



Jacqui Sinnott-Lacey
Chief Operating Officer

52 Derby Street
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West Lancashire
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10 September 2021

**TO: COUNCILLORS I MORAN, Y GAGEN, V CUMMINS, G DOWLING, D EVANS,
J WILKIE, K WILKIE AND A YATES**

Dear Councillor,

Please find attached items marked 'to follow' on your agenda for the meeting of the **CABINET** being held in the **COUNCIL CHAMBER, 52 DERBY STREET, ORMSKIRK L39 2DF** on **TUESDAY, 14 SEPTEMBER 2021** at **7.00 PM**.

Yours faithfully

Jacqui Sinnott-Lacey
Chief Operating Officer

AGENDA
(Open to the Public)

6a	Corporate Risk Register (Minute of Executive Overview & Scrutiny Committee)	403 - 404
6b	Mobile Home Fit & Proper Person Policy 2021 (Minute of Executive Overview & Scrutiny Committee)	405 - 406
6e	Draft CIL Funding Programme 2022/23 (Minute of Executive Overview & Scrutiny Committee)	407 - 408
6f	Timetable for Local Plan Preparation (Minute of Executive Overview & Scrutiny Committee)	409 - 410
6g	The Planning Service Review - Update (Minutes of Executive Overview & Scrutiny Committee and Planning Committee)	411 - 414

We can provide this document, upon request, on audiotape, in large print, in Braille and in other languages.

For further information, please contact:-
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APPENDIX C

MINUTE OF EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE – 2 SEPTEMBER 2021

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CORPORATE RISK REGISTER

Consideration was given to the report of the Head of Finance, Procurement & Commercial Services as contained on pages 235 to 252 of the Book of Reports, which provided an update on the Council's Risk Management Framework.

The Risk and Insurance officer informed that it is now standard practice to present the report to Executive Overview & Scrutiny Committee and Cabinet every 6 months. She went on to explain that all staff have been offered 'Risk Management / Pentana' training, which is also available on the intranet for staff that were unable to attend. The training now forms part of an employee's mandatory induction process.

In discussion, Members expressed that they would like to receive future copies of the staff magazine 'Risk Roundup' on risk management and agreed that it be circulated by e-mail to all Members.

She also informed that a 'Horizon Scanning Workshop' would be held in October, this will consist of an initial survey, following with workshop to discuss the findings. It was also noted that risk management is a standard item at quarterly DMT meetings.

She detailed the three new risks added to the register, 'Failure or Prolonged loss of ICT', 'Failure to Deliver Skelmersdale Town Centre Phase 1', and 'Not agreeing on and delivering a sustainable and affordable leisure provision'. It was also explained how the risks have been rescored using the new Corporate 4 x 4 risk matrix which helps to 'force decision'.

She explained that there was a typing error on page 249 of the report in relation to 'Achieving a balanced GRA - The new vision is to be financially stable by the end of 2024' and that this should read by the end of 2023. She informed Members that this would be amended on the internal risk information system accordingly.

Comments and questions were raised in respect of the following:

A Member raised a question in respect of the risk 'Failure to deliver Skelmersdale Town Centre phase 1 retail development' in respect of the internal control column not reflecting that a report will be submitted to Council in October in respect of the costs/progress versus original business case. Also, a further question was raised in respect of the impact being rated as 'low'.

The Risk and Insurance Officer responded and confirmed that the 'risk owner' will update the internal controls and impact to reflect the comments in the report being submitted to Council in October.

Questions were also raised in respect of the risk 'Failure for Tawd Valley Developments to deliver the Business Plan agreed by Council' in respect of an

understanding as to why the risk is reported as 'concerned' and based on the current 1 year period as opposed to the 5 year plan. The Committee requested an explanation for the 'concerned' score for this risk.

It was confirmed that the 'risk owner' had been unable to attend the meeting and members present expressed disappointment at this. The Risk and Insurance Officer offered to contact the 'risk owner' to formulate a response for Members of the Committee in respect of this.

A motion to request that the Risk Management Framework & Corporate Risk Report be presented to the next Audit & Governance Committee and that the 'risk owner' of 'Failure for Tawd Valley Developments to deliver the Business Plan agreed by Council' be invited to attend the meeting, was moved and seconded.

An Amendment to the motion was moved and seconded as follows:

"That the Risk Management Framework & Corporate Risk Report be presented to the next Audit & Governance Committee and that the 'risk owners' of all the risks rated as 'concerned' under the current risk assessment score be invited to attend the meeting."

A Vote was taken, the Amendment was LOST

A vote was taken on the Motion, which was CARRIED.

