



Kim Webber B.Sc. M.Sc.  
Chief Executive  
52 Derby Street  
Ormskirk  
West Lancashire  
L39 2DF

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Tuesday, 19 February 2019

**TO: THE MAYOR AND COUNCILLORS**

Dear Councillor,

You are summoned to a meeting of the **COUNCIL** to be held in the **COUNCIL CHAMBER, 52 DERBY STREET, ORMSKIRK L39 2DF** on **WEDNESDAY, 27 FEBRUARY 2019** at **7.30 PM** at which your attendance is requested.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Kim Webber', written over a horizontal line.

Kim Webber  
Chief Executive

**AGENDA**  
**(Open to the Public)**

**PAGE(S)**

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|--|-----------|
| <b>1. PRAYERS</b>  |           |
| <b>2. APOLOGIES</b>  |           |
| <b>3. DECLARATIONS OF INTEREST</b><br>If a member requires advice on Declarations of Interest, he/she is advised to contact the Borough Solicitor in advance of the meeting. (For the assistance of members a checklist for use in considering their position on any particular item is included at the end of this agenda sheet.) | 711 - 712 |
| <b>4. MINUTES</b><br>To receive as a correct record, the minutes of the previous meeting held on 12 December 2018.   | 713 - 722 |

5. **ANNOUNCEMENTS BY THE MAYOR AND/OR THE CHIEF EXECUTIVE**
6. **TO ANSWER ANY QUESTIONS UNDER THE PROVISIONS OF COUNCIL PROCEDURE RULE 10.2**
7. **MINUTES OF COMMITTEES**  
To receive the minutes of the following meetings, to confirm, if appropriate, such of the minutes as require confirmation and to pass such resolutions as the Council may deem necessary:
- a) Licensing & Gambling Committee - Tuesday, 4 December 2018 723 - 724
- b) Licensing & Appeals Committee - Tuesday, 4 December 2018 725 - 730
- c) Planning Committee - Thursday, 10 January 2019 731 - 736
- d) Audit & Governance Committee - Tuesday, 29 January 2019 737 - 740
- e) Licensing & Appeals Committee - Tuesday, 12 February 2019 741 - 744
8. **PAY POLICY STATEMENT 2019/20**  
To consider the report of the Borough Treasurer. 745 - 768
9. **MEMBERS' ALLOWANCES SCHEME 2019/20 AND APPOINTMENT OF THE INDEPENDENT REMUNERATION PANEL**  
To consider the report of the Borough Solicitor. 769 - 774
10. **SUSPENSION OF COUNCIL PROCEDURE RULE 13.4**  
To enable the Portfolio Holder / Shadow Portfolio Holder to present their budget statement it will be necessary to suspend Council Procedure Rule 13.4 for Agenda Items 11 and 14. (This Rule limits the length of a speech to 5 minutes.)
- \* In accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote will be taken on these items.
11. \* **BUDGET REQUIREMENT 2019/20**  
To consider the report of the Borough Treasurer. 775 - 796
12. \* **DETERMINATION OF COUNCIL TAX 2019/20**  
To consider the report of the Director of Housing and Inclusion. 797 - 806
13. **DRAFT MEDIUM TERM CAPITAL PROGRAMME 2019-20**  
To consider the report of the Borough Treasurer. 807 - 814
14. **HOUSING ACCOUNT - REVENUE AND CAPITAL PROGRAMME**  
To consider the joint report of the Director of Housing and Inclusion and the Borough Treasurer. 815 - 830

15. **TREASURY MANAGEMENT FRAMEWORK INCORPORATING CAPITAL FINANCING AND CAPITAL STRATEGY** 831 - 860  
To consider the report of the Borough Treasurer.
16. **MAYOR ELECT 2019/20** 861 - 862  
To consider the report of the Borough Solicitor.
17. **TIMETABLE OF MEETINGS 2019/20** 863 - 866  
To consider the report of the Borough Solicitor.
18. **EXCLUSION OF PRESS AND PUBLIC**  
It is recommended that members of the press and public be excluded from the meeting during consideration of the following item(s) of business in accordance with Section 100A(4) of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 (Financial/Business Affairs) of Part 1 of Schedule 12A to the Act and as, in all the circumstances of the case the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

## **PART 2 - NOT OPEN TO THE PUBLIC**

19. **FORMING A DEVELOPMENT COMPANY** 867 - 948  
To consider the joint report of the Director of Housing and Inclusion and the Borough Treasurer.

## **PART 3 - OPEN TO THE PUBLIC**

20. **MOTIONS**  
To consider the following Motions included on the agenda at the request of the Members indicated:
- a) **Fairtrade - Motion Included on the Agenda by Councillor C Dereli, on Behalf of the Labour Group**  
In declaring itself a supporter of the Fairtrade movement, recognising the value of the Fairtrade scheme to producers in developing countries who would otherwise not receive a living wage for their work, and recognising that these Fairtrade farmers are often working as cooperatives (an approach we would want to support in pursuit of our anti-slavery commitment) this Council resolves to:
- reaffirms its support in principle for Fairtrade
  - follow the examples such as Edge Hill University, and serve Fairtrade teas and coffees
  - encourage the use of Fairtrade products wherever it can
  - encourage/support the formation of a West Lancashire Steering Group to promote Fairtrade access across the Borough with a view to becoming a Fairtrade Borough, following the example of Burscough as a Fairtrade Town.

**b) Fracking - Motion Included on the Agenda by Councillor I Moran, on Behalf of the Labour Group**

This Council resolves that:

While being totally opposed to shale gas extraction (Fracking) and the damage it threatens to our health, safety, environment and countryside, the Leader and Chief Executive write to the Secretary of State for the Environment, Food and Rural Affairs and the Minister of State for Energy and Clean Growth, asking them to reaffirm their position that there will be no weakening of the existing traffic light system, as proposed by Cuadrilla, to allow fracking to continue where it causes seismic activity in excess of 0.5 magnitude

**c) Flooding - Motion Included on the Agenda by Councillor N Hennessy, on Behalf of the Labour Group**

Council notes:

The publication of the Hurlston Brook Flood Risk Study, and its recommendation.

Council believes:

Appropriate action must be taken to protect residents devastated by flooding previously and at risk again, and also residents who are now at risk of flooding.

Council resolves:

That the Leader and Chief Executive write to the Leader and Chief Executive of Lancashire County Council (as the Local Lead Flood Authority) and the Secretary of State for the Environment, Food and Rural Affairs to request the consideration of some element of large scale investment to protect our residents from further flooding in West Lancashire, and invest to enable the implementation of the recommendations of the Jacobs Flood Report. Further, LCC and DEFRA should lead a multi-agency partnership response with the private sector to access any financial opportunities that may be available to fund the protection of residents' homes and local businesses.

**d) Roads - Motion Included on the Agenda by Councillor G Dowling, on Behalf of the Labour Group**

Council notes:

The announcement by the Department for Transport to invest in a Major Road Network (MRN).

Regional Evidence Bases (REBs) should be worked up by the Sub-national Transport Body (STB) or regional grouping and partners; and list of top ten priority MRN schemes submitted by Summer 2019  
West Lancashire suffers from heavy congestion, roads operating over capacity, a high contribution to poor air quality, and serious and fatal road traffic accidents.

Council believes:

Lancashire needs to take a proactive approach and pull partners together to work up the REB and other such appropriate paperwork so as to submit a scheme for consideration that would benefit the

people and the area of West Lancashire.

We need a more suitable road network locally that can help contribute to the increase of use of public transport, through enhanced cycling routes, bus lanes or high-speed commuter bus scheme.

Council resolves:

That the Leader and Chief Executive write to the Leader and Chief Executive of Lancashire County Council (as the Local Highways Authority) and the Chairman of the Lancashire Enterprise Partnership (LEP) to call for urgent meetings to be arranged with relevant senior officers, including West Lancashire Borough Council Director of Development and Regeneration and Lancashire County Council Executive Director of Growth, Environment, Transport and Community Services, to engage in a conversation and drafting of the REB and other such appropriate paperwork for submission by summer 2019.

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

**FIRE EVACUATION PROCEDURE: Please see attached sheet.**

**MOBILE PHONES: These should be switched off or to 'silent' at all meetings.**

For further information, please contact:-

Jacky Denning on 01695 585384

Or email [jacky.denning@westlancs.gov.uk](mailto:jacky.denning@westlancs.gov.uk)

**FIRE EVACUATION PROCEDURE FOR:  
COUNCIL MEETINGS WHERE OFFICERS ARE PRESENT  
(52 DERBY STREET, ORMSKIRK)**

**PERSON IN CHARGE:** Most Senior Officer Present  
**ZONE WARDEN:** Member Services Officer / Lawyer  
**DOOR WARDEN(S)** Usher / Caretaker

**IF YOU DISCOVER A FIRE**

1. Operate the nearest **FIRE CALL POINT** by breaking the glass.
2. Attack the fire with the extinguishers provided only if you have been trained and it is safe to do so. **Do not** take risks.

**ON HEARING THE FIRE ALARM**

1. Leave the building via the **NEAREST SAFE EXIT**. **Do not stop** to collect personal belongings.
2. Proceed to the **ASSEMBLY POINT** on the car park and report your presence to the **PERSON IN CHARGE**.
3. **Do NOT** return to the premises until authorised to do so by the **PERSON IN CHARGE**.

**NOTES:**

Officers are required to direct all visitors regarding these procedures i.e. exit routes and place of assembly.

The only persons not required to report to the Assembly Point are the Door Wardens.

**CHECKLIST FOR PERSON IN CHARGE**

1. Advise other interested parties present that you are the person in charge in the event of an evacuation.
2. Make yourself familiar with the location of the fire escape routes and inform any interested parties of the escape routes.
3. Make yourself familiar with the location of the assembly point and inform any interested parties of that location.
4. Make yourself familiar with the location of the fire alarm and detection control panel.
5. Ensure that the zone warden and door wardens are aware of their roles and responsibilities.
6. Arrange for a register of attendance to be completed (if considered appropriate / practicable).

**IN THE EVENT OF A FIRE, OR THE FIRE ALARM BEING SOUNDED**

1. Ensure that the room in which the meeting is being held is cleared of all persons.
2. Evacuate via the nearest safe Fire Exit and proceed to the **ASSEMBLY POINT** in the car park.
3. Delegate a person at the **ASSEMBLY POINT** who will proceed to **HOME CARE LINK** in order to ensure that a back-up call is made to the **FIRE BRIGADE**.
4. Delegate another person to ensure that **DOOR WARDENS** have been posted outside the relevant Fire Exit Doors.

5. Ensure that the **ZONE WARDEN** has reported to you on the results of his checks, **i.e.** that the rooms in use have been cleared of all persons.
6. If an Attendance Register has been taken, take a **ROLL CALL**.
7. Report the results of these checks to the Fire and Rescue Service on arrival and inform them of the location of the **FIRE ALARM CONTROL PANEL**.
8. Authorise return to the building only when it is cleared to do so by the **FIRE AND RESCUE SERVICE OFFICER IN CHARGE**. Inform the **DOOR WARDENS** to allow re-entry to the building.

**NOTE:**

The Fire Alarm system will automatically call the Fire Brigade. The purpose of the 999 back-up call is to meet a requirement of the Fire Precautions Act to supplement the automatic call.

### **CHECKLIST FOR ZONE WARDEN**

1. Carry out a physical check of the rooms being used for the meeting, including adjacent toilets, kitchen.
2. Ensure that **ALL PERSONS**, both officers and members of the public are made aware of the **FIRE ALERT**.
3. Ensure that **ALL PERSONS** evacuate **IMMEDIATELY**, in accordance with the **FIRE EVACUATION PROCEDURE**.
4. Proceed to the **ASSEMBLY POINT** and report to the **PERSON IN CHARGE** that the rooms within your control have been cleared.
5. Assist the **PERSON IN CHARGE** to discharge their duties.

It is desirable that the **ZONE WARDEN** should be an **OFFICER** who is normally based in this building and is familiar with the layout of the rooms to be checked.

### **INSTRUCTIONS FOR DOOR WARDENS**

1. Stand outside the **FIRE EXIT DOOR(S)**
2. Keep the **FIRE EXIT DOOR SHUT**.
3. Ensure that **NO PERSON**, whether staff or public enters the building until **YOU** are told by the **PERSON IN CHARGE** that it is safe to do so.
4. If anyone attempts to enter the premises, report this to the **PERSON IN CHARGE**.
5. Do not leave the door **UNATTENDED**.





# Agenda Item 3

## MEMBERS INTERESTS 2012

A Member with a disclosable pecuniary interest in any matter considered at a meeting must disclose the interest to the meeting at which they are present, except where it has been entered on the Register.

A Member with a non pecuniary or pecuniary interest in any business of the Council must disclose the existence and nature of that interest at commencement of consideration or when the interest becomes apparent.

Where sensitive information relating to an interest is not registered in the register, you must indicate that you have an interest, but need not disclose the sensitive information.

Please tick relevant boxes

Notes

	<b>General</b>		
1.	I have a disclosable pecuniary interest.	<input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 below</i>
2.	I have a non-pecuniary interest.	<input type="checkbox"/>	<i>You may speak and vote</i>
3.	I have a pecuniary interest <b>because</b> it affects my financial position or the financial position of a connected person or, a body described in 10.1(1)(i) and (ii) <b>and</b> the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest  or  it relates to the determining of any approval consent, licence, permission or registration in relation to me or a connected person or, a body described in 10.1(1)(i) and (ii) <b>and</b> the interest is one which a member of the public with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice my judgement of the public interest	<input type="checkbox"/>     <input type="checkbox"/>	<i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i>      <i>You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below</i>
4.	I have a disclosable pecuniary interest (Dispensation 20/09/16) or a pecuniary interest but it relates to the functions of my Council in respect of:  (i) Housing where I am a tenant of the Council, and those functions do not relate particularly to my tenancy or lease.  (ii) school meals, or school transport and travelling expenses where I am a parent or guardian of a child in full time education, or are a parent governor of a school, and it does not relate particularly to the school which the child attends.  (iii) Statutory sick pay where I am in receipt or entitled to receipt of such pay.  (iv) An allowance, payment or indemnity given to Members  (v) Any ceremonial honour given to Members  (vi) Setting Council tax or a precept under the LGFA 1992	<input type="checkbox"/>     <input type="checkbox"/>     <input type="checkbox"/>     <input type="checkbox"/>     <input type="checkbox"/>	<i>You may speak and vote</i>     <i>You may speak and vote</i>     <i>You may speak and vote</i>     <i>You may speak and vote</i>     <i>You may speak and vote</i>
5.	A Standards Committee dispensation applies (relevant lines in the budget – Dispensation 20/09/16 – 19/09/20)	<input type="checkbox"/>	<i>See the terms of the dispensation</i>
6.	I have a pecuniary interest in the business but I can attend to make representations, answer questions or give evidence as the public are also allowed to attend the meeting for the same purpose	<input type="checkbox"/>	<i>You may speak but must leave the room once you have finished and cannot vote</i>

**‘disclosable pecuniary interest’** (DPI) means an interest of a description specified below which is your interest, your spouse’s or civil partner’s or the interest of somebody who you are living with as a husband or wife, or as if you were civil partners and you are aware that that other person has the interest.

**Interest**

Employment, office, trade, profession or vocation

Sponsorship

**Prescribed description**

Any employment, office, trade, profession or vocation carried on for profit or gain.

Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M.

	This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.
Contracts	Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority— (a) under which goods or services are to be provided or works are to be executed; and (b) which has not been fully discharged.
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	Any tenancy where (to M's knowledge)— (a) the landlord is the relevant authority; and (b) the tenant is a body in which the relevant person has a beneficial interest.
Securities	Any beneficial interest in securities of a body where— (a) that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and (b) either— (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or (ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

*"body in which the relevant person has a beneficial interest" means a firm in which the relevant person is a partner or a body corporate of which the relevant person is a director, or in the securities of which the relevant person has a beneficial interest; "director" includes a member of the committee of management of an industrial and provident society;*

*"land" excludes an easement, servitude, interest or right in or over land which does not carry with it a right for the relevant person (alone or jointly with another) to occupy the land or to receive income; "M" means a member of a relevant authority;*

*"member" includes a co-opted member; "relevant authority" means the authority of which M is a member;*

*"relevant period" means the period of 12 months ending with the day on which M gives notice to the Monitoring Officer of a DPI;*

*"relevant person" means M or M's spouse or civil partner, a person with whom M is living as husband or wife or a person with whom M is living as if they were civil partners;*

*"securities" means shares, debentures, debenture stock, loan stock, bonds, units of a collective investment scheme within the meaning of the Financial Services and Markets Act 2000 and other securities of any description, other than money deposited with a building society.*

**'non pecuniary interest'** means interests falling within the following descriptions:

- 10.1(1)(i) Any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
- (ii) Any body (a) exercising functions of a public nature; (b) directed to charitable purposes; or (c) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union), of which you are a member or in a position of general control or management;
- (iii) Any easement, servitude, interest or right in or over land which does not carry with it a right for you (alone or jointly with another) to occupy the land or to receive income.
- 10.2(2) A decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a connected person to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward, as the case may be, affected by the decision.

**'a connected person'** means

- (a) a member of your family or any person with whom you have a close association, or
- (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;
- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph 10.1(1)(i) or (ii).

**'body exercising functions of a public nature'** means

Regional and local development agencies, other government agencies, other Councils, public health bodies, council-owned companies exercising public functions, arms length management organisations carrying out housing functions on behalf of your authority, school governing bodies.

A Member with a personal interest who has made an executive decision in relation to that matter must ensure any written statement of that decision records the existence and nature of that interest.

**NB** Section 21(13) of the LGA 2000 overrides any Code provisions to oblige an executive member to attend an overview and scrutiny meeting to answer questions.

# Agenda Item 4

## COUNCIL

**HELD: Wednesday, 12 December 2018**

Start: 7.30 pm

Finish: 8.20 pm

## PRESENT:

### Councillors:

N Delaney (Mayor)	I Ashcroft
G Owen (Deputy Mayor)	Mrs M Blake
T Aldridge	J Cairns
Mrs P Baybutt	R Cooper
T Blane	V Cummins
C Cooper	I Davis
P Cotterill	T Devine
S Currie	Mrs C Evans
C Dereli	S Evans
G Dowling	J Gordon
D Evans	K Lockie
Y Gagen	Mrs J Marshall
N Hennessy	M Mills
C Marshall	M Nixon
J Mee	A Owens
I Moran	E Pope
D O'Toole	N Pryce-Roberts
J Forshaw	Mrs D Stephenson
A Pritchard	D Westley
L Savage	D Whittington
D West	J Witter
Mrs M Westley	A Yates
K Wilkie	
K Wright	

### Officers:

Kim Webber, Chief Executive  
Jacqui Sinnott-Lacey, Director of Housing and Inclusion  
John Harrison, Director of Development and Regeneration  
Heidi McDougall, Director of Leisure & Environment  
Marc Taylor, Borough Treasurer  
Terry Broderick, Borough Solicitor  
Ian Gill, Deputy Director of Development & Regeneration  
Jacky Denning, Member Services Manager

## 56 PRAYERS

The Mayor's Chaplain for the evening, Father Godric, led Members and officers in prayer.

## 57 APOLOGIES

Apologies for absence were received on behalf of Councillors J Bullock, N Furey, J Hodson, G Hodson, P Hudson, J Kay and C Wynn.

## 58 DECLARATIONS OF INTEREST

The following declarations were received:

1. Councillors Aldridge, Hennessy, O'Toole and Pope declared a pecuniary / non pecuniary interest in relation to, agenda item 8 'Budget Update\*', agenda item 10 'Revised Capital Programme', agenda item 11 'Approval of Statement of Licensing Policy and Authorisations Required by the Gambling Act 2005', agenda item 13 'Health and Wellbeing Strategy Annual Performance Review 2018' and agenda item 17 'Review of Grounds Maintenance and Street Cleansing Update', as Members of Lancashire County Council (LCC), as did Councillors Cummins and Gagen as employees of LCC, and indicated that they would not participate in any detailed discussions which affected LCC\*.
2. Councillors Ashcroft, Mrs Blake, Blane, Dereli, Gordon, Mrs Marshall, Mee, Moran, Owen, Pope and Whittington declared a pecuniary / non pecuniary interest in relation to agenda item 10 'Revised Capital Programme', agenda item 11 'Approval of Statement of Licensing Policy and Authorisations Required by the Gambling Act 2005' and agenda item 13 'Health and Wellbeing Strategy Annual Performance Review 2018' as Members of a Parish Council and indicated they would not participate in any detailed discussions which affected the finances of those bodies specifically.\*

\* By virtue of a dispensation granted by the Standards Committee all Councillors who have disclosable pecuniary or pecuniary interests in relation to relevant lines in the budget may participate and vote in the budget debates but not engage in detailed discussions about matters which affect those interests.

3. Councillors Delaney, Devine, Forshaw, Owen, Nixon and West (Tenant of a Council flat/house) Aldridge (Tenant of a Council garage) declared disclosable pecuniary interests in relation to item 9 'HRA Revenue and Capital Mid-Year Review' for the reasons indicated but were entitled to speak and vote by virtue of an exemption (nothing in these reports relates particularly to their respective interests arising from the tenancy or lease).
4. Councillors Aldridge, Blane, Mee and Wright declared non-pecuniary interests in relation to item 9 'HRA Revenue and Capital Mid-Year Review' as they have a connected person who is a tenant of rented Council accommodation. Insofar as that interest becomes a pecuniary interest (as it could affect the financial position of their relative and a member of the public with knowledge of the relevant facts would reasonably regard this as so significant that it is likely to prejudice their judgement of the public interest) they declared that interest but considered that they were entitled to speak and vote by virtue of an exemption as nothing in these reports relates particularly to the relevant tenancy or lease.
5. Councillor Wilkie declared a non-pecuniary interest in relation to agenda item 13 'Health and Wellbeing Strategy Annual Performance Review 2018' as an employee of the Fire Service.

59 **MINUTES**

RESOLVED: That the minutes of the Meeting held on the 17 October 2018 be approved as a correct record and signed by the Mayor.

60 **ANNOUNCEMENTS BY THE MAYOR AND/OR THE CHIEF EXECUTIVE**

There were no items under this heading.

61 **TO ANSWER ANY QUESTIONS UNDER THE PROVISIONS OF COUNCIL  
PROCEDURE RULE 10.2**

The following question was received from Councillor Nikki Hennessy:

*"What partnership work went into organising Freshers Week this year?"*

The Leader provided the following response:

*The Community Safety Partnership recognises the Edge Hill University 'Welcome Weeks' period as a priority and has led on an initiative to provide information to students to encourage them to be good neighbours, for over a decade. For clarification, the first three weeks of Edge Hill's Autumn term are described as the Welcome Weeks. Whilst the partnership used to look at the first week of term, given activities aimed at new and returning students tend to take place for over a week, the period was extended.*

*In May 2018 a number of partner organisations, including Edge Hill University, Edge Hill Students Union, Lancashire Constabulary, Lancashire Fire and Rescue, Young Addaction, Ormskirk Street Pastors, Council Members and the Ormskirk Residents Group, were invited to attend a pre-planning meeting to discuss what actions they could undertake, including improved communication between Edge Hill and the British Transport Police on when the 'Nightclub Night', involving a significant number of students travelling by train between Ormskirk and Liverpool, would be taking place.*

*Following the meeting, an action plan was finalised detailing all the actions agreed by the partner agencies. Some of the key actions included additional police patrols, visits to student properties to discuss noise and waste and leave posters, alcohol harm reduction work, fire safety and specific presentations being provided for students on a range of topics.*

*During the Welcome Weeks period, meetings took place with partners as appropriate to review activities, complaint levels and investigate whether any additional action was required.*

*Following delivery of the action plan an evaluation was completed and reported back to the Community Safety Partnership and Edge Hill Forum.*

**62 MINUTES OF COMMITTEES**

Consideration was given to the minutes of the undermentioned meetings of the Committees shown.

**RESOLVED:** That the minutes of the undermentioned meetings and any recommendations contained in them, be approved:

- A. Licensing & Appeals Committee – Tuesday, 9 October 2018
- B. Planning Committee – Thursday, 18 October and 29 November 2018
- C. Audit & Governance Committee – Tuesday, 30 October 2018

**63 BUDGET UPDATE**

Consideration was given to the report of the Borough Treasurer, as contained on pages 525 to 532 of the Book of Reports, which provided an update on a range of business rates and council tax matters.

**RESOLVED:** A. That delegated authority be given to the Director of Housing and Inclusion in consultation with the relevant Portfolio Holders to implement the new Business Rate Reliefs announced in the Chancellor of the Exchequer's Budget Speech in October 2018.

B. That the level of Council Tax charges be set at the maximum possible level for homes that have been empty for more than 2 years as set out in section 5 of the report.

C. That the existing Council Tax Support Scheme be continued for the next financial year.

**64 HRA REVENUE AND CAPITAL MID-YEAR REVIEW**

Consideration was given to the joint report of the Director of Housing and Inclusion and the Borough Treasurer, as contained on pages 533 to 544 of the Book of Reports, which provided a summary of the Housing Revenue Account (HRA) and Housing capital programme positions for the 2018/19 financial year.

**RESOLVED:** A. That the 2018/19 HRA and Housing capital programme positions be noted.

B. That the proposed budget adjustments identified in Appendix 2 to the report, be approved.

**65 REVISED CAPITAL PROGRAMME**

Consideration was given to the report from the Borough Treasurer, as contained on pages 545 to 556 of the Book of Reports, which discussed a Revised General Revenue Account (GRA) Capital Programme for 2018/2019 and provided an update on progress on capital schemes.

RESOLVED: A. That the revised Capital Programme, including the budget adjustments contained within Appendix A to the report, be approved.

B. That progress against the Revised Capital Programme be noted.

**66 APPROVAL OF STATEMENT OF LICENSING POLICY AND AUTHORISATIONS  
REQUIRED BY THE GAMBLING ACT 2005**

Consideration was given to the report of the Director of Leisure and Environment, as contained on pages 557 to 600, which sought approval of the Statement of Licensing Policy required under the Gambling Act 2005.

Members were advised that the minute of the Licensing and Gambling Committee held on 4 December 2018 had been circulated separately.

RESOLVED: A. That the Statement of Licensing Policy attached at Appendix 2 to the report, be approved.

B. That the Director of Leisure and Environment be given delegated authority to publish and administer the Statement of Licensing Policy.

**67 COUNCIL ENFORCEMENT POLICY**

Consideration was given to the report of the Director of Leisure and Environment, as contained on pages 601 to 630 of the Book of Reports, which advised of a new Corporate Enforcement Policy.

RESOLVED: That the Corporate Enforcement Policy proposed in Appendix 1b to the report, be approved.

**68 HEALTH AND WELLBEING STRATEGY ANNUAL PERFORMANCE REVIEW  
2018**

Consideration was given to the report of the Director of Leisure and Environment, as contained on pages 631 to 652 of the Book of Reports, which provided an update on performance during the first twelve months of the 2018 – 2021 Health and Wellbeing Strategy.

RESOLVED: That the content of the Health and Wellbeing Strategy Performance Review 2018, attached at Appendix 1 to the report, be noted.

**69 EXECUTIVE DECISIONS - SPECIAL URGENCY**

Consideration was given to the report from the Borough Solicitor, as contained on pages 653 to 654 of the Book of Reports, which advised that, for the period 1 December 2017 to 30 November 2018, no decisions were taken under Access to Information Procedure Rule 16 (Special Urgency).

RESOLVED: That it be noted that Access to Information Rule 16 (Special Urgency) was not exercised during the period 1 December 2017 to 30 November 2018.

**70 EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following 2 items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 1, 2 & 3 of Part 1 of Schedule 12A of that Act and as, in all the circumstances of the case, the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

**71 COMMERCIAL PROPERTY INVESTMENTS - UPDATE**

Consideration was given to the report of the Director of Development and Regeneration, as contained on pages 655 to 666 of the Book of Reports, which provided an update on the most recent commercial property investments made by the Council and requested an uplift in the level of investment delegated to the Strategic Asset Purchasing Committee to £2 million.

A revised Appendix A was circulated.

RESOLVED: A. That the update on the most recent commercial property investments be noted.

B. That the level of investment delegated to the Strategic Asset Purchasing Committee, be increased to £2 million.

**72 REVIEW OF GROUNDS MAINTENANCE AND STREET CLEANSING UPDATE**

Consideration was given to the report of the Director of Leisure and Environment, as contained on pages 667 to 700 of the Book of Reports, which provided an update on progress with implementing the recommendations of the grounds maintenance and street cleansing review; sought agreement of service standards and a revised structure, designed to offer greater flexibility and focus to deliver the new service.

