



Jacqui Sinnott-Lacey BA(Hons) PGDipWL
Interim Chief Operating Officer

52 Derby Street
Ormskirk
West Lancashire
L39 2DF

Friday, 22 May 2020

CORPORATE AND ENVIRONMENTAL OVERVIEW & SCRUTINY MEMBERS UPDATE

CORPORATE YEAR 2020/21

MAY 2020 - ISSUE 1

The content of this MEMBERS UPDATE covers all the services.

If a Member wishes to receive further information on anything in the Update, please contact the officer named at the beginning of the article.

If a Member wants to place an item on the Committee agenda in connection with any article in the Update, please provide it to member.services@westlancs.gov.uk or telephone 01695 585017 by **12 Noon on Friday 29 May 2020**.

Members Item/Councillor Call for Action

If a Member wants to place an item on the Corporate and Environmental O&S Committee Agenda, please complete the attached Member Item/Councillor Call for Action Pro Forma (Appendix B) and return it to member.services@westlancs.gov.uk by 12 **Noon on Friday 29 May 2020**.

The Press are asked to contact the Consultation and Communications Manager for further information on this Update.

1. GENERAL

- | | | |
|-----|--|-------|
| 1A. | MINUTES OF ONE WEST LANCASHIRE - THEMATIC GROUPS | 1 - 2 |
| 1B. | MINUTES OF LANCASHIRE COUNTY COUNCIL'S HEALTH & SCRUTINY COMMITTEE | 3 - 4 |
| 1C. | MINUTES OF THE LANCASHIRE POLICE AND CRIME PANEL | 5 - 6 |

2.	PERFORMANCE MONITORING	7 - 12
2A.	ANNUAL VAT REPORT - 2019/20	13 - 18
2B.	TAWD VALLEY DEVELOPMENTS - UPDATE REPORT	19 - 24

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

For further information, please contact:-
Megan Ager on 01695 585018
Or megan.ager@westlancs.gov.uk



**‘MEMBER UPDATE’ REQUEST
CORPORATE AND ENVIRONMENTAL OVERVIEW
SCRUTINY COMMITTEE**

MEETING: 11 June 2020

**This form must be received by Member Services,
member.services@westlancs.gov.uk by:- 12 noon on Friday 29 May 2020.**

Member Update Issue: 1

Councillor:	
Article No:	
Subject:	

If more information is required in relation to this item, please contact the officer indicated on the first page of the related report.

Please advise Member Services on 01695 585065 if at any time you wish to withdraw this item following receipt of further information or e-mail member.services@westlancs.gov.uk

<p>1. What are your reasons for requesting the item?</p>
<p>2. What outcome would you wish to see following discussion of the item?</p>

FOR MEMBER SERVICES USE ONLY

Received by:	Date of Committee:
Date: _____ Time: _____	Chief Operating Officer informed <input type="checkbox"/>
Head of Service informed <input type="checkbox"/>	Chairman informed <input type="checkbox"/>
Contact Officer informed <input type="checkbox"/>	Portfolio Holder informed: <input type="checkbox"/>



**CORPORATE &
ENVIRONMENTAL
OVERVIEW AND SCRUTINY
COMMITTEE:**

**MEMBER UPDATE 2020/21
ISSUE: 1**

Article of: Corporate Director of Transformation and Resources

Contact for further information: Ms M Ager (Extn 5016)
(E-mail: megan.ager@westlancs.gov.uk)

**SUBJECT: MINUTES OF ONE WEST LANCASHIRE BOARD – THEMATIC
GROUPS**

Wards affected: Borough wide

1.0 PURPOSE OF ARTICLE

1.1 To notify Members of the latest notes/minutes of meetings of One West Lancashire Board - Thematic Groups available on the Board's website.

