



Jacqui Sinnott-Lacey
Chief Operating Officer

52 Derby Street
Ormskirk
West Lancashire
L39 2DF

Tuesday, 15 February 2022

TO: THE MAYOR AND COUNCILLORS

Dear Councillor,

A meeting of the **COUNCIL** will be held in the **COUNCIL CHAMBER, 52 DERBY STREET, ORMSKIRK L39 2DF** on **WEDNESDAY, 23 FEBRUARY 2022** at **7.30 PM** at which your attendance is requested.

Yours faithfully

A handwritten signature in black ink, appearing to be 'J. Sinnott-Lacey'.

Jacqui Sinnott-Lacey
Chief Operating Officer

AGENDA
(Open to the Public)

1. **PRAYERS**

2. **APOLOGIES**

3. **DECLARATIONS OF INTEREST**

If a member requires advice on Declarations of Interest, he/she is advised to contact the Legal and Democratic Services Manager 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.)

893 - 894

4.	MINUTES To receive as a correct record, the minutes of the previous meeting held on Thursday, 27 January 2022.	895 - 902
5.	ANNOUNCEMENTS BY THE MAYOR AND/OR THE CHIEF OPERATING OFFICER	
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:	
7a	Audit & Governance Committee - Wednesday, 26 January 2022	903 - 906
7b	Licensing & Appeals Committee - Tuesday, 8 February 2022	907 - 908
7c	Planning Committee - Wednesday, 9 February 2022	909 - 912
8.	PAY POLICY STATEMENT 2022/23 To consider the report of the Chief Operating Officer.	913 - 936
9.	MEMBERS ALLOWANCES SCHEME 2022/23 To consider the report of the Chief Operating Officer.	937 - 944
10.	SUSPENSION OF COUNCIL PROCEDURE RULE 13.4 To enable the Portfolio Holder / Shadow Portfolio Holder / Spokesperson for OWL to present their budget statement it will be necessary to suspend Council Procedure Rule 13.4 for Agenda Items 11 and 13. (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.	*REVENUE & CAPITAL PROGRAMME BUDGET SETTING To consider the report of the Head of Finance, Procurement & Commercial Services.	945 - 1004
12.	*DETERMINATION OF COUNCIL TAX To consider the report of the Head of Finance, Procurement & Commercial Services.	1005 - 1010
13.	HOUSING ACCOUNT - REVENUE AND CAPITAL BUDGET SETTING To consider the report of the Head of Finance, Procurement & Commercial Services.	1011 - 1024

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| 14. | CAPITAL FINANCIAL AND TREASURY MANAGEMENT FRAMEWORK
To consider the report of the Head of Finance, Procurement & Commercial Services. | 1025 -
1040 |
| 15. | REVIEW OF THE MEMBERS' CODE OF CONDUCT
To consider the report of the Legal & Democratic Services Manager (Monitoring Officer). | 1041 -
1102 |
| 16. | REVIEW OF THE WHISTLEBLOWING POLICY
To consider the report of the Corporate Director of Transformation & Resources. | 1103 -
1138 |
| 17. | APPOINTMENT OF COMMITTEES 2021/22
To consider the report of the Chief Operating Officer. | 1139 -
1140 |
| 18. | APPOINTMENT OF VICE-CHAIRMAN OF THE AUDIT & GOVERNANCE COMMITTEE
To consider the report of the Legal & Democratic Services Manager. | 1141 -
1142 |
| 19. | 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

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| 20. | INDEPENDENT REVIEW OF TAWD VALLEY DEVELOPMENTS LTD
To consider the report of the Chief Operating Officer. | 1143 -
1178 |
| 21. | TAWD VALLEY DEVELOPMENTS LTD - BUSINESS PLAN UPDATE
To consider the report of the Chief Operating Officer. | 1179 -
1192 |

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

**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

General			
1.	I have a disclosable pecuniary interest.	<input type="checkbox"/>	You cannot speak or vote and must withdraw unless you have also ticked 5 below
2.	I have a non-pecuniary interest.	<input type="checkbox"/>	You may speak and vote
3.	I have a pecuniary interest because it affects my financial position or the financial position of a connected person or, a body described in 10.1(1)(i) and (ii) and 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) and 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"/>	You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below You cannot speak or vote and must withdraw unless you have also ticked 5 or 6 below
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"/> <input type="checkbox"/>	You may speak and vote You may speak and vote You may speak and vote You may speak and vote You may speak and vote
5.	A Standards Committee dispensation applies (relevant lines in the budget – Dispensation 15/09/20 – 14/09/24)	<input type="checkbox"/>	See the terms of the dispensation
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"/>	You may speak but must leave the room once you have finished and cannot vote

'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

Prescribed description

Employment, office, trade, profession or vocation

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

Sponsorship

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: Thursday, 27 January 2022

Start: 7.30 pm

Finish: 8.25 pm

PRESENT:

Councillors:

G Johnson (Mayor)	
Mrs M Westley (Deputy Mayor)	
T Aldridge	A Blundell
Clandon	C Coughlan
V Cummins	Daniels
I Davis	C Dereli
N Delaney	T Devine
G Dowling	Eccles
D Evans	S Evans
Fennell	J Finch
N Furey	Y Gagen
J Gordon	S Gregson
Hirrell	Howard
Mrs J Marshall	J Mee
K Mitchell	J Monaghan
I Moran	M Nixon
P O`Neill	Turpin
G Owen	A Owens
E Pope	I Rigby
N Pryce-Roberts	Mrs D Stephenson
A Sutton	J Thompson
Upjohn	D West
D Westley	J Wilkie
K Wilkie	J Witter
A Yates	

Officers:

Jacqui Sinnott-Lacey, Chief Operating Officer
Kay Lovelady, Legal & Democratic Services Manager
Jacky Denning, Democratic Services Manager
Simon Peet, Corporate Finance Manager (Deputy S151)
Adam Spicer, Assistant Solicitor

In attendance:

Father Godric

82 PRAYERS

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

83 APOLOGIES

Apologies for absence were received on behalf of Councillors Mrs Baybutt, Mrs Blake, Cooper, Jukes, Lockie, O'Toole and Whittington.

84 **DECLARATIONS OF INTEREST**

The following declarations were received:

1. Councillors Aldridge, Pope and D Westley declared a non pecuniary interest in relation to item 8 'Our New Deal for a Greater Lancashire' and 13 'Revised Capital Programme' as Members of Lancashire County Council, as did Councillors Coughlan, Cummins and Gagen as an employee of Lancashire County Council, and indicated that they would not participate in any detailed discussions which affected their employment with LCC.
2. Councillors Dereli, Gordon, Jane Marshall, Mee, Moran, Owen, Pope, Ms Sutton and Witter declared a non pecuniary interest in relation to Agenda Item 13 'Revised Capital Programme' as Members of a Parish Council and indicated they would not participate in any detailed discussions which affected those bodies specifically.
3. Councillors Delaney, Devine, Owen, West and J Wilkie (Tenant of a Council flat/house) declared disclosable pecuniary interests in relation to item 12 'HRA Revenue & 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, Mee and Sutton declared a non-pecuniary interest in relation to item 12 'HRA Revenue & 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.

85 **MINUTES**

The minutes of the meeting of the Council held on the 15 December 2021 were received as a correct record and signed by the Mayor.

86 **ANNOUNCEMENTS BY THE MAYOR AND/OR THE CHIEF OPERATING OFFICER**

The Council meeting held a minute silence to mark Holocaust Memorial Day.

The Mayor announced:

- A. That the Blind Wine Tasting Quiz Night on 18th February 2022 had been cancelled due to Covid.

- B. That on 27th March 2022, a fund raising event was being held at Skelmersdale United Football Club and on Friday 22nd April 2022, the Mayor's Charity Dinner/Ball was being held at Hurston Hall Golf & Spa Resort.

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

There were no items under this heading.

88 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 7 December 2021
- B. Licensing & Gambling Committee – Tuesday 7 December 2021
- C. Planning Committee – Wednesday 12 January 2022

89 OUR NEW DEAL FOR A GREATER LANCASHIRE

Consideration was given to the report of the Chief Operating Officer, as contained on pages 769 to 782 of the Book of Reports, which provided an update on work undertaken towards development of strengthened joint working, a long term strategic plan and a County Deal for the Lancashire area and sought agreement to progress the work.

- RESOLVED:
- A. That the outline "Our New Deal for a Greater Lancashire" set out at Appendix 1 to the report, be supported, as the initial draft basis for further discussion and development of a possible County Deal for the Lancashire area.
 - B. That the principles of governance for any future deal, as set out in Appendix 2 to the report, be agreed.
 - C. That the Leader of the Council continues to work with Lancashire Leaders in line with the principles agreed in A and B above, and it be noted that any formal proposals will require approval by Full Council at the appropriate time.

(Note: Councillor Gregson arrived during consideration of this item.)

90 REVISED COMMERCIAL PROPERTY STRATEGY

Consideration was given to the report of the Head of Finance, Procurement &

Commercial Services, as contained on pages 783 to 806 of the Book of Reports, which set out a review and update of the Commercial Property Strategy.

A Motion, circulated prior to the meeting was moved and seconded.

An Amendment to the Motion, circulated prior to the meeting was moved and seconded.

A vote was taken on the Amendment, which was LOST.

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

RESOLVED: A. That the revised Commercial Property Strategy, set out in Appendix 1 to the report, be approved.

B. That the terms of reference for the Strategic Assets Purchasing Committee be amended, as set out in Appendix 2 to the report.

91 **MID-YEAR GENERAL REVENUE ACCOUNT (GRA) FINANCIAL UPDATE 2021/2022**

Consideration was given to the report of the Head of Finance, Procurement & Commercial Services, as contained on pages 807 to 812 of the Book of Reports, which provided a summary of the projected revenue position on the General Revenue Account (GRA) at the mid-year point of the financial year 2021-22.

RESOLVED: That the forecast GRA outturn position and the comments contained in sections 4 and 5 of the report, be noted.

92 **REVISED CAPITAL PROGRAMME**

Consideration was given to the report of the Head of Finance, Procurement & Commercial Services, as contained on pages 813 to 830 of the Book of Reports, which sought approval of the Revised General Revenue Account (GRA) Capital Programme for 2021/22 and provided an update on progress on capital schemes.

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

B. That progress against the Revised Capital Programme at the mid-year point be noted.

93 **HRA REVENUE & CAPITAL MID-YEAR REVIEW**

Consideration was given to the report of the Head of Finance, Procurement & Commercial Services, as contained on pages 831 to 846, which provided a summary of the Housing Revenue Account (HRA) and Housing capital programme positions for the 2021/22 financial year.

- RESOLVED: A. That the 2021/22 HRA and Housing capital programme positions be noted.
- B. That the proposed budget adjustments identified in Appendix 2 to the report, be approved.

94 **TREASURY MANAGEMENT AND PRUDENTIAL INDICATORS MONITORING 2021-22**

Consideration was given to the report of the Head of Finance, Procurement & Commercial Services, as contained on pages 847 to 856 of the Book of Reports, which set out details of Treasury Management operations in the year and reported on the Prudential Indicators for 2020/21, where available.

RESOLVED: That the Prudential Indicators and Treasury Management activity, in the six months ended 30th September 2021, be noted.

95 **OVERVIEW & SCRUTINY FUNCTION REVIEW - MEMBER DEVELOPMENT COMMISSION RECOMMENDATIONS**

Consideration was given to the report of the Corporate Director of Transformation & Resources, as contained on pages 857 to 868 of the Book of Reports, which set out the recommendations of the Member Development Commission, following a review of Scrutiny Arrangements of West Lancashire Borough Council, and to authorise next steps.

A Motion, circulated prior to the meeting, was moved and seconded.

A vote was taken, the Motion was CARRIED.

- RESOLVED: A. That the recommendations arising from the Scrutiny Review undertaken by the Member Development Commission on behalf of the Council, previously adopted and implemented set out in paragraph 6 of the report, and the recommendations set out in paragraph 7.2.C, be noted.
- B. That the Council continue with 2 scrutiny committees (Corporate & Environmental Overview & Scrutiny Committee and Executive Overview & Scrutiny Committee).
- C. That, subject to approval of the financial implications set out in paragraph 10 of the report, the Corporate & Environmental Overview & Scrutiny Committee establish Task and Finish Groups to undertake in depth scrutiny work, rather than the work being undertaken by the main Committee, as follows:
- (a) Membership:
- 6 Members (3 Lab, 2 Con, 1 OWL), subject to change each year to reflect political makeup and inclusion of Independent councillor(s) as appropriate
 - Additional Members (To be appointed by the Task & Finish

Group/Committee if required)

- Co-optees: If required

(Members volunteer to be a member of the group, and selection is made on the members particular interest and expertise in the area being scrutinised. Members not to be restricted to Scrutiny Members, but open to all. Cabinet Members by invitation only.)

(b) Meetings

- to be held ad hoc, dependent on the nature of the topic, eg if there is a set deadline for a review to take place and conclude in order to make a decision, the group will meet several times within a short timeframe.
- To be held virtually

(c) Remit:

- Initial meeting will set out the Terms of Reference, membership, timeframe, etc via a project plan proforma
- Final reports of the Task & Finish Group to be submitted to Corporate & Environmental Overview & Scrutiny Committee for approval prior to consideration by Cabinet / Council.

D. That subject to budget approval, a permanent allocation of 10 hours per week at Grade SO1 at 10 hours per week be assigned to facilitate this work, either as a standalone Member Services Officer role or a more substantive role combined with other duties.

E. That the Members Update to remain in its current format.

F. That the Legal & Democratic Services Manager be authorised to make any necessary amendments to the Constitution.

96 **TIMETABLE OF MEETINGS 2022/23**

Consideration was given to the report of the Corporate Director of Transformation & Resources, as contained on pages 869 to 874 of the Book of Reports, which sought approval of the timetable of meetings for the Municipal Year 2022/23.

A Motion, circulated prior to the meeting, was moved and seconded.

A vote was taken, the Motion was CARRIED.

RESOLVED: That the timetable for the meetings for the 2022/23 Municipal Year, attached as an appendix to the report, be approved, subject to a uniformed start time of 7pm for the following meetings:

- Cabinet

- Executive Overview and Scrutiny Committee
- Corporate and Environmental Overview & Scrutiny Committee
- Licensing and Appeals Committee
- Audit and Governance Committee
- Planning Committee
- Standards Committee

Full Council meetings to remain at start time of 7.30pm.

97 **DUKE OF LANCASTER REGIMENT - FREEDOM OF THE BOROUGH AND FREEDOM OF ENTRY**

Consideration was given to the report of the Chief Operating Officer, as contained on pages 875 to 879 of the Book of Reports, which detailed proposals for freedom of entry to the Duke of Lancaster's Regiment following the granting of Freedom of the Borough in 2010.

- RESOLVED:
- A. That it be noted that on the 25 May 2022 the Duke of Lancaster's Regiment will be marching through the streets of Ormskirk, West Lancashire, with swords drawn, bayonets fixed, drums beating and colours flying.
 - B. That the Chief Operating Officer be authorised to make all necessary arrangements for the event being held on 25 May 2022 and the sum of up to £12,000 be identified from Reserves and balances to meet costs associated with the event.

98 **APPOINTMENT OF POLLING DISTRICTS & POLLING PLACES COMMITTEE CHAIRMAN & STRATEGIC ASSETS PURCHASING COMMITTEE VICE-CHAIRMAN**

Consideration was given to the report of the Corporate Director of Transformation & Resources, as contained on pages 879 to 880 of the Book of Reports, which sought nominations for the appointment of the Chairman of the Polling Districts & Polling Places Committee and the Vice-Chairman of the Strategic Assets Purchasing Committee.

A nomination to appoint Councillor Gaynar Owen to both positions, was moved and seconded.

- RESOLVED:
- A. That Councillor Gaynar Owen, a Member of the Polling Districts & Polling Places Committee, be appointed Chairman of the Committee for the remainder of the 2021/22 Municipal Year.
 - B. That Councillor Gaynar Owen, a Member of the Strategic Assets Purchasing Committee, be appointed Vice-Chairman of the Committee for the remainder of the 2021/22 Municipal Year.

99 EXECUTIVE DECISIONS - SPECIAL URGENCY

Consideration was given to the report of the Corporate Director of Transformation & Resources, as contained on pages 881 to 882 of the Book of Reports, which advised that for the period 1 December 2020 to 30 November 2021, there were no decisions 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 2020 to 30 November 2021.

.....
THE MAYOR

AUDIT & GOVERNANCE COMMITTEE

HELD: Wednesday, 26 January 2022

Start: 6.30 pm

Finish: 7.36 pm

PRESENT:

Councillor: E Pope (Chairman)
P O'Neill (Vice Chairman)

Councillors: N Pryce-Roberts I Davis
C Dereli A Fennell
N Furey J Gordon
J Mee

Officers: Simon Peet, Corporate Finance Manager (Deputy S151)
Jacqueline Pendleton, Internal Audit Manager
Tom Dickinson, Principal Solicitor
Kirsty Breakell, Member Services Officer
Rebecca Spicer, Risk Management & Insurance Officer

1 **APOLOGIES**

There were no apologies received.

2 **MEMBERSHIP OF THE COMMITTEE**

There were no changes to the Membership of the Committee.

3 **URGENT BUSINESS**

There were no urgent items of business.

4 **DECLARATIONS OF INTEREST**

There were no Declarations of Interest.

5 **MINUTES OF PREVIOUS MEETING**

RESOLVED: That the minutes of the meeting held on 26 October 2021, be approved as a correct record.

6 **PUBLIC SPEAKING**

There were no items under this heading.

7 **GRANT THORNTON AUDIT COMMITTEE PROGRESS REPORT**

Consideration was given to the Grant Thornton Progress Update report as contained on pages 13-32 of the Book of Reports.