A Motion was circulated, which was moved and seconded.



A vote was taken, the Motion was CARRIED.

- RESOLVED:
- A. That the suggestion included in the minutes of the Executive Overview & Scrutiny Committee at Appendix 10, be noted and the structure set out in Appendix 3 'Clean & Green Operatives' be amended to include "Burscough East" in the list above "Burscough West".
  - B. That, subject to (A) above, the revised proposed service structures at Appendix 3 and 6 be noted.
  - C. That the Director of Leisure and Environment be given delegated authority in consultation with the relevant Portfolio Holder to take all action required for the implementation of the new structures.

73 **MOTIONS**

The following Motion was considered at the request of the Member indicated:

74 **FAIR DEAL FOR LEASEHOLDERS - MOTION INCLUDED ON THE AGENDA BY COUNCILLOR ADRIAN OWENS ON BEHALF OF THE OUR WEST LANCASHIRE GROUP**

The following Motion was moved and seconded:

"There is a concern at the Government's failure to adequately regulate the sale of leasehold properties within the UK and tackle the onerous terms of existing leases; at the financial burdens suffered by homeowners, due to unregulated developer practices, and the unacceptable terms of leases; for residents, who find themselves unable to sell their homes, except for a considerable discount, following the public's increasing awareness of the struggles affecting leasehold homeowners.

Pledges to address the matter are welcomed however there is frustration expressed regarding the extent of the Government's plans, and its commitment to support those already affected by unfair practices, and charges.

This Council resolves that:

- A. The Government be requested to take urgent action to address:
  - i) The level of and rate of increase in ground rent charges that existing leaseholders are obliged to pay to developers, or the companies to which the freehold has been sold;
  - ii) The practice of freeholders selling the freehold to third parties, without the knowledge of the existing leaseholders, and without first offering the leaseholder the option of purchasing the freehold;

- iii) The manner in which estate maintenance charges are levied against the leaseholders without sufficient transparency or cost-efficiency;
  - iv) The unclear, and in many cases, seemingly excessive cost for the purchase of freeholds by leaseholders including excessive costs even to enter into such negotiations;
  - v) The unfair systems of administration charges imposed via the lease, to the hindrance of (for example) leaseholders who wish to make alterations to the property;
  - vi) The requirement of existing leaseholders to have owned the lease for a minimum period, before being eligible to purchase the freehold;
  - vii) The lack of advice and adequate compensation schemes available to many leaseholders who believe they have been miss-sold, and/or their lease contains onerous conditions.
- B. The Chief Executive be requested to write to the Secretary of State for Housing, Communities and Local Government, to express the Council's concern regarding the above issues, and request further, pressing action is taken not only to restrict the development of further leasehold homes, but to provide appropriate support and means of redress for existing leaseholders."

An Amendment was proposed, which was accepted by the Mover and Seconder of the Motion as an alteration, with the consent of the meeting.

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

- RESOLVED: A. That the Government be requested to take urgent action to address:
- i) The level of and rate of increase in ground rent charges that existing leaseholders are obliged to pay to developers, or the companies to which the freehold has been sold;
  - ii) The practice of freeholders selling the freehold to third parties, without the knowledge of the existing leaseholders, and without first offering the leaseholder the option of purchasing the freehold;
  - iii) The manner in which estate maintenance charges are levied against the leaseholders without sufficient transparency or cost-efficiency;
  - iv) The unclear, and in many cases, seemingly excessive cost for the purchase of freeholds by leaseholders including excessive costs even to enter into such negotiations;
  - v) The unfair systems of administration charges imposed via the lease, to the hindrance of (for example) leaseholders who wish to make

- alterations to the property;
  - vi) The requirement of existing leaseholders to have owned the lease for a minimum period, before being eligible to purchase the freehold;
  - vii) The lack of advice and adequate compensation schemes available to many leaseholders who believe they have been miss-sold, and/or their lease contains onerous conditions.
- B. The Chief Executive be requested to write to the Secretary of State for Housing, Communities and Local Government, to express the Council's concern regarding the above issues, and request further, pressing action is taken not only to restrict the development of further leasehold homes, but to provide appropriate support and means of redress for existing leaseholders.
- C. The Director of Development and Regeneration provide a report to Cabinet on the options available to this Council in controlling:
- i) The number of properties sold on leasehold in future housing developments and
  - ii) The terms under which these leaseholds are offered to prospective buyers.

.....  
**THE MAYOR**



# Agenda Item 7a

## LICENSING & GAMBLING COMMITTEE

**HELD: Tuesday, 4 December 2018**

Start: 7.00 p.m.

Finish: 7.15 p.m.

### PRESENT:

Councillor: N Furey (Chairman)  
G Owen (Vice-Chairman)

Councillors: I Davis C Dereli  
J Mee M Mills  
D West D Westley  
J Witter K Wright

Officers: Commercial, Safety and Licensing Manager  
Principal Solicitor – Mrs K Lovelady  
Senior Licensing Officer – Mrs M Murray  
Member Services/Civic Officer – Mrs J A Ryan

### 9 APOLOGIES

Apologies for absence were received on behalf of Councillors N Hennessy and P Hudson.

### 10 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillors A Pritchard, C Marshall and J Kay and the appointments of Councillors M Mills, D Westley and Mrs J Witter for this meeting only, thereby giving effect to the wishes of the Political Groups.

### 11 URGENT BUSINESS

There were no urgent items of business.

### 12 DECLARATION OF PARTY WHIP

There were no declarations of Party Whip.

### 13 DECLARATION OF INTEREST

There were no Declarations of Interest.

### 14 MINUTES

RESOLVED: That the minutes of the meeting held on the 5 June 2018 be received as a correct record and signed by the Chairman.

### 15 MINUTES OF SUB-COMMITTEES

The minutes of the Sub-Committees as listed below were submitted.

**16 LICENSING SUB-COMMITTEE - MONDAY 13 AUGUST 2018**

RESOLVED: That the minutes of the Sub-Committee held on the 13 August 2018 be noted.

**17 LICENSING SUB-COMMITTEE - THURSDAY 6 SEPTEMBER 2018**

RESOLVED: That the minutes of the Sub-Committee held on the 6 September 2018 be noted.

**18 LICENSING SUB-COMMITTEE - MONDAY 10 SEPTEMBER 2018**

RESOLVED: That the minutes of the Sub-Committee held on the 10 September 2018 be noted

**19 LICENSING SUB-COMMITTEE - THURSDAY 4 OCTOBER 2018**

RESOLVED: That the minutes of the Sub-Committee held on the 4 October 2018 be noted

**20 APPROVAL OF STATEMENT OF LICENSING POLICY AND AUTHORISATIONS REQUIRED BY THE GAMBLING ACT 2005**

Consideration was given to the report of the Director of Leisure and Environment as contained on pages 87 to 130 of the Book of Reports, which set out the necessary action that needed to be taken to approve the Statement of Licensing Policy required under the Gambling Act 2005.

RESOLVED: That the Statement of Licensing Policy attached at Appendix 2 of the Report be endorsed.

.....  
**- CHAIRMAN -**

# Agenda Item 7b

## LICENSING & APPEALS COMMITTEE

**HELD: Tuesday, 4 December 2018**

Start: 7.30 p.m.

Finish: 9.10 p.m.

### PRESENT:

Councillor: G Owen (Chairman)  
N Furey (Vice-Chairman)  
G Owen (Chairman)  
N Furey (Vice-Chair)

Councillors: C Dereli A Owens  
C Evans D West  
J Mee Mrs J Witter  
M Mills K Wright

Officers: Commercial, Safety and Licensing Manager – Mr P Charlson  
Principal Solicitor – Mrs K Lovelady  
Senior Licensing Officer – Ms M Murray  
Member Services/Civic Officer – Mrs J A Ryan

### 24 APOLOGIES

Apologies for absence were received on behalf of Councillors N Hennessy and P Hudson.

### 25 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of membership of Councillor J Kay, and the appointment of Councillor Mrs J Witter for this meeting only, thereby giving effect to the wishes of the political groups.

### 26 URGENT BUSINESS

There were no urgent items of business.

### 27 DECLARATION OF PARTY WHIP

There were no declarations of Party Whip.

### 28 DECLARATION OF INTEREST

1. Councillor G Owen declared a pecuniary interest in respect of Private Hire Driver Application WK/000244951 as the applicant was known to her and therefore left the Chamber during consideration of this item.
2. Councillor D West declared a pecuniary interest in respect of Private Hire Driver Application Number WK/000244951 as the applicant was known to her and therefore left the Chamber during consideration of this item.

**29 MINUTES OF SUB - COMMITTEES OR WORKING GROUPS**

There were no minutes to receive.

**30 MINUTES**

RESOLVED: That the minutes of the meeting held on 9 October 2018 be received as a correct record and signed by the Chairman subject to noting that Councillor K Wright was in attendance at the previous meeting.

**31 LICENSING FEES AND CHARGES 2019/20**

Consideration was given to the report of the Director of Leisure and Environment as contained on pages 117 to 123 of the Book of Reports which sought Members agreement on the proposed changes in licensing fees and charges for the period 1 April to 31 March 2020.

RESOLVED: (A) That with effect from the 1 April 2019, the proposed changes in Hackney Carriage and Private Hire Licensing Fees and charges contained in Table 1 in the report be approved

(B) That delegated authority be granted to the Director of Leisure and Environment to give notice under Section 70 of the Local Government (Miscellaneous Provisions) Act 1976 of the Council's intention to vary the fees and charges for vehicle, driver and operator licences.

(C) That with effect from the 1 April 2019, the proposed fees and charges contained in Table 2 of the report be approved subject to the words "per annum" being removed in relation to the Animal Welfare Licences as set out on pages 120 and 121 of the Report.

**32 HACKNEY CARRIAGE AND PRIVATE HIRE STATEMENT OF LICENSING POLICY - VEHICLE AGE/EMISSION REQUIREMENTS**

Consideration was given to the report of the Director of Leisure and Environment as contained on pages 127 to 130 of the Book of Reports to consider raised vehicle age and emission policy statements for licensed vehicles within the Hackney Carriage and Private Hire Statement of Licensing Policy.

RESOLVED: (A) That the Hackney Carriage and Private Hire Statement of Licensing Policy be amended as necessary to reflect the content of Section 5.0 of the report.

(B) That the amendments to the Hackney Carriage and Private Hire Statement of Licensing Policy are added to those previously approved for public consultation by the Licensing and Appeals Committee on 9 October 2018.



33 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 2 (Identity of an individual) and Paragraph 7 (Criminal Matters) part 1 of Schedule 12A outweighs the public interest in disclosing the information.

34 **APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000246068**

Members were asked to consider an Application for a Private Hire Driver Licence Number WK/000246068 having regard to the Statutory Declaration that accompanied the Application Form and any other relevant information.

The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right to appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Reference Number WK/000246068 be REFUSED.

(Note: The Officers from Leisure and Environment Services left the meeting as Members considered their decision in this case).

35 **APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000246362**

Members were asked to consider an Application for Private Hire Driver Licence Reference WK/000246362 having regard to the content of the Statutory Declaration Form and any other relevant information.

The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Registration Number WK/000246362 be GRANTED.

(Note: The Officers from Leisure and Environment Services left the meeting as Members considered their decision in this case).

36 **APPLICATION FOR PRIVATE HIRE OPERATORS LICENCE - WK000246660**

Members were asked to consider an Application for a Private Hire Driver Licence Number WK/000246660 having regard to the content of the Statutory Declaration Form and any other relevant information.

The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Operators Licence Reference Number WK/000246660 be GRANTED.

(Note: The Officers from Leisure and Environment Services left the meeting as Members considered their decision in this case).

37 **APPLICATION FOR A PRIVATE HIRE DRIVER LICENCE - WK000244951**

Members were asked to consider an Application for Private Hire Driver Reference Number WK/000244951 having regard to the content of the Statutory Declaration Form and any other relevant information.

The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Reference Number WK/000244951 be REFUSED.

(Notes:

1. Councillor G Owen had declared a pecuniary interest in respect of this application as the applicant was known to her and therefore left the Chamber during consideration of this item.
2. Councillor D West had declared a pecuniary interest in respect of this application as the applicant was known to her and therefore left the Chamber during consideration of this item.
3. Councillor N Furey took the Chair for this item.
4. The Officers from Leisure and Environment Services left the meeting as Members considered their decision in this case).

38 **PRIVATE HIRE DRIVER: DETERMINATION OF EXISTING LICENCE WK/000245728**

Members were asked to consider Private Hire Driver Reference Number WK/000245728 having regard to the failure to comply with the Hackney Carriage and Private Hire Statement of Licensing Policy and relevant legislation.

The Driver had been invited to attend the meeting but had failed to attend.

Due to the seriousness of the issues reported, the Committee agreed to consider the case in his absence.

RESOLVED: That the Private Hire Driver Licence associated with Reference Number WK/000245728 be REVOKED with immediate effect.

(Note: The Officers from Leisure and Environment Services left the meeting as Members considered their decision in this case).

.....  
**- CHAIRMAN -**



## PLANNING COMMITTEE

**HELD:** Thursday, 10 January 2019

Start: 7.30 pm

Finish: 9.50 pm

### PRESENT:

Councillors:

M Mills (Chairman)	
D Evans (Vice-Chairman)	I Ashcroft
S Currie	S Evans
G Hodson	J Hodson
G Owen	E Pope
A Pritchard	D Westley
Mrs M Westley	A Yates

Officers:

Ian Gill, Deputy Director of Development & Regeneration  
Ann Veevers, Principal Planning Officer  
Rob Hitchcock, Principal Planning Officer  
Matthew Jones, Deputy Borough Solicitor  
Rebecca Chadwick, Assistant Solicitor  
Jacky Denning, Member Services Manager

### 79 APOLOGIES

There were no apologies for absence received.

### 79 APOLOGIES

There were no apologies for absence received.

### 80 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillors O'Toole, Devine and Mrs Baybutt and the appointments of Councillor D Westley, S Evans and Currie for this meeting only, thereby giving effect to the wishes of the Political Groups.

### 81 URGENT BUSINESS, IF ANY INTRODUCED BY THE CHAIRMAN

There were no items of urgent business.

### 82 DECLARATIONS OF INTEREST

There were no declarations.

### 83 DECLARATIONS OF PARTY WHIP

There were no Declarations of Party Whip.

### 84 MINUTES

RESOLVED: That the minutes of the meeting held on the 29 November 2018 be approved as a correct record and signed by the Chairman.

**85 PLANNING APPLICATIONS**

The Director of Development and Regeneration submitted a report on planning applications (all prefixed 2018 unless otherwise stated) as contained on pages 1191 to 1310 of the Book of Reports and on pages 1311 to 1319 of the Late Information Report.

(Notes:

1. In accordance with Regulatory Procedure Rule 7(b):
  - Councillor Dereli spoke in connection with planning application 0837/FUL relating to Burscough AFC, Victoria Park, Mart Lane, Burscough, L40 0SD
  - Councillor Gordon spoke in connection with planning application 0259/FUL relating to Land to the West of Oasis Close, Rufford, L40 1SA
  - Councillor Dowling spoke in connection with planning application 1006/FUL relating to Premises known as The Timber Yard, Moorgate, Ormskirk, L39 4RT
2. In accordance with the procedure for public speaking on planning applications on this Committee
  - Parish Councillor Brian Bailey from Burscough Parish Council and the Applicant's Agent spoke in connection with planning application 0837/FUL relating to Burscough AFC, Victoria Park, Mart Lane, Burscough.
  - 3 objectors and the Applicant's Agent spoke in connection with application no. 0259/FUL relating to Land to the West of Oasis Close, Rufford.

**86 2018/1158/FUL - BEACON PARK GOLF CENTRE, BEACON LANE, DALTON, WIGAN**

RESOLVED: That planning application 1158/FUL relating to Beacon Park Golf Centre, Beacon Lane, Dalton, Wigan be approved, subject to the conditions as set out on pages 1195 to 1196 of the Report.

**87 2018/1164/FUL - BEACON PARK GOLF CENTRE, BEACON LANE, DALTON, WIGAN**

RESOLVED: That planning application 1164/FUL relating to Beacon Park, Golf Centre, Beacon Lane, Dalton, Wigan be approved subject to the conditions as set out on pages 1202 to 1203 of the Report and on page 1312 of the Late Information Report setting out details of additional conditions.

**88 2018/0800/FUL - SITE OF FORMER ATKINSON KIRKBY, ATKINSON ROAD, ORMSKIRK**

RESOLVED: That in respect of planning application 2018/0800/FUL relating to the site of former Atkinson Kirkby, Atkinson Road, Ormskirk:

1. The decision to grant planning permission be delegated to the

Director of Development and Regeneration in consultation with the Chairman or Vice-Chairman of the Planning Committee subject to the applicant entering into a planning obligation under S106 of the Town and Country Planning Act 1990 to secure:-

- (a) Education Contribution for Secondary School provision
- (b) Terms of the affordable housing tenure
- (c) Maintenance of on-site open space

- 2. That any planning permission granted by the Director of Development and Regeneration pursuant to recommendation 1 above be subject to the conditions as set out on pages 1218 to 1224 of the Report and with the amendment of Conditions 2, 3, 4, 6, 8, 9,13,14,15, 27, 31 and 32, as set out on pages 1312 to 1315 of the Late Information Report.

**89 2018/0259/FUL - LAND TO THE WEST OF OASIS CLOSE, RUFFORD**

RESOLVED: That planning application 0259/FUL relating to Land to the West of Oasis Close, Rufford, be deferred to the next meeting, to allow further discussions with Lancashire County Council regarding the highway safety aspects of the proposed access.

**90 2018/1006/FUL - PREMISES KNOWN AS THE TIMBER YARD, MOORGATE, ORMSKIRK**

RESOLVED: That planning application 1006/FUL relating to the premises known as The Timber Yard, Moorgate, Ormskirk be refused for the reasons as set out below:

- 1. The proposed development would result in undue noise and disturbance to nearby residents contrary to Policy GN3 of the West Lancashire Replacement Local Plan (2012-2027) Development Plan Document.
- 2. The proposed development would lead to a loss in existing car parking thereby increasing demand for on-street parking to the detriment of highway safety contrary to policies GN3 and IF2 in the West Lancashire Replacement Local Plan (2012-2027) Development Plan Document.

**91 2018/1017/FUL - SOUTHVIEW LODGE CARE HOME, 92 STATION ROAD, HESKETH BANK, PRESTON**

RESOLVED: That it be noted that planning application 1017/FUL relating to Southview Lodge Care Home, 92 Station Road, Hesketh Bank had been withdrawn by Officers.

**92 2018/0721/FUL - GIBBONS BARN, PLEX LANE, HALSALL**

RESOLVED: That it be noted that planning application 0721/FUL relating to Gibbons Barn, Plex Lane, Halsall had been withdrawn by officers as the Applicant wishes to revise the scheme further.

**93 2018/0837/FUL - BURSCOUGH AFC, VICTORIA PARK, MART LANE, BURSCOUGH**

RESOLVED: 1. That in relation to planning application 0837/FUL relating to Burscough AFC, Victoria Park, Mart Lane, Burscough, that the application be referred to the Secretary of State.

2. Subject to the application not being 'called in' by the Secretary of State, that the decision to grant planning permission be delegated to the Director of Development and Regeneration in consultation with the Chairman and Vice-Chairman of the Committee, subject to the applicant entering into a planning obligation under S106 of the Town and County Planning Act 1990 to secure:

- A financial contribution towards secondary school places within Lancashire
- Terms and conditions of the affordable and specialist elderly housing units
- Management and maintenance of on-site open space

3. That any planning permission granted by the Director of Development and Regeneration pursuant to 1. above be subject to the conditions as set out on pages 1272 to 1277 of the Report, with the amendment of conditions 7,8,11 and 12 as set out on page 1318 of the Late Information Report.

**94 2018/1090/ARM - LAND TO THE NORTH OF COBBS CLOUGH, WHALLEYS ROAD, SKELMERSDALE**

RESOLVED: That in respect of planning application 1090/ARM relating to Land to the North of Cobbs Clough, Whalleys Road, Skelmersdale:

1. That the decision to grant planning permission be delegated to the Director of Development and Regeneration in consultation with the Chairman or Vice Chairman of the Planning Committee subject to the applicant entering into a deed of variation (planning obligation) under S106 of the Town and Country Planning Act 1990 to secure the terms and conditions of the affordable housing.

2. That any planning permission granted by the Director of Development and Regeneration pursuant to recommendation 1 above be subject to the conditions as set out on pages 1289 to 1296 of the Report.



95      **2018/1126/OUT - 67 GAW HILL LANE, AUGHTON**

RESOLVED:      That planning application 1126/OUT relating to 67 Gaw Hill Lane, Aughton be granted subject to the conditions as set out on pages 1306 to 1310 of the Report.

.....  
**Chairman**



# Agenda Item 7d

## AUDIT & GOVERNANCE COMMITTEE

**HELD: Tuesday, 29 January 2019**

Start: 6.30 p.m.

Finish: 7.34 p.m.

### PRESENT:

Councillor: P Cotterill (Chairman)

Councillors: T Aldridge T Blane  
R Cooper N Delaney  
C Dereli J Gordon  
N Hennessy J Mee  
J Witter

Officers: Borough Solicitor - Mr T Broderick  
Borough Treasurer – Mr M Taylor  
Member Services/Civic Officer – Mrs J A Ryan

In attendance: Georgia Jones (Grant Thornton)

### 36 APOLOGIES

There were no apologies received.

### 37 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillors Wynn and Pope and the appointments of Councillors Delaney and Mrs Witter respectively for this meeting only, thereby giving effect to the wishes of the Political Groups.

### 38 DECLARATIONS OF INTEREST

There were no Declarations of Interest received.

### 39 PUBLIC SPEAKING

There were no items under this heading.

### 40 MINUTES

RESOLVED: That the minutes of the meeting held on the 30 October 2018 be approved as a correct record and signed by the Chairman.

### 41 GRANT THORNTON - PROGRESS UPDATE

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 379 to 385 of the Book of Reports the purpose of which was to receive an update from the Council's External Auditors Grant Thornton on a range of different matters.

The Chairman invited Georgia Jones from Grant Thornton to present the Progress Report to the Committee.

RESOLVED: That the Grant Thornton Progress Report be noted.

42 **GRANT THORNTON - AUDIT PLAN**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 387 to 403 of the Book of Reports the purpose of which was to receive a report from the Council's External Auditors which set out their plan for the audit of the Council's 2018/19 financial statements and consideration of value for money issues.

The Chairman invited Georgia Jones from Grant Thornton to present the Audit Plan report.

Comments and questions were raised in respect of the following:-

- Value for money arrangements in respect of the Housing Revenue Account (HRA)
- Introduction of new software
- External Audit Fees and delivery of the work on time
- Early closure dates for publication of local government accounts, and whether this could subject the Council to penalty fees

RESOLVED: That the report be noted and that the Audit Plan be approved.

43 **RISK MANAGEMENT FRAMEWORK AND POLICY UPDATE**

Consideration was given to the report of the Borough Treasurer as set out on pages 405 to 417 of the Book of Reports which set out details of the operation of the Risk Management Framework over the last twelve months and recommended changes to the current Risk Management Policy.

Comments and questions were raised in respect of the following:-

- When training on Risk Management would be undertaken – this is scheduled for October/November
- In relation to the Risk Management Policy a Member asked that the time of year when the Policy was reviewed could be added in the Policy and when the Working Group meets.
- It was noted that there was a typo on page 411 of the report, the second bullet point should say "ambitious" for West Lancashire and not "ambitions".

RESOLVED: (A) That the continuing effective operation of the Risk Management Framework and the comments above be noted.

- (B) That the proposed amendments to the Risk Management Policy as set out in the appendix be endorsed for approval by Cabinet incorporating the additional amendments as noted above.

**44 INTERNAL AUDIT ACTIVITIES - QUARTERLY UPDATE**

Consideration was given to the report of the Borough Treasurer as circulated and contained on pages 419 to 424 of the Book of Reports which advised of progress against the 2018/19 Internal Audit Plan.

The Borough Treasurer reported 64% of the items on the plan were in progress compared to 62% for the same period in the previous year and outlined the key reasons for this position.

Comments and questions were raised in respect of the following:-

- The number of Council house sales sold privately in the past 12 months.
- The planned Treasury Management and Main Accounting audits.

RESOLVED: That progress in the year to date, be noted.

**45 PROPERTY SERVICES - ARRANGEMENTS RELATING TO THE ENGAGEMENT OF A CONTRACTOR**

Consideration was given to the report of the Borough Treasurer as contained on pages 425 to 440 of the Book of Reports which set out details of the issues arising from an internal audit examination of Property Services arrangements with a contractor.

Comments and questions were raised in respect of the following:-

- The new procedures and management now in place
- Tendering exercises
- VAT issues

RESOLVED: (A) That progress against the action plan be noted.

- (B) That a follow up audit of Property Services procurement is undertaken during 2019/20 to confirm that the new arrangements are working effectively.

**46 RIPA ACT REGULAR MONITORING OF USE OF POWERS**

In relation to the quarterly monitoring of activity under the Regulation of Investigatory Powers Act 2000 (RIPA) the Borough Solicitor reported that there was no relevant activity to bring to the attention of the Committee.

RESOLVED: That the report be noted.

47 **WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as set out at page 441 of the Book of Reports.

Comments and questions were raised in respect of the following:-

- Members requested the training session to be longer and the possibility of Audit and Governance Committee starting at 7.00pm.
- A training session was requested on Social Value.

RESOLVED: (A) That the Work Programme be noted.

(B) That a training session on Social Value take place in October 2019.

.....  
**- CHAIRMAN -**

## LICENSING & APPEALS COMMITTEE

**HELD:** Tuesday, 12 February 2019

**Start:** 7.30 pm

**Finish:** 9.05 pm

### PRESENT:

Councillor: G Owen (Chairman)  
N Furey (Vice Chairman)

Councillors: Mrs C Evans C Dereli  
M Mills J Mee  
K Wright D West

Officers: Paul Charlson, Commercial, Safety and Licensing Manager  
Samantha Jordan, Senior Licensing Officer  
Kay Lovelady, Principal Solicitor  
Karen Smith, Legal Assistant  
Julia Brown, Member Services /Civic Officer  
Kirsty Breakall, Member Services / Civic Officer

### 39 APOLOGIES

Apologies for absence were received on behalf of Councillors J. Kay and A. Owens.

### 40 MEMBERSHIP OF THE COMMITTEE

There were no changes to Membership of the Committee.

### 41 URGENT BUSINESS

There were no urgent items of business.

### 42 DECLARATION OF PARTY WHIP

There were no declarations of Party Whip.

### 43 DECLARATION OF INTEREST

There were no declarations of interest.

### 44 MINUTES OF SUB - COMMITTEES OR WORKING GROUPS

AGREED: That the Minutes of the Employment Appeals Sub – Committee held on 8 October 2018 be noted.

### 45 MINUTES

RESOLVED: That the Minutes of the meeting held on 4 December 2018 be received as a correct record and signed by the Chairman.

**46 EXCLUSION OF PRESS AND PUBLIC**

RESOLVED That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 2 (Identity of an individual) and Paragraph 7 (Criminal Matters) part 1 of Schedule 12A outweighs the public interest in disclosing the information.

**47 EXISTING PRIVATE HIRE DRIVER LICENCE - WK/000247251**

Members were asked to consider an existing Private Hire Driver Licence Number WK/000247251, having regard to offences recorded against the driver and the driver's failure to declare the offence.

The Driver attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Licence WK/000248251 continue and that a warning letter be sent regarding his future conduct.

(Note: The Officers from the Leisure and Environment Services left the meeting as Members considered their decision in this case).

**48 EXISTING PRIVATE HIRE DRIVER LICENCE - WK/000247288**

Members were asked to consider an existing Private Hire Driver Licence Number WK/000247288, having regard to an offence recorded against the driver and the driver's failure to declare the offence.

The Driver attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Licence WK/000247288 continue and that a warning letter be sent reminding him to disclose any future convictions.

(Note: The Officers from the Leisure and Environment Services left the meeting as Members considered their decision in this case).

**49 APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000247880**

Members were asked to consider an application for a Private Hire Driver Licence Number WK/000247880, having regard to the content of the Statutory Declaration that accompanied the Application Form and any other relevant information.



The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Licence WK/000247880 be GRANTED.

(Note: The Officers from the Leisure and Environment Services left the meeting as Members considered their decision in this case).

50 **EXISTING PRIVATE HIRE DRIVER LICENCE - WK/000246476**

Members were asked to consider an existing Private Hire Driver Licence Number WK/000246476, having regard to offences recorded against the driver and the driver's failure to declare the offences on two occasions.

