

Cabinet 14th January 2015

Report of the Director Legal and Governance

Local Government and Public Involvement in Health Act 2007

Brierley Town Council and the Parish of Brierley - Community Governance Review

1. Purpose of Report

- 1.1 To consider issues and options available to the Council in concluding its Statutory Community Governance Review of Brierley Town Council.

2. Recommendation

- 2.1 That the Cabinet consider the potential options available as formal recommendations to conclude the Review.
- 2.2 That an appropriate recommendation be made to the Council to consider at its meeting on 5th February 2015.

3. Background

- 3.1 The Council is conducting a Statutory Community Governance Review of Brierley Town Council as required by legislation in response to a petition signed by the requisite number of residents.
- 3.2 The petition argues that the Parish of Brierley and its Town Council should be abolished. This view is supported by the formal letters which have been received, albeit limited in number, as part of the statutory consultation process. To enhance the consultation process a public meeting was held in Grimethorpe on 4th December 2014 which was attended by over 70 residents. The meeting was conducted in the form of a debate with an independent Chair. The weight of opinion at the meeting was in favour of abolition of the Parish and the Town Council and a substantial majority of those attending supported the motion for abolition.
- 3.3 The Council needs to make a formal recommendation at its meeting on 5th February as to the outcome of the Review.

4. Context

- 4.1 There has been a consistent body of opinion in support of the abolition of the Town Council. A Parish Poll undertaken in July 2001 produced a 91% majority in favour of abolition with over 50% of the eligible electorate voting.

- 4.2 A Review prior to the current exercise was undertaken in 2004 under the Local Government and Rating Act 1997 which was the relevant legislation in force at the time. The Council concluded that the Town Council should be retained. The view was taken that the Town Council still had an important role to play in terms of community governance. It was agreed that an annual grant of £30,000 should be provided to the Town Council to contribute towards the cost of grass cutting in the local parks maintained by the Town Council. This was in response to the issue raised in the Review as to whether there was some limited overlap between the facilities provided out of the Parish precept by the Town Council and those funded out of the Council Tax in other areas. However the broad conclusion was that the parish precept provided “additionality” and that there was no significant element of “double rating”.
- 4.3 The antipathy within the local community towards the Town Council is rooted substantially in the relatively high cost of the Parish precept in comparison with other Parish areas.

The Band A –D levels of additional Council Tax for the Brierley Parish for 2014/15 were:

Precept £197,300

Band A – £64.91

Band B – £75.73

Band C – £86.55

Band D - £97.37

- 4.4 The legacy of these levels of Precept arise from the abolition of the power of Parish Councils to levy a local business rate when the NNDR system was introduced. The Town Council had been able to use the parish business rate to support local discretionary services. The cost of continuing to support these services and facilities had to be picked up through the Parish Precept after the introduction of the NNDR system.
- 4.5 The basic dissatisfaction around the cost of the Parish Precept has been substantially compounded in recent years by the financial implications of fraudulent activity of the former Clerk in entering into significant unauthorised transactions. The Town Council has been required to obtain a special loan from the PWLB of £800k and the cost of servicing the loan are absorbing the majority of the income from the parish precept. The Town Council has also been granted additional working capital loans of £480k from the Council in respect of which it has not yet made any repayment.

5. Analysis arising from the Review exercise

- 5.1 The local community, or at least a vocal element of it as evidenced at the recent public meeting, are essentially of the view they are now paying a substantial precept effectively to service a loan arising from the dishonesty of the former Clerk. The point was stressed at the recent public meeting that had the Town Council been abolished in response to the community sentiment in the Parish Poll in 2001 none of the current

difficulties would have arisen. Similar issues have been raised in the correspondence which has been received as part of the consultation exercise undertaken as part of the Review exercise.

- 5.2 The Town Council has been formally consulted and has been asked to provide an official response to the Review. This is anticipated to be received in time for the forthcoming Council meeting on 5th February although the Town Council is not obliged to provide a formal response.

