

Forward Plan reference number: FP/550/11/19

Report title: Extension of Devolution Pilot with Parish and Town Councils	
Report to: Councillor Kevin Bentley, Deputy Leader and Member for Infrastructure and- Councillor David Finch, Leader of the Council	
Report author: Andrew Cook, Director, Highways and Transportation	
Date: 18 February 2020	For: Decision
Enquiries to: Peter Massie, Head of Essex Highways Commissioning email: peter.massie@essex.gov.uk	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 On 1 March 2019, a pilot project was launched whereby Essex County Council (ECC) allocated funding to a small number of Parish and Town Councils and allowed them to spend this on minor and routine maintenance works related to the highway network in their area. This devolution pilot was to run for 12 months with a formal review at the 6 months point to guide a decision on whether to extend to all parish and town councils the following financial year (2020/21).
- 1.2 This report asks the Cabinet Member to extend the devolution pilot for a further year until 31 March 2021 to give a longer period for the signed-up Parish and Town Councils to deliver work and assess its effectiveness before deciding whether or not to make this available to all Parishes.

2. Recommendations

- 2.1 Agree that the Deputy Leader and Cabinet Member for Infrastructure extend the devolution pilot until 31 March 2021 with the funding for the additional year to be the unutilised balance of the original £1.0m.
- 2.2 Agree that the budget that the Parishes receive for 2020/21 will be allocated in accordance with paragraph 5.1.2.
- 2.3 That the Leader of the Council approve a drawn down of £100,000 from the Transformation Reserve in 2020/21 to support the continued roll out of the devolution project.

3. Summary of issue

- 3.1 The Council has a duty to maintain the highway network. In order to provide a high quality service and ensure that resources are directed to the highest needs, we follow the priorities set out in our policies. This helps the public know what they can expect.

- 3.2 However, this also means that low priority items of work that the public would like to be completed are either not attended to or take a long period to be fixed. Such aspects are most likely not a statutory duty but may enhance the appearance of any area, such as sign cleaning, weed spraying, amenity grass cutting and minor repairs.
- 3.3 For the 2019/20 financial year ECC created a new opportunity for Parish and Town Councils to undertake low priority items of work under a formal devolution agreement.
- 3.4 12 parish and town Councils have signed up to devolution agreements with ECC over the last six months, but as some have only recently done so they have asked that the pilot be extended for a further year, to give them greater opportunity to trial processes and maximise opportunities, and thereby provide a better understanding and what is achievable long-term. This is recommended as it has taken longer than expected for parishes to start operating the scheme. Initial feedback has been encouraging, but we feel that given the lead time it is felt that we need to extend before deciding whether or not the scheme should be a long-term feature of our highways maintenance arrangements. The fact that an area is participating in the scheme does not affect the maintenance undertaken by Essex Highways, meaning that in effect this is new money, albeit the budget is modest.
- 3.5 During the pilot it is proposed that new parishes can apply to join. The funding available to each parish will be calculated in the same way as the current pilot and in accordance with 5.1.3 below.
- 3.6 This devolution pilot initiative helps achieve the following aims of the Organisational Strategy:
- **Help create great places to grow up, live and work**
Secure sustainable development and protect the environment
 - Reduce the environmental impact and cost to the taxpayer of dealing with waste, by working effectively with partners to minimise waste.
 - Improve the image of the county, by promoting the benefits of Essex Highways and the County Council.
 - Reduce carbon emissions and energy costs for Essex Highways by supporting the development of new strategies that promote clean growth and the use of affordable energy.
 - **Transform the council to achieve more with less**
Limit cost and drive growth in revenue
 - Optimise revenue from services, by charging appropriately and realising commercial benefit
 - Drive out inefficiency, by reducing costs, increasing productivity and adopting lean methodology.
 - Work collaboratively with partners to deliver maximum value for taxpayers' money that is spent through Essex Highways.

4. Options

4.1 Option 1 (Recommended): Extend the devolution pilot initiative by a further year

This will enable the Town and Parish Councils signed up to the agreement chance to fully implement the pilot in their areas and give more considered feedback on how successful the pilot has been in each of their respective parishes and what is achievable long term.

4.2 Option 2 (not recommended): Extend the pilot to all Parish and Town Councils

Without the backing of the existing signed-up Town and Parish Councils it is more likely that others will not choose to join and therefore the initiative is likely to be unsuccessful in the long term.

4.3 Option 3 (not recommended): Cease the pilot initiative

Although take up has been limited, not implementing devolution at this stage will mean that the scheme is abandoned without giving it a fair chance to succeed. This is likely to be unpopular with those town and parish councils who have joined the initiative and who believe it to be a success so far, or who believe that it can be made successful with further opportunity to carry out work and test the concept.

5. Issues for consideration

5.1 Financial implications

5.1.1 In 2018/19 the Leader of the Council made £1.0m available to run the devolution initiative as part of the budget announcement. The unutilised balance of that budget allocation (£950,000) was returned to the Transformation Reserve at the end of 2018/19 as the project was delayed in being started. Further activity has continued during 2019/20 however the pilot continues to progress at a slower pace than initially envisaged.

5.1.2 Parish/Town Councils can only claim for one devolution payment from this pilot. In order to access this the Council must submit a return to ECC demonstrating how they will use the funding and sign up to specific terms of use.

5.1.3 The annual sum calculated for each Parish is based on 2011 population census and is calculated by multiplying the population of the parish by 68p. A de-minimus value of £1,000 per annum is set for each parish.

5.1.4 The draw down requested of £100,000 is to support the current estimated pilot activity. If the Devolution project requires further draw downs in 2020/21 then it will seek approval for this through the Quarterly Finance Report to Cabinet. If the pilot is deemed a success then the full scheme will commence in 2021/22

where further draw downs from the allocated funding within the transformation reserve will be required.

5.2 Legal implications

5.2.1 Essex Legal Services drafted the agreement between ECC and Town/Parish Councils. The initiative supports the services delivered by the ECC but it does not remove or replace the need for ECC to comply with its statutory duties as local highway authority.

6. Equality and Diversity implications

- 6.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 6.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 6.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

7. List of appendices

Appendix 1 – model agreement

Appendix 2 – EqIA

I approve the above recommendations set out above relating to my portfolio for the reasons set out in the report.	Date
Councillor Kevin Bentley, Deputy Leader and Cabinet Member for Infrastructure	18 February 2020

I approve the above recommendations set out above relating to my portfolio for the reasons set out in the report.	Date
Councillor David Finch, Leader of the Council	10 March 2020

In consultation with:

Role	Date
Interim Director of Finance Finance & Technology (S151 Officer) Stephanie Mitchener	17 February 2020
Director, Legal and Assurance (Monitoring Officer) Paul Turner	16 December 2019