The Driver attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Licence WK/000246476 continue and no further action required.

(Note: The Officers from the Leisure and Environment Services left the meeting as Members considered their decision in this case).

51 **APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000246359**

Members were asked to consider an application for a Private Hire Driver Licence Number WK/000246359, having regard to the content of the Statutory Declaration that accompanied the Application Form and any other relevant information.

The Applicant attended the meeting and was interviewed by the Committee during which he was advised of his right of appeal to the Magistrates Court if he was aggrieved by the decision.

RESOLVED: That Private Hire Driver Licence WK/000246359 be GRANTED.

(Note: The Officers from the Leisure and Environment Services left the meeting as Members considered their decision in this case).

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**Chairman**





COUNCIL: 27 February 2019

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**Report of:** Borough Treasurer

**Contact for further information:** Ms. S Lewis (Extn. 5027)  
(e-mail: [sharon.lewis@westlancs.gov.uk](mailto:sharon.lewis@westlancs.gov.uk))

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**SUBJECT: PAY POLICY STATEMENT 2019/20**

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Wards affected: Borough wide.

## **1.0 PURPOSE OF THE REPORT**

1.1 To agree a Pay Policy Statement for 2019/20 detailing the Authority's policy on Workforce remuneration, as required by the Localism Act 2011 (the 'Localism Act').

## **2.0 RECOMMENDATION**

2.1 That the Pay Policy Statement for 2019/20, attached at Appendix 1, be approved, published on the Council's website, and included in the Constitution.

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## **3.0 BACKGROUND**

3.1 The Localism Act refers to 'Pay Accountability' and sets out the requirements for Councils and fire and rescue authorities to prepare and publish annual pay policy statements. The pay policy statement must be approved by full Council, in advance of the financial year to which it relates.

3.2 The Council must publish the statement on the Council's website and may choose to expand the publication in other ways as part of its approach towards transparency. The pay policy statement must set out the Council's policies relating to:

- Chief Officer remuneration (at recruitment, salary, bonus/performance related pay, charges/fees/allowances, benefits in kind, enhancement to pension at termination),
- Remuneration of its lowest paid employees (elements as above), the definition used for this group and the reason for adopting that definition,

- The relationship between Chief Officer Remuneration and that of other staff.
- 3.3 The Council may amend its pay policy statement during the year but must comply with the statement in force in making decisions on relevant remuneration.
- 3.4 The definition of Chief Officers is not limited to those on Chief Executive and Chief Officer Terms and Conditions (JNC Conditions). It means Heads of Paid Service, statutory and non-statutory Chief Officers and those who report directly to them.
- 3.5 The Localism Act sets out the minimum requirements and authorities are encouraged to consider whether they wish to extend the scope of their pay policy statement to include highly paid staff not within the definition of 'Chief Officers'. At West Lancashire the scope of the 'Chief Officer' definition means that it is not necessary to so extend.
- 3.6 The information set out within the Pay Policy Statement complements the data on pay and reward that the Council is required to publish separately, under the Code of Recommended Practice for Local Authorities on Data Transparency and by the Accounts and Audit (England) Regulations and Local Government Transparency Code 2014. This is referred to on the Council's website.

#### **4.0 GUIDANCE ON OPENNESS AND ACCOUNTABILITY IN LOCAL PAY**

- 4.1 Under Section 40 of the Localism Act the Council must, when preparing and approving pay policy statements, have regard to any guidance issued or approved by the Secretary of State for Communities and Local Government. In February 2012, the Secretary of State issued guidance on openness and accountability in local pay setting out specific expectations including:
- Full council having the opportunity to vote on senior remuneration packages with a value over £100,000 prior to an offer being made in a new appointment;
  - Policies explaining the planned relationship between chief officers' remuneration and that of other staff and the ratio between the highest paid and the median salary that the authority aims to achieve or maintain;
  - Authorities considering Lord Hutton's recommendations on the value of a system of 'earn back' pay, with an element of their basic pay 'at risk', to be earned back each year through meeting pre-agreed objectives;
  - Any decision that an authority takes in relation to the award of severance to an individual Chief Officer, complying with their published policy for that year;
  - Authorities having an explicit policy in their pay statement on whether or not they permit an individual to be in receipt of a pension in addition to receiving a salary;
  - Policies toward Chief Officers, who have returned to an authority and had received a severance or redundancy payment, returned under a contract for services or are in receipt of a LGPS / firefighter pension.
- 4.2 Additional supplementary guidance was issued in February 2013 which is summarised below:

- Pay Policy Statements are public documents to be used to hold Councillors to account on pay matters;
- The Pay Policy Statement should be published as soon as reasonably practicable after approval by full Council, it should include the Council's approach to the publication of and access to information on Chief Officer Remuneration.
- Building on existing guidance regarding the need for full Council approval for Senior Officer Appointments on salaries over £100,000, where Councils do not have posts within their structure of over £100,000, local salary thresholds should be set for full Council approval to senior officer appointments.
- There should be published policies on severance for Chief Officers and details of any redundancy payment discretions.
- Full Council should vote on large severance packages beyond a threshold of £100,000, the details should be set out to include all components of the severance, including salary paid in lieu, redundancy compensation, pension entitlement, holiday pay, bonuses, fees and allowances.

## **5.0 CURRENT APPROACH**

- 5.1 Members have been mindful for many years of ensuring that the remuneration available to the Chief Officers and senior managers within the Council is appropriate including in terms of ensuring the necessary skills are available to the Council.
- 5.2 The annual Pay Policy Statement provides information about the remuneration package offered by the Council to the Chief Officers within the structure, as well as relevant ratios.
- 5.3 Lord Hutton in his review of public sector pay, Fair Pay in the Public Sector, December 2010, recommended amongst a number of other things that the ratio between the lowest and highest paid officers within a public sector organisation should be no more than 1:20. With this recommendation in mind the Council is well within the boundaries of reasonable and appropriate pay differentials.
- 5.4 In producing the Pay Policy Statement, due consideration has been given to the guidance available and it is considered that the Pay Policy Statement presents a fair and appropriate approach to senior officer remuneration across the Council, which also represents good value for money.
- 5.5 It is Council policy to pay an additional supplement to those Council employees not currently receiving 'a Living Wage Foundation living wage'. This wage level is currently £9.00 per hour and this approach has been accounted for in the Pay Policy Statement 2019/20.
- 5.6 Employees who are members of the Local Government Pension Scheme (LGPS) pay annual contributions into the Scheme based on a banding structure, and the current contribution bandings are incorporated into the Pay Policy 2019/20.
- 5.7 The Pay Policy Statement contains the proposed revised grade structure for the Council, following the National Joint Council 2018/19 two year pay award. With effect from 1 April 2019, the national pay spine for all posts graded within the

National Joint Council for Local Government Services collective bargaining machinery, has been amended. This has resulted in the need for the Council to assimilate this revised pay spine within its own grade structure. The assimilation details have been agreed with the trade unions.

## **6.0 PROPOSALS**

- 6.1 The Council needs to agree a Pay Policy Statement and is recommended to adopt the Pay Policy Statement 2019/20, including the revised pay structure, as attached at Appendix 1. The Policy will be reviewed annually and further reports prepared for Council each year in order to ensure effective delivery of the Council's objectives.

## **7.0 SUSTAINABILITY IMPLICATIONS**

- 7.1 The report acknowledges the need to be transparent and open about Chief Officer Pay arrangements. The Council has put in place pay arrangements to ensure a suitably qualified and experienced set of Chief Officers are in place to deliver the Council's business, through appropriate remuneration at this senior level, whilst at the same time achieving value for money and being cognisant of the Council's objectives and budgetary circumstances.

## **8.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 8.1 The proposed Pay Policy Statement itself will not have any direct effect on the budgetary position of the Council as it encapsulates the current arrangements in relation to Pay and Conditions of its employees. However, the revised grading structure that will be effective from 1 April 2019 does detail changes to the salaries budget, which has been accounted for within the Council's overall budget, discussed elsewhere on the agenda.
- 8.2 Annual pay negotiations for both NJC and JNC officer salaries in 2018 both resulted in a two year deal, so the salaries quoted in Appendix 1 are based on levels approved for 1 April 2018 and 1 April 2019 onwards.

## **9.0 RISK ASSESSMENT**

- 9.1 A Pay Policy Statement must be approved and published to comply with various legislative and regulatory requirements. This provides an opportunity to demonstrate that the Council's approach to remuneration is fair and appropriate and demonstrates good value for money.

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### **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**

There is a significant direct impact on members of the public, employees, elected members and / or stakeholders. Therefore an Equality Impact Assessment is required

and a formal assessment is attached as Appendix 2 to this report, the results of which have been taken into account in the Recommendations contained within this report.

### **Appendices**

Appendix 1 - Pay Policy Statement 2019/20

Appendix 2 - Equality Impact Assessment





## **PAY POLICY STATEMENT 2019/20 (Revised February 2019)**

### **1. Introduction and Purpose**

Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘statement’) sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;

- the methods by which salaries of all employees are determined;
- the details of the remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
- the relationship between the remuneration of its Chief Officers and other employees

This pay policy statement is effective from 1 April 2019 and will be subject to review on an annual basis, or earlier if required, the policy for the next financial year being approved by 31<sup>st</sup> March each year.

### **2. Other legislation relevant to pay and remuneration**

In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. The Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.

### **3. Pay Structure**

The Council uses the nationally negotiated pay spine(s) (i.e. a defined list of salary points) as the basis for its local pay structure, which determines the salaries of the large majority of its workforce together with the use of locally determined rates where these do not apply.

In April 2018, agreement was reached between the National Employers and the National Joint Council for Local Government Services Trade Union Side on rates of pay applicable from **1 April 2018** and **1 April 2019**.

This resulted in a two year pay deal, which included the revision of the National Pay Spine in April 2019, as well as a minimum 2% pay increase in each of the two years. This 2% pay increase over two years was also mirrored in the Joint National Council Chief Officer and Chief Executive national negotiations, though the pay spine in relation to these posts are locally determined.

The impact of the 2019 revised Pay spine, is that the Council's grading structure has been revised to take account of the pay spine changes. This has resulted in the merging

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of Scale1(a) and Scale 1 (b) into a new Scale 1, and a realignment of the various spinal column points throughout the structure. In addition local spinal column points have also been renumbered to account for the changes below, within the national structure.

The Council's pay scales continue to range from Scale 1 to WLa. Scales 1 to PO4 are in line with the National Pay Spine and senior managers on Grades SM1 to WLa are on a locally determined pay spine. Full details are shown in the Appendices A and B. Variable additional payments may also be made as appropriate in line with the terms and conditions of employment, which completes the total remuneration package.

Until 31 March 2019 the Council paid an additional supplement to those Council employees not currently receiving the Living Wage Foundation 'living wage' (currently an hourly rate of £9.00). This provides a supplementary payment to all staff on spinal column points 6 to 10 in addition to their normal salary payment, which has been taken into account within this document.

However, with effect from 1 April 2019, the lowest spinal column point on the grade structure will equate to £9.25 per hour. Consequently there will no longer be a need to make an additional voluntary supplementary payment, as all our staff will be in receipt of an hourly rate in excess of the Foundation Living Wage hourly rate.

The Council adheres to the national pay bargaining arrangements in respect of the establishment and revision of the national pay spine, for example through any agreed annual pay increases negotiated with joint trade unions. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.

In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of the national pay spine, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

New appointments will normally be made at the minimum of the relevant pay scale for the grade, although this can be varied where necessary to secure the best candidate. Where the appointment salary is above the minimum point of the pay scale and is not affected by other council policies, for example promotion, redeployment or flexible retirement, this is approved in accordance with the Scheme of Delegation, contained in the Council's constitution, available on the Council's website.

From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

Any temporary supplement to the salary scale for the grade for this purpose is approved in accordance with the locally agreed Market Premia and Retention Payments detailed in the local conditions of service. A decision in relation to any payment of this nature is

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delegated to the Chief Executive except for officers on Chief Officer terms and conditions which must be determined by the Council.

The Council also employs a number of Apprenticeships throughout the various services. These are paid in line with National Minimum Wage rates for age. These rates do not form part of the overall grading structure for the Council and are presently as detailed below:

<b>FTE Annual Salary</b>	<b>Apprenticeship Age Rate</b>
£7,884	Age under 18 years
£11,075	Age 18 – 20
£13,853	Age 21 -24
£14,698	Age over 25 years

These will rise to the following from 1 April 2019:

<b>FTE Annual Salary</b>	<b>Apprenticeship Age Rate</b>
£8,166	Age under 18 years
£11,544	Age 18 – 20
£14,454	Age 21 -24
£15,411	Age over 25 years

#### **4. Definitions**

The Localism Act refers to the position of Chief Officer, which is defined as:

- Head of Paid Service designated under Section 4(1) of the Local Government & Housing Act (LGHA) 1989
- Monitoring Officer designated under section 5(1) of the LGHA 1989
- Statutory Chief Officer mentioned in section 2(6) of the LGHA 1989
- Non statutory Chief Officers mentioned in section 2(7) of the LGHA 1989
- A Deputy Chief Officer mentioned in Section 2(8) of the LGHA 1989

Within the Council structure this includes the following posts:

Chief Executive, Borough Treasurer, Director of Housing and Inclusion, Director of Leisure and Environment, Director of Development and Regeneration, and Borough Solicitor.

There are a further series of posts which fall within the definition of Chief Officer by virtue of being “Deputy Chief Officers” i.e. via reporting lines, which have not been specifically listed here but salaries range from PO1 to WLe (see the Appendix).

“Lowest Paid Employees” – see Para 14.

## **5. Terms and Conditions of Employment**

There is one officer on JNC Chief Executive terms and conditions and that is the Chief Executive. Other Officers on Chief Officer terms and conditions of employment are the Director of Housing and Inclusion, the Director of Leisure and Environment, and the Director of Development and Regeneration. All other posts within the Council are employed in accordance with National Joint Council (NJC) terms and conditions for Local Government Services.

All three groups of officers are subject to any local variations adopted by the Council and detailed in its policy and procedures.

Where the Council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the Council will, where necessary, consider engaging individuals under a contract for service. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. In assessing such it should be noted that in respect of such engagements the Council is not required to make either pension or national insurance contributions for such individuals.

The Council does not currently have any chief officers engaged under such arrangements.

## **6. Recruitment**

The Council’s policy and procedures with regard to the recruitment of the Chief Executive and Chief Officers on JNC Terms and Conditions is set out within the Officer Employment Procedure Rules as set out in Part 4 of the Council’s Constitution.

When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own Equality in Employment, Recruitment and Selection and Redundancy and Redeployment Policies as approved by Council.

The relevant policies are:

### **Recruitment**

- Recruitment Advertising protocols
- Recruitment and Selection (see Chief Officer Appointment details by Committee referred to in paragraph 16 below)
- Secondment Policy
- Staff Recruitment Incentive Scheme - guidance

## **Redundancy and redeployment**

### Redeployment and Redundancy Policy

The determination of the remuneration to be offered to any newly appointed Chief Executive or Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

## **Other relevant HR Policies and Procedures**

This Pay Policy Statement should be read in conjunction with the following policies on paid terms and conditions as appropriate:

### **Conditions of service**

Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities

Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities

National Joint Council (NJC) for Local Government Services

Harmonisation and single status: local conditions of service document

### **Family-friendly documents**

Childcare Vouchers - parent information

Paternal and Maternity Policy

### **Retirement**

Ill-Health Retirement Policy

Flexible Retirement Policy

### **Training and Development**

Training & Development Strategy

Staff Development Appraisal Scheme

Post-Entry Training Policy

All the above Policies are available on the Council's intranet or from the Human Resources Team.

## **7. Additions to Salary of Chief Officers**

The Council does not apply any bonuses or performance related pay to its Chief Executive or Chief Officers. Any changes in duties would be covered in the Harmonisation Document.

## **8. Chief Executive - Remuneration**

The current Senior Management structure was approved by full Council in October 2017, following the voluntary redundancy of the Director of Leisure and Wellbeing. The new structure became effective from 1 February 2018. The post of Chief Executive was unaffected by this restructure and remains designated the Head of the Paid Service and also Returning Officer.

The post is paid at WLa on the attached Appendix. This is a spot salary and carries no additional annual increments.

Returning Officer fees are based upon a fee calculated periodically by the Cabinet Office, with the fee being based on a sum of money multiplied per every 10,000 of electorate. The Council pays the fees for the local election while the fees for other elections, such as Parliamentary and County Council, are paid for externally.

## **9. Directors - Remuneration**

There are three posts of Director reporting to the Chief Executive:

Director of Leisure and Environment – WLb  
Director of Housing and Inclusion – WLb  
Director of Development and Regeneration – WLb

The Grade for these posts is at WLb as indicated above and detailed on the attached Appendix. There is a spot salary for this grade, which carries no additional annual increments.

## **10. Other Heads of Service – Remuneration**

There are two further posts of Head of Service:

Borough Solicitor (Monitoring Officer)  
Borough Treasurer (Section 151 Officer)

The Grade for these posts is at WLd, which is a 3 increment grade. Progression through the grade occurs through the payment of an additional annual increment on 1 April each year, up to the maximum spinal column point in each grade range. However, NJC terms and conditions provide for an additional increment to be payable 6 months after appointment to post if a new appointment is made between October and March in any year.

## **11. Other ‘Chief Officer’ posts as defined within the Localism Act**

There are a further series of posts which fall within the definition of Chief Officer by virtue of being “Deputy Chief Officers” i.e. via reporting lines, which have not been specifically listed here but salaries range from PO1 to WLe, as set out in the Appendix.

## **12. Payments on Termination**

The Council's approach to statutory and discretionary payments on termination of employment of the Chief Executive and chief officers and other groups of staff, prior to reaching normal retirement age, is set out within its Redundancy and Redeployment Policy, in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and the Local Government Pension Scheme (LGPS) (Transitional Provisions, Savings and Amendment) Regulations 2014.

Any payments falling outside these provisions or the relevant periods of notice within the contract of employment or £100,000 or more shall be subject to a formal decision made by full Council.

With effect from 1 April 2016 regulations included in the Small Business, Enterprise and Employment Act 2015 were planned to be introduced for the recovery of termination payments paid to high earning public sector employees. Under these rules, public sector employees will be required to repay a tapering proportion of a 'qualifying exit payment', if they return to the public sector within a period of 12 months and earn an annual salary of £80,000 or more. Currently these regulations have not been brought in, but when they are the Council will apply them as appropriate.

The Council is awaiting the detailed regulations associated with a maximum £95,000 exit costs cap to be applied to Public Sector exit payments. Currently these regulations have not been brought into force, but it is anticipated they will be at some point in time. Once they are in force the Council will apply them appropriately.

## **13. Publication**

This statement will be published on the Council's website and intranet. In addition, for Senior Officer posts where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of

- salary, fees or allowances paid to or receivable by the person in the current and previous year;
- any bonuses so paid or receivable by the person in the current and previous year;
- any sums payable by way of expenses allowance that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination;
- any benefits received that do not fall within the above.

The information set out within this pay policy statement compliments the data on pay and reward that the Council is required to publish separately under the Accounts and Audit (England) Regulations 2011 and Local Government Transparency Code 2014. This data includes all Senior Officers on a Salary in excess of £50,000 p.a.

## 14. Lowest Paid Employees

The lowest paid persons employed under a contract of employment with the Council are employed on full time 36 hours equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure, plus a voluntary Living Wage supplement, ensuring all employees receive the equivalent of a minimum payment of £9.00 per hour, effective from 1 December 2018. This excludes Apprenticeships, which are paid in line with National minimum wage rates for age and do not form part of the Council's grade structure.

The National Joint Council (NJC) pay spine applied by the Council to its grading structure, ranges from Spinal Column Point (Scp) 6, £16,894 and Scp 49 £44,697 p.a. (Scp 6 is illustrated including the Voluntary Living Wage Supplement) as at 31 January 2019.

The lowest paid grade applied to any Council post is grade Scale 1 (a) which is paid at Scp 6 on the NJC pay spine, with annual incremental progression (including a Voluntary Living Wage supplement).

The relationship between the rate of pay for the lowest paid and Chief Executive and Chief Officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information to ensure that our pay rates are fair, affordable and competitive in the market place.

## 15. Ratio of Salary Differences

Ratio calculation need to be based on salary point and actual remuneration. The ratio calculations are based on salaries at 31 January 2019. Consequently they do not contain the post April 2019 grade structures or salary information. This will be presented in the Pay Policy statement for 2020/21.

N.B. From 1 April 2019 the National Joint Council (NJC) pay spine applied by the Council to its grading structure, will range from Spinal Column Point (Scp) 1, £17,364 and Scp 43 £45,591 p.a. The full revised pay spine for 2019 is detailed at Appendix A along with the full pay scale used in the preparation of the figures below for 2018.

The lowest paid employee of the Council is someone employed on Scp 6 on the NJC pay spine including the Living wage supplement. The average annual salary for this grade would be £16,894 (including the Living Wage Supplement).

The Chief Executive and Chief Officer range of salaries (as defined in this policy) spans a minimum of local Scp 71 to 100. This provides an annual mean average Chief Officer salary of £77,468. Consequently, the Chief Officer to lowest paid salary mean average is a ratio of 1:4.59 (or 1:4.81 when expressed as a ratio of total remuneration). This calculation is based on the salaries for Chief Executive and Heads of Service only, based on the management structure that was put in place on 1<sup>st</sup> February 2018.

Using the wider definition of Chief Officer including those that could be considered Deputy Chief Officers by virtue of reporting lines would provide a grade range from Scp



35 to 100. This provides a mean average Chief Officer salary of £40,519 p.a. creating a ratio of 1:2.40 (or 1:2.46 when expressed as a ratio of total remuneration).

The highest salary paid in the Council is £102,810 p.a. This compares to a median average salary of £23,111 p.a. which is a ratio of 1:4.45 (or 1:4.39 when expressed as a ratio of total remuneration). This is well within the recommendations put forward in the Hutton report, Fair Pay in the Public Sector, September 2010, which suggested no more than a ratio of 1:20.

## **16. Accountability and Decision Making**

In accordance with the Constitution of the Council, the following Committees are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council:

**Recruitment and Dismissal of Head of Paid Service, Chief Officers and Deputy Chief Officers** - Where the Council proposes to appoint and it is not proposed that the appointment be made exclusively from among their existing officers, it will do so as outlined below:

**Appointment of Head of Paid Service** - The full Council must approve the appointment of the Head of Paid Service before an offer of appointment is made to him/her following the recommendation of such an appointment by the Chief Officers Committee. That Committee will include at least one member of the Cabinet.

**Appointment of Chief Officers employed on JNC Terms and Conditions** - The Chief Officers Committee will appoint these officers. That Committee will include at least one member of the Cabinet.

**Other appointments** - Appointment of officers below this level is the responsibility of the Head of Paid Service or his/her nominee, and may not be made by Councillors.

**Disciplinary Action - Head of Paid Service** - The full Council must approve the dismissal of the Head of the Paid Service before notice of dismissal is given to him/her, following the recommendation of such dismissal by the Investigating Committee. That Committee will include at least one member of the Cabinet.

**Disciplinary Action - Dismissal of Chief Officers employed on JNC Terms and Conditions** - The Investigating Committee will be responsible for the dismissal of Chief Officers employed on JNC Terms and Conditions and the Section 151 Officer. That Committee will include at least one member of the Cabinet.

**Disciplinary Action - Further Provisions – Suspension** - The Head of Paid Service, Monitoring Officer and Chief Finance Officer (Section 151 Officer) may be suspended whilst an investigation takes place into alleged misconduct. That suspension will be on full pay and last no longer than two months.

**Other Dismissals and Disciplinary Action** – The dismissal of and taking disciplinary action against Officers on NJC Terms and Conditions (other than above) must be discharged on behalf of the Council by the Head of the Paid Service or his/her nominee.

Councillors will not be involved in the dismissal of any officer below Director level except

where such involvement is necessary for any investigation or inquiry into alleged misconduct, through the Council's disciplinary, capability and related procedures, as adopted from time to time may allow a right of appeal to Members.

### **17. Engagement of Former Chief Officers in receipt of Pensions**

The Council does not have a policy which prevents former Council employees from applying for and being successfully appointed to any Council job including other Chief Officer jobs, because they are in receipt of a Public Sector or Local Government pension. Normal Recruitment and Selection processes would apply in line with the Council's Equality in Employment Policy.

The Council does not prevent someone being offered a contract for services, e.g. as a consultant or agency worker based on the fact that they are in receipt of a pension. In relation to the appointment of Consultants, normal procurement rules would apply on value for money. In respect of agency workers, the normal agency procurement processes would apply.

However, in accordance with the Small Business, Enterprise and Employment Act 2015, regulations relating to the repayment of exit payments, any public sector employees who received an annual salary of £80,000 or above, will be required to repay a tapering proportion of a 'qualifying exit payment', if they return to the public sector and are offered a post within the Council at this Salary level or above within a period of 12 months from the receipt of the original exit payment (subject to this being approved for implementation by the Government).

### **18. Policy Review**

The Pay Policy Statement will be reviewed annually or earlier if required and agreed by Council before 31 March in each year.

### **19. Employer Pension Contribution**

The Council will contribute to the Local Government Pension Scheme in 2019/20 for all its employees who are members based on a rate of 16.3% of their pensionable pay. Additional contributions will also be made to address the current overall deficit on the Pension Fund. The rate of contribution is set by Actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

### **20. Employee Pension Contribution**

Employees who are members of the Local Government Pension Scheme pay at April 2018 the following annual contributions:

Up to £14,100	5.5%
£14,101 to £22,000	5.8%
£22,001 to £35,700	6.5%
£35,701 to £45,200	6.8%
£45,201 to £63,100	8.5%
£63,101 to £89,400	9.9%
£89,401 to £105,200	10.5%

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£105,201 to £157,800

11.4%

#### Notes

- (1) The salary ratio details shown in this statement are based on the actual earnings in effect at 31st January 2019.
- (2) Total remuneration has been calculated including salary, car expense allowance, over time, extra duties allowance, shift allowance, living wage supplement, standby duty, telephone allowance, election fees and employer's pension contributions.