The Chairman invited Georgia Jones, Audit Manager Grant Thornton, to present the

report to the Committee.

Comments and Questions were raised as follows:

- PSAA to mediate regarding the increased fee request by Grant Thornton
- Grant Thornton employees overseas working on accounts and associated costs being same as those employees working in the UK.
- No assurance can be given by Grant Thornton that their work will not be paused if increased fee cannot be agreed, but would be a last resort.
- Only 3 of the 15 Councils across Lancashire have published their accounts.
- Request for it to be minuted again that the most common reason for delay is lack of resources, Covid Pandemic and the Government placing extra work on the Auditors.
- Accounts to be completed and brought to an extra meeting of Audit & Governance on 22 March 2022.

RESOLVED: That the Grant Thornton Progress Update Report be noted.

8 RISK MANAGEMENT FRAMEWORK UPDATE

Consideration was given to the Risk Management Framework Update report as contained on pages 33-88 of the Book of Reports, which set out details of the operation of the Risk Management Framework over the last twelve months.

The Chairman invited the Risk and Insurance Officer to present the report to the Committee.

Comments and Questions were raised as follows:

- Incorporating Risk Management with Internal Audit being an advantage
- Risk Management being part of the Members and Officers induction process.
- External Consultant carrying out risk review and the report to be brought to the Committee by the Officer. No additional cost to WLBC.
- Wished to thank the Risk and Insurance Officer for all the work done and changes made, making the process easier for Members to understand.

RESOLVED: A. That the continuing effective operation of the Risk Management Framework as detailed in the annual report 2021 (Appendix A), be noted.

B. That the proposed amendments to the Risk Management Framework Policy & Strategy (Appendix B) and Toolkit (Appendix C), be endorsed for approval by Cabinet in March 2022.

9 INTERNAL AUDIT ACTIVITIES - PROGRESS REPORT

Consideration was given to the Internal Audit Progress report as contained on pages 89-102 of the Book of Reports which advised of progress against the 2021/22 Internal Audit Plan.

The Chairman invited the Internal Audit Manager to present the report to the Committee.

Comments and Questions were raised as follows:

- Report on bulky waste to be brought to May 2022 Audit and Governance Committee meeting.
- Public incorrectly claiming grants and processes being put in place to monitor claims.
- External review of the Audit department to be carried out.
- Wished to thank the Internal Audit Manager and her Team for their hard work.

RESOLVED: That Members note progress in the year to date.

(Note: Councillor Mee arrived during this item)

10 **REGULATION OF INVESTIGATORY POWERS (RIPA) ACT REGULAR MONITORING OF USE OF POWERS**

Consideration was given to the report of the Legal and Democratic Services Manager as contained on pages 103-104 of the Book of Reports, the purpose of which was to report on the Council's use of its power under the Regulation of Investigatory Powers Act 2000 (RIPA).

The Chairman invited the Principal Solicitor to present the report to the Committee.

Comments and Questions were raised as follows:

- Possible use of cameras to catch fly tippers
- To be minuted that Council not using powers as no cause to, and not because simply not using them

RESOLVED: That it be noted that the Council has not had cause to use its powers under the Regulation of Investigatory Powers Act 2000 (RIPA) during the last 12 months.

11 **WORK PROGRAMME**

Consideration was given to the Committee's Work Programme as set out on page 105 of the Book of Reports.

Comments and Questions were raised as follows:

- Possible briefing on procurement
- Briefing goes under the heading of Training via member Development. Wants this to be reviewed and either not listed, or to become training and longer than 30 minutes.

RESOLVED: That the work programme be agreed

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Chairman

LICENSING & APPEALS COMMITTEE

HELD: Tuesday, 8 February 2022

Start: 7.30 pm

Finish: 8.15 pm

PRESENT:

Councillor: J Mee (Chairman)

Councillors: J Witter
N Delaney
J Gordon
K Lockie
D Stephenson

T Aldridge
I Eccles
G Johnson
P O`Neill

Officers: Paul Charlson, Environmental Health Manager
Michaela Murray, Senior Licensing Officer
Andrew Smith, Legal Assistant
Kirsty Breakell, Member Services Officer
Claire Kelly, Principal Solicitor

1 APOLOGIES

There were no apologies for absence received.

2 MEMBERSHIP OF THE COMMITTEE

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

3 URGENT BUSINESS

There were no urgent items of business.

4 DECLARATION OF PARTY WHIP

There were no declarations of Party Whip.

5 DECLARATION OF INTEREST

There were no declarations of interest.

6 MINUTES OF SUB - COMMITTEES OR WORKING GROUPS

There were no minutes to receive.

7 MINUTES

RESOLVED: That the minutes of the meeting held on 7 December 2021, be received as a correct record and signed by the Chairman.

8 **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.

9 **APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000269781**

Members were asked to consider an application for a Private Hire Driving License, reference number WK/000269781, having regard to offences recorded against the Driver.

RESOLVED: That the Application for a Private Hire Driver Licence, reference number WK/000269781 be REFUSED.

(Note: The Officers from Place & Community Services left the meeting as members considered their decision in this case)

.....
Chairman

PLANNING COMMITTEE

HELD: Wednesday, 9 February 2022

Start: 7.00 p.m.

Finish: 8.15 p.m.

PRESENT:

Councillor: D O'Toole (Chairman)
J Finch (Vice-Chairman)

Councillors: Mrs P Baybutt G Owen
A Blundell E Pope
N Delaney J Thompson
S Evans J Upjohn
A Fennell D Westley
G Johnson

In attendance: Councillor J Howard (North Meols Ward)

Officers: Alan Houghton, Interim Head of Growth and Development
Catherine Thomas, Development, Heritage and Environment Manager
Mark Loughran, Principal Planning Officer
David Delaney, Legal Assistant (Planning)
Jill Ryan, Senior Member Services Officer

101 APOLOGIES

Apologies for absence were received on behalf of Councillor I Moran.

102 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillor Mrs M Westley and the appointment of Councillor D Westley for this meeting only, thereby giving effect to the wishes of the Political Groups.

103 URGENT BUSINESS, IF ANY INTRODUCED BY THE CHAIRMAN

There were no items of urgent business.

104 DECLARATIONS OF INTEREST

1. Councillor Thompson declared a pecuniary interest in respect of planning application 2021/1268/FUL relating to 2 Hardacre Street as she lived in close proximity to the application site and indicated that she would leave the Chamber during consideration of this application and take no part in the decision making process.
2. Councillor Finch declared that he considered himself to be pre-determined on planning application 0332/FUL relating to the Food Shop, 26 Bearcroft, Skelmersdale and that he would be speaking in his capacity as a Ward

Councillor for this item and therefore would take no part in the decision making process.

105 **DECLARATIONS OF PARTY WHIP**

There were no Declarations of Party Whip.

106 **MINUTES**

RESOLVED: That the minutes of the meeting held on the 12 January 2022 be approved as a correct record and signed by the Chairman.

107 **PLANNING APPLICATIONS**

The Corporate Director of Place and Community submitted a report on planning applications (all prefixed 2021 unless otherwise stated) as contained on pages 747 to 782 of the Book of Reports and on pages 797 to 799 of the Late Information Report.

(Notes.

1. Councillor Thompson had declared a pecuniary interest in respect of planning application 1268/FUL relating to 2 Hardacre Street, Ormskirk as she lived in close proximity to the application site and therefore left the Chamber during consideration of this item.
2. 2 Objectors spoke in connection with planning application 0332/FUL relating to the Food Shop, 26 Bearcroft, Digmoor, Skelmersdale and left the Chamber after consideration of this item.
3. In accordance with Regulatory Procedure Rule 7(a), Councillor Howard spoke as a Ward Councillor in connection with planning application 1383/FUL relating to Land to the West of Todds Lane, Banks.
4. Councillor Finch had declared himself to be pre-determined on planning application 0332/FUL which related to the Food Shop, 26 Bearcroft, Digmoor, Skelmersdale and that he would remove himself from the position of Vice-Chairman to speak as a Ward Councillor on this application, taking no part in the decision making process for this item only.
5. In accordance with Regulatory Procedure Rule 7(a), Councillor Finch spoke as a Ward Councillor in connection with planning application 0332/FUL relating to the Food Shop, 26 Bearcroft, Digmoor Skelmersdale).

108 **2021/1057/FUL - CHORLEY CONCRETE LIMITED, SKULL HOUSE LANE, APLEY BRIDGE**

RESOLVED: That planning application 1057/FUL relating to Chorley Concrete Limited, Skull House Lane, Appley Bridge be approved subject to the conditions and reasons as set out on pages 751 to 752 of the Book of Reports.

109 **2021/1268/FUL - 2 HARDACRE STREET, ORMSKIRK**

RESOLVED: That planning application 1268/FUL relating to 2 Hardacre Street,

Ormskirk be approved subject to the conditions and reasons as set out on page 756 of the Book of Reports.

110 2021/1307/WL3 - 5 HOLMESWOOD ROAD, RUFFORD

RESOLVED: That planning application 1307/WL3 relating to 5 Holmeswood Road, Rufford be approved subject to the conditions and reasons as set out on pages 760 to 761 of the Book of Reports.

111 2021/1383/FUL - LAND TO THE WEST OF TODDS LANE, BANKS

RESOLVED: That planning application 1383/FUL relating to Land to the West of Todds Lane, Banks be refused for the reason as set out below:-

Reason

The proposed amended design of the development would, by reason of its, scale massing and design, result in a cramped form of development which would be out of character with the area and be detrimental to the visual amenities of the street scene contrary to Policy GN3 of the West Lancashire Local Plan and the Supplementary Planning Document – Design Guide

112 2021/0332/FUL - THE FOOD SHOP, 26 BEARNCROFT, SKELMERSDALE

RESOLVED: That planning application 0332/FUL relating to The Food Shop, 26 Bearncroft, Skelmersdale be deferred to allow for further negotiations regarding highway matters with Lancashire County Council to take place.

113 2021/1308/WL3 - 7 MANOR CRESCENT, BURSCOUGH

RESOLVED: That planning application 1308/WL3 relating to 7 Manor Crescent, Burscough be approved subject to the conditions and reasons as set out on pages 781 to 782 of the Book of Reports.

114 PLANNING SERVICE REVIEW - UPDATE

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 783 to 787 of the Book of Reports the purpose of which was to outline the proposed actions and update members on progress with implementing the recommendations of the planning services review.

RESOLVED: That the agreed comments below be reported back to Cabinet:-

- (i) That it was felt that the proposed structure needed to be reconsidered with regard to Planning and Regulatory Services.
- (ii) That the Head of Planning and Regulatory Services should be a qualified Planner.

- (iii) That all members of the Council should receive planning training before either becoming a member of Planning Committee or acting as a substitute.

.....
Chairman



COUNCIL: 23 February 2022

Report of: Corporate Director of Transformation, Housing and Resources

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

SUBJECT: PAY POLICY STATEMENT 2022/23

Wards affected: Borough wide.

1.0 PURPOSE OF THE REPORT

- 1.1 To agree a Pay Policy Statement for 2022/23 detailing the Authority's policy on Workforce remuneration, as required by the Localism Act 2011 (the 'Localism Act').

2.0 RECOMMENDATIONS TO COUNCIL

- 2.1 That the Pay Policy Statement for 2022/23 attached at Appendix (i) be approved, published on the Council's website and included in the Constitution.
- 2.2 That the approval of any administrative updates following a pay award implementation during any particular year is delegated to the Corporate Director of Transformation, Housing and Resources in consultation with the portfolio holder for Human Resources.
-

3.0 BACKGROUND

- 3.1 The Localism Act 2011 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 (including 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 2011 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 extend the definition.

3.6 The information set out within the Pay Policy Statement compliments 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 2011 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 – PAY POLICY STATEMENT

- 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. The salary ratio of highest paid and the average salary across the workforce and the Chief Officers is detailed in the policy statement.
- 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 £9.90 per hour (November 2021 figures) and this approach has been accounted for in the Pay Policy Statement 2022/23, as the lowest hourly rate payable by WLBC is £9.50, based on the current minimum salary point within the current pay grade, so a supplement is payable to officers paid on Spinal column points 1,2 and 3.

5.6 The current lower range spinal column points within the Council's pay structure are as noted below:

Spinal Column Point 1 - £9.50 per hour – differential = £0.40 per hour supplement
Spinal Column Point 2 - £9.69 per hour – differential = £0.21 per hour supplement
Spinal Column Point 3 - £9.89 per hour – differential = £0.01 per hour supplement

5.7 Employees who are members of the Local Government Pension Scheme (LGPS) pay annual contributions into the Scheme based on a banding structure. The LGPS was amended with effect from 1 April 2014 and the current contribution bandings are incorporated into the Pay Policy 2022/23. These are details at the April 2021 rates, and will be updated once new rates are applied as an administrative update of the policy.

5.8 The Pay Policy Statement contains the grade structure for the Council, following the National Joint Council 2018/19 two year pay award. The national salary scale is due for the next national award in April 2021 for NJC officers and July 2021 for JNC officers. However these updated figures are not available at this current time. The pay award for 2021 has not been settled with the Trade Unions, at this time. However, it is unlikely that the award, once agreed, will affect the grade structure, but will affect the actual annual salaries offered. Consequently when the pay award negotiations have been settled the annual salaries figures and respective ratios will be amended and the Policy will be updated to reflect those revised annual salaries, as an administrative update to the policy.

6.0 SUSTAINABILITY IMPLICATIONS

6.1 The report acknowledges the need to be transparent and open about Chief Officer Pay arrangements. The Council has sought to make sure it's pay arrangements 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.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 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.

8.0 RISK ASSESSMENT

8.1 The annual publication of a pay statement is a statutory / regulatory requirement.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications arising from this report.

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 (ii) to this report, the results of which have been taken into account in the Recommendations contained within this report.

Appendices

Appendix (i) - Pay Policy Statement 2022/23

Appendix (ii) - Equality Impact Assessment

PAY POLICY STATEMENT 2022/23 (Revised February 2022)

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 2022 and will be subject to review on an annual basis, or earlier if required, the policy for the next financial year being approved by 31st March each year.

On 4 November 2019, the Council's pay line was amended and the grade of the Chief Officer WLa was amended. The current pay line is detailed at Appendix A.

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, but not exclusively, the Equality Act 2010, Part Time Employment (Prevention of Less Favorable 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.

The Council’s pay scales 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. Variable additional payments may also be made as appropriate in line with the terms and conditions of employment, which completes the total remuneration package.

The Council pays an additional supplement to those Council employees not currently receiving the Living Wage Foundation ‘living wage’ (currently an hourly rate of £9.90).

This equates to the current spinal column point 1, 2 and 3 on the Council's pay scale and consequently an additional supplement is required on the hourly rates paid on these spinal column points.

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.

At the time of writing, it should be noted that the NJC pay scale is due to have an annual pay review. The pay award is due to be back dated to 1 April 2021. However, it is presently not concluded due to the Trade Union decision to ballot its members on industrial action.

Once the outcome of this ballot is known and the pay award is agreed, the spinal column points noted above will be amended and any amendments will be back dated to 1 April 2021.

Consequently, whilst there is at present, a differential of 40 pence at the lowest point on the scale, this actual difference between the scp's 1 to 3 and the Real Living Wage hourly rate of £9.90, will change once the pay award is applied to the pay spine.

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 can 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. This may lead to the payment of a market supplement or retention payment. 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 delegated to the Chief Operating Officer except for officers on JNC 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 (6 April 2021 figures):

FTE Annual Salary	Apprenticeship Age Rate
£8,672	Age under 18 years
£12,314	Age 18 – 20
£15,693	Age 21 -24
£16,725	Age over 25 years

These national apprenticeship rates are not included in the pay ratios as they are not part of the Council's pay scale structure.

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 Operating Officer, Corporate Director of Place & Community, Corporate Director of Transformation, Housing & Resources, Head of Planning & Regulatory Services, Head of Wellbeing & Place, Head of Environmental Services, Head of Housing Services, Head of Finance, Procurement & Commercial Services and Head of Corporate & Customer Services and Legal & Democratic Services Manager which also assumes the role of Monitoring Officer for the Council.

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 are within the salaries range from PO1 to WLe.

“Lowest Paid Employees” – see Para 14.

5. Terms and Conditions of Employment

There are three officers on JNC Chief Officer terms and conditions of employment are the Chief Operating Officer, Corporate Director of Place & Community and Corporate Director of Transformation, Housing & Resources. All other posts within the Council are employed in accordance with National Joint Council (NJC) terms and conditions for Local Government Services.

Both two 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 Chief Officers on JNC Terms and Conditions is set out within the Officer Employment Procedure Rules as set out in Part 13.2 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

Organisational Change Scheme

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

With effect from 1 April 2021, the Council introduced a mandatory 2 year gap from when a former employee exits the Council on the ground of voluntary redundancy to when they may be re-engaged in the employment of the Council or engaged as an agency placement or on a contract for service. This is applied across all grades for both NJC and JNC staff and do not take account of whether or not a pension is payable.

There is an exemption to this for emergency situations when former employees may need to be brought back into the employment of the Council on short fixed term contracts in view of their specialist skills. However this would be subject to the direct approval of the Chief Operating Officer, in consultation with the Portfolio holder for Human Resources.

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 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
Paternity 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 & Organisational Development Team.

7. Additions to Salary of Chief Officers

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

8. Chief Operating Officer - Remuneration

The current Senior Management structure was approved by the scheme of delegation to the Chief Operating Officer in January 2022. The revised structure will become effective from 1 April 2022. The post of Chief Operating Officer remains designated the Head of the Paid Service and also Returning Officer.

The post is paid at grade WLa on the attached Appendix A. 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. Corporate Directors - Remuneration

There are two posts of Corporate Director reporting to the Chief

Operating Officer:

Corporate Director of Place & Community - WLb

Corporate Director of Transformation, Housing & Resources–WLb

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

10. Other Heads of Service – Remuneration

There are six further posts of Head of Service. The first 4 are noted below:

Head of Planning & Regulatory Services,
 Head of Wellbeing & Place,
 Head of Environmental Services,
 Head of Corporate & Customer Services.