2.0 BACKGROUND

2.1 The West Lancashire Local Strategic Partnership was dissolved on 31 March 2013 and its successor partnership arrangement 'One West Lancashire' was established. Minutes of the Thematic Groups will continue to be received by the One West Lancashire Board and reported to Members via future issues of this Members' Update.

2.2 The following notes/minutes have been included since the last edition of this Members Update:

- Ageing Well Partnership – 22 January 2020
- People and Communities – January 2020 Newsletter

They can be accessed on the One West Lancashire Board's web page at:
<http://www.onewestlancs.org/thematic-groups.html>

3.0 SUSTAINABILITY IMPLICATIONS

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

4.0 FINANCIAL AND RESOURCE IMPLICATIONS

4.1 There are no significant financial or resource implications arising from this article.

5.0 RISK ASSESSMENT

5.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers as a result of this article.

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 Article 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.



**CORPORATE & ENVIRONMENTAL
OVERVIEW & SCRUTINY
COMMITTEE:**

**MEMBERS UPDATE 2020/21
ISSUE: 1**

Article of: Corporate Director of Place and Community

Relevant Portfolio Holder: Councillor Wright

Contact for further information: Mrs J A Ryan (Extn 5017)
(E-mail: jill.ryan@westlancs.gov.uk)

**SUBJECT: MINUTES OF LANCASHIRE COUNTY COUNCIL'S HEALTH SCRUTINY
COMMITTEE**

Wards affected: Borough wide

1.0 PURPOSE OF ARTICLE

1.1 To keep Members apprised of developments in relation to Health Overview and Scrutiny in Lancashire.

2.0 BACKGROUND AND CURRENT POSITION

2.1 The Health and Social Care Act (2001), subsequently superseded by the National Health Service Act 2006 and the Health and Social Care Act 2012, extended the powers of Overview and Scrutiny Committees of local authorities responsible for social services functions to include the power to review and scrutinise matters relating to the health service in their areas.

2.2 The Health Scrutiny Committee at Lancashire County Council exercises the statutory functions of a health overview and scrutiny committee. The Membership of the Committee includes twelve non-voting Co-opted District Council Members, West Lancashire's representative is Councillor G. Hodson.

2.3 To ensure that Members receive regular updates on the work being undertaken by the Committee and to provide an opportunity to feed back any comments via the Council's representative, a copy of the County Council's Health Scrutiny Committee minutes are attached.

3.0 SUSTAINABILITY IMPLICATIONS

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

4.0 FINANCIAL AND RESOURCE IMPLICATIONS

4.1 There are no significant financial or resource implications associated with this item, except the Officer time in compiling this Article.

5.0 RISK ASSESSMENT

5.1 This Article is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to the risk registers as a result of this article.

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 article 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

Minutes of the Health Scrutiny Committee can be accessed via the link below:-

[Minutes of Health Scrutiny Committees](#)

4 February 2020



CORPORATE & ENVIRONMENTAL OVERVIEW & SCRUTINY COMMITTEE:

MEMBERS UPDATE 2020/2021
ISSUE: 1

Article of: Corporate Director of Transformation and Resources

Relevant Portfolio Holder: Councillor Wright

Contact for further information: Mrs. J.A. Ryan (Extn 5017)
(E-mail: jill.ryan@westlancs.gov.uk)

SUBJECT: MINUTES OF THE LANCASHIRE POLICE AND CRIME PANEL

Wards affected: Borough wide

1.0 PURPOSE OF ARTICLE

- 1.1 To keep Members apprised of developments in relation to the Lancashire Police and Crime Panel.
-
-

2.0 BACKGROUND AND CURRENT POSITION

- 2.1 The Police and Crime Panel (PCP) can exercise specific powers under the [Police Reform and Social Responsibility Act 2011](#), and all other enabling powers, discharging its functions in accordance with the Policing Order 2011. The Panel has the power to scrutinise Police and Crime Commissioner (PCC) activities, including the ability to review the Police and Crime Plan and annual report, request PCC papers and call PCCs and Chief Constable to public hearings. The PCP can also veto decisions on the local precept and the appointment of a new Chief Constable.
- 2.2 The panel is a Joint Committee made up of representatives from the 15 local authorities in the Lancashire Police Force area, together with two independent co-opted members. West Lancashire's representative is Councillor K Wright.
- 2.3 To ensure that Members receive regular updates on the work being undertaken by the Panel and to provide an opportunity to feed back any comments via the Council's representative, a copy of the PCP's minutes are attached.