## Appendix A

Grade Title at 1.4.18	SCP	Salary Cost 2018/19	Grade Title at 1.4.19	SCP	Salary Cost 2019/20
Scale 1 (a)	6	*16,425	Scale 1	1	17,364
Scale 1 (b)	7	*16,495		1	17,364
Scale 1 (b)	8	*16,626		2	17,711
Scale 1 (b)	9	*16,755		2	17,711
Scale 1 (b)	10	*16,863		3	18,065
		*16,894 with VLW supplement			
Scale 2	11	17,007	Scale 2	3	18,065
	12	17,173		4	18,426
	13	17,391		4	18,426
Scale 3	14	17,681	Scale 3	5	18,795
	15	17,972		5	18,795
	16	18,319		6	19,171
	17	18,672		6	19,171
Scale 4	18	18,870	Scale 4	7	19,554
	19	19,446		8	19,945
	20	19,819		9	20,344
	21	20,541		11	21,166
Scale 5	22	21,074	Scale 5	12	21,589
	23	21,693		14	22,462
	24	22,401		15	22,911
	25	23,111		17	23,863
Scale 6	26	23,866	Scale 6	19	24,799
	27	24,657		20	25,295
				21	25,801
	28	25,463		22	26,317
SO1	29	26,470	SO1	23	26,999
	30	27,358		24	27,905
	31	28,221		25	28,785
SO2	32	29,055	SO2	26	29,636
	33	29,909		27	30,507
	34	30,756		28	31,371
PO1	35	31,401	PO1	29	32,029
	36	32,233		30	32,878

## Constitution 13:1: Pay Policy Statement

	37	33,136		31	33,799
	38	34,106		32	34,788
PO2	39	35,229	PO2	33	35,934
	40	36,153		34	36,876
	41	37,107		35	37,849
	42	38,052		36	38,813
PO3	43	39,002	PO3	37	39,782
	44	39,961		38	40,760
	45	40,858		39	41,675
PO4	46	41,846	PO4	40	42,683
	47	42,806		41	43,662
	48	43,757		42	44,632
	49	44,697		43	45,591
SM1	50	45,075	SM1	44	45,977
	51	45,854		45	46,771
	52	46,633		46	47,566
SM2	53	47,593	SM2	47	48,545
	54	48,981		48	49,961
	55	50,374		49	51,381
SM3	56	50,525	SM3	50	51,536
	57	52,498		51	53,548
	58	54,473		52	55,562
Wle	65	54,993	Wle	53	56,093
	66	55,305		54	56,411
	67	55,826		55	56,943
WLd	71	59,829	WLd	56	61,026
	72	60,349		57	61,556
	73	60,870		58	62,087
WLc	79	72,803	WLc	61	74,259
WLb	88	80,085	WLb	62	81,687
Wla	100	102,810	Wla	71	104,866



## Equality Impact Assessment Form



<b>Directorate: Finance and Human Resources</b>	<b>Service: Human Resources</b>
<b>Completed by: S Lewis</b>	<b>Date: January 2019</b>
<b>Subject Title: Pay Policy Statement 2019/20</b>	
<b>1. DESCRIPTION</b>	
Is a policy or strategy being produced or revised:	Yes
Is a service being designed, redesigned or cutback:	No
Is a commissioning plan or contract specification being developed:	No
Is a budget being set or funding allocated:	No
Is a programme or project being planned:	No
Are recommendations being presented to senior managers and/or Councillors:	Yes
Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty ( <b>Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations</b> ):	Yes
Details of the matter under consideration:	<p>The Localism Act refers to 'Pay Accountability' and sets out the requirements for Councils and fire and rescue authorities to determine and publish annual pay policy statements. The full Council must approve the pay policy statement in advance of the financial year to which it relates. It must set out the Council's policies relating to:</p> <ul style="list-style-type: none"> <li>•Chief Officer remuneration (at recruitment, salary, bonus/performance related pay, charges/fees/allowances, benefits in kind, enhancement to pension, at termination),</li> <li>•Remuneration of its lowest paid employees (elements as above), the definition used for this group and the reason for adopting that definition,</li> <li>•The relationship between Chief Officer remuneration and that of other staff.</li> </ul> <p>The Council needs to agree a Pay Policy Statement and is recommended to adopt the Pay Policy Statement 2019/20 as</p>

	detailed in the report.
<p><i>If you answered <b>Yes</b> to any of the above go straight to Section 3</i>  <i>If you answered <b>No</b> to all the above please complete Section 2</i></p>	
<b>2. RELEVANCE</b>	
Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes
If <b>Yes</b> , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered <b>Yes</b> go to Section 3</i>	This report has an impact on the workforce.
If you answered <b>No</b> to both Sections 1 and 2 provide details of why there is no impact on these three groups: <i>You do not need to complete the rest of this form.</i>	
<b>3. EVIDENCE COLLECTION</b>	
Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	<p>The Policy has an impact on the entire Council workforce and as such has an impact on all protected characteristics, as the Council's workforce comprises of all the protected characteristics.</p> <p>A knowledge of the existing workforce profile and equality policies within the Council that are applied to the workforce, including the Recruitment and Selection Policy, Equality in Employment Policy and all other related employment policies, including a recent Equal Pay Audit have been used to assess the impact of the Pay Policy Statement on the workforce.</p>
If the work being carried out relates to a universal service, who needs or uses it most? (Is there any particular group affected more than others)?	See Above.
Which of the protected characteristics are most relevant to the work being carried out?	<i>*delete as appropriate</i>
Age	Yes
Gender	Yes
Disability	Yes
Race and Culture	Yes
Sexual Orientation	Yes
Religion or Belief	Yes
Gender Reassignment	Yes
Marriage and Civil Partnership	Yes
Pregnancy and Maternity	Yes



**4. DATA ANALYSIS**

In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?

The Policy has an impact on the entire Council workforce and as such has an impact on all protected characteristics.

What will the impact of the work being carried out be on usage/the stakeholders?

The Pay Policy Statement is a statement of the Council's current policies in relation to the pay of senior managers and the various ratios between higher and lower paid staff. This is a statement of current practice and does not present any practice changes or policy revision. Consequently, there are no altered impacts envisaged on any particular stakeholder or protected group of stakeholders.

What are people's views about the services? Are some customers more satisfied than others, and if so what are the reasons? Can these be affected by the proposals?

The Council is part of a national collective bargaining process for all levels of remuneration throughout the Council. The Council itself, however, have determined the grade structure. This structure was last amended in February 2018. Any changes achieved at that time were subject to Trade Union and individual officer consultation and were agreed. Any actual salary amounts changes since that time have been subject to the national negotiating machinery, which also provides for Trade Union contributions to pay award settlements. This is not an area that can be affected locally, other than in the determination of individual grades. Actual grades are arrived at via a joint Trade Union and management agreed Job Evaluation process. A national agreement on the 2018/19 pay award was approved during 2018 as part of a two year deal. The 2019 part of this deal created a revised national spinal column point pay spine. Consequently the Council have now reviewed its grade structure and undertaken an assimilation exercise to implement the new pay spine and amend grade increments. The amended pay spine mainly affected grades scale 1, scale 2 and scale 6. The impact of the amendments have been reviewed from an equality perspective to ensure not unforeseen detrimental impact. The new pay spine and grade structure is included within the Pay Policy Statement for 2019/20 and has been

	agreed with the trade union as having no detriment to existing staff.
What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics?	Census Data Profile information available on the Council's website Workforce Profile Equality Policies within the Council Equal Pay Audit
If any further data/consultation is needed and is to be gathered, please specify:	N/A
<b>5. IMPACT OF DECISIONS</b>	
In what way will the changes impact on people with particular protected characteristics (either positively or negatively or in terms of disproportionate impact)?	The decision is to agree the existing status is reflected in the Pay Policy Statement. It identifies different ratios between groups of staff based on pay levels. As there is no proposed change to actual practice, but rather, a reflection of the impact of the pay award on these ratios, it is envisaged that there will be no impact, negative or positive, upon any particular group with protected characteristics.
<b>6. CONSIDERING THE IMPACT</b>	
If there is a negative impact what action can be taken to mitigate it? (If it is not possible or desirable to take actions to reduce the impact, explain why this is the case (e.g. legislative or financial drivers etc.).	See above in 5.
What actions do you plan to take to address any other issues above?	No further actions on equality impact need to be taken.
<b>7. MONITORING AND REVIEWING</b>	
When will this assessment be reviewed and who will review it?	The Pay Policy Statement is reviewed annually prior to 31 March each year. At that stage, the EIA will also be reviewed to ensure there has been no change to the assessed impact on any protected characteristic group.



COUNCIL: 27 February 2019

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**Report of: Borough Solicitor**

**Contact for further information: Mrs J Denning (Ext. 5384)**  
(Email: [jacky.denning@westlancs.gov.uk](mailto:jacky.denning@westlancs.gov.uk))

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**SUBJECT: MEMBERS' ALLOWANCES SCHEME 2019/20 AND APPOINTMENT OF THE INDEPENDENT REMUNERATION PANEL**

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Wards affected: Borough wide

## **1.0 PURPOSE OF REPORT**

1.1 To consider the report of the Independent Remuneration Panel (IRP), agree the Members' Allowances Scheme for 2019/20 and to note and endorse the Membership of the IRP.

## **2.0 RECOMMENDATIONS**

2.1 That it be noted that the IRP has not recommended any changes to the Members Allowances Scheme for 2019/20 and consequently a report from the IRP has not been submitted for consideration.

2.2 That it be noted that the Basic Allowance of £4,842 has been fixed for a 4 year period until 31 March 2020, the Council being able to ask the IRP to consider an increase in any year and to give specific reasons for the request.

2.3 That the Borough Solicitor update the Members Allowance Scheme, effective from 1 April 2019, incorporating a Basic Allowance of £4,842 (no increase) and provision for SRA payments (no change), such scheme to be incorporated into the Constitution and subsequently published.

2.4 That the Membership of the IRP for 2019/20 and the respective terms of office be noted and endorsed as follows:

Mrs G Stanley (Chairman)	1 May 2021
Mr J Boardman	1 May 2020
Mr I Thompson	1 May 2022

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## **3.0 BACKGROUND**

3.1 The Council must establish and operate an IRP to consider and make recommendations on various issues relating to the matter of allowances to members of the authority. The Council is required to take into consideration any

recommendation made by its IRP when making any new scheme of allowances or revising or amending any existing scheme.

- 3.2 The Council currently has a scheme for the payment of a Basic Allowance to each Member plus a Special Responsibility Allowance (SRA) for each of those Members holding a position of special responsibility. The Scheme also provides for the payment of travel and subsistence allowances and, in certain specific circumstances, Childcare and Dependent Carer's Allowance.

#### **4.0 THE COUNCIL'S SCHEME FOR 2019/20**

- 4.1 The IRP met on 15 November 2018 to consider the current position in relation to Members' Allowances and the Council's Scheme for 2019/20. The Panel did not recommend any changes to the Members Allowances Scheme for 2019/20 and consequently a report from the IRP has not been submitted for consideration.
- 4.2 Following the decision of Council at its meeting on 13 December 2017, the Panel also reviewed the role of the Mayor. Consideration was given to the number of events attended by the Mayor/Deputy Mayor in 2016, 2017 and 2018 and also the level of allowances paid in other Lancashire authorities. The Panel did not recommend any changes to the Mayor and Deputy Mayor's allowances for 2019/20.
- 4.3 Members of the IRP also meet to consider Parish matters as the Parish Remuneration Panel (PRP) and consequently a report from the PRP has not been submitted for consideration. Parish Councils will be advised accordingly.
- 4.4 The Schemes commence on 1 April in each year in accordance with the legislation, rather than the municipal year. Following the Council's decision, an updated Borough Scheme for 2019/20 will be prepared, effective from 1 April 2019. A copy of the scheme will be incorporated in the Council's Constitution and subsequently published on the Council's website and circulated to Members.

#### **5.0 THE INDEPENDENT REMUNERATION PANEL MEMBERSHIP**

- 5.1 The IRP Membership is Mrs G Stanley, Mr J Boardman and Mr I Thompson. Terms of office are 3 years, with one position on the Panel being subject to re-selection each year. The Term of Office of Mr I Thompson expires on 1 May 2019. The Council is required to adopt an appointments process that it considers is best able to provide an Independent Panel that is well qualified to discharge its functions and which is representative of the community. The Council's arrangements for appointing the Panel involved the placing of advertisements in the local press and then interviewing the candidates.
- 5.2 Mr Thompson has indicated that he is prepared to serve for a further period of three years. Given the infrequency with which the IRP is required to meet, it takes some time to gain relevant experience and therefore it is sensible to maintain continuity of membership where possible. Mr Thompson has been a member of the Panel since July 2010. If the Council wished to appoint a replacement member, a full recruitment process would need to be undertaken in accordance with the appropriate Regulations, which would then be reported to Council for approval at a future meeting.

5.3 Regulations provide for Allowances to be paid to IRP members and for 2019/20 each Panel member will be entitled to receive an allowance of £250, with the Chairman receiving an additional £50. These are included as part of the Council's scheme and provision is included in the current budget.

5.4 The Panel has also been appointed to serve as the PRP and in this respect considers and reports to the Parish Councils on issues relating to Members' allowances paid by those bodies.

## **6.0 FINANCIAL IMPLICATIONS**

6.1 The budget figures for 2019-20 contained elsewhere on the agenda for this meeting include provision to meet the costs of Basic and Special Responsibilities Allowances, together with employer's National Insurance (N.I.) contributions where appropriate.

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### **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 and stakeholders, however there is a direct impact on elected members. Therefore an Equality Impact Assessment is attached as an Appendix to this report.

### **Appendices:**

1. Equality Impact Assessment



# Equality Impact Assessment Form



<b>Directorate: Legal and Democratic Services</b>		<b>Service: Member Services</b>	
<b>Completed by: Jacky Denning</b>		<b>Date: 4 February 2019</b>	
<b>Subject Title: Members Allowances Scheme 2019/20</b>			
<b>1. DESCRIPTION</b>			
Is a policy or strategy being produced or revised:	No		
Is a service being designed, redesigned or cutback:	No		
Is a commissioning plan or contract specification being developed:	No		
Is a budget being set or funding allocated:	Yes		
Is a programme or project being planned:	No		
Are recommendations being presented to senior managers and/or Councillors:	Yes		
Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty ( <b>Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations</b> ):	No		
Details of the matter under consideration:	Members Allowances Scheme 2019/20		
<i>If you answered <b>Yes</b> to any of the above go straight to Section 3</i> <i>If you answered <b>No</b> to all the above please complete Section 2</i>			
<b>2. RELEVANCE</b>			
Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes	<i>*delete as appropriate</i>	
If <b>Yes</b> , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered <b>Yes</b> go to Section 3</i>			
If you answered <b>No</b> to both Sections 1 and 2 provide details of why there is no impact on these three groups: <i>You do not need to complete the rest of this form.</i>			
<b>3. EVIDENCE COLLECTION</b>			
Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	Councillors		
If the work being carried out relates to a universal service, who needs or uses it most? (Is there any particular group affected more than others)?	Councillors		
Which of the protected characteristics are most relevant to the work being carried out?	None		
<b>4. DATA ANALYSIS</b>			
In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?	N/A – Not a service		
What will the impact of the work being carried out be on usage/the stakeholders?	The report relates directly to the level of allowances for Councillors.		

What are people's views about the services? Are some customers more satisfied than others, and if so what are the reasons? Can these be affected by the proposals?	Councillors approve the Scheme following consideration by the IRP and its recommendations.
What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics?	The IRP has considered the scheme
If any further data/consultation is needed and is to be gathered, please specify:	None
<b>5. IMPACT OF DECISIONS</b>	
In what way will the changes impact on people with particular protected characteristics (either positively or negatively or in terms of disproportionate impact)?	There is no impact in relation to the particular protected characteristics.
<b>6. CONSIDERING THE IMPACT</b>	
If there is a negative impact what action can be taken to mitigate it? (If it is not possible or desirable to take actions to reduce the impact, explain why this is the case (e.g. legislative or financial drivers etc.).	No negative impact.
What actions do you plan to take to address any other issues above?	No actions.
<b>7. MONITORING AND REVIEWING</b>	
When will this assessment be reviewed and who will review it?	The Scheme is reviewed annually by the IRP and Council.





COUNCIL: 27 February 2019

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**Report of:** Borough Treasurer

**Contact:** Marc Taylor (Extn. 5092)  
(E-mail: [Marc.Taylor@westlancs.gov.uk](mailto:Marc.Taylor@westlancs.gov.uk))

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**SUBJECT: BUDGET REQUIREMENT 2019/20**

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Wards affected: Borough Wide

**1.0 PURPOSE OF THE REPORT**

1.1 To enable the Council to set its budget for the next financial year.

**2.0 RECOMMENDATIONS**

- 2.1 That the General Revenue Account (GRA) budget be approved based on the proposals to be presented at the Council meeting.
- 2.2 That the GRA Reserves Policy set out in Appendix A to this report be approved.
- 2.3 That delegated authority be given to the Chief Executive and Heads of Service to take all necessary action to implement the changes resulting from the budget proposals.
- 

**3.0 BACKGROUND**

- 3.1 The Council is required to set a budget and determine its council tax before the start of each financial year in accordance with statutory requirements and proper accounting practices.
- 3.2 The draft budget position was considered by Cabinet at its meeting of 15<sup>th</sup> January. The Executive Overview and Scrutiny Committee also considered this position at its meeting of 31<sup>st</sup> January but did not agree any comments on the budget.
- 3.3 The Portfolio Holder for Resources and Transformation has been given delegated authority to submit proposals to Council at its meeting on 27<sup>th</sup> February to enable the budget to be set. This meeting will provide all Members with the opportunity to debate and agree the budget.

#### **4.0 CURRENT YEAR BUDGET MONITORING**

- 4.1 The GRA budget approved by Council for the 2018-19 financial year provided for net expenditure of £12.635m. Throughout the year Heads of Service and their staff have been monitoring and controlling their expenditure and income against their approved budgets, and financial reports have been made to Members on performance.
- 4.2 The General Revenue Account Mid Year Review report to November Cabinet projected a relatively small overall favourable variance, and the latest third quarter monitoring figures have now confirmed this position. These projections have been calculated on a prudent basis, and consequently this should mean that the budget targets for the year will be achieved.

#### **5.0 RESERVES AND BALANCES**

- 5.1 In accordance with statutory regulations and CIPFA guidance the levels of balances and reserves have been reviewed during the budget process to ensure that they are currently sufficient and that they will remain adequate over the medium term. This builds on the review of reserves that was presented to Council in October 2018 as part of the Medium Term Financial Forecast report.
- 5.2 The Council continues to face a difficult medium term financial position, as are all local authorities, primarily as a result of reductions in government grants and other external funding. However prudent financial management means that the Council currently has an adequate level of reserves and balances. The majority of these reserves are earmarked for specific purposes and consequently are not available to support new or additional spending.
- 5.3 It is expected that the overall level of reserves and balances will reduce over the next few years primarily as a result of using the Budget and Efficiency Savings Reserve to support the budget position in line with the agreed Sustainable Organisational Review approach to balancing the budget. Details on the purpose and level of reserves and balances are shown in the proposed GRA Reserves Policy in Appendix A.

#### **6.0 BUDGET POSITION FOR 2019-20**

- 6.1 The Medium Term Financial Forecast originally projected that there would be a budget gap of £1.53m for 2019-20 in terms of the difference between the spending required to maintain agreed service levels and the resources that were expected to be available. The latest position taking into account the results of the Local Government Finance Settlement and the detailed work on produced budget estimates is a revised budget gap of £1.23m. The largest single factor for this improved position is as a result of the successful bid by Lancashire Authorities to form a revised Business Rates Pool which will enable more business rates income to be retained by Councils rather than being paid over to the Government. This new approach should provide additional funding of around £0.34m for the 2019-20 financial year.
- 6.2 Draft estimates have been prepared for next year that set out a provisional budget for the Council covering all areas of expenditure and income. Details on

these estimates are included in Appendix B, which I have reviewed to ensure that they are robust for the purposes of the budget calculation in accordance with statutory requirements and accounting codes of practice. The draft estimates have been prepared to include the increases in the base budget required to roll forward agreed service levels, covering a range of standard factors such as pay inflation, contractual increments, contract inflation, and changes in recharges.

- 6.3 The draft budget includes an allowance of £125,000 to fund new budget issues and to deal with spending and income pressures. However the final value of budget issues will depend on the proposals agreed by Members at the Council meeting. If the value of these budget issues exceeds the £125,000 provision it will increase the scale of the budget gap. Conversely if the value of budget issues is below the £125,000 provision it will reduce the amount of the budget gap.
- 6.4 The Medium Term Financial Forecast report to October Council estimated savings and income of £320,000 from the Sustainable Organisation Review in 2019-20. This was based on closing the medium term budget gap on a prudent basis over a 3 year period at an even pace starting half way through 2019/20. This approach then also assumed that the remaining budget gap (after taking into account decisions on budget issues) would be funded from the Budget and Efficiency Savings Reserve.

## **7.0 COUNCIL TAX**

- 7.1 Statutory regulations require that a council tax base figure is calculated each year that reflects the amount of income that can be raised through the council tax. The tax base has increased this year from 34,827.87 to 35,256.32 (expressed in number of Band D equivalent properties), which represents an increase of 1.2%, mainly as a result of new homes being built in the Borough.
- 7.2 The Medium Term Financial Forecast, and the budget gap, were based on an assumed increase in the council tax level of 2.99%, which is equivalent to £5.90 for a Band D property. This was the maximum increase allowed in 2018/19 without requiring a referendum, and this threshold has been put in place again for the 2019/20 financial year. Members will need to determine what council tax increase to approve at the Council meeting.

## **8.0 MEDIUM TERM BUDGET PROSPECTS**

- 8.1 A Sustainable Organisation Review is currently in progress to identify opportunities for income and savings to enable a balanced budget position to be achieved over a medium term timescale. The challenging financial position facing the GRA means that it is essential that a range of large value measures are agreed to address the budget gap. The results of the Review will be reported to Council in July.

## **9.0 BUDGET APPROVAL**

- 9.1 The Portfolio Holder for Resources and Transformation has been given delegated authority to submit proposals for consideration at the Council meeting to enable the budget to be determined, and it is anticipated that a set of budget papers will be circulated at the meeting to enable this to be achieved.

## **10.0 SUSTAINABILITY IMPLICATIONS**

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

## **11.0 RISK ASSESSMENT**

11.1 The formal consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.

11.2 The challenging financial position facing local authorities has been evaluated and assessed as being a key risk, and consequently is included on the Council's key risk register.

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### **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 direct impact on members of the public, employees, elected members and / or stakeholders is dependent on the proposals to be put forward at the Council meeting. Therefore no Equality Impact Assessment has been produced at this time. However, an Assessment will be produced and made available at the Council meeting if required.

### **Appendices**

Appendix A – GRA Reserves Policy

Appendix B – Draft General Revenue Account Estimates

## APPENDIX A - GRA RESERVES POLICY

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### 1. Reserves Protocol

- 1.1 For each reserve held by the Council there must be a clear protocol setting out:
  - The reason for and purpose of the reserve;
  - How and when the reserve can be used;
  - Procedures for the reserve's management and control; and
  - A process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- 1.2 Details for each GRA reserve held by the Council are set out below. Each reserve is managed and controlled by a Head of Service. The responsible officer can authorise amounts of up to £10,000 to be taken from a reserve provided that its use is in line with the stated purpose of the reserve.
- 1.3 In addition the responsible officer must also consult with the Portfolio Holder for Resources and Transformation and other relevant portfolio holder(s) before authorising uses from reserves in excess of £10,000. In the case of the Sustainable Organisational Review, consultation should take place with the relevant Cabinet Working Group.
- 1.4 Reserves are reviewed and updated as part of the annual budget preparation and as part of the closure of accounts process to ensure that they continue to be required and are adequate in size. Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. Balances represent unallocated funds which have not been earmarked and consequently are available to support any service area.
- 1.5 The values shown below for each reserve reflect their current position. The process for closing down the accounts at the year end will allow for any outstanding in year commitments and contributions to be taken into account.
- 1.6 The challenging medium term financial position facing the Council means that the level of reserves and balances is likely to reduce over time. The underlying level of reserves however is adequate and reflects the Council's stable financial position.

Description	Purpose	How and When Used	Responsible Officer(s)	Value £000
<b>Balances</b>				
CORE BALANCES	Balances held to help cushion the impact of uneven cash flows and to avoid unnecessary temporary borrowing	Core balances will typically not change in year and should be maintained at a minimum level of 5% of the budget requirement	Borough Treasurer	690
CONTINGENCY BALANCES	Balances held to cushion the impact of unexpected events or emergencies	Used if required as a general contingency with an expectation that it will be maintained at a minimum level of 2% of budget	Borough Treasurer	270
<b>Corporate Reserves</b>				
MAJOR PROJECTS	Funds set aside to cover the costs of major corporate projects	Used to meet the costs of specific initiatives agreed through Council and Cabinet	Borough Treasurer	676
POLICY OPTIONS / SUSTAINABLE ORGANISATIONAL REVIEW	To support the development and implementation of the Policy Options and Sustainable Organisational Review processes	Funding to implement proposals, including additional unexpected costs, project resourcing, delays in implementation etc.	Borough Treasurer	665
BENEFITS / COUNCIL TAX SUPPORT EQUALISATION	To assist in managing and controlling benefits / council tax support costs which are demand led areas outside of the direct control of the Council	Used to smooth out variations in benefits spending and council tax support against budget.	Borough Treasurer	140
BUSINESS RATE INCOME EQUALISATION	To assist in managing and controlling business rate income which is not within the direct control of the Council	Used to smooth out variations in business rate income over a medium term time scale	Borough Treasurer	322
PLANNING INCOME EQUALISATION	To assist in managing and controlling planning income which is not within the direct control of the Council	Used to smooth out variations in planning income over a medium term time scale	Borough Treasurer	175
BUDGET AND EFFICIENCY SAVINGS	This reserve is available to support the overall budget position	Used to deal with the financial challenges facing the Council as set out in the medium term financial forecast	Borough Treasurer	2,473
STRATEGIC INVESTMENT	This reserve is available to support key strategic initiatives including Economic Regeneration, Planning activities and the Leisure Strategy	Used to meet the costs of specific initiatives agreed through Council and Cabinet including Skelmersdale Town Centre redevelopment, Leisure Facilities procurement and any initial losses made by the proposed new Development Company	Borough Treasurer	1,152

<b>Description</b>	<b>Purpose</b>	<b>How and When Used</b>	<b>Responsible Officer(s)</b>	<b>Value £000</b>
<b><i>Insurance Reserve</i></b>				
INSURANCE RESERVE	Funds held to meet the Council's self-insured liabilities where this is a more cost effective method of insuring than using an external company.	Costs are incurred when insurance claims are settled and funding is provided by individual Council services. The level of the reserve is determined through actuarial reviews	Borough Treasurer	2,095
<b><i>Repairs and Renewals</i></b>				
CRA PORTFOLIO – REPAIRS AND RENEWALS FUND	Fund used to meet the costs of building and other issues on the Community Related Assets Portfolio	Available for programmed maintenance and response repairs, new investment, and to provide general support for the CRA portfolio. Annual contribution made from revenue budget	Director of Development & Regeneration	258
SOLAR PV FUND	To fund the replacement of Solar PV equipment located on Council houses	Annual contribution made to reserve from within revenue budget. To be used to fund repairs and renewals	Director of Housing & Inclusion	102
PAY & DISPLAY MACHINE REPLACEMENT FUND	To part fund the replacement of the pay & display machines located on the Council car parks	Annual contribution made to reserve from within revenue budget. To be used to part fund replacement of all machines	Director of Development & Regeneration	73
<b><i>Ring Fenced Reserves</i></b>				
HOME CARE LINK	Funding generated from surpluses on Home Care Link activities which is operated as a trading account	Available to meet costs and initiatives within this trading account area. Its level reflects accumulated surpluses	Director of Housing and Inclusion	8
INDUSTRIAL PORTFOLIO FUND	Funding generated from surpluses on the Langtree Estate that is ring fenced for certain regeneration purposes	Available to meet initiatives within this ring fenced area. Its level reflects accumulated surpluses	Director of Development & Regeneration	760
INVESTMENT CENTRE	Funding generated from surpluses on the Investment Centre that is ring fenced for social enterprise purposes	Available to meet initiatives within this ring fenced area and to provide general support to the trading account position. Its level reflects accumulated surpluses	Director of Development & Regeneration	354
COMMUNITY INFRASTRUCTURE LEVY	Funding generated from CIL monies and which must be spent in line with the CIL framework	Uses of this reserve are agreed through reports to Cabinet	Director of Development & Regeneration	2,361





***GENERAL REVENUE ACCOUNT  
ESTIMATES***

***DRAFT ESTIMATES  
2019/2020***

**TABLE 1**

<b>WEST LANCASHIRE BOROUGH COUNCIL GENERAL REVENUE ACCOUNT ESTIMATES</b>		
<b>NET EXPENDITURE BUDGETS</b>	<b>2018/2019 BUDGET £</b>	<b>2019/2020 ESTIMATE £</b>
<b>SERVICE BUDGETS</b>		
Leisure and Environment	9,793,260	10,129,560
Housing and Inclusion	2,006,680	2,166,350
Development and Regeneration	965,740	969,800
Legal and Democratic Services	1,093,080	1,040,380
Finance and Human Resources	1,525,590	1,472,090
General and Unallocated Items	-397,516	-478,850
<b>NON SERVICE ITEMS</b>		
Treasury Management	-20,140	-53,170
Capital Charges	-1,472,210	-1,350,070
Minimum Revenue Provision	182,550	215,800
Transfer from Balances / Reserves	-1,042,470	-23,000
<b>Budget Requirement</b>	<b>12,634,564</b>	<b>14,088,890</b>
<b>FUNDED BY</b>		
General Government Grants	-1,605,273	-1,016,766
Business Rates Income and Grants	-4,012,879	-4,592,770
Council Tax Surplus	-138,256	-74,481
Council Tax Requirement	-6,878,156	-7,170,783
<b>Budget Requirement</b>	<b>-12,634,564</b>	<b>-12,854,800</b>
<b>Budget Gap</b>	<b>0</b>	<b>1,234,090</b>

# LEISURE AND ENVIRONMENT

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
<b>ENVIRONMENTAL HEALTH</b>						
Health Management	236,840	39,870	-600	<b>276,110</b>	-193,000	<b>83,110</b>
Food Safety	0	6,770	0	<b>6,770</b>	145,440	<b>152,210</b>
Health & Safety	172,970	13,170	-570	<b>185,570</b>	-75,310	<b>110,260</b>
Pollution Control	185,870	19,070	-13,690	<b>191,250</b>	56,030	<b>247,280</b>
Licensing	108,030	34,770	-237,040	<b>-94,240</b>	65,830	<b>-28,410</b>
Pest Control	62,370	33,000	-61,000	<b>34,370</b>	38,080	<b>72,450</b>
Disclosure & Barring Service	0	10,800	-10,800	<b>0</b>	180	<b>180</b>
Public Health	74,210	70,900	-2,500	<b>142,610</b>	29,900	<b>172,510</b>
<b>Sub total</b>	<b>840,290</b>	<b>228,350</b>	<b>-326,200</b>	<b>742,440</b>	<b>67,150</b>	<b>809,590</b>
<b>STREET SCENE</b>						
Depot	87,240	84,970	0	<b>172,210</b>	-173,500	<b>-1,290</b>
Depot Support Services	335,440	59,160	0	<b>394,600</b>	-395,120	<b>-520</b>
Transport Section	42,190	2,023,750	0	<b>2,065,940</b>	-2,065,940	<b>0</b>
Markets and Gardeners	265,710	11,290	0	<b>277,000</b>	-52,740	<b>224,260</b>
Refuse & Green Waste Collection	1,317,780	1,178,040	-1,182,260	<b>1,313,560</b>	498,570	<b>1,812,130</b>
Recycling	931,540	472,610	0	<b>1,404,150</b>	93,670	<b>1,497,820</b>
Environmental Officers	287,290	36,320	0	<b>323,610</b>	-323,770	<b>-160</b>
Clean and Green	1,368,980	1,331,790	-28,910	<b>2,671,860</b>	-174,190	<b>2,497,670</b>
Highways Maintenance	36,610	213,560	-250,170	<b>0</b>	0	<b>0</b>
<b>Sub Total</b>	<b>4,672,780</b>	<b>5,411,490</b>	<b>-1,461,340</b>	<b>8,622,930</b>	<b>-2,593,020</b>	<b>6,029,910</b>

NOTE – A restructuring of Street Scene Services has been approved and a new Clean and Green Service created, which means that it is not possible to make direct comparisons in some areas with the previous financial year.