The Grade for these posts are WLe, 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.

The fifth and sixth head of services are:

Head of Finance, Procurement and Commercial Services (Section 151),
 Head of Housing Services.

The Grade for these posts are 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.

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 they are in the salary grade range from PO1 to WLe.

Of particular note the following post which is the designated Monitoring Officer, and is a member of the Corporate Management Team, for the Council:

Legal & Democratic Services Manager

This role is graded SM3, 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.

12. Payments on Termination

The Council's approach to statutory and discretionary payments on termination of employment of chief officers and other groups of staff, prior to reaching normal retirement age, is set out within its Organisational Change Scheme, 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.

However, with the presence of the mandatory 2 Year Gap for re-engagement into a contract for employment or service with the Council for any officer who exits the Council's employment via Voluntary Redundancy, should mean the potential for needing to consider this will be limited.

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. This excludes Apprenticeships, which are paid in line with National minimum wage rates for age and do not form part of the Council's pay scale structure.

The National Joint Council (NJC) pay spine applied by the Council to its grading structure, ranges from Spinal Column Point (Scp) 1, £17,842 and Scp 43 £46,845 p.a. as at 31 January 2022.

Please note that the April 2021 national pay award is still outstanding and subject to trade union dispute at the present time, so the annual salaries have not been uplifted since April 2021, at the time of writing.

The lowest paid grade applied to any Council post is grade Scale 1 which is paid at Scp 1 on a grade Scp 1 to scp 3, on the NJC pay spine, with annual incremental progression. These spinal column points are currently supplemented by the voluntary living wage supplement, raising the annual salary for these three spinal column points to £18,583 pa.(pay award pending) for a full time (FTE) employee, with effect from 1 December 2021.

The relationship between the rate of pay for the lowest paid and Chief Operating Officer 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 2022.

The full pay spine for 2021 is detailed at Appendix A, and is pending the 1 April 2022/23 national pay awards.

The lowest paid employee of the Council is someone employed on Scp 1 on the NJC pay spine. The average annual salary for this grade, including the voluntary living wage supplement would be £18,583.(pay award pending)

The Chief Operating Officer and Chief Officer range of salaries (as defined in this policy) spans a minimum of local Scp 53 to 71. This provides an annual mean average Chief Officer salary of £74,712 (pay award pending). Consequently, the Chief Officer to lowest paid salary mean average is a ratio of 1:4.02 (or 1:4.35 when expressed as a ratio of total remuneration). This calculation is based on the salaries for Chief Operating Officer and Corporate Directors and Heads of Service only.

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 29 to 71. This provides a mean average Chief Officer salary of £41,758 p.a.(pay award pending)

creating a ratio of 1:2.25 (or 1:2.38 when expressed as a ratio of total remuneration).

The highest salary paid in the Council is £97,099 p.a. (pay award pending). This compares to a median average salary of £24,491p.a. which is a ratio of 1:3.96 (or 1:4.21 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 and Monitoring 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 Corporate 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.

However the Council does have a mandatory 2 Year gap which must be maintained for any officer, not just Chief Officer, who exits the Council via voluntary redundancy, before they can be re-engaged. This prevents someone being re-engaged by the Council to a temporary fixed term or permanent employment, used as an Agency placement or engaged on a contract for service, for a period of 2 years from the date that they left on voluntary redundancy. This is applicable whether or not the former employee is in receipt of a pension. There is an exemption for specialist skills required in emergency situations, by direct approval of the Chief Operating Officer, in consultation with the portfolio holder for Human Resources, as noted above.

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). Once this is legislation, this will be applied by the Council

18. Holiday Pay Supplement

The Council pays an additional percentage on all overtime payments, to compensate staff for any additional holiday pay they may be entitled to. This will be an amount equivalent to 7.69% (20/260) of the overtime payment. This percentage takes into account the number of statutory holidays (20) and typically no more than 260 working days in the year. This additional percentage for the following claimable pay elements:

- Non contractual overtime
- Shift Allowances and Shift Pay
- Call Out and Standby
- Extra Duty and Additional Hours
- Honoraria

19. Policy Review

The Pay Policy Statement will be reviewed annually or earlier if required and agreed by Council before 31 March in each year. Administrative updates, such as pay awards, will be approved via the Corporate Director for Transformation, Housing and Resources in consultation with the Portfolio holder for Human Resources.

20. Employer Pension Contribution

The Council will contribute to the Local Government Pension Scheme in 2021/22 for all its employees who are members based on a rate of 19% 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.

21. Employee Pension Contribution

Employees who are members of the Local Government Pension Scheme pay at April 2021 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%
£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 2022.
- (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. In view of the implementation of the restructure part way through the year, remuneration ratios do not contain full year calculations.

Appendix A

WLBC Grade Bands	Grade Title	SCP	Salary from 1 April 2020 (N.B. April 2021 pay award pending)
1	Scale 1	1	*£17,842
		2	*£18,198
		3	*£18,562
2	Scale 2	3	*£18,562
		4	£18,933
3	Scale 3	5	£19,312
		6	£19,698
4	Scale 4	7	£20,092
		8	£20,493
		9	£20,903
		11	£21,748
5	Scale 5	12	£22,183
		14	£23,080
		15	£23,541
		17	£24,491
6	Scale 6	19	£25,481
		20	£25,991
		21	£26,511
		22	£27,041
7	SO1	23	£27,741
		24	£28,672
		25	£29,577
8	SO2	26	£30,451
		27	£31,346
		28	£32,234
9	PO1	29	£32,910
		30	£33,782
		31	£34,728
		32	£35,745
10	PO2	33	£36,922
		34	£37,890

Constitution 13:1: Pay Policy Statement

	35	£38,890	•
	36	£39,880	
11 PO3	37	£40,876	
	38	£41,881	
	39	£42,821	
12 PO4	40	£43,857	
	41	£44,863	
	42	£45,859	
	43	£46,845	
13 SM1	44	£47,241	
	45	£48,057	
	46	£48,874	
14 SM2	47	£49,880	
	48	£51,335	
	49	£52,794	
15 SM3	50	£52,953	
	51	£55,021	
	52	£57,090	
16 WLe	53	£57,636	
	54	£57,962	
	55	£58,509	
17 WLd	56	£62,704	
	57	£63,249	
	58	£63,794	
JNC			
18 WLe	61	£76,301	
19 WLb	62	£83,933	
20 WLa	71	£97,099	

***Voluntary Living Wage Supplement brings this annual salary level to £18,583**

- Salaries shown above have the April 2021 Pay Award pending.

Equality Impact Assessment Form



Directorate: Transformation and Resources	Service: Corporate and Customer Services
Completed by: S Lewis	Date: January 2022
Subject Title: Pay Policy Statement 2022/23	
1. DESCRIPTION	
Is a policy or strategy being produced or revised:	<i>*delete as appropriate</i>
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 (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations):	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"> •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. <p>The Council needs to agree a Pay Policy Statement and is recommended to adopt the Pay Policy Statement 2022/23 as detailed in the report.</p>

If you answered **Yes** to any of the above **go straight to Section 3**
 If you answered **No** to all the above **please complete Section 2**

2. RELEVANCE

Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes <i>*delete as appropriate</i>
If Yes , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered Yes go to Section 3</i>	This report has an impact on the workforce.
If you answered No 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>	

3. EVIDENCE COLLECTION

Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?	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. 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.
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>
<ul style="list-style-type: none"> Age Gender Disability Race and Culture Sexual Orientation Religion or Belief Gender Reassignment Marriage and Civil Partnership Pregnancy and Maternity 	<ul style="list-style-type: none"> Yes Yes Yes Yes Yes Yes Yes Yes Yes Yes

4. DATA ANALYSIS

<p>In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why?</p>	<p>The Policy has an impact on the entire Council workforce and as such has an impact on all protected characteristics.</p>
<p>What will the impact of the work being carried out be on usage/the stakeholders?</p>	<p>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.</p>
<p>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?</p>	<p>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 main management structure was last amended in April 2020. Any changes achieved at that time were subject to Trade Union and individual officer consultation and were agreed. Although minor change occur on a service level basis periodically throughout the year. Any actually 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. The next National Pay award to be implemented is due in April 2021, but it is not anticipated to affect the grade structure, but will affect the actual salary assigned to each spinal column point.</p>
<p>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?</p>	<p>Census Data Profile information available on the Council's website Workforce Profile Equality Policies within the Council Equal Pay Audit</p>
<p>If any further data/consultation is needed and is to be gathered, please specify:</p>	<p>N/A</p>

5. IMPACT OF DECISIONS

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.

6. CONSIDERING THE IMPACT

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.

7. MONITORING AND REVIEWING

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: 23 February 2022

Report of: Chief Operating Officer

Relevant Portfolio Holder: Councillor I Moran

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

SUBJECT: MEMBERS' ALLOWANCES SCHEME 2022/23

Wards affected: Borough wide

1.0 PURPOSE OF REPORT

1.1 To agree the Members' Allowances Scheme for 2022/23 and to note and endorse the Membership of the IRP.

2.0 RECOMMENDATIONS

2.1 That it be noted that the IRP has not been asked for a report this year, but met as referred to in paragraph 3.4 of the report.

2.2 That a Members Allowance Scheme be made, effective from 1 April 2022, in accordance with the current scheme, incorporating:

- (a) A Basic Allowance of £4,842 (no increase)
- (b) Provision for SRA payments, as detailed on the Schedule attached as Appendix 1 (no change)
- (c) Childcare and Dependent Carer's Allowance to be set at the same level as the Living Wage (£9.50 per hour).

2.3 That the Corporate Director of Transformation & Resources update the Members' Allowances Scheme for the period commencing 1 April 2022, such scheme to be incorporated into the Constitution and subsequently published.

2.4 That the Membership of the IRP for 2022/23 and the respective terms of office be noted and endorsed as follows:

Mrs G Stanley (Chairman)	1 May 2024
Mr J Boardman	1 May 2023
Mr I Thompson	1 May 2025

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, 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.
- 3.3 In February 2020, the Council resolved to accept the IRP's recommendation that the Basic Allowance should remain at £4,842 and that the figure be fixed for four years (ie. until April 2024), when a further recommendation will be sought from the Independent Remuneration Panel. The Council have the right, in any year, to request the Panel to consider an increase. The Panel would expect specific reasons to be put forward in support of such a request. The only increase would be in relation to the Childcare and Dependent Carer's Allowance, which was recommended to be set at the Living Wage (£9.50).

4.0 THE COUNCIL'S SCHEME FOR 2022/23

- 4.1 The IRP met on 26 January 2022 to consider the current position in relation to Members' Allowances and the Council's Scheme for 2022/23 and agreed that as the Panel had not received any requests to consider an increase, a formal report from the IRP was not required and that the level of allowances should remain at the same rate as the 2021/22 rates. A copy of the Members Allowances Scheme 2021/22 is contained in Section 19 of the Constitution:
<https://democracy.westlancs.gov.uk/ieListMeetings.aspx?CId=305&info=1&MD=Constitution>
- 4.2 Members of the IRP also meet to consider Parish matters as the Parish Remuneration Panel (PRP) and in this respect they did not receive any requests to make amendments to the previous report, the Panel considered there was no requirement to issue a new report.
- 4.3 The Scheme commences on 1 April in each year in accordance with the legislation, rather than the municipal year. Following the Council's decision, a new scheme for 2022/23 will be prepared, effective from 1 April 2022. A copy of the new scheme will be incorporated in the Council's Constitution and as a consequence published on the Council's website and circulated to all 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 2022. 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 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. Mrs 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 since July 2010 and it is therefore recommended that he be appointed for a further 3 years.

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

6.0 SUSTAINABILITY IMPLICATIONS

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

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 The budget figures for 2022-23 contained elsewhere on the agenda for this meeting include provision to meet the costs of Allowances contained within the Scheme, together with employer's National Insurance (N.I.) contributions where appropriate.

7.2 Regulations provide for Allowances to be paid to IRP members and for 2022/23 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.

8.0 RISK ASSESSMENT

8.1 The report ensures that the Council is complying with the requirements of the Local Authorities (Members' Allowances) (England) Regulations 2003, as amended, to establish annually a Scheme of Members Allowances and in making that scheme, to have regard to the recommendations of an Independent Remuneration Panel.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no health and wellbeing implications arising from this report.

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. SRA Payments
2. Equality Impact Assessment

SPECIAL RESPONSIBILITY ALLOWANCES

The following posts are specified as having special responsibilities in respect of which Special Responsibility Allowances are payable under Paragraph 4, in the amounts shown for each post.

Area of Special Responsibility	Basis of Allowance (as percentage of Basic Allowance)	Amount of Allowance (£)
Leader	250%	12,105
Deputy Leader	150%	7,263
Cabinet Member (up to 8)	100%	4,842
Opposition Group Leader (if Group comprises 5 or more Members)	70%	3,389
Opposition Group Deputy Leader (if Group comprises 5 or more Members)	35%	1,694
Chairman - Overview & Scrutiny Committees	50%	2,421
Chairman - Licensing & Appeals Committee	50%	2,421
Chairman – Licensing & Gambling Committee	50%	2,421
Chairman – Planning Committee	100%	4,842
Chairman – Audit and Governance Committee	50%	2,421

Equality Impact Assessment Form



Directorate: Transformation & Resources	Service: Legal & Democratic Services
Completed by: Jacky Denning	Date: 27 January 2022
Subject Title: Members Allowances Scheme 2022/23	
1. DESCRIPTION	
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 (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations):	No
Details of the matter under consideration:	Members Allowances Scheme 2022/23
<p><i>If you answered Yes to any of the above go straight to Section 3</i> <i>If you answered No to all the above please complete Section 2</i></p>	
2. RELEVANCE	
Does the work being carried out impact on service users, staff or Councillors (stakeholders):	Yes
If Yes , provide details of how this impacts on service users, staff or Councillors (stakeholders): <i>If you answered Yes go to Section 3</i>	
If you answered No 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>	
3. EVIDENCE COLLECTION	
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? Age Gender Disability Race and Culture Sexual Orientation Religion or Belief Gender Reassignment Marriage and Civil Partnership Pregnancy and Maternity	<i>None</i>
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?	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
5. IMPACT OF DECISIONS	
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.
6. CONSIDERING THE IMPACT	
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
7. MONITORING AND REVIEWING	
When will this assessment be reviewed and who will review it?	The Scheme is reviewed annually by the IRP and Council.



**EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE:**
13 January 2022

CABINET: 25 January 2022

COUNCIL: 23 February 2022

Report of: Head of Finance, Procurement and Commercial Services

Relevant Portfolio Holder: Councillor Adam Yates

Contact for further information: James Pierce (Extn. 5202)
(E-mail: james.pierce@[westlancs.gov.uk](mailto:james.pierce@westlancs.gov.uk))

SUBJECT: Revenue and Capital Programme Budget Setting

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To present, at Appendix A of this report, the Medium Term Financial Strategy (MTFS) for the 3 years ending 31st March 2025 together with the Revenue Budget for 2022/23 and the Capital Programme for the 3 years ending 31st March 2025.

2.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

2.1 That the report be considered and agreed comments be forwarded to Cabinet on 25 January 2022 and Council on 23 February 2022.

3.0 RECOMMENDATIONS TO CABINET

3.1 That the report be considered and agreed comments be forwarded to Council on 23 February 2022.

4.0 RECOMMENDATIONS TO COUNCIL

4.1 That the General Revenue Account (GRA) budget be approved based on the proposals to be presented at the Council meeting.

4.2 That the GRA Reserves Policy set out at in Annex D to the Appendix be approved.

4.3 That the Minimum Reserves Provision (MRP) Policy set out at in section I of the Appendix be approved.

- 4.4 That the Financial Control Policy set out at in section J of the Appendix be approved.
 - 4.5 That the Sales, Fees & Charges Policy set out in section K of the Appendix be approved.
 - 4.6 That delegated authority be given to the Chief Operating Officer and the Corporate Directors to take all necessary action to implement the changes resulting from the budget proposals.
 - 4.7 That the Medium Term Capital Programme be approved based on the proposals to be presented at the Council meeting.
 - 4.8 That delegated authority be given to Heads of Service to take all necessary action to implement the agreed Capital Programme.
 - 4.9 That the Medium Term Financial Strategy (MTFS) for the 3 years ending 31 March 2025 available at Table 1 of section A of the Appendix be approved based on the proposals to be presented at the Council meeting.
 - 4.10 That a major target of the MTFS is to grow recurring non-taxation income over the 3yrs to 2025 and that this is considered a key performance indicator (KPI) for this strategy. (section D(8) of the Appendix)
-
-

5.0 BACKGROUND

- 5.1 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.
- 5.2 This report will be submitted to the Council at its meeting on 23rd February 2022 to enable the budget to be set and a Council Tax to be determined. This meeting will provide all Members with the opportunity to debate and agree the budget.

6.0 SUSTAINABILITY IMPLICATIONS

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

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 There are material financial & resource implications arising from this report and these are fully documented in the report which is available in the Appendix to the report.

8.0 RISK ASSESSMENT

- 8.1 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.

- 8.2 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.

9.0 HEALTH AND WELLBEING IMPLICATIONS

- 9.1 The health and wellbeing implications arising from this report will be dependent on the budget proposals put forward at the Council meeting. Details of any significant implications will be provided at the Council meeting if required.

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.

Appendices

1. "Striking a Balance" - the MTFs for the 3 years ending 2025, Annual Revenue Budget for 2022/23 and 3year Capital Programme. **(Final Revised version dated 17.02.22 submitted to Council)**
2. Minute of Executive Overview & Scrutiny Committee
3. Minute of Cabinet



Striking the Balance

Medium Term Financial Strategy

22/23

23/24

24/25

Statement

by the Head of Finance, Procurement and Commercial Property in his capacity as the s151 Officer of the Council.