3.0 SUSTAINABILITY IMPLICATIONS

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

4.0 FINANCIAL AND RESOURCE IMPLICATIONS

4.1 There are no significant financial or resource implications associated with this item, except the Officer time in compiling this Article.

5.0 RISK ASSESSMENT

5.1 This Article is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to the risk registers as a result of this article.

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

Minutes of the Lancashire Police and Crime Panel can be accessed via the link below:

[Minutes of the Lancashire Police and Crime Panel](#)

18 September 2019
4 February 2020



ARTICLE NUMBER:

**CORPORATE AND
ENVIRONMENTAL OVERVIEW
AND SCRUTINY**

**MEMBERS UPDATE 2020-21
ISSUE: 1**

Article of: Borough Treasurer
Relevant Portfolio Holder: Councillor A Yates
Contact for further information: Mr J Smith (Ext 5093)
E-mail: Jonas.smith@westlancs.gov.uk

SUBJECT: ANNUAL VAT REPORT 2018-2019

1.0 PURPOSE OF ARTICLE

1.1 To inform Members of developments and performance in relation to Value Added Tax (VAT).

2.0 BACKGROUND

2.1 The Accountancy Service has the following objectives for accounting for VAT:

- minimise the Council's VAT liabilities
- raise the profile of VAT within the Authority
- develop and improve VAT processes and procedures.

2.2 One of the means of achieving these objectives is the production of an annual VAT report for members.

3.0 ACCOUNTING FOR VAT

- 3.1 The Council pays VAT to its suppliers for most of the goods and services it procures. The Council also charges VAT for most goods and services provided to its customers for business reasons. Any VAT paid to suppliers is recovered from Her Majesty's Revenue and Customs (HMRC) and any VAT received on the Council's supplies is paid to HMRC. This is done by the completion of a monthly VAT Return.
- 3.2 Responsibility for the Council's VAT function is incorporated within the Accountancy team and officers aim to continually minimise the Council's VAT liabilities. This includes ensuring fines, interest, and assessments are minimised and VAT recovery is maximised. To achieve this, every effort is made to ensure that VAT is accounted for correctly throughout the Authority and that all staff are aware of relevant changes in VAT Regulations.

4.0 VAT MANAGEMENT AND PERFORMANCE

VAT Returns

- 4.1 The Council generally expends more on VAT than it collects from its own activities. This is because most of its own activities are not classed as being carried out for business purposes and VAT is, therefore, not applicable. As such, the monthly VAT returns reclaim the net VAT from HMRC by the Council. During 2019-20, the Council paid a total of £4,875,923 VAT to suppliers and received a total of £1,169,725 VAT from its own customers. This resulted in a net total of £3,706,198 being reclaimed from Revenue and Customs. The average VAT return for 2019-20 was therefore £308,849 comprising, £406,326 due from Revenue and Customs and £97,477 due to them. Table 1 shows how these values compare to the previous financial year of 2018-19:

	2019-2020 £'000	2018-2019 £'000
Total VAT:		
Paid to Suppliers	4,876	5,555
Received from our own Customers	1,170	987
Reclaimed from Customs and Excise	3,706	4,568
Average Monthly VAT:		
Paid to Suppliers	406	463
Received from our own Customers	97	82
Reclaimed from Customs and Excise	309	381

- Any explanation to detail why there has been a change year to year?