# LEISURE AND ENVIRONMENT

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2018/2019</b>						
<b>ENVIRONMENTAL HEALTH</b>						
Health Management	226,980	41,440	-600	<b>267,820</b>	-192,870	<b>74,950</b>
Food Safety	0	7,770	0	<b>7,770</b>	153,170	<b>160,940</b>
Health & Safety	167,230	14,030	-570	<b>180,690</b>	-62,320	<b>118,370</b>
Pollution Control	182,350	19,170	-13,690	<b>187,830</b>	54,940	<b>242,770</b>
Licensing	103,650	31,670	-230,930	<b>-95,610</b>	80,930	<b>-14,680</b>
Pest Control	60,090	30,420	-61,000	<b>29,510</b>	43,820	<b>73,330</b>
Disclosure & Barring Service	0	10,800	-10,800	<b>0</b>	180	<b>180</b>
Public Health	107,210	69,630	-2,500	<b>174,340</b>	34,480	<b>208,820</b>
<b>Sub total</b>	<b>847,510</b>	<b>224,930</b>	<b>-320,090</b>	<b>752,350</b>	<b>112,330</b>	<b>864,680</b>
<b>STREET SCENE</b>						
Depot	82,480	83,850	0	<b>166,330</b>	-166,330	<b>0</b>
Depot Support Services	363,260	58,400	0	<b>421,660</b>	-406,140	<b>15,520</b>
Transport Section	42,140	1,977,890	0	<b>2,020,030</b>	-2,019,850	<b>180</b>
Street Cleansing	955,950	2,051,640	-22,400	<b>2,985,190</b>	-1,557,490	<b>1,427,700</b>
Refuse & Green Waste Collection	1,403,160	3,045,740	-1,182,260	<b>3,266,640</b>	-1,372,570	<b>1,894,070</b>
Recycling	703,580	468,210	0	<b>1,171,790</b>	269,480	<b>1,441,270</b>
Environmental Officers	259,090	36,360	0	<b>295,450</b>	-295,450	<b>0</b>
Formal Parks Client A/c	0	99,660	-850	<b>98,810</b>	7,410	<b>106,220</b>
Public Open Spaces Client A/c	0	178,020	-260	<b>177,760</b>	223,980	<b>401,740</b>
Landscape Maintenance	0	833,350	0	<b>833,350</b>	-587,350	<b>246,000</b>
Cemeteries Client A/c	0	16,310	-6,250	<b>10,060</b>	2,340	<b>12,400</b>
CRA Landscape Maint. Client	0	193,010	0	<b>193,010</b>	4,810	<b>197,820</b>
Grounds Maint. Trading A/c	522,070	593,090	0	<b>1,115,160</b>	-1,127,360	<b>-12,200</b>
<b>Sub Total</b>	<b>4,331,730</b>	<b>9,635,530</b>	<b>-1,212,020</b>	<b>12,755,240</b>	<b>-7,024,520</b>	<b>5,730,720</b>

# LEISURE AND ENVIRONMENT

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
<b>LEISURE AND WELLBEING</b>						
Health & Wellbeing Strategy	217,240	207,250	-296,440	<b>128,050</b>	-22,850	<b>105,200</b>
Employee Account	230,890	26,730	0	<b>257,620</b>	-251,370	<b>6,250</b>
Golf Centre	0	1,590	0	<b>1,590</b>	46,480	<b>48,070</b>
Park Pool	0	389,950	0	<b>389,950</b>	135,460	<b>525,410</b>
Nye Bevan Pool	0	261,700	0	<b>261,700</b>	104,380	<b>366,080</b>
Burscough Sports Centre	0	54,240	0	<b>54,240</b>	87,550	<b>141,790</b>
North Meols Comm. Leis Centre	0	150,350	0	<b>150,350</b>	76,930	<b>227,280</b>
Leisure Trust Support	66,030	21,190	0	<b>87,220</b>	94,600	<b>181,820</b>
Civic Hall	0	1,060	-1,060	<b>0</b>	4,000	<b>4,000</b>
Community Letting Facilities	0	580	-490	<b>90</b>	29,390	<b>29,480</b>
Skelmersdale Comm. Centres	0	3,410	-1,610	<b>1,800</b>	95,400	<b>97,200</b>
Sports Development Prog.	11,300	5,330	0	<b>16,630</b>	87,350	<b>103,980</b>
Playgrounds Client A/c	44,390	33,990	0	<b>78,380</b>	86,550	<b>164,930</b>
Countryside Sites Client A/c	0	6,780	-4,000	<b>2,780</b>	0	<b>2,780</b>
Countryside Recreation	103,910	139,840	-6,340	<b>237,410</b>	176,460	<b>413,870</b>
Sports Fields Client A/c	6,500	141,330	-27,990	<b>119,840</b>	123,120	<b>242,960</b>
Parks	32,150	21,620	-14,730	<b>39,040</b>	1,780	<b>40,820</b>
<b>Sub total</b>	<b>712,410</b>	<b>1,466,940</b>	<b>-352,660</b>	<b>1,826,690</b>	<b>875,230</b>	<b>2,701,920</b>
<b>COMMUNITY SAFETY</b>						
Community Support Officers	0	88,000	0	<b>88,000</b>	0	<b>88,000</b>
Community Safety	39,810	26,550	-10,000	<b>56,360</b>	72,470	<b>128,830</b>
CCTV Running Costs	0	291,380	0	<b>291,380</b>	78,140	<b>369,520</b>
Crime & Disorder General	73,040	5,770	0	<b>78,810</b>	-78,270	<b>540</b>
<b>Sub total</b>	<b>112,850</b>	<b>411,700</b>	<b>-10,000</b>	<b>514,550</b>	<b>72,340</b>	<b>586,890</b>
<b>HEALTH &amp; SAFETY</b>						
Health & Safety	92,640	8,900	0	<b>101,540</b>	-100,290	<b>1,250</b>
<b>Sub total</b>	<b>92,640</b>	<b>8,900</b>	<b>0</b>	<b>101,540</b>	<b>-100,290</b>	<b>1,250</b>
<b>Service Total</b>	<b>6,430,970</b>	<b>7,527,380</b>	<b>-2,150,200</b>	<b>11,808,150</b>	<b>-1,678,590</b>	<b>10,129,560</b>

# LEISURE AND ENVIRONMENT

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2018/2019</b>						
<b>LEISURE AND WELLBEING</b>						
Health & Wellbeing Strategy	154,100	190,090	-270,310	<b>73,880</b>	16,700	<b>90,580</b>
Employee Account	284,710	28,800	0	<b>313,510</b>	-270,860	<b>42,650</b>
Golf Centre	0	2,070	0	<b>2,070</b>	36,850	<b>38,920</b>
Park Pool	0	351,870	0	<b>351,870</b>	139,030	<b>490,900</b>
Nye Bevan Pool	0	242,760	0	<b>242,760</b>	107,800	<b>350,560</b>
Burscough Sports Centre	0	57,880	0	<b>57,880</b>	90,900	<b>148,780</b>
North Meols Comm. Leis Centre	0	134,940	0	<b>134,940</b>	79,940	<b>214,880</b>
Leisure Trust Support	0	18,300	0	<b>18,300</b>	94,600	<b>112,900</b>
Civic Hall	0	1,040	-1,040	<b>0</b>	4,000	<b>4,000</b>
Community Letting Facilities	0	570	-480	<b>90</b>	57,950	<b>58,040</b>
Skelmersdale Comm. Centres	0	2,480	-1,570	<b>910</b>	151,040	<b>151,950</b>
Sports Development Prog.	10,830	5,330	0	<b>16,160</b>	70,220	<b>86,380</b>
Playgrounds Client A/c	0	95,190	0	<b>95,190</b>	91,560	<b>186,750</b>
Countryside Sites Client A/c	0	6,770	-4,000	<b>2,770</b>	0	<b>2,770</b>
Countryside Recreation	97,120	145,990	-6,340	<b>236,770</b>	135,180	<b>371,950</b>
Sports Fields Client A/c	5,840	140,970	-27,990	<b>118,820</b>	102,940	<b>221,760</b>
Parks	29,550	16,090	-4,680	<b>40,960</b>	1,740	<b>42,700</b>
<b>Sub total</b>	<b>582,150</b>	<b>1,441,140</b>	<b>-316,410</b>	<b>1,706,880</b>	<b>909,590</b>	<b>2,616,470</b>
<b>COMMUNITY SAFETY</b>						
Community Support Officers	0	88,000	0	<b>88,000</b>	0	<b>88,000</b>
Community Safety	38,660	26,450	-10,000	<b>55,110</b>	82,310	<b>137,420</b>
CCTV Running Costs	0	278,810	0	<b>278,810</b>	74,680	<b>353,490</b>
Crime & Disorder General	70,470	6,270	0	<b>76,740</b>	-76,730	<b>10</b>
<b>Sub total</b>	<b>109,130</b>	<b>399,530</b>	<b>-10,000</b>	<b>498,660</b>	<b>80,260</b>	<b>578,920</b>
<b>HEALTH &amp; SAFETY</b>						
Health & Safety	89,130	8,800	0	<b>97,930</b>	-95,460	<b>2,470</b>
<b>Sub total</b>	<b>89,130</b>	<b>8,800</b>	<b>0</b>	<b>97,930</b>	<b>-95,460</b>	<b>2,470</b>
<b>Service Total</b>	<b>5,959,650</b>	<b>11,709,930</b>	<b>-1,858,520</b>	<b>15,811,060</b>	<b>-6,017,800</b>	<b>9,793,260</b>

# HOUSING AND INCLUSION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
<b>HOUSING &amp; INCLUSION</b>						
Partnership & Performance	77,770	12,140	0	<b>89,910</b>	-71,070	<b>18,840</b>
Community Grants	0	168,050	0	<b>168,050</b>	16,470	<b>184,520</b>
Customer Experience	593,120	53,610	0	<b>646,730</b>	-648,500	<b>-1,770</b>
Revenues, Benefits & ICT	2,620,340	4,547,040	-4,288,660	<b>2,878,720</b>	-2,272,250	<b>606,470</b>
Housing Benefits	0	27,730,740	-28,055,950	<b>-325,210</b>	1,336,610	<b>1,011,400</b>
<b>Sub total</b>	<b>3,291,230</b>	<b>32,511,580</b>	<b>-32,344,610</b>	<b>3,458,200</b>	<b>-1,638,740</b>	<b>1,819,460</b>
<b>PROPERTY MAINTENANCE</b>						
Property Services	305,100	727,390	-295,060	<b>737,430</b>	-810,940	<b>-73,510</b>
Bus/Rail Interchange	0	29,130	-27,000	<b>2,130</b>	9,340	<b>11,470</b>
Public Conveniences	36,240	34,310	0	<b>70,550</b>	9,970	<b>80,520</b>
War Memorial/Clocks/Sculptures	0	11,730	0	<b>11,730</b>	0	<b>11,730</b>
<b>Sub total</b>	<b>341,340</b>	<b>802,560</b>	<b>-322,060</b>	<b>821,840</b>	<b>-791,630</b>	<b>30,210</b>
<b>PRIVATE SECTOR HOUSING</b>						
Housing Management	80,570	14,150	0	<b>94,720</b>	-93,690	<b>1,030</b>
Housing Advice	69,660	16,270	0	<b>85,930</b>	87,580	<b>173,510</b>
Housing Renewal	117,110	33,950	-92,570	<b>58,490</b>	83,650	<b>142,140</b>
<b>Sub total</b>	<b>267,340</b>	<b>64,370</b>	<b>-92,570</b>	<b>239,140</b>	<b>77,540</b>	<b>316,680</b>
<b>HOME CARE LINK</b>						
Home Care Link	386,190	253,510	-607,890	<b>31,810</b>	-31,810	<b>0</b>
<b>Sub total</b>	<b>386,190</b>	<b>253,510</b>	<b>-607,890</b>	<b>31,810</b>	<b>-31,810</b>	<b>0</b>
<b>Service Total</b>	<b>4,286,100</b>	<b>33,632,020</b>	<b>-33,367,130</b>	<b>4,550,990</b>	<b>-2,384,640</b>	<b>2,166,350</b>

# HOUSING AND INCLUSION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2018/2019</b>						
<b>HOUSING &amp; INCLUSION</b>						
Partnership & Performance	71,900	12,140	0	<b>84,040</b>	-87,370	<b>-3,330</b>
Community Grants	0	168,050	0	<b>168,050</b>	16,150	<b>184,200</b>
Customer Experience	539,520	48,610	0	<b>588,130</b>	-589,840	<b>-1,710</b>
Revenues, Benefits & ICT	2,552,700	4,418,730	-4,188,980	<b>2,782,450</b>	-2,233,200	<b>549,250</b>
Housing Benefits	0	27,730,740	-28,092,620	<b>-361,880</b>	1,310,400	<b>948,520</b>
<b>Sub Total</b>	<b>3,164,120</b>	<b>32,378,270</b>	<b>-32,281,600</b>	<b>3,260,790</b>	<b>-1,583,860</b>	<b>1,676,930</b>
<b>PROPERTY MAINTENANCE</b>						
Property Services	291,390	727,800	-295,060	<b>724,130</b>	-804,260	<b>-80,130</b>
Bus/Rail Interchange	0	28,760	-27,000	<b>1,760</b>	8,290	<b>10,050</b>
Public Conveniences	35,210	33,720	0	<b>68,930</b>	11,590	<b>80,520</b>
War Memorial/Clocks/Sculptures	0	11,730	0	<b>11,730</b>	0	<b>11,730</b>
<b>Sub total</b>	<b>326,600</b>	<b>802,010</b>	<b>-322,060</b>	<b>806,550</b>	<b>-784,380</b>	<b>22,170</b>
<b>PRIVATE SECTOR HOUSING</b>						
Housing Management	77,660	14,150	0	<b>91,810</b>	-91,810	<b>0</b>
Housing Advice	67,200	16,270	0	<b>83,470</b>	85,140	<b>168,610</b>
Housing Renewal	113,760	33,950	-90,750	<b>56,960</b>	82,010	<b>138,970</b>
<b>Sub total</b>	<b>258,620</b>	<b>64,370</b>	<b>-90,750</b>	<b>232,240</b>	<b>75,340</b>	<b>307,580</b>
<b>HOME CARE LINK</b>						
Home Care Link	375,440	171,190	-513,440	<b>33,190</b>	-33,190	<b>0</b>
<b>Sub total</b>	<b>375,440</b>	<b>171,190</b>	<b>-513,440</b>	<b>33,190</b>	<b>-33,190</b>	<b>0</b>
<b>Service Total</b>	<b>4,124,780</b>	<b>33,415,840</b>	<b>-33,207,850</b>	<b>4,332,770</b>	<b>-2,326,090</b>	<b>2,006,680</b>



# DEVELOPMENT & REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
<b>PLANNING SERVICES</b>						
Management Admin & Support	367,140	40,240	-2,350	<b>405,030</b>	-405,030	<b>0</b>
Policy	271,580	61,000	-230,250	<b>102,330</b>	350,170	<b>452,500</b>
Heritage & Environment	164,900	20,140	-21,000	<b>164,040</b>	44,070	<b>208,110</b>
Development Control	676,130	115,430	-914,000	<b>-122,440</b>	576,930	<b>454,490</b>
Building Control	192,110	26,360	-151,610	<b>66,860</b>	74,580	<b>141,440</b>
<b>Sub Total</b>	<b>1,671,860</b>	<b>263,170</b>	<b>-1,319,210</b>	<b>615,820</b>	<b>640,720</b>	<b>1,256,540</b>
<b>TECHNICAL SERVICES</b>						
Technical Services						
Employees	221,250	15,110	-60	<b>236,300</b>	-236,300	<b>0</b>
Town Centre Management	0	5,400	0	<b>5,400</b>	49,740	<b>55,140</b>
Car Parks	0	223,920	-637,980	<b>-414,060</b>	148,190	<b>-265,870</b>
Other Services	0	16,000	0	<b>16,000</b>	0	<b>16,000</b>
Festive Lighting	0	18,370	0	<b>18,370</b>	2,950	<b>21,320</b>
Shoreline Management	0	3,750	0	<b>3,750</b>	8,740	<b>12,490</b>
Street Nameplates, etc	0	20,000	0	<b>20,000</b>	19,700	<b>39,700</b>
Watercourses / Flooding	0	3,500	0	<b>3,500</b>	25,980	<b>29,480</b>
Methane Monitoring	0	36,000	0	<b>36,000</b>	23,190	<b>59,190</b>
Market Contribution	19,770	151,820	-255,380	<b>-83,790</b>	87,800	<b>4,010</b>
<b>Sub Total</b>	<b>241,020</b>	<b>493,870</b>	<b>-893,420</b>	<b>-158,530</b>	<b>129,990</b>	<b>-28,540</b>
<b>ARTS DEVELOPMENT</b>						
Chapel Gallery	87,500	52,590	-73,380	<b>66,710</b>	96,410	<b>163,120</b>
Cultural Services	82,540	15,890	-6,200	<b>92,230</b>	19,770	<b>112,000</b>
<b>Sub Total</b>	<b>170,040</b>	<b>68,480</b>	<b>-79,580</b>	<b>158,940</b>	<b>116,180</b>	<b>275,120</b>

# DEVELOPMENT & REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2018/2019</b>						
<b>PLANNING SERVICES</b>						
Management Admin & Support	342,490	40,100	-2,350	<b>380,240</b>	-380,220	<b>20</b>
Policy	251,770	88,500	-230,250	<b>110,020</b>	329,600	<b>439,620</b>
Heritage & Environment	159,760	16,910	-21,000	<b>155,670</b>	40,640	<b>196,310</b>
Development Control	596,560	103,570	-774,000	<b>-73,870</b>	546,050	<b>472,180</b>
Building Control	185,270	29,660	-154,610	<b>60,320</b>	61,060	<b>121,380</b>
<b>Sub Total</b>	<b>1,535,850</b>	<b>278,740</b>	<b>-1,182,210</b>	<b>632,380</b>	<b>597,130</b>	<b>1,229,510</b>
<b>TECHNICAL SERVICES</b>						
Technical Services						
Employees	207,490	14,810	-60	<b>222,240</b>	-222,250	<b>-10</b>
Town Centre Management	0	5,400	0	<b>5,400</b>	51,430	<b>56,830</b>
Car Parks	0	219,690	-636,980	<b>-417,290</b>	148,680	<b>-268,610</b>
Other Services	0	16,000	0	<b>16,000</b>	0	<b>16,000</b>
Festive Lighting	0	17,370	0	<b>17,370</b>	2,950	<b>20,320</b>
Shoreline Management	0	3,750	0	<b>3,750</b>	9,360	<b>13,110</b>
Street Nameplates, etc	0	20,000	0	<b>20,000</b>	18,130	<b>38,130</b>
Watercourses / Flooding	0	3,500	0	<b>3,500</b>	24,700	<b>28,200</b>
Methane Monitoring	0	37,000	0	<b>37,000</b>	21,890	<b>58,890</b>
Market Contribution	18,850	149,150	-255,380	<b>-87,380</b>	89,190	<b>1,810</b>
<b>Sub total</b>	<b>226,340</b>	<b>486,670</b>	<b>-892,420</b>	<b>-179,410</b>	<b>144,080</b>	<b>-35,330</b>
<b>ARTS DEVELOPMENT</b>						
Chapel Gallery	82,810	53,730	-71,640	<b>64,900</b>	96,700	<b>161,600</b>
Cultural Services	79,690	20,230	-13,440	<b>86,480</b>	22,370	<b>108,850</b>
<b>Sub Total</b>	<b>162,500</b>	<b>73,960</b>	<b>-85,080</b>	<b>151,380</b>	<b>119,070</b>	<b>270,450</b>

# DEVELOPMENT & REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
<b>REGENERATION, ESTATES &amp; HOUSING</b>						
Management Support	99,820	6,280	0	<b>106,100</b>	-17,460	<b>88,640</b>
Economic Development Unit	217,730	110,680	0	<b>328,410</b>	-17,720	<b>310,690</b>
Estates	254,030	21,270	-11,000	<b>264,300</b>	-264,300	<b>0</b>
Burscough Industrial Estate	0	1,000	-31,280	<b>-30,280</b>	-320	<b>-30,600</b>
Westgate Depot	0	7,950	-33,170	<b>-25,220</b>	2,700	<b>-22,520</b>
Green Hey Place	0	13,970	-62,610	<b>-48,640</b>	-2,470	<b>-51,110</b>
Burscough Old Stables	1,120	8,030	-10,000	<b>-850</b>	15,250	<b>14,400</b>
CRA Management	0	213,070	-1,123,590	<b>-910,520</b>	105,500	<b>-805,020</b>
Industrial Portfolio	0	227,370	-393,000	<b>-165,630</b>	165,630	<b>0</b>
Investment Centre	140,020	511,400	-672,900	<b>-21,480</b>	22,880	<b>1,400</b>
Estates Management	0	50,880	-253,650	<b>-202,770</b>	114,200	<b>-88,570</b>
Regeneration Projects Team	2,420	1,780	0	<b>4,200</b>	0	<b>4,200</b>
Housing Strategy	53,270	13,640	0	<b>66,910</b>	-21,740	<b>45,170</b>
<b>Sub total</b>	<b>768,410</b>	<b>1,187,320</b>	<b>-2,591,200</b>	<b>-635,470</b>	<b>102,150</b>	<b>-533,320</b>
<b>Service Total</b>	<b>2,851,330</b>	<b>2,012,840</b>	<b>-4,883,410</b>	<b>-19,240</b>	<b>989,040</b>	<b>969,800</b>

# DEVELOPMENT & REGENERATION

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£

## BUDGET 2018/2019

### REGENERATION, ESTATES & HOUSING

Management Support	96,640	6,360	0	<b>103,000</b>	-10,450	<b>92,550</b>
Economic Development Unit	215,660	133,900	0	<b>349,560</b>	-42,690	<b>306,870</b>
Estates	237,080	21,270	-11,000	<b>247,350</b>	-249,910	<b>-2,560</b>
Burscough Industrial Estate	0	1,000	-31,280	<b>-30,280</b>	-20	<b>-30,300</b>
Westgate Depot	0	7,940	-33,170	<b>-25,230</b>	2,700	<b>-22,530</b>
Green Hey Place	0	13,940	-62,610	<b>-48,670</b>	-2,470	<b>-51,140</b>
Burscough Old Stables	1,120	8,020	-10,000	<b>-860</b>	15,650	<b>14,790</b>
CRA Management	0	267,740	-1,143,590	<b>-875,850</b>	108,990	<b>-766,860</b>
Industrial Portfolio	0	235,370	-393,000	<b>-157,630</b>	157,630	<b>0</b>
Investment Centre	137,010	411,460	-575,500	<b>-27,030</b>	28,060	<b>1,030</b>
Estates Management	0	50,840	-249,650	<b>-198,810</b>	108,260	<b>-90,550</b>
Regeneration Projects Team	2,340	1,780	0	<b>4,120</b>	0	<b>4,120</b>
Housing Strategy	52,320	13,720	0	<b>66,040</b>	-20,350	<b>45,690</b>
<b>Sub total</b>	<b>742,170</b>	<b>1,173,340</b>	<b>-2,509,800</b>	<b>-594,290</b>	<b>95,400</b>	<b>-498,890</b>
<b>Service Total</b>	<b>2,666,860</b>	<b>2,012,710</b>	<b>-4,669,510</b>	<b>10,060</b>	<b>955,680</b>	<b>965,740</b>

# LEGAL & DEMOCRATIC

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
Legal & Member Services	861,810	61,250	-5,500	<b>917,560</b>	-939,380	<b>-21,820</b>
Democratic Representation	1,500	2,250	0	<b>3,750</b>	359,460	<b>363,210</b>
Civic Admin	2,000	356,340	0	<b>358,340</b>	-39,610	<b>318,730</b>
Civic Expenses	1,430	25,670	0	<b>27,100</b>	430	<b>27,530</b>
Civic Ceremonials	0	1,960	0	<b>1,960</b>	130	<b>2,090</b>
Land Charges	0	12,530	-70,790	<b>-58,260</b>	96,910	<b>38,650</b>
Procurement	58,410	3,310	0	<b>61,720</b>	-62,570	<b>-850</b>
Administration Services	172,060	21,630	0	<b>193,690</b>	-184,680	<b>9,010</b>
Elections	0	93,790	0	<b>93,790</b>	50,180	<b>143,970</b>
Register of Electors	3,090	68,900	-1,500	<b>70,490</b>	89,370	<b>159,860</b>
<b>Service Total</b>	<b>1,100,300</b>	<b>647,630</b>	<b>-77,790</b>	<b>1,670,140</b>	<b>-629,760</b>	<b>1,040,380</b>

## BUDGET 2018/2019

Legal & Member Services	925,850	61,940	-5,500	<b>982,290</b>	-948,100	<b>34,190</b>
Democratic Representation	1,500	2,250	0	<b>3,750</b>	360,250	<b>364,000</b>
Civic Admin	5,820	356,340	0	<b>362,160</b>	-36,180	<b>325,980</b>
Civic Expenses	1,430	25,380	0	<b>26,810</b>	420	<b>27,230</b>
Civic Ceremonials	0	1,870	0	<b>1,870</b>	130	<b>2,000</b>
Land Charges	0	12,530	-70,790	<b>-58,260</b>	94,790	<b>36,530</b>
Procurement	56,450	3,260	0	<b>59,710</b>	-59,560	<b>150</b>
Administration Services	159,990	21,630	-10	<b>181,610</b>	-180,340	<b>1,270</b>
Elections	0	93,790	0	<b>93,790</b>	49,200	<b>142,990</b>
Register of Electors	3,690	68,940	-1,500	<b>71,130</b>	87,610	<b>158,740</b>
<b>Service Total</b>	<b>1,154,730</b>	<b>647,930</b>	<b>-77,800</b>	<b>1,724,860</b>	<b>-631,780</b>	<b>1,093,080</b>

# FINANCE & HUMAN RESOURCES

	Employees	Running Expenses	External Income	Cash Total	Support Services & Capital Charges	Net Budget
	£	£	£	£	£	£
<b>BUDGET 2019/2020</b>						
Financial Services	644,030	34,390	-2,300	<b>676,120</b>	-692,920	<b>-16,800</b>
Corporate and Democratic Core	0	76,550	0	<b>76,550</b>	501,670	<b>578,220</b>
Non Distributed Costs	894,750	1,500	0	<b>896,250</b>	0	<b>896,250</b>
Parish Councils	0	55,160	0	<b>55,160</b>	5,070	<b>60,230</b>
Human Resources and Payroll	283,580	70,110	0	<b>353,690</b>	-399,500	<b>-45,810</b>
<b>Service Total</b>	<b>1,822,360</b>	<b>237,710</b>	<b>-2,300</b>	<b>2,057,770</b>	<b>-585,680</b>	<b>1,472,090</b>

## BUDGET 2018/2019

Financial Services	644,870	35,050	-2,300	<b>677,620</b>	-677,550	<b>70</b>
Corporate and Democratic Core	0	82,750	0	<b>82,750</b>	485,820	<b>568,570</b>
Non Distributed Costs	899,350	1,500	0	<b>900,850</b>	0	<b>900,850</b>
Parish Councils	0	55,160	0	<b>55,160</b>	4,970	<b>60,130</b>
Human Resources and Payroll	292,690	94,930	0	<b>387,620</b>	-391,650	<b>-4,030</b>
<b>Service Total</b>	<b>1,836,910</b>	<b>269,390</b>	<b>-2,300</b>	<b>2,104,000</b>	<b>-578,410</b>	<b>1,525,590</b>



COUNCIL: 27 February 2019

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**Report of:** Director of Housing and Inclusion

**Contact for further information:** Mr P Blakey (Ext. 87292)  
(email: [peter.blakey@btlancashire.co.uk](mailto:peter.blakey@btlancashire.co.uk))

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**SUBJECT: DETERMINATION OF COUNCIL TAX 2019/20**

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Wards affected: Borough wide

## **1.0 PURPOSE OF THE REPORT**

- 1.1 To set the Council Tax rate for each property band for the whole of the Borough Council's area, including the Council Tax rate as set by the County Council, the Police and Crime Commissioner for Lancashire, the Lancashire Combined Fire Authority, and the local Parish Council in parished areas.
- 1.2 To confirm the statutory resolutions that are required in order to set the Council Tax for 2019/2020.