6. Statutory Criteria

- 6.1 The statutory criteria which need to be taken into account under the 2007 Act in undertaking a Review essentially relate to the issue effective community governance. The Council must have regard to the need to secure that community governance is effective and convenient and reflects the identities and interests of the community.
- 6.2 The responses which have emerged from the community as part of the consultation relating to the Review have made limited reference to the issue of community governance itself.
- 6.3 Realistically the dissatisfaction which exists with regard to the Town Council within the local community does not relate to there being a lack of effective community governance.
- 6.4 The Council in reaching a conclusion at the outcome of the Review needs to give consideration to whether the existence of a Parish with a Town Council within the area still performs a legitimate role in terms of effective community governance alongside the Council's recently established Area Governance arrangements.
- 6.5 However a recommendation to continue with the status quo is likely to be poorly received within the community bearing in mind the sentiments expressed at the recent public meeting and may give rise to the criticism that Barnsley Council is not responsive to local sentiment and opinion. Furthermore it is unlikely that the issue of the future of the Town Council and the related controversy that it generates will disappear for the foreseeable future.
- 6.6 Given there is some evidence of a negative perception within the local community this could be viewed as relevant consideration in addressing the question of whether the existing arrangements for community governance within the Parish of Brierley continue to be effective and convenient and reflect the identities and interests of the community. Abolition of the Town Council which is what the Petition is clearly seeking is therefore an option to which members are entitled to give due consideration.

7. Implications of abolition

- 7.1 The relevant regulations which apply on the abolition of a Parish/Town Council provide that the assets rights and liabilities are transferred to the Principal local authority. In the case of Brierley Town Council this means the Council assuming considerable liabilities relating to the outstanding debts. These essentially relate to the PWLB loan

and the loan from the Council. This is addressed in greater detail in the financial implications section of the report.

- 7.2 In addition there are potential additional burdens which the Council would assume in respect of the physical assets of the Town Council. These are being assessed in addition to an assessment of the potential disposal value of the assets which would mitigate against some of the above liabilities for the outstanding debts. However previous analysis when undertaking the earlier review of the Town Council indicated that some of the assets are subject to Trust obligations which would considerably constrain any disposal value.
- 7.3 It was apparent at the recent public meeting that the perception of those within the community who do not wish to retain the Town Council that Barnsley Council should assume responsibility for the existing facilities which are funded out of the Parish Precept.

The Town Council operates the following facilities:

- The Welfare Hall: used by community user groups - St John Ambulance, Millennium Majorettes, Grimethorpe Karate, 2 weekly Bingo sessions and soon to start Barnsley FC's doorstep challenge for 14 + yr olds of Grimethorpe
- New Options Gym and Community Centre
- Brierley Sports Pavilion - used by Brierley Playmates for pre school education/provision on a daily basis Monday to Friday
- Brierley Park football pitches and changing rooms - used by Brierley Cubs Football club for training and matches
- Allotment sites in Brierley and Grimethorpe
- Maintenance of both Brierley and Grimethorpe Parks for general public use.

The Town Council also currently employs

- 1 x Clerk to Council
 - 1 x Cleaner
 - 1 x Caretaker
 - 3 x Grounds/facilities maintenance operatives (+ 1 Manager due to be appointed in next financial year)
- 7.4 The point was made at the recent public meeting that the services of the Town Council are discretionary and not mandatory services. If the Town Council were to be abolished the Council would not be obliged to continue to provide any of its existing services. It would have a discretion to do so if it was prepared to accept the financial implications. It is not clear what the general perception would be of those supporting the case for abolition if the Council was not in a position to continue to support those services given its overall financial position.

8. Options

- 8.1 The Council is required to make a formal recommendation following the outcome of the Review. To complete the Review within the statutory 12 month period the

recommendation will need to be considered by the Council at its meeting on 5th February 2014.

