

Wards Affected:

All Wards

ITEM 1**DELEGATED DECISION****30 JULY 2019****DEVOLUTION OF ASSETS AND SERVICES – AN APPROACH**

Responsible Cabinet Member: Councillor Priestley - Cabinet Member for Economic Growth and Community Partnerships

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Executive Summary:

Local Government has changed significantly in recent years. The Localism Act 2011 and the Open Public Services White Paper supported a national drive to shift power away from central government to local government, communities and individuals. Reduced central government funding and increased demands for services mean that principal authorities are now more than ever needing to work alongside their local council and community partners in a collaborative, different and creative way to ensure that our residents continue to receive services that are important to them.

The approach to devolution described in this paper combines **the Community Asset Transfer Policy and the principles enshrined in the Draft Framework for Local (Parish and Town) Councils to have an Increased Role in Service Delivery**, to provide a way forward for the council to find the best long-term custodians of an asset or service valued by the community.

Previous decisions in relation to transferring freehold assets, play areas and open spaces refer:

- Cabinet Decision – 9 November 2015 – A Strategic Review of the Community Asset Transfer Programme – Way Forward for the Future Minute C79 [Cabinet- 9 November 2015](#)
- Delegated Decision – 7 February 2017 – Open Spaces % Play Areas Transfer to Parish and Town Councils (P&TC's) via the CAT [Delegated Decision 7 February 2017](#)

1. Recommendation(s)

1.1 That the Approach to Devolution of Assets and Services be adopted.

1.2 That following approval by the Cabinet member for particular services and / or assets to be considered for transfer to Parish and Town Councils / Community Partners, (and subject to any procurement requirements / implications) that sign off on the actual transfer be delegated to the relevant Director.

- 1.3 That a Capacity Fund of £100k be established from the Transformation Fund to support the devolution and partnerships agenda.

2. Issues

- 2.1 Milton Keynes Council has a well-established approach to community asset transfers enabling community partners to apply for an asset to transfer via a freehold arrangement.
- 2.2 The approach to **Community Asset Transfers (CAT)** was approved by the Council in January 2012 and adopted in July 2012 as part of a council wide change programme. In November 2015 there was a Strategic Review of the CAT by the Cabinet. In 2016 there was a further review of the CAT by the Councils Scrutiny Management Committee.
- 2.3 Since the CAT programme began in 2012 the council has released nearly 70 assets for freehold transfer. Out of those assets, 42 did not transfer. Of these 42 around 50% of these were stopped. There were various reasons for this; often the applicants withdrew, as they did not think it was financially feasible whilst others did not progress due to reducing appetite during the information period or where there were complexities surrounding existing tenants where no local agreement was sought or could be reached by the potential new landlord. The majority of transfers went to parish and town councils.
- 2.4 The councils CAT programme has transferred 27 assets in total to parish and town councils and community partners. A further three are currently in progress.
- 2.5 In February 2017, a Cabinet decision was taken to extend the CAT programme to beyond properties and to offer Play Areas and Open Spaces owned by Milton Keynes Council for potential transfer under a freehold arrangement to parish and town councils only.
- 2.6 Since February 2017, the Council has received eight expressions of interest from parish and town councils for the transfer of play areas and/or open spaces. Approval has been given for a number of play areas and open spaces that fall within Shenley Brook End & Tattenhoe Parish Council, Newport Pagnell Town Council, West Bletchley Council and Campbell Park Parish Council to be entered into the programme for transfer to these respective local councils. The associated services (eg landscape maintenance, play area inspection) will become the responsibility of the individual parish or town council on transfer
- 2.7 There are also situations where MKC will seek a partner to manage/operate in particular a new facility. In these cases (as occurred with the original built assets) MKC will seek expressions of interest from known interested parishes / community partners to manage/operate the facility under a suitable devolution method. (It should be noted that slightly different processes may need to be applied for community partners, to comply with particular requirements in relation to procurement legislation).
- 2.8 The principles enshrined in the **Draft Framework for Local (Parish, Town and Community) Councils to have an Increased Role in Service Delivery**

were approved in February 2018, with an agreement that development of the framework should be ongoing so as to enable capture of information and opportunities as circumstances and aspirations change. The Draft Framework focussed on services being transferred (or topped up) as opposed to assets.