## **2.0 RECOMMENDATIONS**

- 2.1 That it be noted that on the 14 January 2019, the Borough Treasurer declared the Council Tax Base amounts set out in Appendix A for the financial year 2019/20 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

***Please note that the budget will be set at the Council meeting on 27 February. Consequently an updated version of this report, with the relevant budget figures included, will be circulated on the night of the Council meeting.***

- 2.2 That the Budget for the Council's own purposes for 2019/20 (excluding parish precepts) be set at £xx in accordance with the earlier Budget Requirement report.
- 2.3 That the following amounts be now calculated by the Council for the financial year 2019/2020 in accordance with the Local Government Finance Act 1992 (the Act):

- a) £xx being the aggregate of the amounts, which the Council estimates for the items, set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
- b) £xx being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act
- c) £xx being the amount by which the aggregate at 2.3(a) above exceeds the aggregate at 2.3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
- d) £xx being the amount at 2.3(c) above divided by 35,256.32 (the Tax Base) calculated by the Council in accordance with Section 31(B) of the Act, as the basic amount of its Council Tax for 2019/2020.
- e) £xx being the aggregate amount of all special items (i.e. Parish Precepts) referred to in Section 34(1) of the Act.
- f) £xx being the amount at 2.3(d) above, less the result given by dividing the amount at 2.2(e) above by 35,256.32 (the Tax Base), calculated by the Council in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for 2019/2020 for dwellings in those parts of its area to which no special item relates.

g) Part of the Council's area:

	£. p
Aughton	xx
Bickerstaffe	xx
Bispham	xx
Burscough	xx
Dalton	xx
Downholland	xx
Great Altcar	xx
Halsall	xx
Hesketh with Beconsall	xx
Hilldale	xx
Lathom	xx
Lathom South	xx
Newburgh	xx
North Meols	xx
Parbold	xx
Rufford	xx
Scarisbrick	xx
Simonswood	xx
Tarleton	xx
Up Holland	xx
Wrightington	xx

being the amounts given by adding to the amount at 2.3(f) above the amounts of the special item relating to dwellings in those parts of the Council's area mentioned above divided in each case by the relevant Tax Base for those areas, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of the Council Tax for



2019/2020 for dwellings in those parts of its area to which a special item (i.e. Parish Precepts) relate.

- h) Part of the Council's area for each valuation band, being the amounts given by multiplying the amounts at 2.3(f) and 2.3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (**See Schedule 1**).

- 2.4 That it be noted that for the year 2019/20 Lancashire County Council has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwelling shown below:

**VALUATION BANDS**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx

- 2.5 That it be noted that for the year 2019/2020 the Police and Crime Commissioner for Lancashire has stated the following amounts in precept issued to the Council in accordance with Section 40 of the Act for each of the categories of dwelling shown below:

**VALUATION BANDS**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx

- 2.6 That it be noted that for the year 2019/2020 the Lancashire Combined Fire Authority has stated the following amounts in precept issued to the Council in accordance with Section 40 of the Act for each of the categories of dwelling shown below:

**VALUATION BANDS**

<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx	£. p xx

- 2.7 That having calculated the aggregate in each case of the amounts at 2.3(h), 2.4, 2.5 and 2.6, the Council, in accordance with Section 30(2) of the Act, hereby sets the amounts shown in **Schedule 2** as the amounts of Council Tax for the year 2019/2020 for each of the categories of dwellings shown.

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### 3.0 BACKGROUND

3.1 The earlier report entitled Budget Requirement resulted in the Council setting a Budget Requirement of £xx for 2019/2020. Other precepting authorities have also determined their budget requirements and notified the Council of the amounts they wish to collect through the Council Tax. This report consolidates this information and calculates the Council Tax level for each property band throughout the Borough.

### 4.0 CURRENT POSITION

4.1 In accordance with statute, the Borough Treasurer, declared, on the 15 January 2019, the estimated balance on the Collection Fund, in respect of Council Tax, as at the 31<sup>st</sup> March 2019.

4.2 The result of the exercise showed an estimated surplus of £608,722 as detailed in Appendix B. This surplus is shared by the Borough Council, the Lancashire Combined Fire Authority, the Police and Crime Commissioner for Lancashire and the County Council, in proportion to their respective calls on the Collection Fund as follows:

	£
Borough Council	74,481
Combined Fire Authority	23,405
Police Authority	61,566
County Council	449,270
	<hr/>
	608,722

4.3 This surplus has to be taken into account when setting the Council Tax and Budget for 2019/2020.

### 5.0 SUSTAINABILITY IMPLICATIONS

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

## 6.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 6.1 The following calculation shows the amount of the basic tax rate for band D properties after using the Council's approved Tax Base of 35,256.32 band D equivalent properties.

	£	£
Budget Requirement (Borough proportion)	xx	
Budget Requirement (Parish proportion)	xx	
Total Budget Requirement		<hr/> xx
General government grants and retained business rate income		xx
Estimated surplus on Council Tax Collection Fund		xx
Balance to be financed by Council Taxpayer (inc. Parishes)		<hr/> xx
Balance to be financed by Council Taxpayer (excl. Parishes)		<hr/> xx <hr/>

- 6.2 The average Council Tax rate (including Parishes) for a Band 'D' Equivalent Property is, therefore, calculated as follows:

West Lancashire Borough Council (Including Parish Precepts)

		£	p
Balance to be financed by Taxpayer	<u>xx</u>		
Band 'D' Equivalent Properties	xx	xx	

- 6.3 The actual Council Tax rate (excluding Parishes) for a Band 'D' Equivalent Property is, therefore, calculated as follows:

West Lancashire Borough Council (excluding Parish Precepts)

		£	p
Balance to be financed by Taxpayer	<u>xx</u>		
Band 'D' Equivalent Properties	xx	xx	
Add Basic Tax Rates for:			
Lancashire County Council			xx
Lancashire Police Authority			xx
Lancashire Combined Fire Authority			xx
Basic Tax Rate for a Band 'D' Equivalent Property		xx	

- 6.4 It is necessary to calculate the Council Tax rate for each property band in respect of the Borough Council and Parish Council elements only. **Schedule 1** shows the Council Tax rate for each property band in each of the Parish Council areas.
- 6.5 It is then necessary to calculate the aggregate Council Tax rate by incorporating the Lancashire County Council, the Police and Crime Commissioner for Lancashire, and the Lancashire Combined Fire Authority Council Tax rates into the figures shown in **Schedule 1**. The aggregated Council Tax rates are shown in **Schedule 2**.

## **7.0. RISK ASSESSMENT**

- 7.1 There is a statutory requirement for the Council to set a Council Tax each year. Failure to set the Council Tax until a later date would have implications for billing and the required statutory fourteen days notice for the first instalment date of 2 April 2019. This would have an adverse effect on cash flow and the collection rate.

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### **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**

This 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.

### **Appendices**

Appendix A Declaration of Council Tax Base 2019/2020

Appendix B Estimated Collection Fund Balance as at 31 March 2019

Schedule 1 Council Tax rates payable for each band in respect of the Borough Council and Parish Council elements only (TO FOLLOW)

Schedule 2 Council Tax rates payable for each band within the Borough Council's area (TO FOLLOW)

**Appendix A**  
**Declaration of Council Tax Base 2019/20**

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In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations the amounts calculated by West Lancashire Borough Council as its Tax Base for the whole area for the year 2019/2020 shall be **35,256.32** and for the parts of the area for the year 2019/2020 shall be:

<u>Parish</u>	<u>Taxbase</u>
Aughton	3,544.51
Bickerstaffe	461.83
Bispham	99.46
Burscough	3,153.98
Dalton	202.81
Downholland	368.68
Great Altcar	78.30
Halsall	826.44
Hesketh with Becconsall	1,428.15
Hilldale	266.50
Lathom	386.08
Lathom South	310.38
Newburgh	461.76
North Meols	1,475.36
Parbold	992.31
Rufford	851.45
Scarisbrick	1,292.03
Simonswood	51.77
Tarleton	2,227.23
Up Holland	2,415.44
Wrightington	1,174.57

The anticipated collection level for 2019/20 has been estimated at 98.0%.

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Name	Marc Taylor
Position in organisation	Borough Treasurer
Date	14/01/19

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**APPENDIX B  
ESTIMATED COUNCIL TAX BALANCE AS AT 31/3/2019**

Item	Amount
<b>INCOME</b>	
Council Tax receivable	£62,713,600
<b>Total Income</b>	<u>£62,713,600</u>
<b>EXPENDITURE</b>	
<b>Precepts</b>	
Lancashire County Council	£45,099,305
Lancashire Combined Fire Authority	£2,349,488
Police and Crime Commissioner for Lancashire	£6,180,205
West Lancashire Borough Council	7,476,615
	<u>£61,105,613</u>
<b>Contributions from previous year surpluses</b>	£1,101,570
<b>Charges to Collection Fund</b>	
Write offs and increases in bad debt provisions	£1,291,700
<b>Total Expenditure</b>	<u>£63,498,883</u>
<b>SURPLUS AND DEFICIT</b>	
Estimated Surplus / Deficit (-) for 2018/19 financial year from above	-£785,283
Actual Surplus / Deficit (-) as at 31/3/2018	£1,394,005
<b>Estimated Surplus / Deficit (-) as at 31/3/2019</b>	<u><u>£608,722</u></u>

**Name:** MARC TAYLOR

**Position in organisation:** BOROUGH TREASURER

**Dated:** 15/01/19







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**Report of: Borough Treasurer**

**Contact for further information: Marc Taylor (Ext. 5092)**  
**(E-mail: marc.taylor@westlancs.gov.uk)**

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**SUBJECT: MEDIUM TERM GRA CAPITAL PROGRAMME 2019-20**

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Wards Affected: Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To set the Council's Medium Term Capital Programme.

## **2.0 RECOMMENDATIONS**

- 2.1 That the Medium Term Capital Programme be approved based on the proposals to be presented at the Council meeting by the Portfolio Holder for Resources and Transformation.
- 2.2 That delegated authority be given to Heads of Service to take all necessary action to implement the agreed Capital Programme.

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## **3.0 BACKGROUND**

- 3.1 The Capital Programme is a three-year rolling programme that is updated on a regular basis. The current Programme was last reviewed and updated through the Revised Capital Programme report to Council in December 2018. Details of Housing Public Sector capital schemes are discussed elsewhere on this agenda, and changes to these schemes will be incorporated into the Medium Term Capital Programme following their approval.
- 3.2 Details on future capital receipt funding and spending requirements were reported to Executive Overview and Scrutiny Committee in January. This report now provides Members with an opportunity to realign and reshape the Capital Programme to meet Corporate and Service objectives.

## **4.0 EXECUTIVE OVERVIEW AND SCRUTINY COMMITTEE COMMENTS**

- 4.1 A report setting out a number of options for determining the Medium Term Capital Programme has recently been presented to the Executive Overview and Scrutiny

Committee. The Committee noted the medium term capital programme but did not agree any comments on its detail.

## 5.0 CURRENT POSITION

- 5.1 Members have previously been advised on the projected capital receipt funding that will be available as well as existing and provisional spending approvals, as summarised in the table below:

<b>Table 1 – Capital Receipts Funding Available</b>	£000
Usable capital receipts held in April 2018	2,747
Estimate of receipts that will be generated between April 2018 and the end of the 2021/2022 financial year	3,850
Existing spending approvals covering period 2018/2019 to 2020/2021	-4,755
Provisional spending approvals for 2021/2022	-424
<b>Funding available before taking into account potential future staff restructuring costs</b>	<b>1,418</b>

- 5.2 This position takes into account Right to Buy Council House Sales, along with anticipated sales from other assets and the development of the Westec House site. This position also takes into account current spending approvals as well as provisional allocations for 2021/2022, which are set out in more detail in Appendix 1.
- 5.3 The estimate of capital receipts that will be available is potentially subject to significant variation as one large asset sale could potentially produce a significant receipt. Changes in demand for Council House Right to Buy Sales could also cause significant volatility. To deal with this uncertainty the estimates in the capital programme will be reviewed and updated periodically to ensure they are accurate and up to date.
- 5.4 The table above shows that there is £1.418m of capital receipt funding available for new capital schemes before taking into account potential staff restructuring costs. At Council in October 2018 it was agreed that any future staff restructuring costs arising from the Sustainable Organisation Review or other processes that deliver efficiency savings should be financed from available capital receipts. It is not possible to forecast the level of restructuring costs that may be required over the next few years, and this position is not expected to become clearer until the results of the Sustainable Organisation Review are reported to Council in July 2019. However due regard needs to be given to this factor when considering approving any new capital schemes at this time.
- 5.5 Appendix 2 provides a summary of the potential new capital schemes that have been identified by Heads of Service. The total value of these schemes over the

next 3 years is £1,380,000, and Members will need to give consideration to which of these schemes should be approved.

## **6.0 DETERMINING THE CAPITAL PROGRAMME**

6.1 The Portfolio Holder for Resources and Transformation has been given delegated authority to submit proposals for consideration at the Council meeting to enable the programme to be set, and it is anticipated that a set of budget papers will be circulated at the Council meeting to enable this to be achieved.

## **7.0 SUSTAINABILITY IMPLICATIONS**

7.1 The proper management of the Council's asset base enhances service delivery. Assets consume a high level of resources both in terms of capital investment and revenue maintenance and having effective controls in this area ensures that the capital base can shape the future direction of the Council. This report has no significant impacts on crime and disorder.

## **8.0 RISK ASSESSMENT**

8.1 The level of capital receipts generated by asset sales is a key risk to the future development of the programme. If receipts exceed the projections contained in this report, it would enable a larger programme to be delivered. However, if receipts are below the projections, it would require reductions to be made.

8.2 Some schemes in the Programme are dependent on external partner funding. To minimise the risk of funding not being available, such schemes will only begin once their funding details have been finalised.

8.3 It is not possible to quantify the potential requirement for staff restructuring costs at this time. This position will only become clearer when the outcome of the Sustainable Organisation Review is reported to Council in July 2019.

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### **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 direct impact on members of the public, employees, elected members and / or stakeholders is dependent on the proposals to be put forward at the Council meeting. Therefore no Equality Impact Assessment has been produced at this time. However, an Assessment will be produced and made available at the Council meeting if required.

### **Appendices**

Appendix 1 - Capital Receipt Funding Approvals  
Appendix 2 – Potential New Capital Schemes



**APPENDIX 1 - CAPITAL RECEIPT FUNDING FOR INDIVIDUAL SCHEMES**

SERVICE AND SCHEME	Current Allocations				Provisional
	2018/19	2019/20	2020/21	Total	2021/22
	£'000	£'000	£'000	£'000	£'000
<b><u>Finance &amp; HR Services</u></b>					
Parish Capital Schemes	45	45	30	120	30
Financial Systems	60			60	
Environmental / Town and Village Centre Improvement Fund	308			308	
<b><u>Leisure &amp; Wellbeing</u></b>					
Playground Improvements	48	30	30	108	30
Leisure Trust	228	228		456	
CCTV	50	25		75	
Park Pool		150		150	
Beacon Park	5			5	
Allotment Improvements	6			6	
Parks and Open Spaces	20			20	
Upgrade to Northgate M3PP IT system	40			40	
<b><u>Street Scene</u></b>					
Purchase of Vehicles	10	80		90	
Robert Hodge Centre Improvement Works	105			105	
Purchase of Wheelie Bins	640			640	
<b><u>Development &amp; Regeneration</u></b>					
Free Tree Scheme	3			3	
Preservation of Buildings at Risk	2			2	
Conservation Area Grants	18			18	
Skelmersdale Town Centre	10			10	
Chapel Gallery	6			6	
Purchase of EDRM IT system	125			125	
Affordable Housing		247		247	
<b><u>Development &amp; Regen - Tech Services</u></b>					
Appley Bridge Quarry	20			20	
Moor Street Phase 1	103	80	3	186	
Mill Lane Landfill Site	62			62	
<b><u>Housing &amp; Inclusion - Corporate Property</u></b>					
Corporate Property Investment Programme	288	229	164	681	164
<b><u>Housing &amp; Inclusion - Private Sector Housing</u></b>					
Housing Renewal Grants	50	100	100	250	50
Disabled Facilities Grants		100	100	200	
<b><u>Housing &amp; Inclusion - IT investment</u></b>					
ICT Infrastructure	50	50	50	150	50
ICT Development Programme	212	100	100	412	100
Replacement CRM system	120			120	
Website Contract Management System	5			5	
Web redesign to promote customer accounts	15			15	
Investment to enable digital services	5	55		60	
<b>Total Programme</b>	<b>2,659</b>	<b>1,519</b>	<b>577</b>	<b>4,755</b>	<b>424</b>



<b>APPENDIX 2 - POTENTIAL NEW CAPITAL SCHEMES</b>	2019-20 £000	2020-21 £000	2021-22 £000
<b>Development and Regeneration</b>			
1 Planning / Land Charges ICT Upgrades	0	20	20
2 Alder Lane / Bramble Way Landfill Site - update and replace equipment	0	75	0
3 Wheatsheaf Walks Improvement	30	0	0
4 Skelmersdale Highway / Gateway Improvements	0	50	0
5 Replacement of Trash Screen in Culvert	10	0	0
<b>Housing and Inclusion</b>			
1 Egress secure email and file transfer	21	0	0
2 Windows 10 upgrades	100	0	0
3 Fire Safety Works to Council corporate buildings	267	0	0
<b>Legal and Democracy</b>			
1 Replacement time recording system (Etarmis)	17	0	0
<b>Leisure and Environment</b>			
1 Long term provision of CCTV cameras	80	80	80
2 Purchase of Pressure Washer and Water Bowser	5	0	0
3 Purchase of Wood Chipper	3	0	0
4 Demountable Skip Body Refurbishment	25	0	0
5 Replacement Vehicle Wash	21	0	0
6 Updated Weighbridge Software	10	0	0
7 Burscough Racquets and Fitness Centre - Invest to Save Proposal	321	0	0
8 Expand In-Cab system in remaining Refuse & Recycling Vehicles	20	0	0
9 Waste Collection Projects	55	0	0
10 Leisure Facilities Essential works	26	44	0
<b>Total</b>	<b>1,011</b>	<b>269</b>	<b>100</b>

<b>TOTAL FUNDING REQUIREMENT OVER 3 YEARS</b>	<b>1,380</b>
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COUNCIL: 27 February 2019

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**Report of: Director of Housing and Inclusion and Borough Treasurer**

**Contact for further information: Mr P. Quick (Extn. 5203)**  
**([peter.quick@westlancs.gov.uk](mailto:peter.quick@westlancs.gov.uk))**

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**SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL PROGRAMME**

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Wards Affected: Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To enable the Council to set its Housing Revenue Account (HRA) budget and capital investment programme for the next financial year.

## **2.0 RECOMMENDATIONS**

2.1 That the Rent and Service Charges set within delegated authority, as detailed in sections 4 and 5 of the report, be noted and endorsed.

2.2 That the comments of Tenants and Residents as set out in Appendix E of the report be considered.

2.3 That the HRA budget and capital investment programme be approved based on the proposals to be presented at the Council meeting by the Housing and Landlord Services Portfolio Holder.

2.4 That delegated authority be given to the Director of Housing and Inclusion, in consultation with the Housing and Landlord Services Portfolio Holder, to utilise one for one capital receipt funding together with HRA borrowing to acquire new properties subject to there being a satisfactory business case.

2.5 That the Reserves Policy set out in Appendix C be approved.

2.6 That delegated authority be given to the Director of Housing and Inclusion to take all necessary action to implement the decisions of Council.

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### **3.0 BACKGROUND**

- 3.1 The Council must set a budget for its HRA before the start of each financial year, and this budget will set out the financial basis for the delivery of services. The budget that is set must enable Council and tenant priorities to be delivered but must also be affordable. In addition it should comply with best practice requirements on budget setting and meet statutory and accounting regulations.
- 3.2 The financial year 2019/20 represents the final year of the government's four year rent setting policy to reduce social housing rents by 1% per annum to 2020. This policy continues to progressively add pressure to the HRA over this period. However, the Policy Options agreed by Council in July 2016 and October 2016 have delivered sufficient savings and efficiencies to secure the HRA's financial position over the medium term.
- 3.3 In the five year period from 2020/21 to 2024/25, rent policy will revert to the previous approach of an increase of up to CPI plus 1% per year. This will aid business planning in the medium term by providing more certainty, ensuring that the real value of rent levels is maintained, and could provide funds for further investment in the housing stock.
- 3.4 The HRA budget has been the subject of recent reports to Cabinet, Executive Overview and Scrutiny Committee and Landlord Services Committee. Tenants have also been consulted on the HRA budget position. These reports identified that there was a small draft budget surplus in 2019/20 between the resources available and the expenditure required to deliver agreed service levels and investment plans with some further work still required.

### **4.0 RENTAL INCOME**

- 4.1 As a consequence of the government policy highlighted in paragraph 3.2 and in line with our standard practice, the Director of Housing and Inclusion will use her delegated authority to reduce rent levels by 1% from April 2019 for all properties.
- 4.2 Rental income is the main funding source for the Housing Account. The 2019/20 rent reduction means that the overall level of rental income will reduce next year, although there are a number of other factors that will influence this position including:
- The number of properties within the Housing Stock which will be influenced by Right to Buy Council house sales (which is outside the Council's control), the number of homes built or purchased, and the number of homes demolished as part of revival and development projects
  - Current void levels are assumed to continue at slightly lower than 2%
  - The full roll out of Universal Credit continues to be an area requiring close monitoring but the effect so far has been a relatively modest increase in

arrears which in turn means a modest increase in the contribution to the bad debt provision. This can be accommodated within a budget based on 1% of rent arrears.

4.3 Weekly rent and service charge billing is always carried out on a Monday; as a consequence, every few years there are 53 Mondays, (53 rent weeks), in a calendar year rather than 52. The implications of this for the HRA business plan and individual tenants have been considered as follows:

- Tenants who pay by monthly direct debit will see what seems to be an increase in their monthly direct debit that is more than the expected percentage change. This is because 49 charging weeks will be split between twelve months rather than the usual 48 weeks. As an example, the 1% reduction in weekly rents will seem like a 1.1% increase in 2019/20 if paid monthly. As this is just a timing difference the same tenants will see what appears to be a smaller increase in their rent and service charges in 2020/21 than the expected increase as this levels out again the following year. Tenants who pay weekly will not be affected and will see their weekly charges changing by the expected amounts.
- Tenants who receive Universal Credit are those who are most likely to be disadvantaged by the additional charging week due to DWP rules. It is proposed to use reserve money held for hardship payments to alleviate the additional week of pressure for UC customers in hardship.

## **5.0 OTHER CHARGES**

5.1 A general principle is applied to service charges that they should be calculated to ensure that they are sufficient to recover the cost of service provision. In keeping with this principle it is proposed to increase the general level of service charges next year by 3.4% (based on the September CPI rate of 2.4% plus 1.0% in line with our standard practices). In general, the service charges apply to communal properties such as sheltered stock and flats as well as residents who receive the Council's furnishing service.

5.2 There will be a number of exceptions to this general approach including:

- The heating charge for each property in 2019/20 will be calculated based on estimated useage and estimated cost. This means that different charges will apply to different residents. The heating account overall remains in surplus so all residents will have a reduction in their heating charge of 5%, except for 35 residents who will receive a lower reduction or will have their heating charge unchanged.
- As in 2018/19, garage rents will be increased by CPI (2.4%).
- CAT2 sheltered scheme service charges for communal maintenance work have been reviewed through 2018/19 and this found that most schemes would require an increase in excess of CPI + 1%. In order to provide consistency for these tenants their charges will be capped at 3.4% in

2019/20. There is one site where an increase of 1.4% is required, and in addition there is one site where a reduction of 9.9% will be implemented.

- After consultation with residents in CAT 1 sheltered schemes, a significant number have opted to request a higher level of support previously offered to CAT2 residents. This means that in 2019/20 these CAT1 residents will pay the same service charge as all CAT2 residents.
- A small number of tenants still pay a separate carpet charge but these are due to end in 2019/20. These charges are not therefore going to be increased.

## **6.0 REVENUE ESTIMATES AND CAPITAL INVESTMENT PROGRAMME**

6.1 The base assumptions used in the HRA Business Plan and for the HRA Estimates have previously been reported to Cabinet and Executive Overview and Scrutiny Committee. The HRA revenue estimates for 2019/20 are shown in Appendix A and provide the detailed information that sets out the financial basis for how HRA service objectives will be achieved. They cover all areas of revenue expenditure and income and include changes in the base budget required to roll forward agreed service levels, such as pay and contract inflation, but do not allow for any service improvements.

6.2 The HRA estimates reflect a range of factors including:

- The reductions in rents and changes in service charges set out above
- The response maintenance and voids contract delivery model report that went to Cabinet on 8 November 2018 sought delegated authority for the Director of Housing and Inclusion to put in place an interim contract arrangement for 2019/20, pending a new outsourced delivery model. The report also committed to addressing the financial implications of negotiating the interim contract. £167,000 has been added to the budget in anticipation of the renegotiation, and of this £118,000 is the amount that would have been added to the existing budget for contractual uplift.
- It is intended that the current pre-painting budget will be used more flexibly as a revenue planned maintenance budget to pick up the revenue works identified in the stock condition survey and other revenue planned works.
- £29,000 has been transferred from the revenue budget for HRA digital expenditure to capital. This recognises that some of the HRA digital plans have a capital element as well as revenue elements. It is proposed to combine this transferred budget with the existing budget of £21,000 approved for Digital Inclusion in 2019/20, to create an ongoing central HRA Digital Initiatives budget.

- It is assumed that £1.1m of the projected favourable budget variance in the current financial year will be used to support the budget position in 2019/20.
  - The HRA budget report that went to Cabinet and Executive Overview and Scrutiny advised that work would continue on finalising the HRA budget for February Council. The final draft estimates in Appendix A reflect the further work and show a budget surplus of £0.251m.
- 6.3 The Capital Investment Programme for the next 5 years is shown in Appendix B along with initial profiling, and is intended to ensure that our housing stock meets the decent homes standard. The 5 year budget reflects the value in today's terms from the comprehensive asset survey work that has been carried out to maintain that standard and improve the condition of the stock itself for the long term. The survey indicates that for the next five years £34.7m of capital works will need to be invested, as well as some revenue works undertaken. Re-profiling from the 2018/19 mid-year budget agreed at the December Council meeting has been added to this figure to provide a total five year Housing Investment Plan of £35.4m. Within this total, roofing accounts for 31% of the expected Housing Investment Plan for the next five years.
- 6.4 In order to manage resourcing and delivery of the required works, the Housing Investment Plan has been profiled equally throughout the five years to remove peaks and troughs in the expected renewal dates for different components. The 2019/20 budget reflects what can realistically be delivered and this fits with anticipated component renewal dates. Years two to five are likely to require some re-profiling forwards and backwards due to:
- The outcome of asset reviews to be carried out during 2019/20 to assess the financial viability of individual stock
  - Three or four year delivery contracts due to be tendered during 2019/20 for a 2020/21 start
  - Local knowledge from Council staff and findings once particular works actually commence
  - Contractual uplift obligations and changes in stock levels
- 6.5 In addition to the Housing Investment Plan there are other standard Council housing capital budgets included in Appendix B for disabled adaptations, sheltered upgrades, contingency/voids and professional fees. The 2019/20 budget for Fire Risk Assessment works approved in February 2018 has been covered by the budget in the new capital investment plan.
- 6.6 This budget report does not cover the impact of setting up a new development company, which is the subject of a separate report elsewhere on the agenda.