8.2 The Town Council has not yet provided any formal response as to its position with regard to the Review and it has been requested to do so before the 5th February. However from comments made by individual members of the Town Council at the recent public meeting it is anticipated that it the members will argue for its retention to continue to contribute to Community Governance and because of concern that the Council would not be in a position to maintain the existing levels of services currently provided out of the Parish Precept following abolition.

8.3 Mr David Winchurch the Chair of the Independent Remuneration Panel who agreed to act as independent chair at the recent public meeting has provided from his consideration of the issues which arose at the public meeting the following "Balance Sheet" which identified issue For and Against the case for abolition. This is attached as an Appendix.

The following options would seem to be available:

8.3.1 Status Quo

8.3.1.1 This would be a legitimate recommendation to make as to the outcome having regard to the relevant statutory criteria and guidance.

8.3.1.2 The arguments which have been raised with regard to the Town Council relate essentially to the high level of the parish precept and understandable anger within the local community that a large element of the precept is paying for the consequences of the dishonesty of the former Clerk. These are not in themselves issues relating directly to the community governance needs of the area. The surrounding areas all have Parish Councils and it would be arguably anomalous for one locality within a wider area to cease to have a Parish Council.

8.3.1.3 However it is realistic to assume that if the Town Council is to continue, the general dissatisfaction within the community with regard to its continuation will continue to surface as an issue as it has for some years, and there would be a strong perception that the views expressed within the local community had been disregarded; and not for the first time. It was apparent from the public meeting that the Town Council and its members are not held generally in high regard.

8.3.1.4 To that extent there is a legitimate counter argument to consider in support of abolition of the Town Council which falls within the scope of the legislation and guidance. The question to consider is whether the negative perception of the Town Council within the community is having a disproportionately prejudicial effect on community governance within the area. In terms of future community governance the Council's new Area Governance arrangements could arguably provide effective alternative arrangements.

8.3.2 Abolition of the Town Council

8.3.2.1 The statutory guidance states that the abolition of a Parish Council would be an exceptional event. The decision is now for the Council to take, under the

2007 Act, whereas previously the Council was required to make a recommendation to the Secretary of State. However the Secretary of State is required to be consulted with regard to the decision and therefore it can be anticipated that a decision to abolish the Town Council and the reasons for doing so are likely to be the subject of some wider interest.

- 8.3.2.2 If the Council wishes in the overall circumstances to give serious consideration to the question of abolition there would seem to be two available options which are discussed below.
- 8.3.2.3 The Petition makes reference to the abolition of the Parish of Brierley as well as the Town Council. This is permitted by the legislation. In undertaking a formal Community Governance Review the Council must make a recommendation as to whether any new parishes should be created or an existing parish should be abolished.
- 8.3.2.4 In the present circumstances creation of new parishes within the existing area is not a feasible proposition to address the issue of effective community governance. Abolition of the Parish of Brierley would necessarily involve the dissolution of the Town Council. It is possible for an area to remain Parished without a Parish Council but the guidance is clear that such an arrangement where the business of the Parish is overseen by a Parish Meeting of all the inhabitants is only appropriate for small areas with less than 1,000 electors.

9. Options for Abolition

- a) Abolition with the Council assuming the financial implications for the continuation of services currently funded from the Parish Precept.
 - i) This would result in the Council incurring additional expenditure over and above the existing £30k financial contribution presently given to the Town Council. This is addressed further in the financial implications section of the report. Some 80% of these costs relate to staffing costs with the remainder comprising premises grounds maintenance transport and miscellaneous transport costs. The Council would in addition be responsible for the servicing of the outstanding debts and other leasing costs of the Town Council.
 - ii) The ongoing financial implications would have to be considered as part of the Council's Medium Term Financial Strategy.
- b) Abolition but on the basis that the Council would NOT be in a position to fund the existing services funded from the Parish Precept.
 - i) It is important to be clear that the decision of the Council to abolish the Town Council would not in itself cause the existing services to cease to be provided. The Council would assume responsibility for the relevant assets from which the services are currently provided and the few staff responsible for delivering them who would TUPE transfer to the Council.

