want to introduce two very arduous legal concepts into the Transfer Documents. Transfer documents are relatively simply until you add the concept of clawback. (See example in Section 5 of a TR1 document) Clawback comes into play when the borough council puts

conditions on the way in which you run the asset, and if you do not meet these conditions they take on the right to clawback the asset, often with a large chunk of associated money for the privilege of the borough council taking back the asset. You will need to negotiate your way out of having a pre-emption agreement which will outline all the clawback requirements for the asset (liability) you are just about to take on. If you can't make sure at least that the clause does not set conditions so burdensome that the principal authority can clawback the asset just as soon as it starts making slightly more income than is needed to recover its own costs. A second clause that may pose you some difficulty is the disposal clause/s, which may prevent you from leasing the building in a sustainable way, or otherwise disposing of some or all of the building. Let's consider transfer of play areas as an example. You may find that you have an overprovision of those small Local Play Areas contractors used to be so fond of building with every development of 100 or 200 homes. Your resident population may now find that a tiny play area with a swing and a broken slide doesn't offer them much benefit, particularly as the children have now grown up. On the other hand, other parts of your community may be crying out for a large Neighbourhood Play Area (NEAP) that can service multi-age families. If you can't sell off the small play area for housing to gain funds to help you develop a large NEAP then what is the point of you working to directly satisfy your resident's needs? Yet the disposal clauses will prevent you from doing exactly that. Again, something that you will need to negotiate with your borough council. An example of a pre-emptive agreement which includes clawback and disposal clauses can be found in section 5.

### **3. IMPACT ON PRECEPT**

It is rare for a parish to be able to take on a devolved service without increasing staff, putting out a new tender, or both. These activities are likely to have a significant effect on precept, particularly when precept is measured, as it always is by the DGLG, in percentage terms. In reality services can sometimes be taken on with just a few pounds or pence increase on an annual basis to a D Band household, but percentages can give misleading conclusions. The difficulty will be continuing to persuade ministers that parishes are good value for money, when percentage increases are above 2% and sometimes need to double in order for a devolved service to be taken on.

#### **3.1 Referendum Principles on parish precepts**

A challenge has been issued by the Secretary of State to parishes to engage their residents in any precept increases, and the DGLC will be looking for evidence that this is happened to avoid introducing referendum principles on parish precepts. Only a few parishes at this point in time use participatory budgeting thereby actively set their budgets with residents and resident groups. Where this takes place two methods are used: 1) a survey is sent out to residents asking for a response to an X% increase in order to undertake Y project. 2) residents are invited to form a working group with the parish, and the few who put themselves forward come together with the parish members at budget setting time to consider the budget for the forthcoming 3 years ahead. Of course, residents have no legal ability to set the budget, which must be done by Full Council, but they do get involved in the process and idea generation. Many more parishes will instead consult with residents after the process, in a way that clearly demonstrates to residents the decision-making process involved. Sometimes this is done through a parish leaflet which goes out in March to all resident homes. An example of a parish leaflet setting out the reasons for parish precept increases can be seen in section 5 of this toolkit.

#### **3.2 Working out the impact of taking on a new service or asset on your precept.**



If you are taking on a service you will in the first instance need to decide whether the service can be performed by existing staff, whether you will need to engage new staff, whether you must engage staff under TUPE regulations, whether you can fund or part fund the service through volunteers, or whether you need to bring in a contractor for the service.

In considering staff costs not only do salary, pension and National Insurance contributions need to be taken into account, but the management of all the ancillary functions related to staff needs to be considered, such as who will undertake line management, human resource management, payroll, toilet and desk provision, and increases to your insurance. The more manual jobs the higher your insurance, and the more employees the higher your employer's insurance will be. You might also wish to consider insurance to cover tribunal and legal costs which may arise. The impact of increasing levels of minimum wage must be considered, as must the impact of higher levels of minimum wage pushing up against your other wage bands. A 15-20% management fee is not considered unreasonable when taking on new employees, on top of wages, pension, and National Insurance contribution.

When engaging a contractor, you need to take into account inflation clauses or escalation clauses in your contract, the term (duration) of your contract, and whether the contract binds you to TUPE requirements in the long term should you in future want to employ a different contractor or your own staff. If there is a dispute over how the contract is being undertaken, what are the dispute resolution procedures and are they likely to cost you money such as legal fees?

If you are buying equipment for your own staff to undertake the service, do you need to depreciate this, and against what timeframe. For vehicles and mowers, a 5-year fixed line depreciation rate is reasonable. You would need to ensure that reserves against repurchases of such items are built up. i.e., cost of new item divided by 5, needs to be put aside annually for replacement. You may instead consider leasing equipment.

Other than the costs of employees and equipment, or the cost of the contract per annum, are there other costs you should be taking into account? Where will you store the vehicles, you need such as gang mowers for grass cutting? What other equipment will be needed such as mobile phones, computers, or personal protective equipment?

If you are taking on a new building, will you need both a short-term maintenance budget and a long-term refurbishment budget (broken into annual segments for the building) Are there indirect costs associated with managing a contract or new employees, such as additional time used by your clerk, and how will you fund this?