- 2.9 A combination of financial challenges and the move towards more locality working has seen, over the last few years, principal authorities like Milton Keynes shift their focus from being both a provider of services and an enabler. It is becoming increasingly important for different tiers of councils to work well together, avoid duplications and deliver services at the most efficient and effective level.
- 2.10 As the national devolution agenda gathers pace, the Council Plan 2016-22 acknowledges that Milton Keynes Council will be doing less in the future, but confirms that “we will ensure that where we continue to deliver services we will focus on working with citizens, communities, business and partners to meet these challenges”.
- 2.11 Services often work best when they are designed, managed and delivered at the most local level possible, where they can more readily be attuned to local circumstances and local people’s priorities. Over recent years there has been a growing interest in principal authorities (unitary, county and district councils) devolving services and transferring assets with associated services, to parish and town councils within their area. Furthermore many assets are being transferred to parish and town councils and community partners.
- 2.12 Milton Keynes has 48 parish and town councils and is fully parished in both rural and urban areas. This is fairly unique for a unitary authority. Parish and town councils range in size within Milton Keynes. The largest has responsibility for some 10,250 properties/households and the smallest has responsibility for less than 15 properties/households.
- 2.13 Parish and town councils raise different precepts to their residents. The local council that precepts the largest amount raises some £960,000. The smallest precept raised by a local council is around £500. Four local councils do not precept at all. Each of the 48 parish and town councils make a significant and important contribution to enhancing the experience and environment of our residents
- 2.14 Parish and town councils are uniquely placed – they are the closest level of local government to our communities. The reality of the financial challenges within Milton Keynes over the coming years, means that many community based services will only be able to continue if parish and town councils and community partners are encouraged and supported to play a more active role in their local design and delivery
- 2.15 The Asset and Service Devolution Approach sets out how parish and town councils and community partners engage in the ‘devolution agenda’ at **a level that suits them**, from service monitoring and shaping / influencing existing contracts through to enhancing / topping up services or taking over services and assets

- 2.16 The Asset and Service Devolution Approach aims to create a 'holistic' long term place based approach, which recognises Milton Keynes eclectic mix of parish communities and their needs

The objectives are to:

- maintain community access to services and assets that might otherwise be at risk
- increase satisfaction with services;
- provide greater local influence over services and assets and where possible maintain and/or enhance standards
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- where possible maintain and/or enhance standards;
- enhance the role of local councils and community partners in their communities;
- generate greater community pride in local areas;
- promote engagement of local communities in local government; and achieve value for money

- 2.17 The Asset and Service Devolution Approach has been developed with the Parish Advisory Group (PAG), circulated to all Parish and Town Councils, and community organisations (umbrella groups) for comment. Feedback received from our parish and community partners has been incorporated

- 2.18 The Asset and Service Devolution Approach is contained in Annex A.

3. **Options**

- 3.1 There are 3 options for consideration.

- (a) Do nothing – this is not a recommended option. As MKC's budgets reduce, and services are reduced, or stopped, the Council needs to find ways of working collaboratively with parish and town councils and community partners, and supporting them to continue to deliver services and take over assets as they see fit, that meets the needs of their communities.
- (b) Continue with current arrangements - whilst this could be an option to consider, continuing to receive ad hoc approaches by parish and town councils to become more involved or take over assets, without a re-invigorated approach to devolution may not realise the savings needed to meet future requirements
- (c) Adopt the principles detailed in the Asset and Service Devolution Approach to unlock potential savings, avoid future costs and expenditure and focus on local service delivery that meets the needs, requirements and expectations of our communities.