- ii) The Town Council budget would have the benefit of the Parish precept which would be available to the Council to provide for short term continuity of the existing services funded whilst addressing the implications of abolition from whatever date had been determined as part of the recommended outcome of the Review.
- iii) Thereafter financial support for such facilities and services currently provided by the Council would be limited to the £30k provided out of the Council's base budget which would mean a reduction in the existing levels of service.
- iv) The availability of the precept funding would allow for a period of transition whilst a decision was taken as to which services were reduced or discontinued to reflect the reduced resource envelope available to support former Town Council activity. But the key point to emphasise is that it would be Barnsley Council which would be taking the decision to cease the existing service provision in the absence of the funding being available through the precept as opposed to taking a decision to reduce expenditure in other areas of Council activity.
- v) The Council would continue to maintain the Parks facilities the cost of which is presently funded from the contribution of £30k from the Council's base budget. Alternatively, it would have the option to cease to do so to offset additional budgetary demand
- vi) Cessation of existing services would be contrary to the existing expectations of the community and may be viewed as controversial and could re open the debate as to whether some or all of the services funded out of the Parish precept are funded directly out of the Council Tax in other areas of the Borough.

10. Next Steps

- 10.1 A formal recommendation must be made at the Council meeting on 5th February as to the outcome of the Review. Thereafter the Council must inform persons likely to be interested of the outcome and then decide whether or not to give effect to the recommendation and make if appropriate a Reorganisation Order.
- 10.2 If the preferred option is to abolish the Town Council, but on the basis that the Council would not be in a position to continue services funded out of the Parish precept, then it is important given the existing community perception that the consequences of abolition are made clear in terms of the implications for existing services.
- 10.3 It would be appropriate and there would be the opportunity to undertake further consultation including another public meeting to ascertain the community reaction to the implications of reduced levels of service.

- 10.4 It is possible that although there has been a tangible expression of opinion within the community, there exists a more silent majority who would not support the abolition of the Town Council in these circumstances.
- 10.5 Realistically, the process of consultation and abolition could not be undertaken and be completed prior to the May Local and Parish Elections. Any attempt to do so would make the abolition process susceptible to challenge as not providing a sufficient opportunity for those affected by the implications of a recommendation for abolition to make their views known. The opportunity exists therefore to make use of the forthcoming elections process to undertake, at effectively no additional cost, a non-statutory "Community Vote" which would provide a mechanism to gauge a wider body of local opinion than a public meeting. This would further inform the Council in making a final decision whether or not to give effect to a recommendation to abolish the Town Council following the May elections. A report would be considered by the Council at its meeting on 4th June 2015.
- 10.6 If this approach were to be adopted the appropriate recommendation to reflect the outcome of the Review would be that the Council was minded to abolish the Town Council and the Parish of Brierley subject to giving due consideration to the views expressed at a non statutory Community Vote to be held on 7th May 2015. There would be some additional financial implications which could not be recovered as part of the cost of running the statutory elections to be held on that day.
- 10.7 Persons registered to vote within the Parish would be asked to indicate on a voting paper whether they were For or Against the proposed abolition on the basis that the Council would not be in a position to continue to fund the services currently provided out of the Parish Precept. Given the costs and the administrative implications voters would need to vote in person and there would be no facility provided for postal voting.

