

SURREY COUNTY COUNCIL**CABINET****DATE: 28 MAY 2013****REPORT OF: JOHN FUREY, CABINET MEMBER FOR TRANSPORT,
LEAD HIGHWAYS AND ENVIRONMENT****OFFICER: JASON RUSSELL, ASSISTANT DIRECTOR: HIGHWAYS****SUBJECT: HIGHWAYS LOCALISM GRANT FUNDING AGREEMENT****SUMMARY OF ISSUE:**

Surrey County Council is working with parish and town councils and other local organisations to explore and establish, where feasible, appropriate locally-managed highways service delivery.

A Grant Funding Agreement (GFA) will be entered into, where proposals from parish councils and other local organisations will require them carrying out minor highways tasks on behalf of Surrey County Council.

This paper introduces a revised GFA, drafted by Surrey County Council Legal Services with representatives from Surrey Association of Local Councils (SALC), which alters the focus from the 'delegating of responsibility' under S19 of the Local Government Act 2000 to a GFA. This revised approach will enable the Highways localism initiative to proceed positively with a wider number of partners and organisations in Surrey and see the delivery of responsive minor highway works at a local level.

RECOMMENDATIONS:

It is recommended that the Cabinet :

1. Approve the policy change from formal 'delegation of responsibility' to 'Grant Funding Agreement for provision of services' for the Highways localism initiative.
2. Approve the revised Highways Grant Annual Funding Agreement for the localism initiative (Annex 1) with any further changes delegated to Assistant Director, Highways, in consultation with the Cabinet Member for Transport, Highways and Environment.

REASON FOR RECOMMENDATIONS:

Under the Highways localism initiative, a GFA will be required where proposals from parish councils and other local organisations will require them carrying out minor highways tasks.

The revised annual funding agreement in Annex 1, drafted by Legal Services with input from Surrey Association of Local Councils (SALC), alters the focus from the 'delegating of responsibility' under S19 of the Local Government Act 2000 to a GFA for provision of minor highway works at a local level. This new GFA will enable the Highways localism work to proceed positively with a wider range of organisations. A

previous legal document which was in the form of a contract has proved unacceptable or inappropriate to many partners. Funding and delivery for the initial tranche of successful bids from local organisations can be progressed once this agreement has been formally confirmed by Surrey County Council.

DETAILS:

Business Case

1. Service providers and public bodies are exploring ways of involving local organisations and communities in continuing to improve relevance, quality and effectiveness of services in their neighbourhoods. Surrey County Council is working with parish and town councils and other community organisations to establish locally-managed highway service delivery.
2. Parish and town councils and other organisations have for some time indicated an interest in getting more involved in delivering highways tasks in their area. Some of this work may be managed and monitored particularly effectively at a local level by the parish council, responding to community priorities in the neighbourhood.
3. Members and Local Committees have the opportunity to continue to support increased involvement of neighbourhoods in decision-making and delivery of services. Parish and town councils and other local organisations are now submitting bids for minor highways works that they would like to carry out e.g. clearing vegetation and ditches, cleaning signs, additional grass cutting for example. In some cases a 'lengthsman' or organisation will be contracted to carry out these tasks.
4. An existing legal agreement written by Surrey County Council's Legal Services in 2009 has proved unacceptable to some groups, as formal devolution of powers to organisations such as parish / town councils excluded community associations or residents groups. Also, the Surrey Association of Local Councils (SALC) legal counsel advised caution to parish councils in signing the 2009 legal agreement.
5. In order to find a way to proceed positively with the Highways localism approach, alternative models have therefore been sought from elsewhere eg Lancashire and Hampshire. These other models have helped to inform the draft document in Annex 1.
6. Funding and delivery of the initial tranche of successful local organisation bids can be progressed once the legal agreement has been agreed by Surrey County Council and partners are content to proceed.