In accordance with s25 of the Local Government Act 2003, I would make the following comments in regard of the robustness of the Estimates and the adequacy of the Reserves contained within this Medium Term Financial Strategy (MTFS) - 3years ending 31 March 2025 and Budget Estimates 2022/23

I am able to advise the Council that the planned level of usable Reserves is adequate. This assurance has been based on the robustness of estimate information and a consideration of the risks and challenges facing the Council.

However, assurances regarding the robustness of estimates cannot give a 100% guarantee about the budget.

Rather this statement provides a reasonable assurance to the Council that the budget has been based on the best available information and assumptions available at the time.

It is emphasised that MTFS & budget estimates are exactly that - estimates of the financial environment, spending and income made at a point in time, which will change as circumstances change.

The MTFS & budget proposals are nevertheless achievable given the political and management will to implement them, good management, and the sound monitoring of performance and budgets which exists.

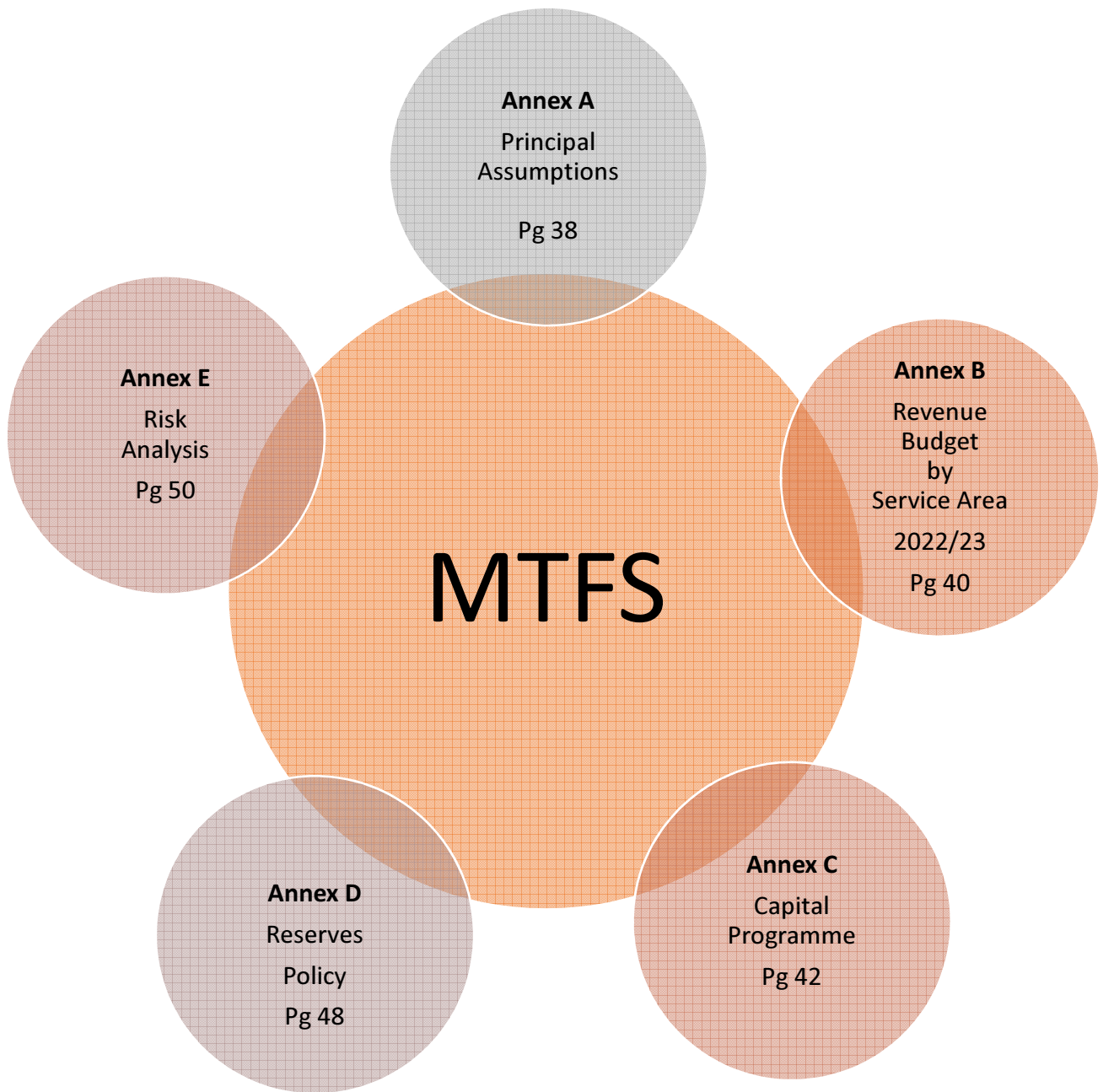
In conclusion I am satisfied that sufficient management processes are present within the Council to deliver this budget and to identify and deal with issues which may arise unexpectedly during the year.

James Pierce
S151 Officer
Head of Finance ,Procurement
& Commercial Property

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A Executive Summary

1. This report presents the Medium Term Financial Strategy (MTFS) for the 3 years ending 31st March 2025, the existing Capital Programme to 31st March 2023 and the Revenue Budget for the financial year 2022/23.
2. Assumptions have been formulated regarding the starting financial position for these forecasts depending upon the estimated outturn for the current financial year 2021/22 and these are available at section C.
3. Overlaid upon this starting position are the financial impacts of:-
 - Departmental Growth bids
 - Cost Pressures
 - Anticipated Favourable events
 - Variation in detailed Service Level Annual Revenue BudgetThese impacts are shown in Table 1 opposite.
4. The closing revenue financial position for 2022/23 demonstrated in Table 1 opposite is that the Council is predicted to have no budget gap, rather the prediction is for budget headroom of £431k.
5. Officers recommend that £400k of the headroom is utilised to create a 'Carbon Neutral Reserve' to fund the Council Climate Change Agenda and the aspiration to be carbon neutral by 2030.
6. Given the economic scarring caused by both the Pandemic and Brexit and the continued problems that are predicted to continue throughout the medium term by the office of Budget Responsibility's latest economic forecast no increase for sales, fees and charges has been assumed in either the Budget calculations for 2022/23 or the MTFS for the 3 years ending 31st March 2025.
7. Four policies have been revised in this report which directly bear down on the financial environment: -
 - Reserves policy Annex D
 - Minimum Revenue Provision (MRP) policy Section I
 - Financial Control policy Section J
 - Sales, Fees & Charges Section K
8. The policies relating to Reserves, Sales, Fees & Charges and MRP are required to be reviewed annually and the Financial Control policy is considered an advisable addition given the financial challenges ahead.

Table 1 - Summary of financial impacts on starting point of 1st April 2022

SUMMARY of MTF5 financial impacts					
3 years ending 31st March 2025					
All figures in £k					
Movement from starting point of 1st April					
Ref	Financial Aspect	Yr1 2022/23	Yr2 2023/24	Yr3 2024/25	
1	Budget GAP/(HEADROOM) - Starting point as at 1st April 2022	-60	-60	-60	section D
2	Growth Bids	642	412	357	section E
3	Cost Pressures	3,785	1,910	2,575	section F
4	Favourable Events	-5,143	-2,567	-3,080	section G
5	Variation in detailed Service Level Annual Revenue Budget	170	170	170	annex B
6	Centrally held contingency for Energy Costs at 25% of Budgeted 22/23 cost	175	175	175	
UNKNOWNNS					
	COVID Funding levels				
	The impact of Brexit				
7	Budget GAP/(HEADROOM) - Year End position as at 31st March	-431	40	137	
Reconciliation to previous draft					
	<u>Previously reported Gap/(Headroom)</u>	-1,555			
	Reduction in Growth Bids : £761k to £642k	-119			
	Increase in Cost Pressures : £1,171k to £3,785k	2,614	Additional year required of Leisure Contract		
	Increase in Favourable Events : £3,427k to £5,143k	-1,716	TVDL - Reduced dividend forecast (from £250k)		
	Centrally held contingency for Energy Costs at 25% of cost	175			
	Variation in detailed Service Level Annual Revenue Budget over & above anticipated Cost Pressures	170	Consequential growth, Incremental drift, Employers superannuation		
	<u>Revised Gap/(Headroom)</u>	-431			

A Executive Summary

1. Capital growth bids are summarised opposite and will be integrated in the current Capital Programme to the extent that they are approved.
2. The current Capital Programme is included in this report at Annex C (page 40).
3. If all Capital growth bids are approved then it is calculated that most of the £1.4m spend over the next 3 years can be financed from capital receipts, assuming a 20% over programming is utilised.
4. This 20% is in line with past experience as detailed in the table below, however there will still be a small amount of capital which will not be capable of financing from estimated capital receipts in the sum of £113k.
5. This £113k will need to be financed from borrowing (internal or external) and/or revenue contributions to capital spend, with the annual revenue costs of this borrowing being estimated at £2k based on ambient subsidised rates of interest via the Public Works Loans Board (PWLB).
6. It should be noted that the average rates of slippage in past capital programmes of 20% are after rescheduling of spend by bringing schemes forward from future years at mid year due to much more drastic slippage of 70% - 80% at that time. This indicates that the scope for absorbing spend from future years is likely to exceed the 20% over programming indicated.
7. Nevertheless a 20% over programming figure has been assumed in predicting financing requirements for capital, in order to be prudent.

MID Year figures			
Year	Expenditure £m	Budget £m	% spend against Budget
2021/2022	0.630	3.665	17%
2020/2021	2.085	7.087	29%
2019/2020	0.998	5.175	19%
2018/2019	1.908	7.128	27%
2017/2018	0.455	2.634	17%

END Year figures		
Financial Year	Underspend	% slipped
2020/21	2.6m	24%
2019/20	0.8m	16%
2018/19	1.4m	20%

Growth Bids - CAPITAL

All figures in £k

Ref	Growth Bid	Yr1	Yr2	Yr3
		2022/23	2023/24	2024/25
	Invest to Save			
C12	Civica - upgrade of processing facilities - Phases 1-4 inclusive	140	0	0
	Environment			
C7	Purchase Glutton Urban Vacuum Cleaner	20	0	0
C8	Becconsall Closed Church Yard	30	0	0
C9	Litter Bin Policy	50	47	30
C50	Fountain in a park (celebration of Queen's reign)	50	0	0
C51	Tree Management	50	50	0
C52	Culvert Management	50	50	0
	Other			
C21	Hybrid, Remote and Streaming Council Meetings	92	0	0
C5	Changing Places Facility	60	0	0
C4	Microsoft Site Licences	0	140	145
C6	Mastercard Gateway Upgrade	40	0	0
C1	Microsoft M365 Phase 3 - platform to deliver transformation initiative	150	100	0
C3	Digital innovation and the continued development of ServiceNow	80	100	0
Total		812	487	175

Growth Bids - CAPITAL		All figures in £k				
Ref		Yr1	Yr2	Yr3	Yr4	Total
		2020/21	2021/22	2022/23	2023/24	
	Approved 3yr Capital Programme	3,130	1,566	803		5,499
	Available Capital Financing - Yrs 1-3					6,141
	Provisional Capital Financing Yr4				424	424
	Residual Capital Financing after financing Cap Prog					1,066
	Capital Bids		812	487	175	1,474
	Shortfall in Capital Financing (26%)					408
	Average historic annual slippage post reprofiling					20%
	Estimated Financing available from slippage					295
	Estimated reliance on borrowing or revenue contributions if all Capital Growth is approved					113
	Recommended overprogramming before borrowing is 20%					

B Economic Outlook

1. The information in this section is drawn mainly from the “Economic and fiscal outlook” published in October 2021 by the Office for Budget Responsibility (OBR) and presented to Parliament by the Exchequer Secretary to the Treasury by Command of Her Majesty.
2. This publication is an extensive work (251 pages) setting out a forecast to 2026-27 and is the underpinning work which supports the Budget and Spending Review work undergone by Treasury.
3. The economy is now expected to grow by 6.5 per cent in 2021 (2.4 percentage points faster than OBR predicted in March).

However the strength of the rebound in demand in the UK and internationally has led it to bump up against supply constraints in several markets.

In the UK, these supply bottlenecks have been exacerbated by changes in the migration and trading regimes following Brexit. Energy prices have soared, labour shortages have emerged in some occupations, and there have been blockages in some supply chains.

These can be expected to hold back output growth in the coming quarters, while raising prices and putting pressure on wages.

4. OBR expect the Consumer Price Index (CPI) this being the usual preferred measure of inflation to reach 4.4 per cent in 2022, with the risks around that tilted to the upside. News since OBR closed their forecast would be consistent with inflation peaking at close to 5 per cent next year - OBR believe it could hit the highest rate seen in the UK for three decades.

Fig 1 opposite shows forecast trends in CPI inflation to 2026-27.

5. A valuable insight into the OBR’s perceptions of how the UK Economy will fare over the forecast period to 2026/27 is provided in Fig 2 opposite which summarises a number of metrics for the 7 years from 2020 over various subsets of forecast economic activity.

The predicted movements in inflation relating to CPI of:-

- 4.0% - 2022/23
- 2.6% - 2023/24
- 2.1% - 2024/25

have been used as principal assumptions in calculating the MTFs & Budget Estimates for 2022/23 presented in this report.

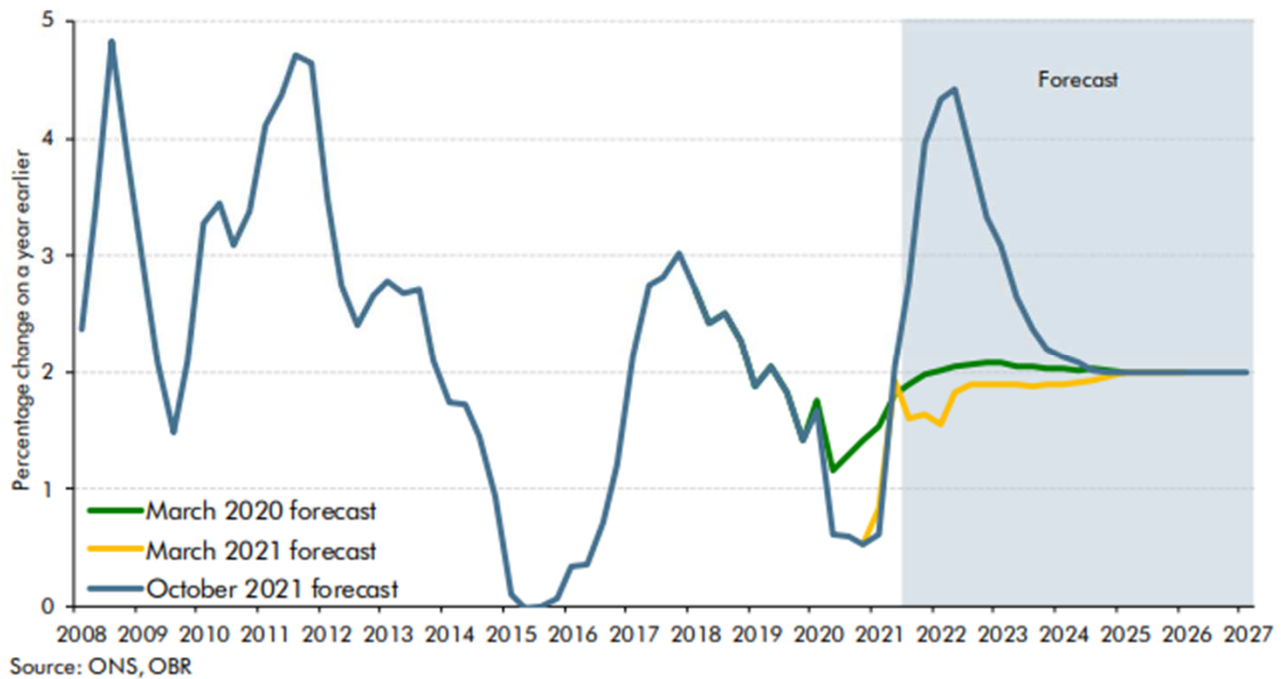


Fig 1:- Forecast Trends in CPI Inflation to 2026/27 (OBR - Oct 2021)

	Percentage change on a year earlier, unless otherwise stated						
	Outturn	Forecast					
	2020	2021	2022	2023	2024	2025	2026
Output at constant market prices							
Gross domestic product (GDP)	-9.8	6.5	6.0	2.1	1.3	1.6	1.7
GDP per capita	-10.2	6.3	5.6	1.7	1.0	1.3	1.4
GDP levels (2020=100)	100.0	106.5	112.8	115.2	116.7	118.6	120.6
Output gap	-0.4	0.9	0.6	0.5	0.1	0.0	0.0
Expenditure components of real GDP							
Household consumption	-10.9	4.7	9.8	1.3	1.7	1.3	1.0
General government consumption	-6.5	14.7	2.0	1.5	1.2	1.7	2.1
Business investment	-10.2	-2.4	15.7	4.7	-0.8	4.8	5.8
General government investment	3.5	14.7	-2.1	6.5	-1.0	1.1	1.8
Net trade ¹	0.8	-0.8	-2.5	0.3	0.1	-0.1	-0.2
Inflation							
CPI	0.9	2.3	4.0	2.6	2.1	2.0	2.0
Labour market							
Employment (million)	32.5	32.2	32.6	33.0	33.2	33.3	33.4
Average earnings	1.2	5.0	3.9	3.0	2.2	2.9	3.5
LFS unemployment (rate, per cent)	4.6	4.9	4.8	4.3	4.2	4.2	4.2

¹ Contribution to GDP growth.