11. Financial Implications

- 11.1 Below are the financial implications of the Options outlined in this report, namely:
- **Option 1:** Status Quo
 - **Option 2:** Abolition but BMBC to fund continuation of those services currently funded from the parish precept
 - **Option 3:** Abolition - on the basis that BMBC would not be able to fund the existing services funded from the Parish precept.
- 11.2 Before looking at each Option in greater detail Members may wish to consider the long term liabilities held by BTC, namely the Outstanding Loans with the PWLB and BMBC. These are outlined below:
- 11.3 **Outstanding Loans to the PWLB** - the table below provides a summary of the loans BTC currently holds with the PWLB:

Loan No	Total Loan	Duration	Current Annual	Estimated Outstanding Loan
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	Amount (Principal) £		Cost (Principal + Interest) £	Balance (as at April 2016) £
492637	117,500	Jan 07 - Mar 37	7,247	152,194
494322	152,500	Feb 08 – Sept 37	9,478	203,778
494852	66,000	Oct 08 – Sept 28	5,109	68,970
495418	127,000	Mar 09 – Mar 29	9,019	126,260
496240	350,000	Dec 12 – Sept 39	20,702	485,501
		Totals	51,555	1,037,703

11.4 Although PWLB have yet to confirm their terms should the outstanding loan balances be transferred from BTC to BMBC it is estimated that it would cost in the region of £1m, repayable over a 23 year period to clear the outstanding debts. The annual cost of repayment would be £52k until 2028 reducing thereafter as the individual loan balances are cleared.

11.5 **Outstanding Loan to BMBC** - in 2010/11 BTC borrowed at total of £480,055 against a loan approval of £500,000 from BMBC - the loan amount and duration being endorsed by the Secretary of State following their consideration of the exceptional circumstances BTC found themselves in. The supporting loan agreement, as agreed in November 2010, offered the loan at a rate of 4.29% repayable over a maximum period of 20 years equating to a repayment of £36k p.a.

To date BTC have been unable to make any payments against the loan.

11.6 The abolition of BTC may require the Council to write off the existing loan amount. However an asset review is currently being progressed to determine the potential for the sale of BTC land and property assets to contribute to the loan and/or any other debts. A write-off at this stage is therefore not recommended.

11.7 Writing-off the loan or part thereof, to BMBC would represent a significant hit on Council reserves and as a consequence reduce resource availability for Council investments.

12. Detailed Consideration of Options

12.1 Each option is presented on the assumption that implementation will not take place until the beginning of 2016/17 at the earliest. This is due to the practicalities of organising a referendum, gaining appropriate permissions for any approvals required by the Secretary of State etc.

Option 1: Status Quo

12.1.1 As the 2016/17 budget for BTC has not yet been formulated officers have constructed the following indicative/draft budget based on historical and currently available financial information.

Please Note: The budget currently excludes any provision for the repayment of the loan to BMBC. As indicated above an asset review is currently being carried out to assess the scope for contributions to loan repayments from sale of assets.

	Draft 2016/17 Budget	Notes
Income		
Precept	197,300	Assumes £40k contribution from BMBC.
Other Income	59,700	Incl. rental, hire and £30k parks income from contract with BMBC.
Total Income	257,000	
Expenditure		
Staff Costs	122,000	7 staff (incl. currently vacant Depot Manager post)
Premises	25,000	Utilities, repairs, insurance etc.
Vehicle & Machinery	9,000	Fuel, repairs, vehicle tax
Admin Costs	12,000	Incl. Finance Officer support (VAB)
Finance Charges	76,000	PWLB Loans and Equipment Leases
Miscellaneous	13,000	Includes contingency amounts
Total Expenditure	257,000	

12.1.2 Based on the analyses undertaken it is estimated that adoption of this option would cost BMBC approximately £70k per annum. This is already provided for in the Council's budget and comprises £40k in ongoing precept support and £30k for the continuation of the contract to maintain Grimethorpe and Brierley Parks (consequently an indicative Appendix A has not been provided for this option).

Option 2: Abolition but BMBC to fund continuation of all those services currently funded from the parish precept

12.2.1 As illustrated in the draft budget it would cost £257k to fund BTC based on the current level of service it provides. After taking into account the £70k already provided for in the Council's budget and the £30k p.a. in income BTC raises from existing services it would require BMBC to provide an additional contribution of £157k p.a. ('Indicative' Appendix A.1 refers).