RESOLVED:

- A. That the progress made in relation to the management of risks shown in the Corporate Risk Register (Appendix B) be noted and endorsed subject to B. below.
- B. That the Risk Management Framework & Corporate Risk Report be presented to the next Audit & Governance Committee and that the 'risk owner' of 'Failure for Tawd Valley Developments to deliver the Business Plan agreed by Council' be invited to attend the meeting.
- C. That future copies of the staff magazine 'Risk Round Up' on risk management be circulated by e-mail to all Members.

(Note: The Chairman requested in agreement with the Committee that the order of business be varied to allow agenda items 13 and 14 to be heard prior to the Planning related items at agenda items 10,11 and 12).

APPENDIX 3

MINUTE OF EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE – 2 SEPTEMBER 2021

35 **MOBILE HOME FIT & PROPER PERSON POLICY 2021**

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 253 to 282 of the Book of Reports which was to consider and agree the Mobile Homes Fit and Proper Person Policy 2021.

The Homelessness and Private Sector Housing Manager outlined the report and details of the introduction of the Mobile Homes (Requirement for Manager of Site to be Fit and Proper Person) Regulations 2020. She explained that the deadline for submission of Applications is 1 October 2021. She also gave details of the background checks, exemptions, fees / charges and maintaining the register.

In discussion, it was felt that the new regulations will have a positive impact and ensure that the sites are managed responsibly and in a professional manner.

RESOLVED: That the Mobile Home Fit & Proper Person Policy 2021 attached at Appendix 1 be presented to Cabinet for approval.

APPENDIX E

MINUTE OF EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE

33 DRAFT CIL FUNDING PROGRAMME 2022/23

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 161 to 234 of the Book of Reports, which was to seek authority to publicly consult on the draft CIL Funding Programme for 2022/23, including options regarding which infrastructure projects might be prioritised to receive CIL funding in 2022/23.

The Senior Planning & CIL / S106 Officer outlined the report. She explained that officers had assessed a number of projects as set out in the report including the Neighbourhood CIL non-parish areas Ormskirk and Skelmersdale. She advised that in preparing the assessment of the projects that an e-mail of the draft assessment had been sent to all Members for their comment, no comments were received in respect of this.

She advised that the three projects shortlisted for CIL monies were as follows:

- Dial-a-Ride, Borough wide (Year two) – demand responsive transport Services for West Lancashire (£31,555 of CIL sought to help fund the service for one year with c.£154,700 of match funding)
- Creation of an active Community hub at Skelmersdale Ecumenical Centre, Skelmersdale (£37,650 of CIL sought)
- Installation of a mile-long 'track and trim' trail at St James' Primary School, Ashurst, Skelmersdale (£10,760 of NCIL sought with £20,000 match funding)

In discussion comments and questions were raised in respect of St James 'track and trim' trail:

- Whether it could be considered a Community facility / infrastructure?
- Operating hours / key-holders and accessibility of facility within school grounds
- Use by community/organisations e.g. Scouts
- Question of whether a need arises as result of local new housing development
- Facility's help to address issues of health and mobility
- Considerations for open spaces in the Community

RESOLVED: That the content of the draft CIL Funding Programme 2022/23 report be noted.

APPENDIX B

MINUTE OF EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE – 2 SEPTEMBER 2021

32 TIMETABLE FOR LOCAL PLAN PREPARATION

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 119 to 132 of the Book of Reports which was to consider an updated timetable and Local Development Scheme for the preparation of a new Local Plan for West Lancashire, in light of the delays caused by the Covid-19 pandemic, changes in staffing in the Growth and Development Service and anticipated changes to what may be required of Local Plans under the proposals in the recent Planning White Paper.

The Principal Planning Officer outlined the report including details set out in the Local Development Scheme (updated September 2021). He explained that whilst a Local Development Scheme (LDS) was approved relatively recently by Cabinet (in March 2021), it is now considered necessary to amend the LDS to reflect changes in staffing, and also to allow for an extra stage of consultation to take place in autumn 2022, to give stakeholders an additional chance to comment on the new Local Plan's proposed housing and employment land requirements, and on proposed site allocations.

Comments and questions were raised in respect of the following:

- Possible impact of proposals arising from the Government's Planning White Paper
- Extra stage of public consultation in 2022 supported
- The report and updated timetable / timescales supported

RESOLVED: That the content of the Timetable for Local Plan Preparation report and the September 2021 Local Development Scheme within Appendix A be supported by the Committee

MINUTE OF EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE – 2 SEPTEMBER 2021

31 THE PLANNING SERVICE REVIEW - UPDATE

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 119 to 132 of the Book of Reports, which outlined the proposed actions and updated Members on the progress with implementing the recommendations of the planning services review.