- 6.7 The Council is able to retain part of the proceeds of Right to Buy Council House Sales but these funds must then be used to finance new house building or house purchases and must be used within 3 years. These one for one capital receipts can be used to part fund 30% of the cost of building or purchasing houses but the balance of funding must then be provided by the HRA. If the receipts aren't used within 3 years they must be repaid to the government with interest.
- 6.8 To ensure that these receipts can be fully utilised it is proposed to provide the Director of Housing and Inclusion with a delegated authority, in consultation with the Portfolio Holder for Housing and Landlord Services, to use these funds with match funding provided from HRA borrowing to acquire homes subject to their being a satisfactory business case. The criteria that would be used in acquiring these properties would be that one for one receipts need to be used promptly before the deadline for their return or else they would be lost, that any purchases would respond to council house waiting list demand, and that they have a satisfactory Net Present Value and would support the HRA Business plan. Details of any use of this delegated authority would be reported to Members in the next regular HRA budget report to Cabinet and / or Council.

## **7.0 CURRENT FINANCIAL POSITION**

- 7.1 The HRA Mid-year Review projected that the budget targets for the year would be met and exceeded and that a favourable budget variance would be achieved. The latest third quarter monitoring has confirmed this position primarily as a result of staffing vacancies generating a favourable budget variance on employee costs, a more integrated and planned approach being taken with pre-painting works, the bad debt budget being only part-used and no further calls on budget contingency. Budgets are being controlled effectively and this puts the HRA in a strong position for dealing with its future financial challenges.
- 7.2 In accordance with best practice the levels of HRA balances and reserves have been reviewed during the budget process to ensure that they are currently sufficient and that they will remain adequate over the medium term. A draft reserves policy reflecting this position is attached at Appendix C.

## **8.0 BUDGET PROPOSALS**

- 8.1 In addition to the roll over budget in continuing services, it is also important to consider new budget issues and areas for development. Appendix D comprises a list of budget issues that Officers have identified and that should be considered as part of the budget process. Members will need to carefully consider those options, and any others that may emerge through the budget process and determine which proposals to include in the final budget to meet service objectives.
- 8.2 The views of tenants and residents have been considered through meeting with the tenant scrutiny group and reviewing the proposed HRA revenue and

capital budgets as well as the list of new budget issues. Details of their comments are provided in Appendix E. Members are asked to consider these details when determining their final budget position.

- 8.3 The Portfolio Holder for Housing and Landlord Services has been given delegated authority to submit proposals for consideration at the Council meeting to enable the budget and capital programme to be set. It is anticipated that a set of budget papers will be circulated at the Council meeting to enable this to be achieved.

## **9.0 SUSTAINABILITY IMPLICATIONS**

- 9.1 The Council wants to ensure that the future business plan allows properties to be brought up to a reasonable standard and that appropriate investment can be made at the appropriate time. Business plan modelling enables a well-informed investment plan to be developed in keeping with the requirements of an effective asset management strategy.

## **10.0 RISK ASSESSMENT**

- 10.1 The formal consideration and reporting of the budget estimates is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. This process is resource intensive for both Members and Officers but ensures that a robust and achievable budget is set.

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### **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 direct impact on members of the public, employees, elected members and / or stakeholders is dependent on the proposals to be put forward at the Council meeting. Therefore no Equality Impact Assessment has been produced at this time. However, an Assessment will be produced and made available at the Council meeting if required.

### **Appendices**

- Appendix A – HRA Revenue Estimates
- Appendix B – Capital Investment Plan
- Appendix C – Reserves Policy
- Appendix D – Budget Issues
- Appendix E – Tenant Views on Budget Proposals

## Appendix A

# HOUSING REVENUE ACCOUNT

## DRAFT ESTIMATES 2019/20

Budget 2019/20	Running Employees	Running Expenses	External income	Total Cash	Support Services & Capital Charges	Net budget
	£	£	£	£	£	£
<b>General Expenses</b>						
Premises Related Expenses	0	163,230	0	163,230	0	163,230
Bad Debts Provision	0	240,000	0	240,000	0	240,000
Capital Programme Contribution	0	0	0	0	8,766,000	8,766,000
Debt Charges	0	0	0	0	3,056,990	3,056,990
<b>Sub-Total</b>	<b>0</b>	<b>403,230</b>	<b>0</b>	<b>403,230</b>	<b>11,822,990</b>	<b>12,226,220</b>
<b>Supervision, Management, Repairs &amp; Maintenance</b>						
Central Administration	792,940	639,400	-89,300	1,343,040	1,787,840	3,130,880
Customer Experience (HRA)	405,630	78,090	0	483,720	20,360	504,080
<b>Housing Operations</b>						
Housing Operations Management	153,360	3,480	-91,070	65,770	126,780	192,550
Income & Financial Inclusion	595,970	28,260	-9,800	614,430	149,930	764,360
Allocations	223,420	73,870	-90	297,200	9,690	306,890
Tenancy Services	31,080	136,360	-185,470	-18,030	0	-18,030
Estate Management	245,160	314,310	-30	559,440	20,160	579,600
Elderley & Disabled Support	488,640	398,300	-1,152,450	-265,510	310,280	44,770
<b>Sub-Total</b>	<b>1,737,630</b>	<b>954,580</b>	<b>-1,438,910</b>	<b>1,253,300</b>	<b>616,840</b>	<b>1,870,140</b>
<b>Property Services</b>						
Property Services Management	612,290	114,510	-210	726,590	-208,150	518,440
Caretakers & Gardeners	267,230	140,940	-43,420	364,750	13,140	377,890
Maintenance of Grassed Areas	0	716,030	-23,100	692,930	0	692,930
District Heating Service	0	260,050	-260,050	0	0	0
Responsive & Void Repairs	407,000	3,517,610	-56,060	3,868,550	2,350	3,870,900
Planned Maintenance	464,840	764,210	-3,540	1,225,510	-364,320	861,190
<b>Sub-Total</b>	<b>1,751,360</b>	<b>5,513,350</b>	<b>-386,380</b>	<b>6,878,330</b>	<b>-556,980</b>	<b>6,321,350</b>
<b>General Income</b>						
Customer & Client Receipts	0	0	-23,149,480	-23,149,480	0	-23,149,480
Interest	0	0	0	0	-53,980	-53,980
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>-23,149,480</b>	<b>-23,149,480</b>	<b>-53,980</b>	<b>-23,203,460</b>
Transfers to/from Reserves	0	0	0	0	-1,100,000	-1,100,000
<b>Grand Total</b>	<b>4,687,560</b>	<b>7,588,650</b>	<b>-25,064,070</b>	<b>-12,787,860</b>	<b>12,537,070</b>	<b>-250,790</b>



\*Up to £1,510k is available in the budget and efficiency savings reserve in addition to this budgeted surplus of £251,000 to fund budget issues identified in appendix C. An appropriate amount needs to be kept back to fund the HRA element of the SORP.

Notes:

1. The HRA forecast outturn for 2018/19 at mid-year was £1,146,000. The budget above utilises £1,100,000 of this to fund the 2019/20 HRA budget. The mid-year forecast is still considered realistic.
2. Staff budgets reflect the organisational establishment structure which includes changes that have occurred during 2018/19. Overall, employee budgets reflect uplifts on salary costs in line with the pay award.
3. Within Housing Operations: Furnished Homes; Tenants Expenses and General Community Facilities have been combined as Tenancy Services
4. Within Housing Operations: Estate Maintenance has been moved into Estate Management
5. Within Furnished Homes, the budget for expenditure on tenant furniture and the budget for expected total income from the furniture service are both being increased by around £35,000 to better reflect demand, net effect budget neutral.

<b>Budget 2018/19</b>	<b>Employees</b>	<b>Running Expenses</b>	<b>External income</b>	<b>Total Cash</b>	<b>Support Services &amp; Capital Charges</b>	<b>Net budget</b>
£	£	£	£	£	£	£
<b>General Expenses</b>						
Premises Related Expenses	0	162,880	0	162,880	0	162,880
Bad Debts Provision	0	370,000	0	370,000	0	370,000
Capital Programme Contribution	0	0	0	0	11,335,000	11,335,000
Debt Charges	0	0	0	0	3,056,990	3,056,990
<b>Sub-Total</b>	<b>0</b>	<b>532,880</b>	<b>0</b>	<b>532,880</b>	<b>14,391,990</b>	<b>14,924,870</b>
<b>Supervision, Management, Repairs &amp; Maintenance</b>						
Central Administration	789,270	536,500	-87,900	1,237,870	1,759,810	2,997,680
Customer Experience (HRA)	396,880	185,230	0	582,110	6,870	588,980
<b>Housing Operations</b>						
Housing Operations Management	149,720	3,500	-91,070	62,150	115,840	177,990
Income & Financial Inclusion	557,850	32,330	-9,800	580,380	142,400	722,780
Allocations	218,840	83,934	-90	302,684	14,550	317,234
Furnished Homes	32,200	75,096	-139,000	-31,704	0	-31,704
Tenants Expenses	0	26,500		26,500		26,500
Estate Management	225,660	322,800	-30	548,430	17,800	566,230
General Community Facilities		370	-6,180	-5,810		-5,810
Estate Maintenance Services	2,440	22,910		25,350		25,350
Elderley & Disabled Support	499,440	396,810	-1,115,370	-219,120	264,390	45,270
<b>Sub-Total</b>	<b>1,686,150</b>	<b>964,250</b>	<b>-1,361,540</b>	<b>1,288,860</b>	<b>554,980</b>	<b>1,843,840</b>
<b>Property Services</b>						
Property Services Management	617,730	114,600	-210	732,120	-228,670	503,450
Caretakers & Gardeners	260,910	141,010	-42,260	359,660	12,880	372,540
Maintenance of Grassed Areas	0	723,220	-41,300	681,920	0	681,920
District Heating Service	0	253,000	-253,000	0	0	0
Responsive & Void Repairs	400,920	3,350,960	-53,760	3,698,120	2,310	3,700,430
Planned Maintenance	469,260	1,058,200	-3,440	1,524,020	-350,590	1,173,430
<b>Sub-Total</b>	<b>1,748,820</b>	<b>5,640,990</b>	<b>-393,970</b>	<b>6,995,840</b>	<b>-564,070</b>	<b>6,431,770</b>
<b>General Income</b>						
Customer & Client Receipts	0	0	-23,552,560	-23,552,560	0	-23,552,560
Interest	0	0	0	0	-53,980	-53,980
<b>Sub-Total</b>	<b>0</b>	<b>0</b>	<b>-23,552,560</b>	<b>-23,552,560</b>	<b>-53,980</b>	<b>-23,606,540</b>
Transfers to/from Reserves	0	0	0	0	-3,180,600	-3,180,600
<b>Grand Total</b>	<b>4,621,120</b>	<b>7,859,850</b>	<b>-25,395,970</b>	<b>-12,915,000</b>	<b>12,915,000</b>	<b>0</b>

## APPENDIX B - CAPITAL INVESTMENT PLAN UNTIL 2023/24

Scheme	5 Years £000's	19/20 £000's	20/21 £000's	21/22 £000's	22/23 £000's	23/24 £000's
Roofing	10,845	2,169	2,169	2,169	2,169	2,169
External Works	5,021	1,004	1,004	1,004	1,004	1,005
Heating	4,113	823	823	823	823	821
Electrics	3,652	730	730	730	730	732
Kitchens	3,164	633	633	633	633	632
Windows & Doors	2,741	548	548	548	548	549
Bathrooms	2,504	501	501	501	501	500
Walls	1,398	280	280	280	280	278
Fire Safety Works	1,353	271	271	271	271	269
Communal Services	587	117	117	117	117	119
<b>Housing Capital Investment Plan</b>	<b>35,378</b>	<b>7,076</b>	<b>7,076</b>	<b>7,076</b>	<b>7,076</b>	<b>7,074</b>
Disabled Adaptations		500	500	500	500	500
Sheltered Upgrades		140	140	140	140	140
Contingency		300	300	300	300	300
Professional Fees		700	700	700	700	700
<b>Other Housing Schemes</b>		<b>1,640</b>	<b>1,640</b>	<b>1,640</b>	<b>1,640</b>	<b>1,640</b>
Digital Initiatives		50	29	29	29	29
<b>Total Expenditure</b>		<b>8,766</b>	<b>8,745</b>	<b>8,745</b>	<b>8,745</b>	<b>8,743</b>

### Notes

- (1) The five year Capital Investment Plan, (in grey), of £35.378m has been developed from the recent stock condition survey work analysed in 2018/19. Total required work has been profiled equally over all five years to enable appropriate staffing levels and contractor resourcing to be achieved
- (2) Year 2 to 5 budgets are expressed in 2019/20 terms, contractual uplift and changes in stock levels will be considered each year as part of budget setting
- (3) It is anticipated that years 2 to 5 will require profiling forwards and backwards to optimize use of available funds and resources, based on asset reviews carried out during 2019/20 as well as local knowledge
- (4) 2018/19 budgets slipped at mid-year for roofing (£600k) and electrical works (£180k) have been profiled equally through the five years. The bathrooms budget (£100k) brought forward at mid-year has been removed equally throughout the five years

## APPENDIX C

### HRA RESERVES POLICY

#### Reserves Protocol

- 1.1 For each reserve held by the Council there must be a clear protocol setting out:
- The reason for and purpose of the reserve;
  - How and when the reserve can be used;
  - Procedures for the reserve's management and control; and
  - A process and timescale for review of the reserve to ensure continuing relevance and adequacy.
- 1.2 Details for each HRA reserve are set out below. Each reserve is managed and controlled by a Chief Officer. The responsible officer can authorise amounts of up to £10,000 to be taken from a reserve provided that its use is in line with the stated purpose of the reserve.
- 1.3 In addition the responsible officer must also consult with the Housing and / or Finance Portfolio Holders before authorising uses from reserves in excess of £10,000.
- 1.4 Reserves are reviewed and updated as part of the annual budget preparation and as part of the closure of accounts process to ensure that they continue to be required and are adequate in size. Earmarked reserves represent money that has been set aside for a clearly defined purpose, and which is available to meet future expenditure in that area. Balances represent unallocated funds which have not been earmarked and consequently are available to support any service area.
- 1.5 The values shown below for each reserve reflect their current position. The process for closing down the accounts at the year-end will then allow for any outstanding in year commitments and contributions.
- 1.6 The underlying level of reserves is adequate and reflects the HRA's stable financial position.

Description	Purpose	How and When Used	Responsible Officer	Value £000
HRA BALANCES	Balances are held by every organisation and are used to cushion the impact of unexpected events or emergencies, uneven cash flows and to avoid temporary borrowing	Can be used as a general contingency and should be maintained at a level of at least £100 per property.	Director of Housing and Inclusion	620
HRA ELEMENT OF INSURANCE	Funds held to meet the Council's self-insured	Costs are incurred when insurance	Borough	219

FUND	liabilities where this is a more cost effective method of insuring than using an external company	claims are settled. The level of the reserve is determined through actuarial reviews	Treasurer	
DISTRICT HEATING CHARGES RESERVE	This reserve holds the difference between the income raised from charges to tenants for the District Heating scheme and the cost of running this scheme (primarily gas charges).	It is Council policy to run this scheme on a cost recovery basis, and so it is necessary to maintain this reserve so that any surpluses that are achieved can be carried forward to fund lower charges to tenants in the future than otherwise would be possible	Director of Housing and Inclusion	295
REPAIRS RESERVE	This reserve is used to deal with demand led and other spending pressures on the response and void repairs budgets	Can be used as a general contingency for repairs expenditure and should be maintained at a level of at least 10% of the repairs budgets	Director of Housing and Inclusion	300
GENERAL SLIPPAGE RESERVE	This reserve is used to carry forward slippage on revenue and capital projects, where required	Enables the funding on schemes that are not completed at the financial year end to be carried forward so that the scheme can be completed in the next financial year	Director of Housing and Inclusion	100
BUDGET AND EFFICIENCY SAVINGS	This reserve is available to support the overall budget position	Used to deal with the financial challenges facing the HRA over a medium term period	Director of Housing and Inclusion	1,510

## APPENDIX D

## BUDGET ISSUES

	Budget Issues	2019/20 £000	2020/21 £000	2021/22 £000
	<b>Capital Expenditure</b>			
1	Asset Management Assessment model	185		
2	HRA Digital Initiatives Capital pot - ongoing	-	21	21
	<b>Sub Total</b>	<b>185</b>	<b>21</b>	<b>21</b>
	<b>Revenue Expenditure</b>			
1	Asset Management Assessment model - ongoing	-	15	15
2	Routine Electrical Testing 5 year cycle - ongoing	100	100	100
3	Gas Safety Compliance Application	72	72	72
4	Rent Sense - ongoing	43	43	43
5	Service Charge Management Software-ongoing	-	4	4
6	Resources for procurement compliance	60	5	5
7	Paperless direct debit extension - ongoing	17	19	19
8	Recruit two Housing Apprentices	23	0	0
9	GDPR Compliance Project	10		
	<b>Sub Total</b>	<b>325</b>	<b>258</b>	<b>258</b>
	<b>Total</b>	<b>510</b>	<b>279</b>	<b>279</b>

## APPENDIX E

### TENANT VIEWS ON BUDGET PROPOSALS 2019/20

Officers have met with the Tenant Scrutiny Group to review the overall HRA budget position and the budget issues proposed by officers, and answered tenant questions. Having scrutinised the budget proposals, tenants are supportive of them.







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**Report of:** Borough Treasurer

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**SUBJECT: TREASURY MANAGEMENT FRAMEWORK INCLUDING CAPITAL FINANCING AND CAPITAL STRATEGY**

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Wards affected: Borough Wide

## **1.0 PURPOSE OF REPORT**

1.1 To set the framework for capital financing and treasury management operations for the next financial year.

## **2.0 RECOMMENDATIONS**

2.1 That the projected position in respect of the Prudential Indicators, as set out in Appendix 1, for 2018-19 be noted.

2.2 That the Prudential Indicators for the next three years be agreed, as set out in Appendix 2.

2.3 That the minimum revenue provision (MRP) policy as set out in Appendix 3, be approved for the next financial year.

2.4 That the Capital Strategy as set out in Appendix 4, be approved for the next financial year.

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## **3.0 BACKGROUND**

3.1 The introduction of the 2003 Prudential Code for Capital Finance allowed Councils to determine their own level of borrowing taking account of a set of prudential indicators. The general maxim is that borrowing is to be affordable, prudent and by conclusion sustainable. Subsequent to that legislation, the 2012 Housing Self Financing regulations introduced a debt cap that set a maximum amount for Housing Revenue Account borrowing. In 2018 Government announced that the HRA debt cap has now been removed and this has been confirmed by determination.

- 3.2 Indicators are to be used as a guide in order to determine an affordable level of borrowing that the Council can undertake in order to support its capital programme. Further, the indicators are to be calculated over a three-year period in order to highlight any trends. Also, indicators have to be calculated for the General Revenue Account (GRA) and the Housing Revenue Account (HRA) in certain instances.
- 3.3 The Council approved Prudential Indicators for 2018-19 and the subsequent two financial years at Council in February 2018. It is recognised best practice that Treasury Management arrangements and the MRP policy should be considered on a regular basis to ensure they take account of recent developments and new information.
- 3.4 The CIPFA Treasury Management Code of Practice requires Authorities to have a Treasury Management Strategy and this report sets out the Council's strategy for the next financial year.
- 3.5 The Treasury and Prudential Code was updated recently and it now requires that the performance indicators reported are expanded upon. This is to assist members and other interested parties to understand the total exposure from borrowing and investment decisions, the issue is addressed in section 5 of the report. It also now requires that a Capital Strategy is produced and this has been attached as Appendix 4.

#### **4.0 FORECAST PRUDENTIAL INDICATOR PERFORMANCE**

- 4.1 Appendix 1, Part A, details the estimate and the projected outturn in relation to the principle of affordability contained within The Prudential Code for the current year.
- 4.2 The first indicator shows that the forecast financing costs on the GRA are lower than the estimate, this is due to having greater cash sums to invest. The HRA position is nearly on line with that forecast.
- 4.3 With regard to the HRA, there is a fixed interest charge of £3.056m levied on this account as a result of the borrowing of £88.212m undertaken for HRA self-financing. Consequently the ratio of net financing costs to net revenue stream is higher than for the GRA.
- 4.4 The second indicator, impact of capital decisions on the Council Tax, is either positive or nil. This is because when investments have been considered or undertaken they have only proceeded when the business case has demonstrated a positive rate of return.
- 4.5 Appendix 1, Part A, Table 2 details the Prudential Indicator in relation to capital expenditure, which falls under the principle of Prudence. The figures represent the total scheme approvals for the capital programme. The main message is that the schemes are fully financed and that the actual expenditure incurred to date is less than the budgetary sums provided.
- 4.6 There is also a requirement to report upon the Capital Financing Requirement of the Council. This indicator details the authority's underlying need to borrow for a

capital purpose. Due to its nature it can only be reported upon when the fixed asset accounts are closed. Hence, this will be reported to Members in summer 2019.

- 4.7 Appendix 1, Part B, shows that the Council has not breached any of its borrowing limits during the financial year. The figure for 'Other Long Term Liabilities' represents the agreement the Council has with Serco Paisa in respect of the investment they are undertaking within the Council's leisure centres. This agreement ceases at the end of March 2020
- 4.8 Overall, the indicators show that even though the Council's financial landscape is challenging it is currently in a healthy financial position and that there are no significant problems that need to be brought to the attention of Members.

## **5.0 FORECAST 3-YEAR PRUDENTIAL INDICATORS AND PERFORMANCE PI'S**

- 5.1 The three year prudential indicators reported have been expanded to reflect the new regulations in this area, as explained in the background section of this report.
- 5.2 The first new PI reported is gross debt to net service expenditure for the GRA. The purpose of this PI is to show the amount of gross borrowing in the context of the size and financial strength to the Council as demonstrated by a proxy, this being the net service expenditure. At the current time the GRA has no gross borrowing however the Council has approved the Skelmersdale Town Centre development that is likely to require a level of borrowing to finance the scheme. The amount of borrowing and when it is to be incurred is still unclear. The PI has assumed that an amount will be required in financial year 20-21. There are no other approvals that have been approved by Council but there are future plans for a Development Company and the rebuild of the Leisure Centres. Both of these schemes will be reported to Members and approval levels sought. Once these are known they will then be part of the PI reported. It is worth explaining that this PI is a good broad indicator of risk exposure when undertaking borrowing. The level reported should not be considered in isolation as each scheme that the Council approves will be subject to a detailed business case analysis and discounted cash flow, if appropriate. Hence, each scheme will be reported in detail and scrutinised accordingly.
- 5.3 The second PI reported is void levels of Commercial Assets. Clearly this PI shows that if we have high occupancy levels that the resultant income streams should be more secure. Avoiding vacancies is important not just from an income generating point but also the ability to have tenants to levy the service charges thereon and to avoid empty business rates liability that the unit may be subject to.
- 5.4 The commercial income levels PI is based upon actual performance and forecast for the current 2018-19 financial year. The purpose of this PI is to show the trend of the income levels being achieved.
- 5.5 With regard to the GRA the net financing costs are forecast to decrease as investment returns are projected to increase as a result of forecast Bank of England (BoE) base rate increases.
- 5.6 The incremental impact on the Council Tax as a result of the capital programme is estimated to be nil as although there may be some borrowing in the future, for example invest to save schemes, these would be progressed only if the business

case demonstrated that they had at least a neutral effect on the revenue position. The Government have introduced a policy whereby HRA rental levels have to be reduced by 1% per annum over the next four years, and consequently the HRA capital programme will not have a direct effect on the rental levels that are charged.

- 5.7 Appendix 2, Table 5, details the Indicators with regard to future capital expenditure and the capital financing requirement. The Council's three year capital programme is discussed elsewhere on the agenda, as such, the figures presented are in line with those previously reported to Members and will be updated to reflect the decisions made at this Council meeting.
- 5.8 The capital financing requirement measures the Council's underlying need to borrow for a capital purpose. As a key indicator of prudence the Prudential Code states:
- 'In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current year and next two financial years.'
- 5.9 The Council should have no difficulty meeting this requirement in 2018-19 nor are any difficulties envisaged for future years. This view takes into account current commitments and existing plans.
- 5.10 Appendix 2, Part B, details the prudential indicators that are relevant for the purposes of setting an integrated treasury management strategy.
- 5.11 In respect of external debt, it is recommended that the Council approve the authorised limits, in Appendix 2, for its total external debt gross of investments. These authorised limits are consistent with the authority's current commitments, existing plans and the proposals in the budget reports for capital expenditure and financing. They are based on the estimate of most likely, prudent but not worst case scenario, with in addition sufficient headroom over and above this to allow for operational management, for example unusual cash movements. Risk analysis and risk management strategies have been taken into account, as have plans for capital expenditure, estimates of the capital financing requirement and estimates of cash flow requirements for all purposes.
- 5.12 The Council is also asked to approve the operational boundary for external debt for the same period. The proposed operational boundary for external debt is based on the same estimates as the authorised limit but reflects the most likely, prudent but not worst case scenario without the additional headroom included in the authorised limit. Within the authorised limit and operational boundary, figures for borrowing and other long-term liabilities are separately identified. The Borough Treasurer has authority to effect movement between these figures for borrowing and other long-term liabilities within the total authorised and operational boundary for any individual year. Any such changes will be reported to the Council at its next meeting following the change.

## **6.0 MRP AND HOUSING DEBT REPAYMENT POLICIES**

- 6.1 The basic idea behind the MRP is that a minimum level of funding should be set aside each year for the repayment of borrowing or other long term liabilities on a prudent basis. There are regulatory requirements that must be met in setting the MRP and the policy should be reviewed on an annual basis. The proposed policy for the next year is set out in Appendix 3. The HRA Debt Repayment policy was also reviewed as part of the Policy Options process, and it was agreed that debt repayments would be suspended during the 4 year period to 2020 while the Government is requiring rent reductions to be made, and the new policy reflects this position in the treatment of the allowable debt element of capital receipts. Presently there are no plans in place to take advantage of the raising of the HRA debt cap. Any plans that are formulated will be subject to Council approval and would undergo a robust financial analysis as part of the approval process.

## 7.0 TREASURY MANAGEMENT STRATEGY 2019-20

- 7.1 The Council's cash flow position is actively managed in order to avoid any short-term deficits arising, however in light of a number of large projects due to commence in 2019/20, some borrowing of this nature may be required.
- 7.2 Members are assured that the Treasury team act in accordance with the principles set out in the CIPFA Treasury Management Code of Practice with the objective of minimising the debt costs and financial risks that face the Council as a result of borrowing.

### PROSPECTS FOR INTEREST RATES

- 7.3 Link Asset Services (formerly Capita) act as a Treasury Adviser to the Council and part of their service is to assist in formulating views on interest rates.
- 7.4 The table below gives the Link central view on future interest rate movements.

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Base Rate	0.75%	1.00%	1.00%	1.00%	1.00%

Public Works Loan Board (PWLB) interest rate on 25 year borrowing 2.50%

- 7.5 As can be seen from the above table Link is predicting a rate rise in March 2019 of 0.25% and that the base rate hold steady at 1.00% over the rest of 2019/20. This will have an effect on our Treasury Management performance in 2019/20 and may increase income levels when compared with 2018/19. PWLB rates are expected to rise slowly over the same period.
- 7.6 It should be noted that there are a number of factors that could have a major impact on the prospects for interest rates in the short to medium term, the most significant of which is the UK's exit from the European Union. The Treasury Management team will therefore closely monitor the interest rate market and adopt a pragmatic approach to any changing circumstances, reporting any decisions to the Council at the next available opportunity.

### INVESTMENTS STRATEGY

- 7.7 The key feature of the Investment Strategy will remain, as it has been in the past, the security of the money that is invested, followed by liquidity and finally, yield.
- 7.8 It is anticipated that, during 2019/20, the Council should on average have somewhere in the region of £20m available for investment, although the level of investments can vary significantly at different times of the year.
- 7.9 There are a number of protocols in place to guarantee the safety of our investments. We will continue with these protocols, in that we will only invest with U.K. based counterparties that have the best available credit rating. Currently only four British High Street banks, five Building Societies and local authorities meet the criteria used for investment purposes.
- 7.10 There will be continued regular interaction with Link to ensure that we are up to date with changes in the markets and the financial situation in general. The Council will look to ensure the security and liquidity of its funds invested and then look to maximise its return on investments. Performance will continue to be monitored against our previously declared benchmark of the 3 month LIBID interest rate.