12.2.2 This option would require the Council to TUPE members of staff from BTC to BMBC. As a consequence of this there may be future redundancy and 'strain' costs that although not currently quantifiable could be significant – saving against existing costs would naturally be sought to try and offset such financial burdens.

12.2.3 It's also important to note that the draft budget as presented above excludes any future loan repayments to BMBC (excluding contributions realised from the sale of assets) and based on current agreements may mean covering off PWLB loan repayments for a period of up to 23 years.

12.2.4 The annual cost of repayment of the PWLB loans would be £52k until 2028 reducing thereafter as the individual loan balances are cleared.

Option 3: Abolition - on the basis that BMBC would not be able to fund the existing services funded from the Parish precept.

- 12.3.1 Under this option the Council would be required to cover off the costs of the outstanding PWLB loans as outlined above ('indicative' Appendix A.2 refers).
- 12.3.2 All services currently provided by BTC would cease and it is likely that all staff would be made redundant.
- 12.3.3 The option would allow a saving of £40k p.a. to be enjoyed through the cessation of the Precept Support Grant (£40k). However when offset against the ongoing annual cost of the PWLB loans (£52k) and subject to the Parks Contract continuing (£30k) p.a. this creates a shortfall of £12k.
- 12.3.4 Per Option 2 however it is unlikely that the loan with BMBC would be fully repaid (excluding any contributions realised from the aforementioned sale of assets). The writing off of the loan or, part thereof, could represent a significant cost to the Council.

Other Points to Note:

Pension Fund Closure Costs - South Yorkshire Pensions Authority have confirmed that should the Town Council be abolished and in a position where it is unable to meeting pay their pension liability closure costs the amount due would be spread amongst the remaining employers in the fund i.e. not directly to BMBC. The impact of this is likely to be negligible from a BMBC perspective.

13. Employee Implications

- 13.1 In the event of the abolition of the Town Council the existing employees with the exception of the Clerk would transfer to the employment of the Council as this would be viewed as a service transfer under the TUPE regulations.
- 13.2 The implications of the Council assuming responsibility for these additional employees would be determined by whether or not the Council was in a position to continue to fund any of the existing services provided for out of the Parish Precept. If the services were not continued to be provided the implications for these and any consequentially affected employees would be addressed in accordance with the Council's employment policies.
- 13.3 There would be appropriate consultation with those affected and with the trade unions.

14. Local Area Implications

- 14.1 The issue of the future of the Town Council raises significant implications for the local community and its future governance. In the event of the abolition of the Town Council the Council's own Area Governance arrangements would assume particular importance as the principal mechanism to facilitate effective local governance and community engagement – this would bring the Ward Alliance in line with the arrangements in the other Wards in the Borough.
- 14.2 The North-East Ward Alliance currently has a representative from Brierley Town Council (in addition to a representative of Shafton Parish Council and two

representatives from Great Houghton Parish Council). It would therefore be appropriate for the Ward Alliance to review its membership in the event of a decision to abolish the Town Council.

It is clear from the recent public meeting that emotions and tensions regarding the matter are particularly strong, and date back over a number of years. The outcome of the decision by Cabinet will undoubtedly therefore raise issues for community cohesion.

Contact Officer: A.C Frosdick ext. 3006

Background Papers

Correspondence received in response to consultation exercise.
Legislation and Guidance on Community Governance Reviews.

Available for inspection in the office of the Director of Legal and Governance, Westgate Plaza One, Barnsley, telephone 01226 773006 for further information.