Fig 2:- Overview of the economy forecast (OBR - Oct 2021)

B Economic Outlook

6. Since the OBR first post-EU referendum forecasts in November 2016, the forecasts have assumed that total UK imports and exports will eventually both be 15 per cent lower than had we stayed in the EU.

This reduction in trade intensity drives the 4 per cent long term reduction in GDP that the OBR assume will eventually result from UK's departure from the EU. - Fig 3 opposite refers.

7. This assumption, consistently adopted by the OBR since 2016 speaks to the longevity of the economic scarring caused by Brexit to the UK economy. This in turn informs the assumptions that have been made in the MTFS & Budget Estimates for 2022/23 presented in this report.

Since Brexit scarring is expected to persist throughout the 3 Yr MTFS period ending 31st March 2025 and with it the commensurate reduction in trade and GDP then this report contains challenging assumptions regarding effects on our national and local economies, manifested by levels of interest rates and CPI inflation, unprecedented in recent times.

8. On top of the OBR prediction of a 4% reduction in GDP in respect of Brexit scarring of the economy, the OBR predict a further reduction of 2% in GDP due to the economic scarring caused by the pandemic.

Fig 4 presents a breakdown of the OBR's pandemic scarring forecasts over time and also shows a comparison of GDP scarring forecasts from a variety of forecasters.

The further forecast of a 2% reduction in GDP reinforces the challenging nature of the assumptions that are felt necessary in formulating the MTFS & Budget Estimates for 2022/23 presented in this report.

9. Fig 5 opposite shows the evolution in the OBR forecast over time since 2020 in respect of economic scarring due to the pandemic which materialises as GDP forecast reductions.

As can be seen readily, the economic scarring falls rapidly from around 10% in 2020 to 2% in 2022 and then stabilises at this level.

9. A major reason for the rapid reduction in scarring is that Labour hours have subsequently recovered faster than expected in the OBR March 2021 forecast, leaving them only 2.7 per cent below pre-pandemic levels in the second quarter of 2021, compared to the 5.7 per cent assumption in the March 2021 forecast.

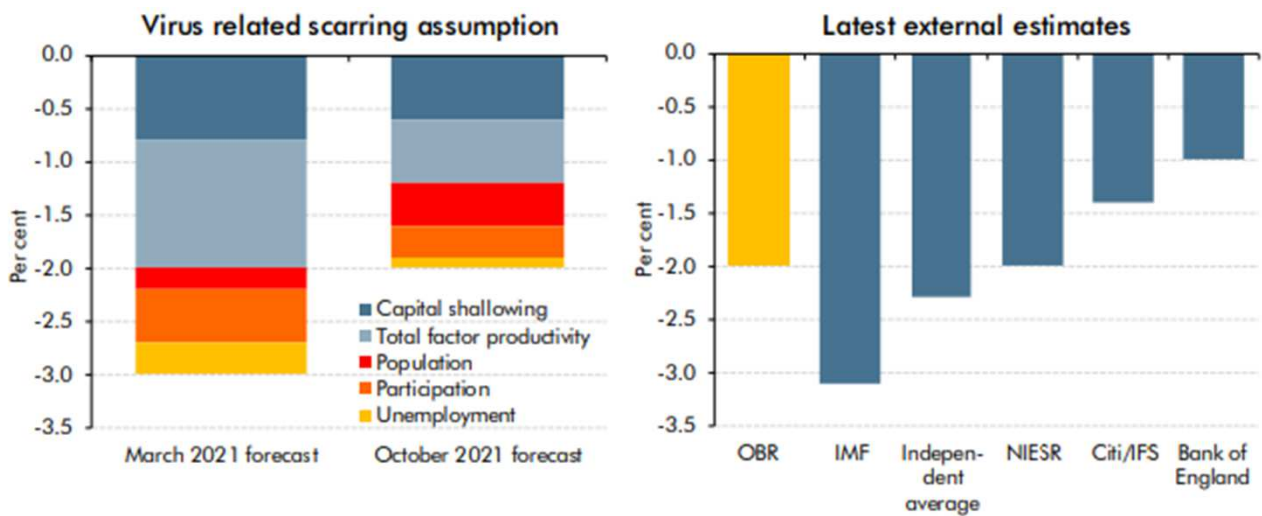
This was largely the result of both activity and output recovering faster than expected, which contributed to there being approximately 1.2 million fewer people remaining on the job retention scheme in August than assumed in March.

10. The illustrations opposite present a challenging picture regarding the economic outlook within which the Council will have to operate over the MTFS period.

OBR forecasts indicate an expectation that economic scarring due to Brexit (4%) and the Pandemic (2%) will be felt throughout the MTFS period in terms of reduced GDP.

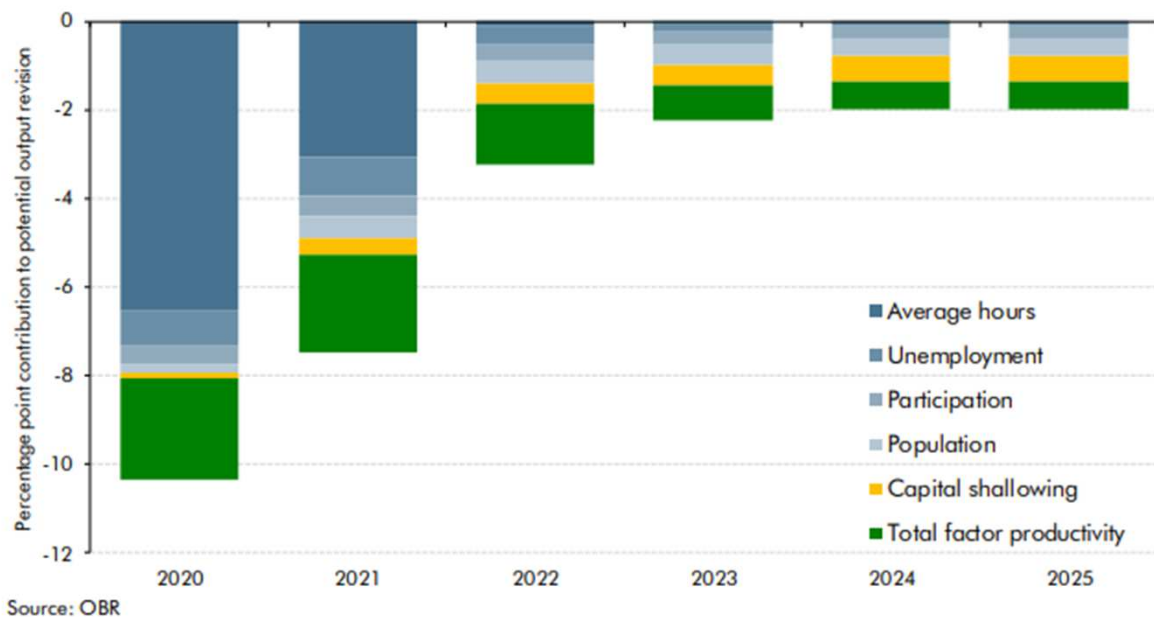


Fig 3:- Economic scarring of trade due to Brexit



Note: IMF and Independent average are calculated as the differences between the pre-pandemic and latest projections of GDP up to 2024 in the IMF's *World Economic Outlooks* and the averages in the HM Treasury's *Forecasts for the UK economy* publications.
Source: Bank of England, HM Treasury, IFS, IMF, OBR

Fig 4:- Economic scarring of GDP due to the Pandemic



Source: OBR

Fig 5:- Economic scarring due to the Pandemic over time

C Forecast Starting Position as at 31st March 2022

1. The budget report presented to Council on 24th February 2021 set out the Council's budget requirement for the 21/22 financial year and provided details on the Council's reserves position.
2. This process is in accordance with statutory requirements and proper accounting practices.
3. The GRA Budget Update report to December 2020 Council included a projected outturn position of a £0.563m overspend, however, the final outturn position has now been confirmed to be an underspend of £270k on the General Fund representing 2% of the net budget of £13,430,140.
4. The key reasons for this positive £833k movement in the revenue position are: -
 - In the Autumn of 2020, and as a measure towards closing the budget gap, the corporate management team agreed to implement additional budgetary control measures across non-essential areas of spending in all service areas.
 - The retrospective application of, and maximisation of the use of available COMF Funding to eligible areas of spend, approximately £0.7m of £1.4m received was applied in 20/21, with the remaining £0.7m available in 21/22 to address Covid related pressures.
 - The successful application and receipt of funding for loss of Sales, Fees and Charges income of £900k and the timing of this.
5. The report to Council in February 2021 identified a budget gap of £1.2m. A key element of this pressure was the projected £586k overspend, in the event an underspend of £270k was achieved in 2020/21, thus reducing the budget gap by £833k from £1.2m to £367k by 31st March 2021.
6. Finally the report on GRA Mid Year Outturn Forecast 2021/22 due to be considered at Council on Dec 15th 2021 presents a 2021/22 forecast outturn for GRA of a £427k underspend, thus reducing the budget gap further to a negative gap of £60k.
7. An analysis of this forecast underspend of £427k is available opposite at fig 6.
8. A graphical illustration of the evolution of the budget gap since Feb 2021 to the forecast outturn position as at 31st March 2022 is available at fig 7.

It is important to note that this forecast closing position, as at 31st March 2022, is the starting position for both the MTFS for the 3 years ending 31st March 2025 and the Revenue Estimates for 2022/23.

Clearly this budget gap position will change as the non-recurring cost pressures and savings are identified in this starting position, during assembly of this MTFS.

Area	Revised Budget 2020/21	Under spend 2020/21	Comments
Wellbeing & Leisure	£3,170k	£385k	Leisure contract and repairs.
Housing & Regulatory	£1,897k	£100k	Disabled Facilities Grant fees, plus some minor staff cost savings.
Environmental Services	£7,237k	£50k	Fleet repair costs.
Miscellaneous	(£1,886k)	(£108k)	Under achievement of investment income.
Total Underspend		£427k	

Fig 6:- Major variances which make up the forecast Revenue outturn underspend for 2021/22

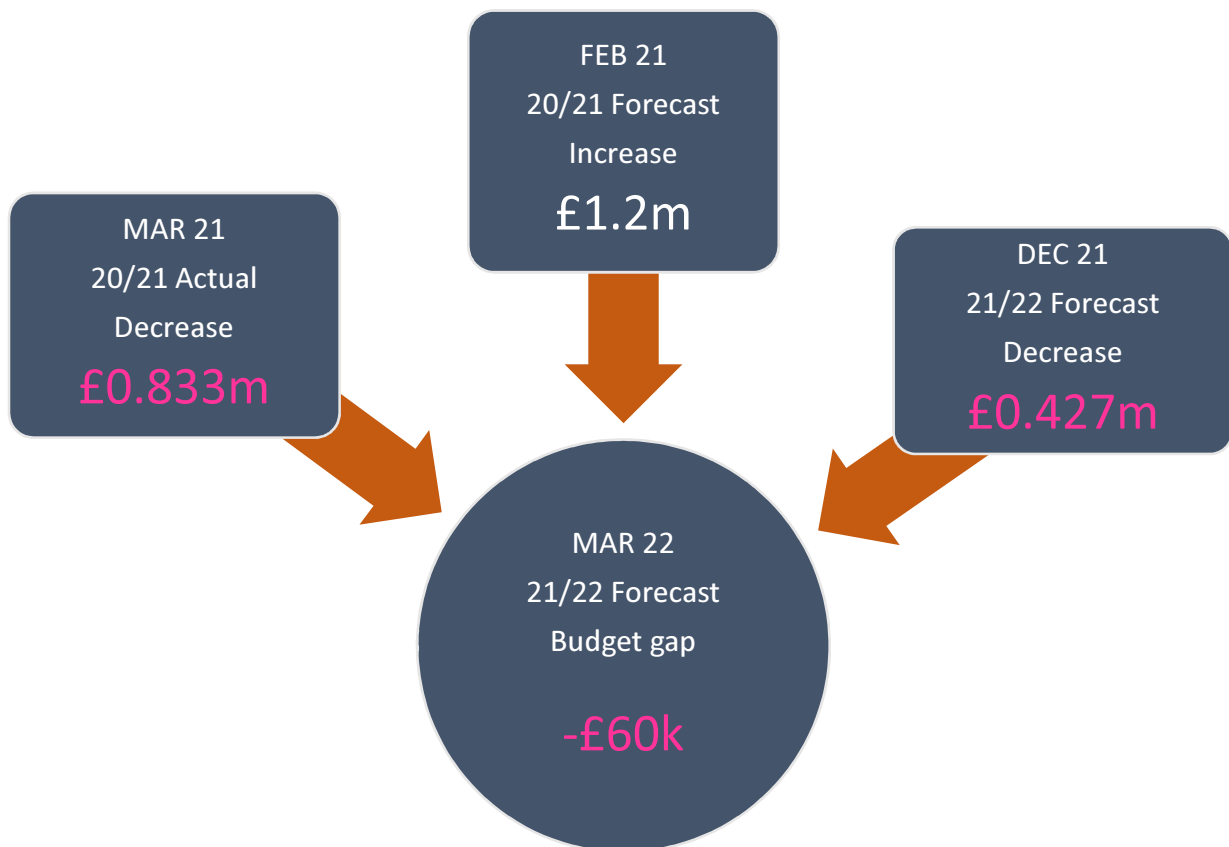


Fig 7:- Evolution of the GRA Forecast Budget Gap - Feb 21 to Mar 22

D Cost of the Current Level of Service (CCLS)

1. It has been established [at section C previously] that the forecast closing position, as at 31st March 2022 is a negative budget gap of -£60k
2. This is important since it represents the starting position for both the MTFS for the 3 years ending 31st March 2025 and the Revenue Estimates for 2022/23.
3. This section now moves on to look at the composition and materiality of the current net revenue spend to further inform the compilation of the MTFS and Revenue Estimates for 2022/23.
4. Fig 8 shows the objective split of net expenditure around the service areas of the Council which is typified by:-
 - representing an almost irreducible minimum cost of providing current services in 2021/22.
 - a cost base lacking the critical mass to springboard step change afforded to larger County or Unitary Councils
 - relying upon income generating, project based endeavours to provide the fuel for growth necessary to meet the challenges ahead.
5. Fig 9 shows the subjective split of financing available to the Council in 2021/22 and this is typified by:-
 - An almost complete reliance (82%) on raising taxation which the Council has little or no control over given heavy Central Government intervention on rates levied and taxation scope.
 - Financing which is subject to change on an annual basis, again by Central Government, which often causes material surges in available finance - witness recent changes in New House Bonus Grant (NHBG).
6. These features of the Council's core costs of their Current Level of Service make strategic management of its finances very challenging given the largely irreducible nature of the core costs, lack of critical mass and the uncertainty of financing by Central Government.
7. This MTFS deals with these features by crafting a financial strategy which provides a nurturing environment for income generating initiatives and not relying solely on cost cutting of a CCLS with limited potential for material gains.
8. A major target of the MTFS is to grow recurring non-taxation income over the 3yrs to 2025 and this is considered a key performance indicator (KPI) for this strategy.