The Interim Head of Growth and Development outlined the report and explained that a Working Group, made up of cross departmental representatives, led by the Corporate Director Place and Community had met on a regular basis to drive the implementation of the recommendations. Each recommendation was grouped according to a theme and documented. He explained that the Action Plan is now in the 'delivery phase' and that the Group will meet on a regular basis, currently at least fortnightly, to monitor and advance delivery of the actions and that progress on this will be reported to the Our Future; Our People Transformation Programme Board and Cabinet as appropriate.

He also explained that in reviewing the structure of the Planning Service, it was determined that the creation of a Team Leader post would give capacity within the service, to deal with the demands of the daily workload and to assist in taking the recommendations forward. He also explained that the costs of the new post would be funded through existing underspends in the Environmental Services and Growth and Development budgets. These are recurring underspends and no future growth will be required other than for usual pay increases.

In discussion comments and questions were raised in respect of:

- Support for the Planning Services Team Leader post – budget and future of the post
- Initial focus on 'quick wins'
- Action Plan – questions in respect to the length of the review and the end target date for the process to be considered
- Red Quadrant – 'process mapping' - ongoing work to develop the Action Plan, in order to identify efficiencies / better ways of working

RESOLVED:

- A. That the Planning Services Review update report be considered and noted.
- B. That the Committee fully support the creation of a Planning Services Team Leader post.
- C. That the Committee request a progress update report including target

start and completion dates against the 83 actions contained within the Action Plan, to be presented to the Executive Overview & Scrutiny Committee meeting to be held on 13 January 2022.

MINUTE OF PLANNING COMMITTEE – 9 SEPTEMBER 2021

55 **THE PLANNING SERVICE REVIEW - UPDATE**

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 389 to 402 of the Book of Reports, which outlined the proposed actions and updated Members on the progress with implementing the recommendations of the planning services review.

The Corporate Director of Place and Community outlined the report and explained that a Working Group, made up of cross departmental representatives, led by the Corporate Director Place and Community had met on a regular basis to drive the implementation of the recommendations which had been categorised into short, medium and long term actions.

In discussion comments and questions were raised in respect of:

- That a further interim report was going back to an extra Executive Overview and Scrutiny Committee in January 2022 to continue monitoring the review and whether this should also come back to Planning Committee.
- Additional capacity needed in the Planning Department was imperative
- Timescales involved for all of the reviews – 81 in total
- Weekly lists for planning applications – members found these very useful
- Call in procedures – members not understanding this process
- Responsibility of each section in the plan – which officers were responsible.
- Planning Applications down for refusal and being called into Planning Committee – if down for refusal why bring to Planning Committee.

RESOLVED: That the comments be noted.



**EXECUTIVE OVERVIEW & SCRUTINY
COMMITTEE: 23rd September 2021**

CABINET: 14th September 2021

Report of: Chief Operating Officer

Relevant Portfolio Holder: Councillor I Moran

**Contact for further information: Kay Lovelady (Extn. 5075)
(E-mail: Kay.Lovelady@westlancs.gov.uk)**

**SUBJECT: INDEPENDENT REVIEW OF TAWD VALLEY DEVELOPMENTS
LIMITED**

Borough Wide Interest

1.0 PURPOSE OF THE REPORT

1.1 To seek authority to instruct Local Partnerships to undertake an independent review of Tawd Valley Developments Limited as outlined in the scope in section 6.3 of this report.

2.0 RECOMMENDATIONS FOR CABINET

2.1 That authority is granted to the Chief Operating Officer in consultation with the portfolio holder to take all necessary steps to progress the independent review as outlined in the scope in section 6.3 and present their findings to Council at the earliest opportunity.

2.2 To approve a maximum investment of £10,000 to undertake the review

2.3 That the Chief Operating Officer be given delegated authority in consultation with the relevant Portfolio Holder to consider any agreed comments from Executive Overview & Scrutiny Committee.

2.4 That Call In is not appropriate for this item as the Report is being submitted to a special meeting of the Executive Overview & Scrutiny Committee on the 23rd September 2021

3.0 RECOMMENDATIONS FOR EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

- 3.1 Consideration be given to the Report and any agreed comments be forwarded to the Chief Operating Officer in consultation with the relevant Portfolio Holder for consideration.

4.0 BACKGROUND

- 4.1 Tawd Valley Development Company Limited (TVDL) is a wholly Council owned development company established in 2018. The Development Company was created in order to enter the development market in West Lancashire, to acquire sites and deliver new homes for the residents of the borough, and to also consider commercial developments and developments outside the Borough.

- 4.2 The Development Company was the chosen option of the Council as:

- the initial financial viability assessments indicated that site development could deliver a sustainable and profitable enterprise
- the Council received the Grant Funding (780k DCLG) to facilitate the formation and site preparation of a Development Company to deliver the Development Objectives
- the Development Company created a separate legal entity which could attract further grant funding into the borough
- the Development Company would be controlled by the Council and would allow the Council to prioritise its Development Objectives

- 4.3 The agreed development objectives of TVD are:

- Generate a financial return for the Council through development of profitable services/activities, recognising that this will take time to be realised.
- Capture any financial benefits and tax efficiencies of dedicated delivery vehicles which are Council controlled but can benefit from agile operating arrangements.
- Provide an income from the new vehicle that is substantial and the new ways of working so transformational that the cost of planning, due diligence advice and setting up and operating the vehicle outweigh the status quo.
- Create profitable, complementary and transparent relationships with landowners, developers and investors which deliver financial and regeneration benefits.
- Secure additional private and Government investment into the Borough, creating a focus on delivery and providing a mechanism to build new homes for sale and rent, regeneration and commercial and industrial schemes to the Council.
- Maximise appropriate development, accelerate growth and take appropriate risks for the Council by providing dedicated delivery arrangements and property and commercial expertise.

- 4.4 A series of legal agreements govern the relationship between TVDL and the Council. TVDL has an independent Board consisting of 4 Directors, 2 Council Officers and two independents appointed through a selection process.
- 4.5 A cross party TVDL Shareholders Cabinet Working Group was established in September 2020 to provide transparency and:
- Oversee and monitor the delivery of the Business Plan for the TVDL and consider opportunities identified by the Board for future projects
 - Act as the consultee and provide recommendations to the Chief Operating Officer on the exercise of her delegation to determine all matters, as the Shareholder for the TVDL, on behalf of the Council
- 4.6 TVDL produces an annual Business Plan which is approved by Council, any variations to the BP require Council approval. The Business Plan was approved in February 2021 and outlines an ambition to build 363 homes across 3 phases of delivery over a 5 year period.

5.0 CURRENT POSITION

- 5.1 The operating environment of commercial companies has changed since TVDL's inception in 2018, recently and significantly as a result of the Covid-19 pandemic and Brexit.
- 5.2 In May 2021 the Council moved to a position of no overall control. Members have since sought reassurance that the Business Plan is still fit for purpose and clarification is sought on whether the current Business Plan serves the best interests of the Council going forward and what, if any other measures could be taken to protect/improve the Council's budget position.
- 5.3 TVDL requires Council support for key decisions such as approval of new schemes and revisions to the Business Plan. Without such approvals the current forecast profit within the Business Plan is at risk. As an agreed dividend will be returned to the Council this presents a financial risk to the Council.
- 5.4 The Council has an identified budget gap of £1.2m which needs to be addressed to meet the corporate priority of being financially sustainable by 2023 and satisfy external audit requirements. The approved TVDL Business Plan forecasts a healthy profit over the 5-year life of the plan which could be used to address a significant proportion of the budget gap. From a financial perspective it is essential that in setting the 2022/23 budget, the Council has certainty over the expected returns from TVDL. The budget setting timetable has commenced, and it is imperative early clarity is obtained.
- 5.5 The current Council medium term financial forecast contains an assumption of a dividend return each year over the next 3 years and any changes to that, either positive or negative will have a direct impact on the Council's savings requirement in order to achieve a balanced budget.
- 5.6 In this context (5.1-5.5) to resolve the uncertainty an independent review is required as a matter of urgency to allow Members to decide whether the

Council's aims are best served by the continued operation of TVDL within the current Business Plan framework.

- 5.7 Following detailed research in line with procurement rules it is recommended that Local Partnerships (LP), undertake the review on behalf of the Council based on their independence, experience and cost. LP are a joint venture between the Local Government Association, HM Treasury and the Welsh Government. They are recommended as their principal responsibility is to deliver expert support to the public sector, helping make best use of limited resources as demand for services continues to rise. They have also conducted numerous reviews of other local government development companies within the last year. More information about LP can be found at <https://localpartnerships.org.uk/>
- 5.8 LP have proposed a team to lead this review who have a high level of expertise in commercial activity, housing & regeneration, and finance.
- 5.9 The appointment of LP could be progressed in line with procurement requirements. Three quotes were sought from suitably qualified organisations via established procurement frameworks. Of these other organisations, two providers did not respond, and one provided an estimated cost of £50k. Local Partnerships therefore represents a strong value for money option for the Council and has a strong track record of undertaking work of this nature across local government
- 5.10 The Councils external auditors have confirmed that LP are a suitable organisation to undertake such a review.