**REVIEW OF BRIERLEY TOWN COUNCIL:
OPTION 2: Abolition & BMBC Continue to Fund Service Provision**


<u>i) Capital Expenditure</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>*Onwards to 2039/40</u>	<u>Total</u>
	£	£	£	£	£	£
	0	0	0	0	0	0
To be financed from:	0	0	0	0	0	0

<u>ii) Revenue Effects</u>	<u>**2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>*Onwards to 2039</u>	<u>Total</u>
		£	£	£	£	£
Parks Contract	30,000					
Precept Top Up Grant	40,000					
Loan Repayments to PWLB		51,555	51,555	51,555	883,038	1,037,703
Cost to BMBC of Maintaining Existing BTC Services		205,445	205,445	205,445	4,108,900	4,725,235
Total Revenue Expenditure	70,000	257,000	257,000	257,000	4,991,938	5,762,938
To be financed from:						
Income from BTC's Existing Income Streams		29,700	29,700	29,700	594,000	683,100
Existing BMBC Budget Provision	70,000	70,000	70,000	70,000	1,400,000	1,610,000
Shortfall (to be funded from MTFs)	-	157,300	157,300	157,300	2,997,938	3,469,838

Notes / Assumptions

*For the purposes of this report costs have been projected forward to September 2039 which is when the last PWLB loan ends.

** It is assumed that the 'status quo' is maintained in 2015/16 therefore no additional cost to BMBC.

<u>Impact on Medium Term Financial Strategy</u>			
	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£m	£m	£m
Current Forecast Budget Gap	0.000	0.000	12.091
Impact Of Proposal	0.000	0.157	0.157
Revised Position	0.000	0.157	12.248
Agreed by: 	On behalf of the Director of Finance, Property & Information Services		

FINANCIAL IMPLICATIONS

REVIEW OF BRIERLEY TOWN COUNCIL:
OPTION 3: Abolition & Services Cease

i) Capital Expenditure

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>*Onwards to 2039/40</u>	<u>Total</u>
	£	£	£	£	£	£
	0	0	0	0	0	0

To be financed from:

	0	0	0	0	0	0
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ii) Revenue Effects

	<u>**2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>*Onwards to 2039/40</u>	<u>Total</u>
	£	£	£	£	£	£
Parks Contract	30,000	30,000	30,000	30,000	600,000	720,000
Precept Top Up Grant	40,000					40,000
Loan Repayments to PWLB		51,555	51,555	51,555	883,038	1,037,703
Total Cost	70,000	81,555	81,555	81,555	1,483,038	1,797,703

To be financed from:

Existing budgetary provision	70,000	70,000	70,000	70,000	1,400,000	1,680,000
	70,000	70,000	70,000	70,000	1,400,000	1,680,000

***Shortfall (to be funded from
MTFS)***

	0	11,555	11,555	11,555	83,038	117,703
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Notes / Assumptions

*For the purposes of this report costs have been projected forward to September 2039 which is when the last PWLB loan ends.

** It is assumed that the 'status quo' is maintained in 2015/16 therefore no additional cost to BMBC.

Impact on Medium Term Financial Strategy

	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
	£m	£m	£m
Current Forecast Budget Gap	0.000	0.000	12.091
	0.000	0.012	0.012
Revised Position	0.000	0.012	12.103

Agreed by:  On behalf of the Director of Finance, Property & Information Services

Brierley Town Council

Abolition issues - a balance sheet

FOR

- Recognises breakdown of trust in Town Council as a democratic institution
- Resolves 'problem' of debt linked precept being borne only by locality based council taxpayers
- Combats cynicism that 'government' doesn't listen/is out of touch.
- May enhance Barnsley MBC's reputation in locality covered by Town Council.
- May reinforce role of and trust in, ward members.
- Avoidance of repetition of request in future
- May reinforce role of ward alliance & area council
- Recognises referenda type self determinism
- Overcomes perception of unfairness of continuing to pay for consequences of criminal action

AGAINST

- Undermines principle of subsidiarity & reduces representation
- Loss of parish powers to precept and provide discretionary services over and above those provided by MBC
- Increased threat of reduction in or cessation of, familiar local facilities and services (competition for scarce resources with other borough-wide priorities)
- Undermines principle of accountability for actions
- May create a perception of being unfair to a majority of the borough's population
- Adds to MBC's burden of debt and exacerbates current & future challenge of containing its revenue expenditure
- Lost potential for added value of ward alliance working with established parish council
- May be considered to set a precedent