Fig 8:- CCLS - Budget - Net Expenditure 21/22 - £16m

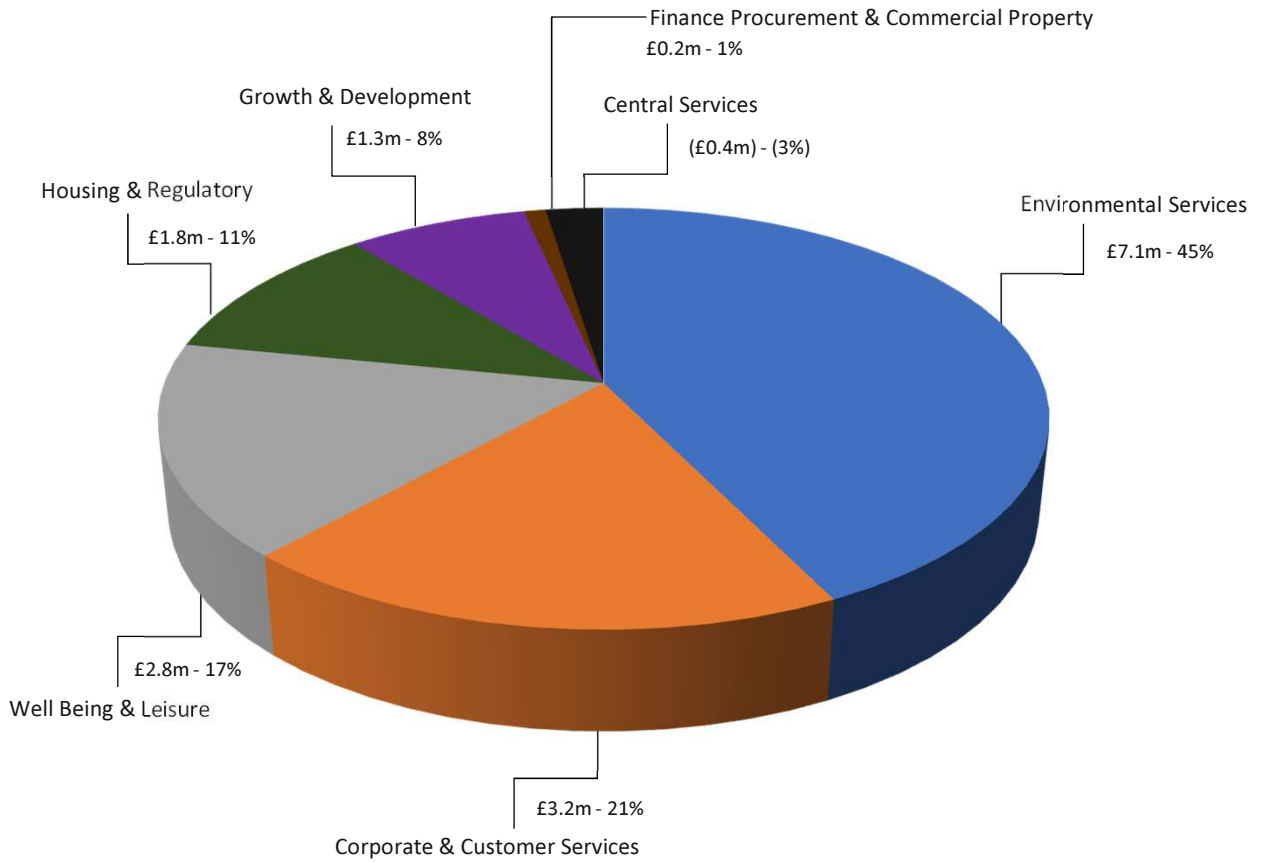
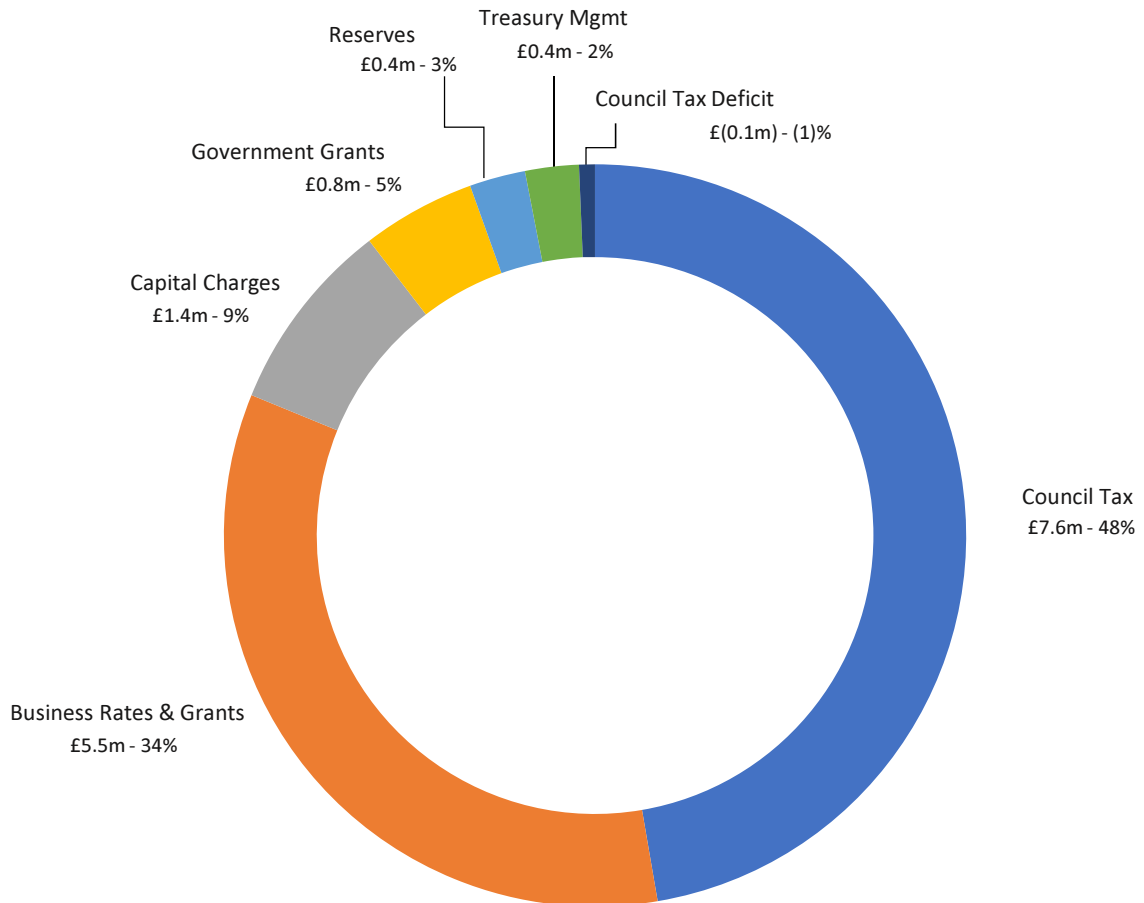


Fig 9:- CCLS - Budget - Financing 21/22 - £16m



E Growth Bids

1. Over and above the Cost of the Current Level of Service The council faces new and unavoidable budget increases, each year.
These increases have been limited to cover essential and legislative pressures only.
2. The table opposite schedules the increases identified during the assembly of the MTFS and the revenue and capital budgets included in this report.

REVENUE Growth Bids

3. The largest category of growth bids of £254k (40% of total bids) relates to the recently conducted Planning Review.
4. After this significant invest to save growth bids have been made amounting to £160k (25% of total bids).
5. The remaining bids opposite, with a financial impact in 22/23, amounting to £228k comprise 4 growth bids which range individually from £15k to £80k
6. Fig 10 below shows the effect of the Growth Bids on the cumulative Budget Gap/Headroom that is a defining feature of the Council's finances.

Fig 10:- Budget Gap after Growth Bids 2022/23

2022/23 START	2022/23 GROWTH	2022/23 Revised TOTAL
HEADROOM £60K	GAP £642K	GAP £582K

CAPITAL Growth Bids

7. ICT infrastructure, software licenses and digital innovation, essential to the continued operation of the Council, account for £270k (35% of total bids)
8. Growth Bids relating to the Environment account for £250k (27% of total bids) and relate to 6 bids.
9. An Invest to Save capital growth bid is included at a cost of £140k (18% of total bids).
10. The remaining £152k (20% of total bids) relates to two bids - Hybrid, Remote & Streaming of Council Meetings (£92k) and Changing Places Facilities (£60k).

Growth Bids - REVENUE

All figures in £k

Ref	Growth Bid	Yr1	Yr2	Yr3
		2022/23	2023/24	2024/25
	Covid Recovery			
R5	Additional EHO post - Environmental Protection (22/23 funded from Covid)	0	44	44
R23	Community Connector (22/23 funded from Covid)	0	33	33
R24	Community Connector Manager (22/23 funded from Covid)	0	42	42
	Invest to Save			
R4	Additional post of Inward Investment Officer	43	0	0
R6	Additional post of Corporate Finance & Projects Business Partner	44	-16	-26
R10	Supporting the business & Visitor economy & attracting inward investment	49	32	0
R35	Employment Debt recovery task force for 3 months	24	-15	-15
	Planning Review			
R33	Additional Planning Posts Fundamental to implementation of Planning Review - 2 x Senior Planning Officers & CIL/s106 Officer	134	134	134
R19	Upgrade of IT equipment for Planning Services following Planning Service Review	12	0	0
R37	Regeneration Project Development Manager plus extension of existing post to Dec 2022	108	48	48
	Other			
R30	Revenue consequences of Capital bid - C7 - Purchase Glutton Urban Vacuum Cleaner	0	2	2
R31	Revenue consequences of Capital bid - C8 - Becconsall Closed Church Yard	0	7	9
R34	Legal Resource - Creation of two permanent posts for: Planning Assistant Solicitor & Senior Legal Executive/Assistant Solicitor	80	80	80
R3	Temporary post of Development Planning Surveyor for 12 months	53	0	0
R13	Continued Membership of Growth Lancashire (2 years)	15	15	0
R39	Replace WebspX system	80	0	0
C50	Fountain in a park (celebration of Queen's reign)	0	6	6
Total		642	412	357

Growth Bids - CAPITAL

All figures in £k

Ref	Growth Bid	Yr1	Yr2	Yr3
		2022/23	2023/24	2024/25
	Invest to Save			
C12	Civica - upgrade of processing facilities - Phases 1-4 inclusive	140	0	0
	Environment			
C7	Purchase Glutton Urban Vacuum Cleaner	20	0	0
C8	Becconsall Closed Church Yard	30	0	0
C9	Litter Bin Policy	50	47	30
C50	Fountain in a park (celebration of Queen's reign)	50	0	0
C51	Tree Management	50	50	0
C52	Culvert Management	50	50	0
	Other			
C21	Hybrid, Remote and Streaming Council Meetings	92	0	0
C5	Changing Places Facility	60	0	0
C4	Microsoft Site Licences	0	140	145
C6	Mastercard Gateway Upgrade	40	0	0
C1	Microsoft M365 Phase 3 - platform to deliver transformation initiatives	150	100	0
C3	Digital innovation and the continued development of ServiceNow	80	100	0
Total		812	487	175

F Cost Pressures

1. These items relate to major adverse issues not included in the cost of Current Level of Service (CCLS).
2. One of the most at risk areas of current funding relates to the New Homes Bonus Grant. (Reduction of £100k 2022/23)

This is a performance reward grant that provides an incentive to stimulate new house building, bring empty homes back into use, and to increase the number of affordable homes.

The grant has been reduced significantly in recent years by Government however it has been reduced by a smaller figure than expected in the provisional Local Government Financial Settlement for 2022/23 which has now been published.


3. Some SORP savings achieved in 2021/22 were one off (£275k) and not applicable to future years, this therefore creates a cost pressure in 2022/23 onwards equivalent to the value of the one off savings achieved in 2021/22 but foregone thereafter.
4. Loss of COVID funding (£599k) which was used to fund existing staffing costs in 2022/23 also creates a cost pressure from 2022/23 onwards.
5. Two material cost pressures traditionally exist which relate to inflation in 2022/23 and are estimated at £485k in total.
 - Salaries pay award estimated at 2% for 2022/23
 - Non Salaries contract inflation estimated at 4% for 2022/23
7. Also transferring assets representing solar panels installed on housing stock to HRA from GRF involves a transfer of £70k of net income from GRA, there are however compensating advantages to GRA in terms of reductions in Minimum Revenue Provision (MRP) exposure.
8. A cost pressure of £231k represents a one year extension of the Leisure Contract with Serco. As in previous years the contract will operate on an open book "No Net Loss, No Net Gain (NNLNNG) arrangement and the financial projections for the year indicate a shortfall on current budgets.
9. A reduction in Retained Business Rates due to the introduction of the Retail Discount 22/23 scheme and reduction in S31 Business Rates Compensation grant

Fig 11:- Budget Gap after Growth Bids & Cost Pressures 2022/23

2022/23 START+GROWTH	2022/23 COST PRESSURES	2022/23 Revised TOTAL
GAP £582k	GAP £3,785k	GAP £4,367k

All figures in £k				
		Yr1	Yr2	Yr3
Ref	Cost Pressure	2022/23	2023/24	2024/25
1	New Homes Bonus Grant	100	395	395
2	non recurring SORP savings achieved in 2021/22	275	275	275
3	Employee Pay awards - 2% p.a.	335	670	1,005
4	Loss of Covid 19 Grant funding	599	200	200
5	Contract Inflation	150	300	450
6	Transfer of Solar Panels on roofs of housing stock to HRA	70	70	70
7	Service Demand - Environmental Services	0	0	180
8	Leisure Contract - 1 yr Contract Extension	231	0	0
9	Retained Business Rates	966	0	0
10	S31 Business Rates Compensation Grant	1,059	0	0
UNKNOWNNS				
COVID Funding levels				
The impact of Brexit				
		3,785	1,910	2,575

Summary of financial impacts of Cost Pressures on starting point of 1st April 2022



Cost Pressures
relating to major adverse issues
which are not included in
the cost of
the Current Level of Service
(CCLS)

G Favourable Anticipated Events

1. A one year Holiday from making revenue contributions to non ring fenced reserves will save £300k in 2022/23.
2. A review of the last 5 years of revenue expenditure reveal that Salary budgets of £16.9m have been consistently underspent by between 5% & 8%.

This is largely due to vacant posts & posts being filled after employees have left. Furthermore reverse incremental drift whereby employees who leave at the top of a salary scale are replaced by new employees at the bottom or lower down the scale contributes to this underspend.

Currently in 2021/22 a vacancy factor of 2.5% (£445k) has been used, in the light of the above research this factor has been lifted to 6%, yielding a further saving of £569k.

3. Council Tax income increases due to repeating the current increased rate of £5 per band D in 2022/23 plus an estimated increase in the Council Tax base of 1.6% generate £340k.
4. Returns from investments in Skelmersdale Town Centre redevelopment and TVD are estimated at £340k in total in 2022/23.
5. The Business Rates multiplier usually increases each year in line with the September RPI (6% this year) and this is expected to yield £341k in 2022/23, in line with the provisional Local Government Settlement.
6. Due to the latest interest rates forecast provided by LINK, a further £100k of interest receivable income is forecast in 2022/23.
7. The Government require that a Minimum Revenue Provision (MRP) must be made in lieu of charging depreciation in GRA revenue accounts.

This is based on an assessment of the Capital Financing Requirement (CFR) of the Council at the start of the accounting year.

A review of the Council's capital activity since 2011/12 has established that the Council has a negative CFR of £1,459k and an over provision of MRP of £524k

Therefore this forecast has assumed a nil level of MRP for the next 3 years (saving £216k pa - excluding any MRP chargeable to projects which will have the charge calculated in project costings

8. Collection Fund surplus / deficit and the use of the s31 Grant - Retail Hospitality & Leisure Payment Holiday 20-21 reserve, total £2,696k due to the statutory 3-year spreading introduced from 2020/21 for Covid related losses.
9. Annex J contains a revised MRP Policy for further information.

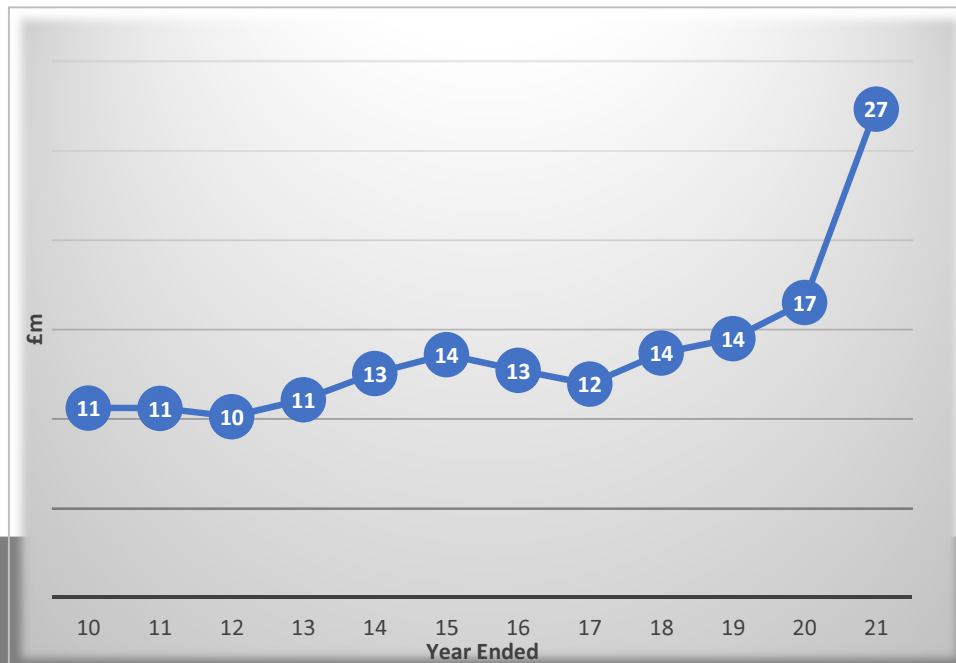
Fig 12:- Budget Headroom after Growth Bids , Cost Pressures & Favourable Events 2022/23

2022/23 START+GROWTH	2022/23 COST PRESSURES	2022/23 FAVOURABLE EVENTS	2022/23 Revised TOTAL
GAP £582k	GAP £3,785k	HEADROOM £5,143k	HEADROOM £776k

Summary of financial impacts of Favourable Anticipated Events on starting point of 1st April 2022

All figures in £k		Yr1	Yr2	Yr3
Ref	Favourable Anticipated Events	2022/23	2023/24	2024/25
1	Initial 1Yr Holiday re Reserves Contributions	300	0	0
2	Employee Costs Vacancy factor increase to 6% from 2.5%	569	569	569
3	Business Rates Multiplier increase RPI - 6% - 4.9% - 4%	341	586	786
4	Return from re-development of Skelmersdale Town Centre	290	272	272
5	Returns from TVDC	50	250	250
6	Minimum Revenue Provision reduction	216	216	216
7	Additional income from increased interest rates	100	100	100
8	Council Tax Increase - 2% without local referendum	189	324	512
9	Changes in the Council Tax Base (growth by 1.6% p.a.)	151	250	375
10	Lower Tier Support Grant	11	0	0
11	New Service Grant (Gov stated this is a one off grant)	230	0	0
12	Collection Fund Surplus/Deficit & Use of s31 Grant - Retail Hospitality & Leisure Payment Holiday 20-21 Reserve	2696	0	0
	UNKNOWNNS			
	COVID Funding levels			
	The impact of Brexit			
		5,143	2,567	3,080

Fig 13:- Level of Reserves 2010 to 2021



H Reserves rationalisation

1. Fig 13 opposite shows the trend in reserves balances since 2010, this demonstrates steady growth in reserves over the period to end 2020 and reflects careful husbandry of Council reserves which places the Council in a strong and resilient financial position.
2. Current reserves, as at 31 March 2021, comprise 23 individual reserve “pots” with balances ranging from £3k to £9,308k.
3. Using such a high number of reserve “pots” runs several risks: -
 - The more “pots” there are the greater the administration required to manage contributions, drawings and financial reporting.
 - Precious resource can become “locked up” in the miscellany of “pots” depriving others of much needed financial resources.
 - Placing monies in a large number of reserves effectively freezes the Council priorities of the day, leaving these monies for long periods untapped effectively petrifies the said Council priorities.
 - Maintaining an infrastructure of reserve “pots” with monies protected from general use or re-evaluation establishes an underground revenue budget which, given the scale of £23.7m of total reserves, is 1.4 times the formal net revenue budget which the Council approves each year.
4. The table opposite shows a rationalisation of these 23 individual reserve “pots” into just 6 reserves, with 4 of these being necessary because of the advisable and/or statutory need to ring fence the “pots” contained.