When taking on a building, you should always have a condition survey undertaken, which could possibly, as a result of the condition survey pointing to something severely wrong, also highlight the need for a structural, electrical, or mechanical survey done. An asbestos survey is needed, as is a risk assessment for legionella's disease. These surveys will be a starting place for you to understand what the building is likely to cost you over the next five years to repair.

Beyond this there are likely to be regular building running costs, beyond utilities, including rates, refuse removal, fire equipment provision and checks, alarm provision and checks, periodic inspection of electricity and annual testing of every appliance's electrical connection within the building. If music is played in the building provides, then PRS and PPS charges may need to be paid.

Ground maintenance costs may also be associated with buildings, even if this is just the small flower bed around the outside of the building.

What about signage costs? Will you want the building to retain the same signage once you have taken it over or would you be seeking new branding in line with that of your own parish?

Producing your 5-year business plan, which will in turn feed into your budget for running the building is therefore no simple thing. Add all these annual costs together, (plus your sum going into the budget for long term refurbishment) then remove any funding your principal authority is giving you for on-going maintenance. Bear in mind however that ongoing maintenance funding is not likely to last forever. Do not remove lump sum funding given to you by your principal authority for once off repairs; simply do not add the cost of these repairs (or the amount of funding provided towards the repairs) into the total.

Once you have the total additional annual cost for taking on the service/asset/or both, less on-going funding provided by your principal authority, it is then relatively simple to divide this by your tax base (number of D band houses in your parish) to find how much extra your residents would have to pay per annum for you taking on the costs of the devolved service. At this point consultation with residents is hugely important to ensure you get a mandate for taking on these services/assets.

#### **4. EXAMPLES OF COUNCILS WHO HAVE TAKEN ON DEVOLVED SERVICES**

**4.1.** Buckinghamshire Town Council has taken on all verge and park maintenance from their principal authority. They engaged apprentices and trained up school leavers for this project.

**4.2** Cornwall Council has a policy of having individual discussions with Town and Parishes who have an aspiration to engage. Some of the assets/services devolved include the following:

- Libraries
- Public Toilets
- Public Buildings
- Tourist Information
- Town Management
- Highway weed-spraying
- Green Spaces, Parks and Gardens and Sports Pitches (non-strategic)
- Allotments
- Information Services (One Stop Shops)
- Public Open Spaces
- Beach Management
- Event Management
- Youth Services
- Education Services
- CCTV • Car Parks
- There are also various opportunities to add top-up (i.e., cash) to the delivery of enforcement services and environmental initiatives.

**4.3** Stoney Stratford Town Council has taken on a library from their principal authority and reconfigured the top floor of the library for meeting room space. They are working with a voluntary organisation to train unemployed people at the venue.

**4.5** South Gloucestershire Council (SGC) devolved responsibility for highway verges and meadow grass cutting plus maintenance of shrub beds in the town as well as the cost of emptying the dog bins to Bradley Stoke Town Council and SCG are now looking to pass down open space maintenance to groups/clubs/towns and parish councils.

**4.6** Western-super-Mare Town Council took on Weston Museum premises for £1 but only after initial reluctance due to a huge public campaign against its total closure and all running costs fall on the town council while the museum retained ownership of the museum collection. Public toilets were taken on after the principal authority withdrew all funding and basically said if communities want toilets they must pay for them themselves. The parish did get a one off capital sum of about 70% of the cost needed to do some long overdue repair work but nothing towards the on-going running costs. Similar with flowerbeds where the borough council withdrew all funding for flowerbeds. Western-super-Mare now provide 11 flowerbeds in two of their parks. Youth services which were completely withdrawn by the borough council, except for children in care, so the town council now funds the YMCA to do some youth work.

## **5. PAPERWORK RELATION TO DEVOLUTION BASED ON THE COUNCIL'S BUSINESS PLAN**

- Executive Summary
- Background about the devolved project
- Any Licences, leases, Transfer of land and Land Registry documents
- Maps defining the area of the asset.
- Name and contact details of the Council
- Facility for which the community asset transfer application is being made.
- Organisation applying
- Existing beneficiaries and potential new users
- Statement of Intent
- Vision of the Council
- Product/Services
- Consultation
- Social purpose
- Funding, finance and cashflow. Including predictions over 5 years
- Savings for the Borough Council
- Quotes from any Borough Council documents regarding the current purpose, provision, or aims and objectives for the use of the area.
- Marketing
- Staffing
- Precept impact

Existing and future project controls. *Eg. The Town Clerk will be responsible for taking day to day decisions regarding the Project, and the Stakeholder's committee will be responsible for the strategic direction taken by the Project. In this way protection will be offered to existing users of the facility, through attendance by members of the Management Committee at Stakeholder meetings. Financial controls will take place in the first instance through the Stakeholder's Committee, whilst the Policy and Finance committee will set budgets and keep an overriding watch on expenditure. Provision of*

*the project can or will be managed by means of Service Level Agreements with providers, and undertakings at the project will be managed both quantitatively in terms of numbers attending, as well as through qualitative surveys.*

- Delivery, time plan and timing of any transfer for the purpose of devolving
- Measurement of success
- Property risk if required.
- Legal issues
- Health and safety
- Condition and Structural Surveys of the project
- Localism agenda
- Precept and Council tax statement – Areas the precept has been spent.
- Annual statement
- Conclusion.