## **BORROWING STRATEGY**

- 7.11 The loan for the Housing self-financing payment of £88.212m to central government was arranged via the Public Works Loan Board. Given the special discount applied by the PWLB to its interest rates specifically for this purpose, the loans offered the most preferential rate available to the Council in which to finance the debt.
- 7.12 The structure of the loan has been set over the longer term, with at the time of borrowing loan periods ranging from 15 to a maximum of 50 years. The structure of the debt is in line with treasury risk management principles and a detailed outline of the debt profile is attached in Appendix 2.
- 7.13 In recent years an approach has been adopted of reducing the level of cash investments to avoid the need to borrow to support the capital programme. This approach is appropriate given that the interest rate earned on cash investments is significantly lower than the interest rate paid on external borrowing. This approach will continue to be used going forward but as mentioned in Section 5.2 with a number of significant projects due to commence the requirement for long term borrowing is extremely likely.

## **8.0 SUSTAINABILITY IMPLICATIONS**

- 8.1 The Capital Financing and Treasury Management Framework ensures that robust financial decisions are made. The strategies in place provide for sound financial management decision making with regards to the Council's assets and their sustainability. This report has no significant impacts on crime and disorder.

## **9.0 RISK ASSESSMENT**

- 9.1 The Council is signed up to the CIPFA Treasury Management Code of Practice and it reviews the Prudential Indicators on a regular basis. It is, therefore, minimising the risks associated with financing decisions.

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## **Background Documents**

Treasury Management in the Public Services, Code of Practice and Cross-Sectoral Guidance Notes 2017 Edition.

## **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.

## **Appendices**

- Appendix 1 – Forecast Indicators
- Appendix 2 – Three year prudential indicators
- Appendix 3 – Minimum Revenue Provision
- Appendix 4 – Capital Strategy





## Part A - Affordability

**Table 1:**

## Estimate/Forecast of Ratio of Financing Costs to net revenue stream

G.R.A.	Estimate	2.82%	
	Forecast		2.28%
H.R.A.	Estimate	11.68%	
	Forecast		11.65%

## Estimate/Forecast of the incremental impact of capital decisions on the Council Tax

Incremental Increase Band D:

Estimate	Nil
Forecast	Nil

**Prudence:****Table 2** £000

## Estimate with slippage of capital expenditure

G.R.A.	Estimate with slippage	7,128
H.R.A.	Estimate with slippage	15,455
<b>TOTAL</b>		<b>22,583</b>

Approved Council 12<sup>th</sup> December 2018**Part B – Treasury Management Prudential Indicators****Table 3** £000

## Authorised limit for external debt

	Limit	Forecast
Borrowing	110,000	88,212
Other Long Term Liabilities	2,000	230
<b>Total</b>	<b>112,000</b>	<b>88,442</b>

## Operational Boundary

	Limit	Forecast
Borrowing	107,500	88,212
Other Long Term Liabilities	600	230
<b>Total</b>	<b>108,100</b>	<b>88,442</b>



**3- YEAR PRUDENTIAL INDICATORS & PERFORMANCE LEVELS**

**Part A - Affordability**

**Table 4**

Estimate of Ratio of Financing Costs to net revenue stream

	2019-20	2020-21	2021-22
G.R.A.	2.52%	1.59%	1.54%
H.R.A.	11.44%	11.18%	10.93%

Estimate of the incremental impact of capital decision on the Council Tax and HRA rental levels

£	2019-20	2020-21	2021-22
Incremental increase Band D and HRA rental levels	Nil	Nil	Nil

Prudence:

**Table 5**

£ 000' s

Estimate of capital expenditure  
- *Accurate figures TBD on the night*

	2019-20	2020-21	2021-22
G.R.A.	1,519	577	424
H.R.A.	10,500	8,800	8,800
	<u>12,019</u>	<u>9,377</u>	<u>9,224</u>

Capital Financing Requirement

G.R.A.	19,414	29,154	28,564
H.R.A.	82,166	82,166	82,166
Total	<u>101,580</u>	<u>111,320</u>	<u>110,730</u>

## Appendix 2

### Part B - Treasury Management Prudential Indicators

**Table 6**

£ 000's	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
<b>Authorised limit for external debt</b>			
Borrowing	110,000	120,500	120,500
Other Long Term Liabilities	1,000	1,000	1,000
<b>Total</b>	<u>111,000</u>	<u>121,500</u>	<u>121,500</u>
<b>Operational Boundary</b>			
Borrowing	107,500	110,500	110,500
Other Long Term Liabilities	500	500	500
<b>Total</b>	<u>108,000</u>	<u>111,000</u>	<u>111,000</u>

**Table 7 - Borrowing and Interest payment structure**

All fixed rate loans:

£ Value	% Interest Rate	Period	Mat date	£ Int p.a.
4,410,600	3.01	15	28/3/2027	132,759
4,410,600	3.30	20	28/3/2032	145,549
8,821,200	3.44	25	28/3/2037	303,449
8,821,200	3.50	30	28/3/2042	308,742
8,821,200	3.52	35	28/3/2047	310,506
8,821,200	3.53	37	28/3/2049	311,388
8,821,200	3.52	40	28/3/2052	310,506
8,821,200	3.51	42	28/3/2054	309,624
8,821,200	3.50	45	28/3/2057	308,742
8,821,200	3.50	47	28/3/2059	308,742
8,821,200	3.48	50	28/3/2062	306,977

Weighted average interest rate is 3.47%

Total interest charge p.a. is £3,056,986

## PERFORMANCE LEVELS:

### Actual Rental Income Levels Achieved and Forecast

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>
£ m			FORECAST
G.R.A.	1,908	2,161	2,150

### Debt to Net Service Expenditure

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
G.R.A.	0.0%	80.0%	80.0%

### Occupancy Levels – as at January 2019

Percentage of units let	%
Industrial Units	91.84
Offices	98.55
Retail Units	96.55
Ground leases, depot+ others	95.45



## **Minimum Revenue Provision (MRP) policy**

### **M.R.P.**

The basic idea behind the MRP is that a minimum level of funding should be set aside each year for the repayment of borrowing and other long term liabilities.

The Council will charge a minimum MRP of 1% for any items within the Capital Financing Requirement (CFR). However for any new capital projects that increase the CFR, the MRP rate will be determined by the estimated useful life of the capital works.

For example, £1m borrowed to fund a capital project that has a useful life of 40 years, would result in a 2.5% MRP charge of £25,000 p.a. for 40 years. It should be noted that the revenue account would also have to meet the additional interest costs associated with borrowing the sum of £1m.

The value of the usable capital receipts reserve will be deducted from the CFR in calculating the MRP, as this provides a better reflection of the Council's underlying need to borrow. In addition the General Revenue Account MRP calculation also excludes debt taken on in relation to HRA self financing in accordance with Government regulations.

The allowable debt element of capital receipts that had been set aside for HRA debt repayment up until April 2018 will be reallocated to general capital spending in line with the suspension of debt repayments that was agreed through the Policy Options process. This position will be kept under consideration and annual review.

MRP will also be calculated on finance leases in accordance with standard accounting practice.





# **Capital Strategy**

**2019- 20 to 2021-22**

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To be reviewed and updated annually

## **CONTENTS**

1. Objectives and Introduction
2. Council Plans & Priorities
3. The Financial Context
4. Overview of Council assets and Recording Procedure
5. Knowledge & Skills
6. Commercial Activities
7. Resource Allocation

## **CAPITAL STRATEGY DOCUMENT**

### Objectives:

The purpose of the strategy is threefold:

- Identification and documentation the Councils assets.
- To detail how these are resourced and managed
- To show how the management processes are tailored to meet the strategic objectives expressed in terms of the Council's Plan and Priorities.

The strategy will be reviewed on an annual basis in order to ensure that it is current and reflects any developments within the Council and wider Local Government context.

### Introduction:-

The CIPFA revised 2017 Prudential and Treasury Management Codes require, for 2019/20 onwards, all local authorities to prepare a Capital Strategy report, which will provide the following:

- a high level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of the Capital Strategy is to ensure that all elected Members fully understand the overall long-term policy objectives and resulting strategy requirements, governance procedures and risk appetite.

The Council is a complex organisation that has to meet a variety of needs and objectives. It has a gross revenue budget approaching c £80m and has a capital programme that can vary in size but typically can be around c £15m p.a. Whilst the Council is clearly one entity, financially it has two elements – the general fund, which is financed by council tax and the housing account, which is financed by tenants rents, service charges and other smaller income streams. The Borough Council is only one of two in Lancashire that has retained its housing stock and as such the approach and capital financing arrangements around this part of the organisation are more distinct than the general fund. This is partly due to regulation and legislation but also the differing financial challenges that each of these sections face. Primarily the general fund is subject to a reduction in financial resources due to the challenges that central government is setting in order to reduce the Country's financial debts.

## **Council Plans & Priorities**

The capital strategy has to reflect the strategic direction of the Council as expressed and detailed in its plans and priorities, shown below and more fully expressed on the Council's website.

Our Vision – is to be ambitious for West Lancashire – Our Economy, Environment and for Health and Wellbeing. Full details are available on the Council's website.

The Council is ambitious for the economy and for inclusive growth in West Lancashire, retaining and growing good quality jobs, increasing skill levels and encouraging business and wealth generation. This is matched by our ambitions for a good quality, clean, built and physical environment and for ensuring the conditions are in place for people in West Lancashire to live healthy and fulfilling lives. These ambitions are reflected in the priorities and key projects that have been identified.

### Our Values –

- Collaborative – working in partnership
- Empowering – valuing and developing communities and employees
- Enterprising – being innovative and creative
- Equality – promoting equality
- Focussed – being strategic and prioritising to make a difference
- Proud – of West Lancashire as a place to live, work and invest

### Our Priorities –

#### **Deliver tangible and visible improvements in the borough, by**

- Completing the review of the local plan
- Developing new leisure centres
- Delivering retail, housing and public realm improvements with a focus on Skelmersdale Town Centre.
- Establishing a Development Company

#### **Engage and empower our local communities, by**

- Delivering the Master Plan for Tawd Valley park
- Piloting volunteer engagement at Abbey Lakes
- Facilitating the asset transfer of existing facilities in North Meols
- Deliver digital initiatives

#### **Actively promote the borough as a great place to live, work, visit and invest, by**

- Promoting the Council's role
- Roll out 'place branding' with websites for Ormskirk and Skelmersdale
- Continue to engage with Liverpool City region and Lancashire to bring benefits
- Engaging businesses and communities in enhancing the area.

## The Financial Context

### Medium Term Financial Planning

The Council manages its revenue and capital resources on a medium term basis submitting a 3 year capital programme to Council that is updated regularly and in-year to reflect changes in circumstance.

The revenue position is informed via the medium term financial strategy (MTFS) that has forecast a shortfall in the Council's budget of c £2m. The Council is looking to manage the situation over the medium term by undertaking a Sustainable Organisation Review Programme (SORP) and has engaged consultants RedQuadrant to aid in this process.

There is some interaction in managing capital and revenue resources. Revenue resources can be applied to the capital programme whilst capital resources cannot be applied to revenue under accounting regulation.

The financial context is also important as Council approved that up to £2m of capital resources can be used for exit costs as part of the SORP process.

The Council can undertake borrowing to finance capital schemes however any borrowing has to comply with the Council's Treasury Management and Prudential Indicators Strategy in that it has to be financially sustainable taking account of the risk exposure of the potential scheme. The Council agreed in July 2017 that any investment schemes that are in excess of £250,000 are subject to a discounted cash flow and other investment appraisal techniques and subsequently have to be reported to Members to assist them to make an informed decision on its viability.

The Council accesses its capital resources from a range of areas.

- Right to buy sales
- Land sales
- Grants
- Internal borrowing
- Revenue contribution, primarily applied in the Housing account

Council dwellings are subject to RTB as governed by legislation and the monies that are generated can vary as a result of tenure, the property and other factors. Not all of the sale received is usable by the Council, some has to be paid to central government whilst some is retained for 1-4-1 receipts i.e. they have to be applied to new builds/purchases. Whilst the remainder can be applied to financing the capital programme. Other sources of funding can be land sales, grants from central, local and other government type agencies. Central government have recently announced that Council's with their own housing stock have had their borrowing cap lifted. This could mean that new capital schemes could be considered via this avenue as long as the business case and financial viability is sustainable.

## Overview of Council Assets and Recording Procedure

The Council has a range of assets and the total valuation of these at the start of the financial year 2018 is £225.1m. Some of the main constituents of these assets are as follows:

	£ m
• Council dwellings and garages	168.7
• Investment Properties	17.9
• Commercial premises, car parks	11.9
• Sports Centres	7.4
• Community centres & Meeting rooms	4.0
• Vehicles, Plant & Equipment	3.4
• Land held for future development	2.4
• Community assets	2.0
• Robert Hodge Centre	1.6

The Council has to value these assets on a regular basis by regulation. The regulation for the housing asset valuations differs from that of the general fund. This is primarily because these are assets that are subject to right to buy. Both classes of assets are subject to a revaluation every 5 years and for the intervening years a 'desktop' revaluation is undertaken to ensure that values are current. Again these valuations have to be undertaken within guidance issued by central government, the appropriate stipulations as detailed by the Royal Institute of Chartered Surveyors (RICS) and presented in the Council's Statement of Accounts within accord of the Statement of Recommended Practice (SORP) Different classes of asset may require a differing valuation methodology, for example income generating assets can be valued differently than Council accommodation, e.g. Robert Hodge Centre.

The details of the assets are held and recorded in a variety of sources in order to meet the operational and management requirements of the organisation. This enables a bespoke management system of operation so that maximum utilisation of the asset can be developed.

Whilst services have bespoke arrangements for the assets held under their responsibility the accountancy section maintains the prime records that are used for the production of the Council's Statement of Accounts. These are reconciled on a regular basis to ensure accuracy and relevance

### Housing:

Housing utilise a system called QL to record dwellings and garage assets. It is worth noting that the dwellings are not just the traditional houses but also incorporate flats, bungalows, maisonettes and sheltered accommodation. As such the capital and maintenance requirements of each class of asset

can vary. Furthermore, as the housing stock in Skelmersdale is primarily from new town status the layout of the estates is more unique in nature and again this can lead to bespoke environmental requirements that require specific management. There are presently approximately 5,980 dwellings registered in the housing account, although this can vary due to RTB's, demolition and new stock.

The QL system records the following:-

- Property details and numbers thereof
- Identification of property and number of rooms
- Rental information
- Location
- Capital works

The Council dwellings and service charges plus some associated income generate around £25.6m p.a. Presently the Council can only charge CPI minus 1% to its tenants. After the 2019-20 financial year this will change to CPI plus a percentage and that percentage is yet to be determined as it is subject to regulation and Council agreement. Subsequently this can clearly have an effect on the resources available for capital investment in the housing stock.

#### General Fund:

The general fund has a range of asset information systems that have various properties which are utilised to meet department's specific requirements.

The planning department use a Geographic Information System (GIS) called ArcGIS. This stores information geographically and spatially and is used to map such things as, Council owned land, local plan allocations conservation areas, tree preservation orders plus others. The system is updated regularly when there are changes on the ordnance survey. Hence this system can be used for the Council's Local Plan updates and strategies. The Council has also signed up to the Lancashire County Council system, Mapzone. This holds a large quantity of data such as locations of Doctors, Dentists, Schools bus stops and routes and other asset information. The operators can transfer data from Mapzone to ArcGIS and this system is very good at allowing data to be adapted to meet specific requirements.

Planning services also utilise a system called Idox Uniform which consists of a range of modules:

- Building Control
- Development Management
- Appeals
- Enforcements
- Listed buildings
- Tree preservation orders

The system records the receipt and processing of the application against the relevant modules. If required the ArcGIS system is updated as a result of any asset and other information that is submitted to Idox.

Commercial assets are recorded on a spreadsheet system called Portfolio data. Whilst an IT system called Logotech holds details of the occupants of the Council units, encapsulating their tenure, rent review, rents deed etc. All this information is invaluable to ensure that management of the Council's commercial assets is effective, income levels are maintained and reviewed and legislative requirements are adhered to. The estates section has also been conducting a Strategic Asset Management Plan (SAMP) review over the last few years. The purpose of which is to identify assets, specifically parcels of land that the Council owns. To make sure that these are registered appropriately with the land registry and identify land which is surplus and hence can be sold in order to generate a capital receipt.

The Accountancy section maintains the details of all the assets that are the primary documents that are the basis of the values presented in the Council's Statement of Accounts. This information is subject to external audit. As the Accountancy section compile the capital programme for the Council this enables the section to ensure that the assets recorded are up to date and amended for sales e.g. RTB sales, demolitions, additions, transfers and so forth. Data is reconciled between the systems for estates and housing to ensure the accuracy of numbers.

It is very important in any strategy that the information that is used to record, manage and develop that area is based upon sound financial data. It has to be accurate, up to date, valued appropriately, reviewed and updated correctly and regularly. This then demonstrates reliance so that the Council's assets that have a large value of c £225m and the associated costs of a capital programme based upon them of c £15m p.a. plus the repairs and maintenance requirements of those assets which can be around £0.6m, are deployed effectively.



### **Knowledge and Skills**

The Council employs professionally qualified finance staff that are registered with their Accounting bodies which are part of the Consultative Committee of Accountancy Bodies (CCAB)

The staff have the necessary experience of how the Council works and undertake Continuing Professional Development (CPD) and maintain knowledge and skills through regular technical updates and appropriate bodies.

The property team are made up of a number of Chartered Surveyors who can undertake property review and valuations and can also call on external valuer's to conduct reviews where they consider appropriate and meets a business need. They are members of the Royal Institution of Chartered Surveyors (RICS) and comply with the RICS rules in relation to CPD.

The legal advice is provided is provided by the in-house team, for which they are appropriately qualified and they call on external advisors if considered appropriate.

## Commercial Activities

As Commercial investments differ quite specifically from other capital activities it is appropriate to consider their treatment separately.

The Council's approach to date has been one of investing in commercial assets once a sound business case has been demonstrated taking account of;

- Future cash flow projections
- Applying investment appraisal techniques
- Whole life costing
- Risk exposure
- Governance and transparency of decision making

For example, when the Council invested some £3m in the Wheatsheaf Walk retail units in Ormskirk, discounted cash flow projections were calculated to help inform the viability of the scheme. The mix of tenants was considered to gauge whether they had a sufficient covenant to feel at least reasonably assured that income levels would be maintained over the medium term. The length of lease and retail mix was also considered to ensure that there was a healthy mix of different businesses so that this element of risk could be managed.

The Council has made other commercial investment decisions in recent years including:

- Greenwood Business Units      £1.7m
- Solar PV Panels                      £1.9m

Two Gorsey place units were damaged in a fire in 2014 and the opportunity to reconfigure these was taken in order to meet commercial demand and which was also supported by the extra income charge £ per square foot that was chargeable.

As previously mentioned all Investment decisions above £250,000 have to be reported to Committee with the appropriate discounted cash flow to support the investment.

It was considered some time back that due to Council procedures Investment opportunities may be missed as the commercial market in this field is quite fast moving. As such, it was approved at February 2016 Council that a Strategic Asset Purchase Fund and Committee be set up. The minute stated;

To consider the purchase by the Council of land or property assets with an individual value of up to £1 million where the business case for doing so is made out and timescales do not allow for consideration at Council. The business case must be robust and demonstrate a net rate of return of at least 4% per annum on average over the time that it is expected that the asset will be held. At Council in December 2018 it was agreed that the investment limit of £1m was raised to £2m as this was considered a more effective level and reflected market sentiment. No purchases have yet been made via this route however scoping the market for opportunities is regularly undertaken.

The purchasing committee that would consider such a purchase consists of 5 members, 3 Labour and 2 Conservatives.

## POST IMPLEMENTATION REVIEW –

Whilst all due diligence is taken prior to the purchase or commitment of expenditure to a commercial activity it is very important that post implementation reviews are undertaken. The purpose of these reviews is to assess whether the assumptions made prior to the scheme are panning out in reality. This will inform decision making on the scheme and also help to inform the process when looking at future schemes.

Each commercial activity has a budget associated with it and is regularly monitored by managers accordingly. Any discrepancies are investigated and remedial plans are put in place, if required. The three recent commercial investments of Solar PV's, Greenwood Business Centre and Wheatsheaf walks generated just over a £250k surplus for the 17-18 financial year. Other development areas, for example, Westec House have the potential of generating a large capital receipt upon completion and also when the refurbishment of Gorseley Place is completed extra revenue generation is anticipated.

## Resource Allocation

### Budget process:

The Council operates a budget setting process which commences in October of the preceding year and completes at the full Council meeting in the February before the start of the new financial year. The capital resources are allocated over a medium term timeframe in order to assist with planning and resource allocation. The pro forma that has to be completed by Managers for their capital scheme to be considered is attached as Appendix 1. It can be seen that it is tailored to reflect strategic objectives and to ensure legislative requirements are met.

During the year at the mid-year point, September/October, the capital schemes are reviewed by managers in order to consider whether those schemes are progressing in line with original plans, if not the budgets are altered accordingly in order to reflect the new factors that have now come into play.

### Housing – Stock Condition Survey:

As previously detailed housing have a large number of dwellings and associated monetary value and consequently it requires a considered strategic management approach.

A professional firm has been engaged to conduct a stock condition survey incorporated nearly a 100% of the housing assets. From this a 30 year investment programme has been produced detailing the differing work and then broken down in to 5 year tranches that are reviewed on a rolling basis when cost information becomes clearer. The survey also priorities work streams and is tested by Officers to ensure that the process is adequately scrutinised.

### General Fund –

For the Councils properties the allocation of the resources is time framed over a 1 to 3 year period. This is because the requirements of these buildings can change more quickly than for other service areas. For example, there may be requirements that become apparent for business reasons for the Chapel Gallery, also invest to save initiatives may be pursued for example the installation of LED lights. Also, health and safety considerations are paramount when allocating resources with regards to fire safety and asbestos management. The property team appoint appropriate consultants to review the assets in order to inform them of the work that may be required over the forthcoming period.

One of the main ways that asset issues are managed is by active dialogue with the occupants of those buildings in order to clarify issues and building requirements. This process has been used in order to manage and plan the new Investment Centre cooling system which was coming to the end of its useful life.

The Estates section has an Asset Management Plan that informs them of workload and resource allocation. Such principles that are followed are:

- Legislative requirements
- Taking account of condition surveys
- Meet the Council's visions and objectives
- To consider running costs of the buildings

The commercial assets generate a surplus of which some of the surplus monies are put into a reserve for future repairs and maintenance and also to invest in those assets to maintain and enhance income delivery.





COUNCIL: 27 FEBRUARY 2019

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**Report of: Borough Solicitor**

**Contact for further information: Mrs J Denning (extn 5384)**  
(email: [jacky.denning@westlancs.gov.uk](mailto:jacky.denning@westlancs.gov.uk) )

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**SUBJECT: MAYOR ELECT 2019/20**

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Wards Affected: Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To seek nominations for the positions of Mayor and Deputy Mayor for 2019/20.

## **2.0 RECOMMENDATION**

2.1 That an indication be given as to the name of the Member to be designated as Mayor-elect for the Municipal Year 2019/20 and the name of the Member to be designated for appointment as the Deputy Mayor.

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## **3.0 BACKGROUND**

3.1 This year the Annual Meeting of the Council will be held on Wednesday 15 May, and, as usual, the first items of business will be to elect the Mayor and appoint the Deputy Mayor for the next Municipal Year.

3.2 As in previous years, it would be helpful if an indication could be given as to the names of the Members likely to be elected as Mayor and the names of the Members likely to be appointed as the Deputy Mayor, to enable those Members to make any necessary arrangements in advance. If no choice is made in advance of the Annual Meeting, the member to be elected would have very little time in which to make appropriate arrangements (for example, with his or her employer).

3.3 It is important that both the member involved and the officers have as much time as possible to make arrangements for the Annual Meeting and indeed for the incoming Mayor's year of office. This would greatly assist in ensuring that the Annual Meeting runs smoothly and that the first weeks of the Mayor's term of office are organised as efficiently as possible.

3.4 In general terms, the points raised above in relation to the Mayor-elect also apply to the position of Deputy Mayor-elect, although, of course, to a lesser extent.

#### **4.0 SUSTAINABILITY IMPLICATIONS**

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

#### **5.0 FINANCIAL AND RESOURCE IMPLICATIONS**

5.1 The remuneration for the posts of Mayor and Deputy Mayor will remain at the same level for 2019/20, (£9,000 and £1,780 respectively) and these will be funded from existing resources. Following the decision of Council at its meeting on 13 December 2017, a review of the role of the Mayor was undertaken by the Independent Remuneration Panel on 15 November 2018, when it was recommended that no change be made to the current level of allowances. This will be considered at this meeting of Council, under the Scheme of Members Allowances for 2012/21.

#### **6.0 RISK ASSESSMENT**

6.1 It is sensible in the interests of the efficient running of the Council for an indication to be given in advance of the Members to be designated as Mayor elect and Deputy Mayor elect respectively.

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#### **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.

#### **Appendices**

None





COUNCIL: 27 February 2019

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Report of: Borough Solicitor

Contact for further information: Mrs J Brown (Extn. 5065)  
(E-mail: [julia.brown@westlancs.gov.uk](mailto:julia.brown@westlancs.gov.uk))

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**SUBJECT: TIMETABLE OF MEETINGS 2019/20**

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Wards affected: Borough wide

## **1.0 PURPOSE OF THE REPORT**

1.1 To secure approval to the timetable of meetings for the Municipal Year 2019/20.

## **2.0 RECOMMENDATIONS**

2.1 That the timetable for the meetings for the 2019/20 Municipal Year, attached as an appendix to this report, be approved.

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## **3.0 BACKGROUND AND ISSUES**

3.1 It is important to establish a timetable of meetings to enable the work of the Council, its Committees and the Cabinet to operate effectively and to enable Members and Officers to plan work commitments/deadlines.

3.2 The attached timetable has been based on the timetable for the current year, with some changes to reflect issues arising during the year.

3.3 The timetable attempts to ensure good links between Cabinet and Overview & Scrutiny Committee meetings and also to ensure that meetings are held at the most suitable time (such as in late February for setting budgets etc). The regular frequency of Planning Committee meetings is also important to enable the Council to determine planning applications in accordance with statutory and other deadlines. Audit & Governance Committee dates take into consideration requirements for the production and approval of the Council's Statement of Accounts. Other meetings are scheduled to give an appropriate number of meetings to enable the work of the Council to be conducted.

#### **4.0 SUSTAINABILITY IMPLICATIONS**

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

#### **5.0 FINANCIAL AND RESOURCE IMPLICATIONS**

5.1 There are no significant financial or resource implications arising from this report.

#### **6.0 RISK ASSESSMENT**

6.1 A timetable of scheduled meetings is important in enabling the Council to plan the conduct of its business, ensuring that decisions are made at the appropriate time to meet statutory requirements, such as setting the Council Tax.

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#### **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.

#### **Appendix**

Timetable of meetings 2019/20.

## WEST LANCASHIRE BOROUGH COUNCIL

### Timetable of Meetings of Council, Cabinet and Committees - 2019/20

MEETING	MAY 2019	JUN 2019	JUL 2019	AUG 2019	SEPT 2019	OCT 2019	NOV 2019	DEC 2019	JAN 2020	FEB 2020	MAR 2020	APR 2020	MAY 2020
<b>Council</b> (7.30 pm, Wednesday)	15 Annual		17	<b>R</b>		16		11		26		1	20 Annual
<b>Cabinet</b> (7.00 pm, Tuesday)		11		<b>E</b>	10		5		14		10		
<b>Executive Overview and Scrutiny Committee</b> (7.00 pm, Thursday)		27		<b>C</b>	26		21		30		26		
<b>Corporate and Environmental Overview &amp; Scrutiny Committee</b> (7.00 pm –Thursday)			11	<b>E</b>		10		5			5		
<b>Licensing and Appeals Committee</b> (7.30 pm, Tuesday)		4	2	<b>S</b>		8		3		11	31		
<b>Audit and Governance Committee</b> (6.30 pm, Tuesday)	28		23	<b>S</b>		29			28				26
<b>Planning Committee</b> (7.00 pm, Thursday)	23	20	25		5	17	28		9	20	19	23	28
<b>Standards Committee</b> (5.00pm, Tuesday)					17						17		

**Notes:**

1. Licensing & Gambling Committee meets at 7.00pm on the same day as Licensing & Appeals Committee (only if there is business to discuss).
2. Dates for all other meetings will be convened on an ad-hoc basis.
3. Public Holidays – 27 May, 26 August, 25 & 26 December 2019, 1 January 2020, 10 & 13 April and 4 May 2020.
4. Elections – 7 May 2020 – Borough



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