Policy

- 3.2 The Asset and Service Devolution Approach and objectives are firmly embodied within the current version of the Council Plan (2016-2020). '...We want to engage our communities...maximise social value; promote community based solutions and innovate new ways to deliver services people value...' '....Supporting parishes, the voluntary sector and communities to get things

done.....’ ‘promote community based solutions and innovate new ways to deliver services people value.....’

- 3.3 The Asset and Service Devolution Approach further provides an approach to enable medium term changes to be developed in accordance with the Co-operative Council principles.

Resources and Risk

- 3.4 MKC is facing the most difficult budget period it has ever had to deal with. Government cuts and a rise in demand for some of our services means it faces difficult times and some tough choices. Over the last eight years it has saved £144.7m. The council spends about two thirds of its overall budget on adult and children’s care, and costs have grown by significantly. So far it has been managing this through:

- reducing costs
- employing fewer people
- putting more services online
- sharing some of its services with other Councils.

- 3.5 While it is clear the Council cannot continue running a wide range of services as it has done in the past, changes need to be made by working with key partners such as parish and town councils and community partners, to redesign service delivery, take over assets and find alternative solutions.

As published in February 2019 – [link here](#), the Council must address a financial gap of £18.9m from 2019/20 to 2022/23. The £18.9m is split as follows:

2020/21	£7.6m
2021/22	£5.4m
2022/23	£5.9m

- 3.6 By taking a delegated decision to agree to the principles contained in Asset and Service Devolution Approach there is an opportunity for all parish and town councils and community partners to take an increased role in service delivery and shaping the future. Furthermore it provides opportunities for parish and town councils and community partners to take over assets that are important to their communities.

N	Capital	Y	Revenue	N	Accommodation
N	IT	Y	Medium Term Plan	N	Asset Management

Carbon and Energy Management

- 3.7 There are no carbon and energy management implications in this proposal.

Legal

- 3.8 The Asset and Service Devolution Approach has been developed making reference to the principles that were established in the Localism Act 2011.

- 3.9 At the point of any service or asset is considered for transfer to either parish and town councils or community partners, Legal Service support will sought to ensure any potential procurement requirements are considered. Legislative requirement in terms of procurement will differ between parish and town councils and community partners.
- 3.10 Legal Service support, as appropriate, will be sought at the point of any arrangements with parish and town councils that are developed. Advice on TUPE (Transfer of Undertakings – Protection of Employment) implications has already been sought and distributed to P&TC's, in anticipation of alternative working arrangements at points in the future.

Other Implications

- 3.11 Milton Keynes' parish and town councils and community partners vary significantly in their
- working ways and leadership
 - culture
 - ideas
 - behaviours
 - financial ability
 - appetite and ambition
 - capacity and staffing
 - capability and technical knowledge
- 3.12 Such variables present their own challenges for each parish and town council and community partner in terms of responding to the opportunities that the Asset and Service Devolution Approach presents.
- 3.13 Equality issues have been considered and there are no impacts.

N	Equalities/Diversity	Y	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder

Background Papers:

- Devo + - A report by the National Association of Local Councils (NALC)
- Modelling devolution – working together to deliver local services – A joint report by the Local Government Association (LGA) and the National Association of Local Councils (NALC)
- Devolution & Localism – are we going forwards or backwards – A discussion paper for the Campaign to Protect Rural England (CPRE) and NALC by Lilian Burns
- Saving Money by Doing the Right Thing – Why 'Local by Default' must replace 'Diseconomies of Scale' – Locality. Org

Cabinet Decision – 9 November 2015 – A Strategic Review of the Community Asset Transfer Programme – Way Forward For The Future [Cabinet - 9 November 2015](#)

Delegated Decision – 7 February 2017 – Open Spaces % Play Areas Transfer to Parish and Town Councils (P&TC's) via the CAT

[Delegated Decision 7 February 2017](#)

Delegated Decision – 20 February 2018 – A Draft Framework for Parish and Town councils to have an increased role in service delivery

[Delegated Decision 20 February 2018](#)

Various examples of good practice – other principal authorities

Annex:

An Approach to Devolution of Assets (Facilities) and Services 2019 – 2029