6.0 SCOPE OF THE REVIEW

- 6.1 The independent review of TVDL will provide Members with an independent understanding of the viability of TVDL, the opportunities and risks TVDL presents to the Council, other options to address Members concerns and ultimately to allow Members to make an informed decision as to the future of TVDL.
- 6.2 The review will involve the following elements:
- Documents review
 - Stakeholder consultation; party leaders, members of TVDL Shareholders Cabinet Working Group, Council Officers and TVDL Officers.
 - Report writing and action planning
 - Report presentation
- 6.3 The scope of the review has been developed following feedback from Members. The scope:
- An opinion of the current financial position of TVDL and the forecast deliverability of the profitability projection.

- A view of the likely future returns to the Council in the short and medium term through TVDL's continuing operation and delivery of its Business Plan
- An assessment of the financial outcome to the Councils Medium Term Financial Forecast and wider financial position of either:
 - continuing with the current business plan
 - implementing a wind down of the amount of activities of TVDL
- An opinion of any other alternative options for developing new homes that would be considered beneficial to the Council including the Council's ability to undertake development internally
- An assessment and opinion/view on the reasonableness of the overhead recovery costs incurred to the HRA for development works undertaken
- An assessment of options for how estate regeneration such as previously achieved in Firbeck and Beechtrees could be achieved
- An assessment of the risk and reward of TVDL building new market housing, particularly outside of the Borough as proposed in Phase 3 of the current Business Plan
- An assessment of the governance arrangements of TVDL, its appraisal and approval process of projects both in and out of borough and its consideration and management of risk in spending finance provided by the Council and or Homes England
- An assessment of the benefit to the Council (and TVDL) and the personal and organisational risk placing an elected Member on the TVDL Board as a Board Director
- An assessment of the social and economic benefits provided by TVDL to date and recommendations as to how this could, if required, be improved
- A view of the wider local government landscape identifying if other councils are utilising such models in order to generate additional revenue
- Confirmation of the Council's ability to undertake development at scale and generate profit with TVDL/without TVDL in line with the Localism Act 2011 requirement.

6.4 The independent report will be presented to full Council for consideration at the earliest opportunity to assist members in determining the future direction of TVDL.

6.5 It would be prudent and demonstrate value for money to allow Council to take a decision on the future direction of TVDL prior to engaging any additional external specialist support to advise on the best course of action to achieve the agreed outcome.

7.0 SUSTAINABILITY IMPLICATIONS

7.1 There are no significant sustainability impacts associated with this report and, in particular, no significant impact on crime and disorder.

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 8.1 LP and the LGA have proposed a model for delivering the review whereby WLBC will pay one third of the total cost of the review. The cost to the Council of the review is expected to require a maximum investment of £10,000 which can be funded through existing budgets.
- 8.2 The review will involve discussions with a number of officers within the Council, TVDL staff and members. There will also be a requirement to provide information such as financial and legal documentation as required for the review.

9.0 RISK ASSESSMENT

- 9.1 The performance of TVDL is a key factor in the Council's ability to achieve a balanced budget over the medium term. Uncertainty surrounding the future direction of TVDL presents a significant risk to the delivery of the current Business Plan and consequently to the financial returns to the Council.
- 9.2 Trading activity from TVDL provides an opportunity to return significant annual dividends which can be used to benefit the Councils revenue and reserve position and enable greater investment in public services. Therefore, uncertainty around the future trading position of TVDL presents a risk to the Councils financial position.
- 9.3 In the current uncertain financial climate and the unknown impact of the pending comprehensive spending review, any additional income streams the Council is able to generate will be of benefit to the Councils revenue position.
- 9.4 The independent review will allow Members to make an informed judgement as to the future of TVDL in the light of factual evidence and in the best interests of West Lancashire.

10.0 HEALTH & WELLBEING IMPLICATIONS

- 10.1 The development of new homes by the Council will improve the living conditions for a number of residents of West Lancashire. The current housing waiting list identifies many families that are living in unsuitable conditions such as overcrowding or non DDA compliant.
- 10.2 New homes are built to a high energy efficiency standard which reduces the carbon footprint and also the cost of energy to the resident.

Background Documents

There are no background documents (as defined in Section 100D(5) of the Local Government Act 1972) to this Report.

Equality Impact Assessment

The decision does not have any direct impact on members of the public, employees, elected members and / or stakeholders. Therefore, no Equality Impact Assessment is required.