CONSULTATION:

7. Surrey County Council Legal and Highways officers have been involved in drafting the revised agreement with involvement from the Surrey Association of Local Councils (SALC).

RISK MANAGEMENT AND IMPLICATIONS:

8. Delivery of highways localism services at a local level, where bids have been agreed by the divisional member, partners and Highways service, will be delayed if this revised legal approach is not endorsed. An alternative and acceptable document would need to be developed.
9. Delay in taking this initiative forward, where processes have been supported this far with partners, could impact on the county council reputation for partnership working at a local level, and will hold up highways service delivery in local neighbourhoods where there is an interest and willingness by partners in getting involved.

Financial and Value for Money Implications

10. Highways localism is funded from existing Highways revenue budgets, allocated as agreed by each local committee to each divisional member for their division or through a ring-fenced highways localism 'pot' to which parish councils and other local organisations may bid. Processes may be the same as the existing Community Enhancement fund to county council members. Current budgets are for £5k / divisional member in east Surrey for example, and £15k and £20k as ring-fenced pots at Guildford and Waverley Local Committees respectively. Other areas may not have confirmed their financial arrangements at this stage.
11. Bid proposals from parish councils or other local organisations will be assessed to ensure value for money and quality services can be provided. Once the initiative is in place, the Highways service will monitor the delivery and provide quality assurance at a local level through regular review processes.

Section 151 Officer Commentary

12. Financial implications are explained in paragraph 10 and in the proposed funding agreement, which sets out the obligations of each party and includes arrangements for making payments and reporting on costs and performance. Localism projects will be funded from within the existing approved Highway budget. Bids for local delivery will be evaluated to ensure that they represent value for money.

Legal Implications – Monitoring Officer

13. The GFA has been drafted by Legal Services. The agreement stipulates obligations which the applicant must comply with. These obligations include (but are not limited to) using the funding solely for the purposes specified in the application for the grant, explicit purposes for which the funding must not be used and the consequences of failing to comply with the same. The GFA also requires the applicant to give undertakings to the Council including providing indemnities to ensure that the Council is adequately protected against risks arising out of or in connection with the task which is the subject of the application. The applicant is also required to comply with all Health and Safety legislation and have and maintain relevant insurances. The Council is able to terminate the agreement immediately if the applicant commits a material breach.

Equalities and Diversity

14. There are no equalities and diversity implications at this time. However, the applicant is drawn to the Council's duty under the Equality Act 2010 and is required to take the provisions of the Equality Act 2010 into consideration when undertaking any task in connection with the grant funding agreement.

WHAT HAPPENS NEXT:

April / May 2013.

- Funding agreement to be confirmed and in place.
- Local Committee/ members have agreed delegated budgets to parishes and other local organisations for 2013 / 2014.
- Feedback on the Highways localism initiative from parishes and other local organisations, Portfolio Holder, Local Committee Chairmen, Members who have been actively involved, highways service and partnerships team.

May / June 2013.

- Confirm budget processes for future working.
- First tranche of successful bids in place for delivery.
- Presentations to parishes and other groups, with local committees, where requested, to promote and widen understanding.
- Update given to Surrey Association of Local Councils (SALC) conference.
- Involve districts and boroughs in dialogue with parishes and other organisations for greater role in street scene activities.

May / September 2013.

- Support for members and local committees to facilitate set-up for local organisations wishing to take this forward in 2013 / 2014.
- Issues newsletter to all stakeholders, with photos and information on work underway.
- Embed this initiative in the Highways service for 2014 / 2015.

Contact Officer:

Lynne Martin, Senior Project Manager, 07772 592597

Consulted:

Legal Services directly involved in drafting of agreement.

Highways officers and Local Committee Chairmen, Section 151 officer all aware this process is underway.

Surrey Association of Local Councils (SALC) involved in drafting agreement with Legal Services.

Annexes 1:

Highways Localism Annual Grant Funding Agreement.

Sources/background papers:

Surrey County Council Legal Agreement 2009.