VAT Penalties

- 4.2 If there are mistakes within the VAT return or if something is missed from it the Council is liable to fines, interest charges, and other financial penalties. A voluntary disclosure is declared when errors are above a threshold of £10,000. This limit has been increased by HMRC from £2,000 as from 1 July 2008. To date we have not been required to register a voluntary disclosure as the Council has not breached this threshold. As from 1 April 2009 a new penalty regime has been implemented by HMRC, which could have an impact on the Council due to the way that fines, interest charges and other penalties are to be calculated, as this could result in a greater percentage of fine being levied to the Council. However, currently this new regime has had no impact on the Council, which is due to no fines etc being imposed.

Partial Exemption Calculation (De minimus)

- 4.3 Exempt activities for VAT purposes are defined in the VAT Act 1994 and cover 15 categories. Local Authorities can only reclaim VAT paid to their suppliers for its exempt activities providing that this is less than 5% of the total VAT paid to suppliers, for 2019-20 this equated to around £244,000. If this threshold is exceeded, the Council may be liable to pay the full value of its exempt VAT to Revenue and Customs, not just the amount in excess of the limit.
- 4.4 The VAT team monitor exempt expenditure throughout the year to ensure that the Council does not exceed the 5% limit and in recent years the partial exemption level has been around 3%. The calculation has not been completed for 2019/20 at the time of reporting but it is expected to be in line with recent years.
- 4.5 The VAT team is expected to be proactive in effective tax planning in order to protect the Council's partial exemption position. The Skelmersdale Town Centre project for instance would give rise to large value exempt supplies which would result in the threshold being exceeded. To avoid this would require that the exempt VAT on the construction costs not be recovered thus adding several million pounds to the cost of the project. The VAT team has therefore decided to apply for an option to tax on the site. This means any future supplies at the site will be deemed standard rated for VAT purposes and hence recoverable. If no option to tax were applied then future supplies at the site would be exempt and result in the Council exceeding the partial exemption threshold each year. This could lead to an additional cost to the Council as outlined in para 4.3.

VAT Manual and Training

- 4.6 The Council has a VAT manual, which is available on the Council's [Intranet](#) and is updated periodically. Details on vat issues are also included in the Finance Budget Manual which is published on the intranet.

Overall Performance

- 4.7 Management of the VAT function within the Authority is a well established process. For 2019-20 the monthly vat return to HMRC was always completed on time. HMRC inspections in previous years have been undertaken with the result that the Council's processes and procedures have been given a clean bill of health. The authority is part of a Lancashire wide Council networking group whereby VAT topics and issues of a common interest can be raised. This promotes good practice across the Councils and the latest VAT topics are discussed in order to maximise performance.

5.0 RECENT VAT DEVELOPMENTS

- 5.1 Making Tax Digital is an initiative that forms a key part of the government's plans to make it easier for individuals and businesses to get their tax right and keep on top of their affairs. They require VAT-registered businesses with a taxable turnover above the VAT threshold to use the Making Tax Digital service, to keep records digitally and use software to submit their VAT returns from 1st April 2021. There are cost implications to this initiative and these costs have been included in the Council's medium term capital programme.

6.0 SUSTAINABILITY IMPLICATIONS/COMMUNITY STRATEGY

- 6.1 There are no significant sustainability impacts or Community Strategy implications associated with this Update.

7.0 RISK ASSESSMENT

- 7.1 The formal reporting of performance on VAT is part of the overall management and control framework that is designed to minimise the financial risks facing the Council.

8.0 SUMMARY

- 8.1 Value Added Tax is a technical and complex area and mistakes can be costly to the Council. The Accountancy team strive to ensure that the Council's VAT liabilities are minimised and VAT recovery is maximised by developing and improving VAT processes and procedures.

Background Documents:

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

Equality Impact Assessment

There is no evidence from an initial assessment of an adverse impact on equality in relation to the equality target groups.

Appendices:

None.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted