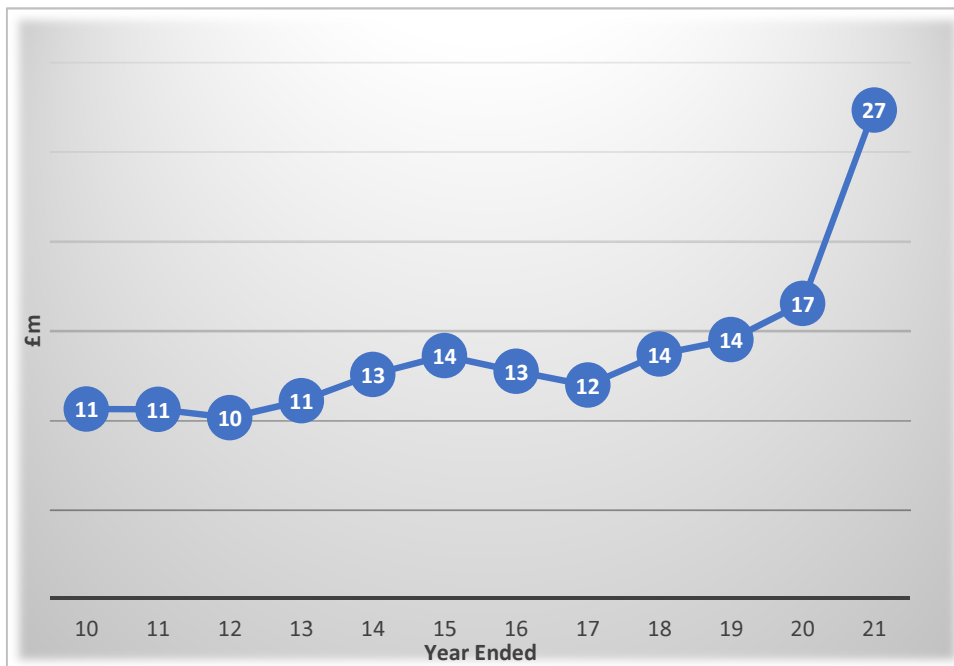
The two remaining reserves relate to: -

- **Core & Contingency Fund - £3m**
These are balances held to cushion the impact of unexpected events or emergencies.

Given the uncertain macroeconomic outlook these reserves are required to be increased from the existing balance of £1,236k.
 - **General Fund - £5.3m**
Non ringfenced fund available to support initiatives from across the Council.
5. The four ring fenced reserves amount to £15.4m with the lion’s share of £9.3m residing in the Community Infrastructure Levy (CIL). The CIL is a charge which is levied by the Council on new development in the Council area and can only be used for infrastructure works (inc Leisure Centres).
 6. The Insurance claim reserve has been reduced to £1m, taking account of the level of recent actuarial valuations with a small contingency added.
 7. The Industrial Portfolio Fund - Langtree Estate sits at £792k and is ringfenced for regeneration purposes.
 8. Finally the s31 Grant - Retail Hospitality & Leisure Payment Holiday 20-21 standing at £4.3m will be utilised to compensate for the holiday from business rates awarded to this sector by Government.

All figures in £k		
RESERVES Balances - post RATIONALISATION		
		31st Mar 2021
Ref	Reserve	2020/21
4B911	Core & Contingency Balances	£3,000
New	General Fund	£5,301
9644	Community Infrastructure Levy (CIL)	£9,308
9429	Provision for Insurance Claims	£1,000
9697	Industrial Portfolio Fund - Langtree Estate	£792
9417	s31 Grant - Retail Hospitality & Leisure Payment Holiday 20-21	£4,332
		£23,733
	Technical Reserves made at Year end (eg certain grants)	£3,603
	Total Reserves as per 2020/21 Statement of Accounts	£27,336

Fig 13:- Level of Reserves 2010 to 2021



I Minimum Revenue Provision (MRP) Policy Statement re Financial Year 2022/23

1. Statutory Guidance on MRP was issued by the Secretary of State, in 2018, under section 21(1A) of the local Government Act 2003 (LGA 2003) - this statement conforms to that guidance.

Unless otherwise mentioned references in brackets refer to sections in this Guidance.

2. An underpinning principle of the local authority financial system is that all capital expenditure has to be financed either from capital receipts, capital grants (or other contributions) or eventually from revenue income.

The broad aim of making a prudent MRP is to require local authorities to put aside revenue, over time, to cover their capital financing requirement (CFR) (s21)

3. The Guidance is fully applicable to accounting periods 2019/20 and afterwards and supersedes all previous Guidance. (s15)
4. This statement regarding MRP policy is required to be made annually by the Council, in respect of the following financial year - in this case 2022/23. (s18)
5. Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended - Local Authorities are required to charge MRP in their revenue account each financial year.

Previous to this, Guidance prescribed formulaic methods which were in force for calculating MRP. However Guidance now stresses that Regulation 28 of the aforementioned Regulations replaces this prescribed approach and grants local authorities “flexibility in how they calculate MRP, providing the calculation is prudent” (s17)

6. The flexibility to calculate a prudent rather than a formulaic MRP charge, liberates the Council to craft an approach to its MRP which best suits its local circumstances and the nature of its own CFR.
7. As the financial analysis opposite of the Council’s CFR history since 2016 and the financing of the CFR (including MRP) demonstrate, the Council’s CFR is dominated by the enforced borrowing which was occasioned in 2012 to finance the end of HRA subsidy arrangements with Government.
8. This Council has pursued an almost debt free approach to financing CFR (otherwise than in 2012) and CFR levels in GRA have been minimal in comparison to the funding utilised from capital receipts, grants and revenue contributions.
9. In fact the closing GRA CFR for 2020/21 is £1,459k negative and since no MRP is required to be charged for HRA CFR (s44) then the Council is not required to make any charge for 2021/22.
10. Furthermore since current MRP is overpaid by £524k (see graphic opposite) no MRP is likely to be provided in the medium term. (s26)

CAPITAL FINANCE REQUIREMENT - all figure in £k	2016/17			2017/18			2018/19		
	GRA	HRA	Total	GRA	HRA	Total	GRA	HRA	Total
Opening balance	-10	99,079	99,069	2,380	99,373	101,753	2,035	99,551	101,586
Property, Plant & Equipment	753	11,047	11,800	774	6,912	7,686	4,397	13,538	17,935
Investment Properties	3,852	0	3,852	0	0	0	0	0	0
Intangible Assets	410	0	410	226	0	226	317	0	317
HRA Self Financing Payment	0	0	0	0	0	0	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Revenue Expenditure funded from Capital under Statute	829	0	829	1,042	0	1,042	1,074	0	1,074
Assets held for Sale	0	0	0	0	0	0	0	0	0
Heritage Assets	0	0	0	0	0	0	9	0	9
Capital Receipts	-1,053	-314	-1,367	-1,021	-234	-1,255	-1,585	-182	-1,767
Grants	-1,035	-34	-1,069	-880	0	-880	-1,301	0	-1,301
Direct Revenue Contributions	-1,042	-10,405	-11,447	-231	-6,500	-6,731	-793	-11,903	-12,696
Internal Borrowing	0	0	0	0	0	0			0
Minimum Revenue Provision (MRP)	-324	0	-324	-255	0	-255	-263	0	-263
Closing balance	2,380	99,373	101,753	2,035	99,551	101,586	3,890	101,004	104,894

CAPITAL FINANCE REQUIREMENT - all figure in £k	2019/20			2020/21		
	GRA	HRA	Total	GRA	HRA	Total
Opening balance	3,890	101,004	104,894	1,506	101,156	102,662
Property, Plant & Equipment	2,001	10,637	12,638	5,679	8,835	14,514
Investment Properties	26	0	26	10	0	10
Intangible Assets	252	0	252	208	0	208
HRA Self Financing Payment	0	0	0	0	0	0
Loans	0	0	0	0	0	0
Revenue Expenditure funded from Capital under Statute	4,052	0	4,052	2,535	0	2,535
Assets held for Sale	0	0	0	5	0	5
Heritage Assets	0	0	0	0	0	0
Capital Receipts	-6,515	-1,058	-7,573	-2,276	-422	-2,698
Grants	-1,735	0	-1,735	-4,205	0	-4,205
Direct Revenue Contributions	-199	-9,427	-9,626	-350	-8,413	-8,763
Internal Borrowing			0			0
Minimum Revenue Provision (MRP)	-266	0	-266	-273	0	-273
Closing balance	1,506	101,156	102,662	2,839	101,156	103,995

Summarised MRP for GRA	£k
CFR opening position 2021/22	2,839
Less: - Capital receipts reserve	- 2,370
Transfer of Solar panels on HRA stock to HRA	- 1,928
CFR revised position 2021/22	- 1,459
MRP Overpayment	£k
after Solar panel transfer	386
re Voluntary set aside (Wheatsheaf)	138
Total overpayment to date	524

I Minimum Revenue Provision (MRP) Policy Statement re Financial Year 2022/23

11. Once the GRA CFR returns to a positive figure at the start of a financial year and any overpaid MRP has been absorbed, then MRP charges will resume in that financial year - effectively this will mean that any new capital expenditure in the previous year will add to the CFR position but capital expended in the current year will not add to the CFR until the following year. (s40)
12. MRP will only be provided on projects once the scheme has been completed and commissioned i.e. not during the construction phase. (41)
13. The MRP on existing and new Commercial Property Investments will be determined following consideration of scheme specific factors and agreed via Council approval and through the annual MRP policy.
14. Where considered applicable, project costings will include any requirement to charge MRP.
15. In regard to general capital expenditure which adds to the CFR, any MRP which requires to be charged will be calculated on the overall CFR balance at the start of the financial year.

This pooled approach is considered the only practical and prudent one, since the CFR at any point in time is an add mix of a miscellany of capital schemes which have historically been completed at least since 2010 in the analysis of CFR carried out opposite and probably for decades before in some instances.

Furthermore any attempts to associate block financing approaches relating to this expenditure with particular, individual schemes is at best arbitrary and capable of distorting the calculated MRP charge.

16. Therefore future MRP charges will be calculated: -
 - 16.1 In the first instance and in relation to projects where the scheme has been completed and commissioned and MRP charges costed into the project costings, MRP will be charged in line with the asset life method whereby MRP charged in a year equals the CFR less any MRP charged to date, divided by the remaining useful life of the project. (s35a)
 - 16.2 In respect of the remaining general capital expenditure the CFR balance at the start of the year (excluding any CFR relating to 16.1) will attract a charge of 2% of the CFR balance in the year of account. (s42)

For the avoidance of doubt charges under 16.2 will only be made in a particular year whereby either the CFR (excluding new projects) is positive and when insufficient overpaid MRP is available to negate the charge due.

CAPITAL FINANCE REQUIREMENT - all figure in £k	2013/14			2014/15			2015/16		
	GRA	HRA	Total	GRA	HRA	Total	GRA	HRA	Total
Opening balance	1,198	92,609	93,807	-1,721	94,998	93,277	-1,612	95,893	94,281
Property, Plant & Equipment	1,533	12,102	13,635	883	10,315	11,198	3,694	12,317	16,011
Investment Properties	0	0	0	10		10	0	0	0
Intangible Assets	120	0	120	102		102	216	0	216
HRA Self Financing Payment	0	0	0			0	0	0	0
Loans	0	0	0			0	0	0	0
Revenue Expenditure funded from Capital under Statute	1,068	0	1,068	1,560		1,560	1,297	0	1,297
Assets held for Sale	30	0	30	0		0	0	0	0
Heritage Assets	48	0	48	2		2	1	0	1
Capital Receipts	-1,117	-43	-1,160	-1,299	-281	-1,580	-1,127	-98	-1,225
Grants	-988	0	-988	-714	-376	-1,090	-902	-260	-1,162
Direct Revenue Contributions	-3,311	-9,670	-12,981	-143	-8,763	-8,906	-1,241	-8,773	-10,014
Internal Borrowing	0	0	0			0	0	0	0
Minimum Revenue Provision (MRP)	-302	0	-302	-292	0	-292	-336		-336
Closing balance	-1,721	94,998	93,277	-1,612	95,893	94,281	-10	99,079	99,069

CAPITAL FINANCE REQUIREMENT - all figure in £k	2010/11			2011/12			2012/13		
	GRA	HRA	Total	GRA	HRA	Total	GRA	HRA	Total
Opening balance	530	4,770	5,300	1,011	4,589	5,600	1,892	92,623	94,515
Property, Plant & Equipment	1,084	6,264	7,348	2,044	5,259	7,303	1,133	6,760	7,893
Investment Properties	0	0	0	0	0	0	0	0	0
Intangible Assets	82	29	111	87	0	87	18	0	18
HRA Self Financing Payment	0	0	0	0	88,212	88,212	0	0	0
Loans	0	0	0	0	0	0	0	0	0
Revenue Expenditure funded from Capital under Statute	1,033	0	1,033	1,588	0	1,588	2,102	0	2,102
Assets held for Sale									
Heritage Assets									
Capital Receipts	-800	-551	-1,351	-1,299	-547	-1,846	-1,280	-5	-1,285
Grants	-300	-1,660	-1,960	-1,135	-958	-2,093	-2,073	-139	-2,212
Direct Revenue Contributions	-592	-4,150	-4,742	-249	-3,932	-4,181	-114	-6,630	-6,744
Internal Borrowing	0	0	0	0	0	0	0	0	0
Minimum Revenue Provision (MRP)	-26	-113	-139	-155	0	-155	-480	0	-480
Closing balance	1,011	4,589	5,600	1,892	92,623	94,515	1,198	92,609	93,807

Annex J Financial Control Policy

1. Given the challenging financial outlook facing the Council over the short and medium term this report needs to put in place robust arrangements to assure financial control is exerted.
2. The principal mechanism for securing authority to incur Revenue and Capital finance, be it income or expenditure, must continue to be securing the approval of elected members via the presentation, annually, of a Revenue Budget for the upcoming financial year of account.

In a similar manner the principal mechanism for securing approval for capital should be by the annual presentation of a 3-year capital programme for approval

These annual submissions are expected to form the major bids for resources presented for elected member approval and will be prepared by the s151 Officer of the Council.

3. There will also be occasions, throughout the financial year, when significant, project based proposals with material financial consequences require approval.

These project based proposals should be fully costed and approved by the s151 Officer of the Council in terms of their financial implications.

A feature of such proposals may well be that they span several years, involve substantial financial commitments and involve both capital and revenue financial implications.

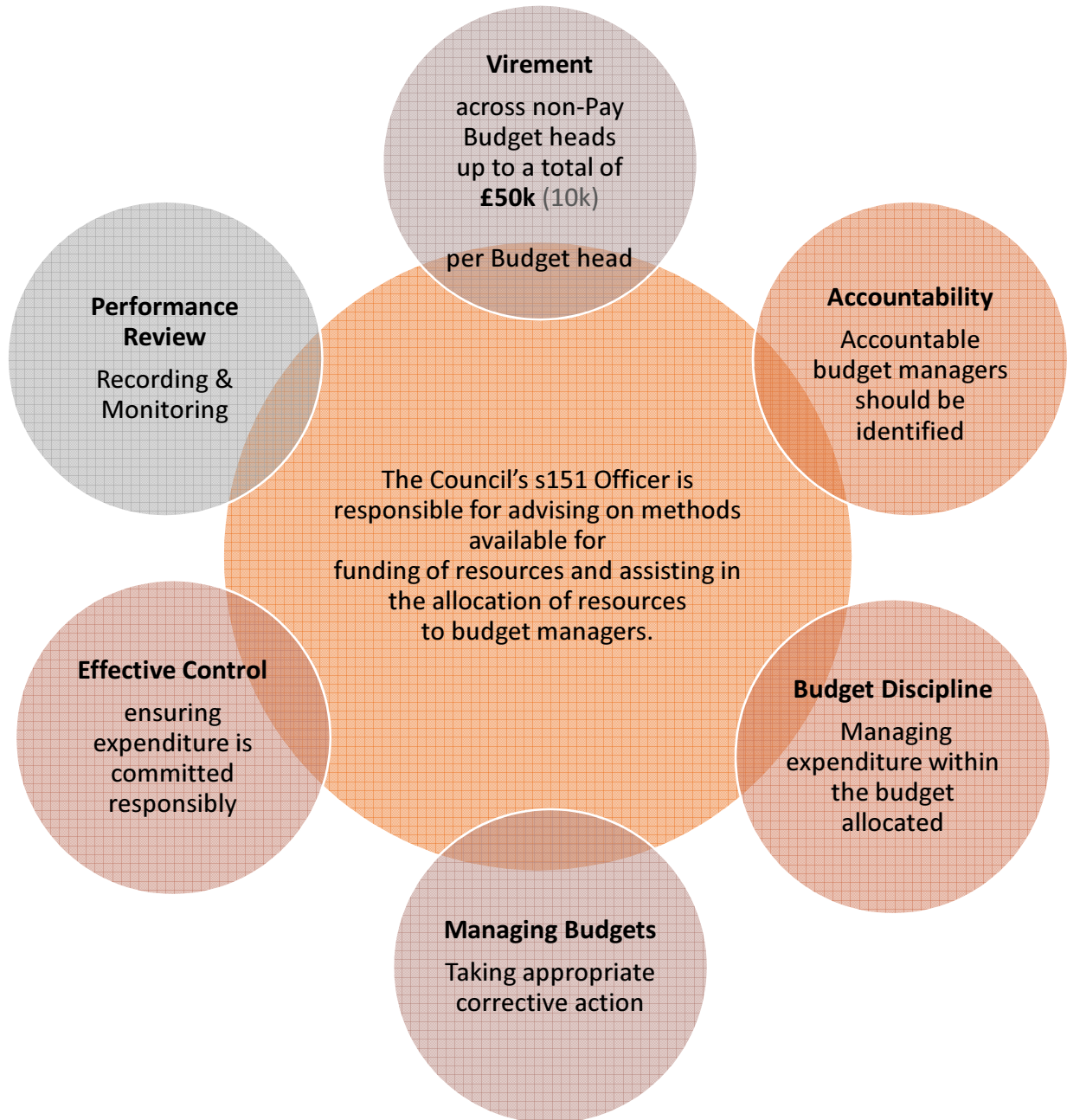
4. The practice of submitting reports to elected members to gain approval to address ad-hoc budget pressures in year should be resisted if at all possible since drip feeding budget approval in this manner undermines the Annual Revenue/Capital approval mechanisms. A good alternative is to consider exercising virement to fund ad hoc pressures - whatever the chosen route any bid for resource will require the approval of the Council's s151 Officer.
5. The beauty of the major annual approval mechanisms is that they enable a strategic consideration of budget priorities as well as the quantum for which approval is sought, not a one-off parochial consideration.
6. The financial control environment applicable to Reserves is available at Annex D.
7. Financial resources are also secured on an ad-hoc basis throughout the financial year without seeking explicit approval from elected member via an officer only process of issuing a signed Record of Decision (ROD). This procedure requires the signature of the Council's s151 officer.

In order to assist transparency and financial control these ROD's should be reported to each cycle of the Audit & Governance Committee throughout the year.

8. s4.17 of the Council's constitution provides for charges to be remitted or debts to be written off (up to £5k per item) in consultation with the Council's s151 officer.

These items should also be reported to each cycle of the Audit & Governance Committee.

Budgeting Control Environment



Annex K Sales, Fees & Charges Policy

1. The existing Policy was devised in 2012 and is now updated by this revised Policy.
2. Fees and charges represent an important source of income for the Council and their sound management is a fundamental aspect of good financial performance and a key contribution to the achievement of corporate priorities.
3. This policy document sets out a corporate framework within which fees and charges for Council services are to be established and reviewed so that there is a properly considered, consistent and informed approach across all areas that secures the delivery of value for money services and minimises the net cost of services.
4. The development and maintenance of a fees and charges policy will deliver a number of benefits including:
 - Providing a better understanding for Members and the public on the charging policies adopted by the Council
 - Aiding the budget setting process each year
 - Ensuring a consistent, structured and fair approach is adopted across the Council in the setting of fees and charges
 - Ensuring compliance with any statutory guidance and legislation in relation to the setting of fees and charges
 - Ensuring that the purpose, demand and value of services provided are regularly reviewed
 - Ensuring charges levied support the Council's corporate priorities, contribute to service improvement and minimise the net cost of services where possible.
5. This Policy sets out a principle that basic universal services should be provided free at the point of use with appropriate charges for additional services in order to maintain their sustainability into the longer term.
6. Local authorities are able to charge as they choose for certain discretionary services provided they are not prohibited by specific legislation and they do not make a profit. The intention of these general charging powers is to encourage authorities to offer those sorts of services they would otherwise decide not to provide because they cannot afford to supply them.
7. The Council's approach and policy on charging should be clearly communicated to the public along with why it is appropriate to maintain, introduce or increase charges. The views of service users should also be considered in setting fees and charges.
8. Reasonable notice should be given to service users before any new charge is implemented and all charges should be transparent. Where possible, large fluctuations in charges should be avoided.

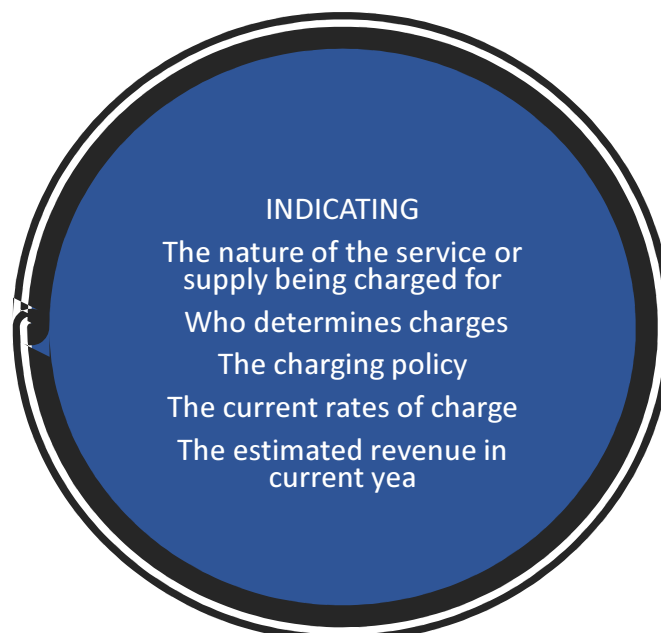
9. Fee setting should have due regard to current VAT regulations. As a general principle, fees and charges should be updated to take account of any changes in VAT rates unless it is not practicable and feasible to do so.
10. When setting fees and charges, consideration must be given to the cost of collecting and enforcing debt with advance payment or direct debit being the Council's preferred method of collection. Charges should be collected in a simple and cost effective manner. Where charges are to be collected after service delivery has commenced, invoices should be issued promptly and where necessary appropriate recovery procedures followed.
11. Income derived from charging will be used to offset the costs of providing the service being charged for, including support service costs. Where a surplus over budget is generated from charges that are not specifically ring fenced for that activity, then this will be considered as a corporate resource to be used in accordance with the Council's overall priorities.
12. All charges within the Council's control must be reviewed at least annually to fit in with the annual budgeting process and should be increased in line with the Consumer Price Index (CPI). Housing rents and charges will be given separate consideration through the HRA Business Planning process. These reviews should be co-ordinated and monitored by the s151 Officer of the Council but are the responsibility of the appropriate Service Manager to conduct.
13. These general principles are to be applied having regard to the other elements of the Policy.
14. When setting charges the Council must have regard to:
 - regulatory and statutory requirements and any relevant Council strategies or policies (e.g. Equal Opportunities)
 - market conditions and prices charged by competitors and/or other local authorities
 - the need to avoid any potential distortion of the market which might otherwise occur from pricing services below the levels charged by private sector concerns for similar services
 - the need for all charges imposed by the Council to be reasonable and to avoid the exploitation of customers who have no option but to use the Council's services
 - the need to increase Council income
 - Who benefits from the service – individuals or the community?
 - Should this service be subsidised and / or what is the subsidy achieving?
 - How much do residents, communities and businesses value the service?
 - How willing and able are residents and businesses to pay for the service?
 - What effect does charging have on the supply and demand for a service?
 - How can the level of charges affect behaviour and assist service objectives?
15. In establishing and reviewing charging rates and levels, each fee or charge should be identified to one of the categories in the table opposite and the appropriate charging policy adopted.

Annex K Sales, Fees & Charges Policy

15. However, it is recognised that for certain activities there are important exceptions that may make charging inappropriate. These include the following circumstances: -
 - Where the administrative costs associated with making a charge would outweigh any potential income
 - Where making a charge would be contrary to achieving one of the Council's priorities
 - Where charging would be counterproductive i.e. a substantial reduction in the use of a service
 - Where the service in question is delivered to all residents or householders equally and which could, therefore, be considered to be funded from Council tax
17. In some circumstances it may be appropriate to consider offering discounts or concessions in relation to particular activities or customer groups on a basis which is consistent with achieving the Council's overall objectives.
18. Each decision to subsidise certain services should be based on fair, transparent and objective criteria and examined on its merits. Concessions are likely to be more appropriate where Services are attempting to improve well-being, facilitate equal access to services or encourage changes in behaviour.
19. Specific points to consider when establishing or reviewing the level of any discount or concession offered for a particular service include: -
 - Are we benefiting local residents?
 - Can a discount policy contribute to wider policy objectives aimed at maximising access to services from among disadvantaged groups?
 - Is the policy to target specific groups with discounts still valid?
 - To what extent is there evidence that the discount policy is successful in benefiting the target groups?
 - Can the cost of the subsidy be estimated and accommodated within the Council's budget?
 - Are there other groups that should be considered for discounts
20. The Fees and Charges Policy will be reviewed on a regular basis or when required by best practice or legislative change. The policy will be publicly available on the Council's website and hard copies will also be available on request.
21. If there are any significant changes in the course of a year, such as in costs, market forces, unpredicted external factors or service levels, which materially affect current charges and revenues, then that charge should be reviewed.
22. The effects any new charge has on service usage and income must also be closely monitored over the first twelve months by the relevant Manager.

Charging Policy	Policy Objective
Full Commercial	The Council seeks to maximise revenue within an overall objective of generating as large a surplus (or a minimum loss) from this service
Full Commercial with discounts	As above, but with discounted concessions being given to enable disadvantaged groups to access the service
Fair Charging	The Council seeks to maximise income but subject to a defined policy constraint. This could include a commitment made to potential customers on an appropriate fee structure. Alternatively, a full commercial rate may not be determinable or the Council may be a monopoly supplier of services
Cost Recovery	Recovering the costs of providing the service from those who use – "the user pays"
Cost Recovery with discounts	As above but the Council is prepared to subsidise the service to ensure disadvantaged groups have access to the service
Subsidised	Council policy is to make the service widely accessible but believe users of the service should make some contribution from their own resources. Could also be due to the adverse impact a cost recovery or commercial charging policy would have on other Council services.
Nominal	The Council wishes the service to be fully available but sets a charge to discourage frivolous usage.
Statutory	Charges are set in line with legal obligations
Free	Council policy is to make the service fully available

Each Service should maintain a schedule of fees and charges levied.



Annex K Sales, Fees & Charges

1. The table opposite displays the budget for 2019/20, this being the last year on record which was not materially distorted by the National Pandemic.
2. There are two groups of planning fees - Statutory fees are set nationally & Pre-application fees are discretionary fees & set locally.

Overall, these contribute £811k, which is equivalent to 20% of overall fees and charges.

However there is little scope to change these fees since the majority are subject to being set nationally.

There are a number of different areas of licensing fees and charges. They are set out in the table below.

Fee area	Basis for fee setting	2019/20 income
Taxi licensing	Locally set based on a cost recovery model	£108,048.00
Street trading	Locally set based on a cost recovery model	£5,732.00
Animal welfare	Locally set based on a cost recovery model	£16,578.00
Sex establishments	Locally set based on a cost recovery model	£0.00
Scrap metal	Locally set based on a cost recovery model	£1,176.00
Other areas	Locally set based on a cost recovery model	£13,295.00
Gambling	National rates	£10,020.00
Premises	National rates	£67,293.00
Total		£222,142.00

3. Given the economic scarring caused by both the Pandemic and Brexit and the continued problems that are predicted to continue throughout the medium term by the office of Budget Responsibility's latest forecast no increase for sales, fees and charges has been assumed in either the Budget calculations for 2022/23 or the MTFs for the 3 years ending 31st March 2025.

Figure 1: Income from fees and charges 2019/20.

Fee/charge	2019/2020 income
Planning and Planning (pre-application)	£810,914.51
Building Control	£139,122.08
Waste	
• Garden waste	£659,165.46
• Trade Waste	£378,186.67
• Bulky Waste	£81,288.57
• Replacement Bins	£71,000
• Medical Waste	£39,000
• Other sales	£41,000
Licensing	£222,142.00
Pest Control	£36,389.00
Car parking	£676,234.06
Markets	£225,145.92
Land charges	£61,744.00
Homecare Link (not including equipment recharge to Knowsley of £361,292)	£505,073.00
Sports fields, allotments and parks	£38,305.21
Total	£3,984,710

Annex A Principal Assumptions

1. Robustness

The s151 officer of the Council advises the Council, in his statement prefacing this report, that the planned level of usable Reserves is adequate.

This assurance has been based on the robustness of estimate information and a consideration of the risks and challenges facing the Council.

However, assurances regarding the robustness of estimates cannot give a 100% guarantee about the budget

Rather this statement provides a reasonable assurance to the Council that the budget has been based on the best available information and assumptions available at the time.

2. Starting Point 1st April 2022

This point representing £60k of financial headroom is based on the assumption that the current financial year outturn will return a £427k underspend based on the latest financial prognosis.

3. Sales, Fees & Charges

No increase has been assumed for this income in these forecasts.

4. Energy Costs

A contingency of 25% on current budget levels in 2021/22 has been provided given the febrile nature of the energy market.

5. Growth Bids

This report contains both revenue and capital growth bids and the calculations of Budget Gap/(Headroom) made throughout the report assume that all growth bids will be approved.

To the extent that growth bids are not approved then calculated Budget Gap will be reduced / calculated Headroom will be increased.

6. Over programming of Capital

In order to optimise scarce capital receipt financing it is recommended that Capital Programme can be over programmed by a maximum of 20%.

7. Inflation

CPI has been assumed to move in line with the Office of Budget Responsibility's (OBR) October 2021 forecast of an average of 4% for 2022/23 with a reduction to 2.6% in 2023/24 and 2.1% in 2024/25.

As regards budget formulation in 2022/23, 4% has been provided on contract non salary costs and 2% on salary costs themselves with a contingency of 25% on energy costs.

8. Economic Scarring

With OBR forecasting 2% of GDP scarring due to the pandemic and 4% due to Brexit it is expected that general economic conditions will not improve over the 3year MTFS period.

Annex A Principal Assumptions

9. Assumed major target of MTFS

A major target of the MTFS is to grow recurring non-taxation income over the 3yrs to 2025 and this is considered a key performance indicator (KPI) for this strategy.

10. Virement

Virement re Non pay budget heads have been assumed to be increased from £10k to £50k with effect from 1st April 2022.

11. Reserves

The existing 21 reserves totalling £23.7m as at 31st March 2021 have been assume to be rationalised into 6 reserves with the effect from 1st April 2022.

12. Moratorium on Reserves

The practice of making contributions to reserves has been suspended for the financial year 2022/23.

13. Risks associated with multiple reserve “pots”

It is assumed that the following risks exist when utilising numerous reserve “pots:-

The more “pots” there are the greater the administration required to manage contributions, drawings and financial reporting.

- Precious resource can become “locked up” in the miscellany of “pots” depriving others of much needed financial resources.
- Placing monies in a large number of reserves effectively freezes the Council priorities of the day, leaving these monies for long periods untapped effectively petrifies the said Council priorities.
- Maintaining an infrastructure of reserve “pots” with monies protected from general use or re-evaluation establishes an underground revenue budget which, given the scale of £23.7m of total reserves, is 1.4 times the formal net revenue budget which the Council approves each year.

14. Flexibility in calculating Minimum Revenue Provision (MRP)

Previously MRP calculation was formulaic however Guidance (2018) stresses that Regulation 28 of the Local Authorities (Capital Finance & Accounting) (England) Regulations 2003 as amended replaces this prescribed approach and grants local authorities “flexibility in how they calculate MRP, providing the calculation is prudent”.

The treatment of MRP in this report follows this guidance.

Annex B Revenue budget 2022/23 by Service Area

1. The Cost of the Current Level of Service (CCLS) has reduced in the Budget for 22/23 from the previous year.

This is largely due to implementation of a one year moratorium on making contributions to reserves and the introduction of a 6% vacancy factor (from the current level of 2.5%) which together have more than compensated for anticipated inflationary pressures in 2022/23.

2. The 22/23 Budget will be increased in line with any approved Growth and this section has assumed all Growth will be accepted, this minimises the calculated Headroom left for utilisation.

It should be noted that Headroom will be increased to the extent that Growth items are not approved.

3. Given the major increases in power charges inflation a separate contingency has been taken out which provides for a 25% increase in prices over the Budget year 22/23, based on 21/22 Budget levels.
4. Therefore summing CCLS, Growth Bids and the Power prices Contingency, Net expenditure for the Budget year 2022/23 has increased by 3.82% from the previous year, 2021/22.
5. This reflects tight control of the budget process to ensure all growth is alienated from the CCLS and to achieve consistent increases across the Authority for both Salary inflation (2%) and Non Salary inflation where contracts so provide (4%).

Budget Comparison		£k	£k	£k
3 Yrs ending 31st March 2023		2020-21	2021-22	2022-23
1	Net Expenditure			
2	Cost of Current Level of Service	16,505	16,004	17,137
3	Growth			642
4	Contingency for Power Costs (25% of 2021/22 Budget)			175
5	TOTAL Net Expenditure	16,505	16,004	17,954
	Net Financing			
6	Council Tax Requirement	7,498	7,678	8,227
7	Business Rates Income & Grants	4,920	5,495	5,541
8	Capital Charges	1,369	1,369	1,590
9	Government Grants	886	802	1,083
10	Reserves	1,330	394	1,465
11	Treasury Management	379	379	479
12	Council Tax Surplus	123	- 113	-
13	TOTAL Net Financing	16,505	16,004	18,385
14	Budget Gap/(Headroom)	-	-	- 431

Annex C Capital Programme

1. This section sets out details of the proposed GRA medium term capital programme position for the next 3 years.
2. The Council has a medium-term rolling capital programme, which is reviewed and updated on a regular basis. As part of the budget setting process, a programme covering the next three years will need to be agreed by Council at its meeting on 23rd February 2022.
3. The main source of Council funding available to support the general capital programme are receipts from the sale of assets, and at the start of this financial year there were £1.081m of receipts being held for this purpose.

The number and value of assets sold each year can vary significantly depending on a range of factors. In particular Council House sales under Right to Buy (RTB) legislation can be volatile depending on the state of the economy and changes in government rules.
4. Table 1 opposite shows details of sales by number and value in recent years. Part of the proceeds from the sale of Council Houses must be repaid to the Government, and the usable sale proceeds shown below reflect the amount available for new capital spending after taking these payments into account.
5. In addition to the funding shown opposite the Council is also able to retain a further share of the proceeds from RTB sales under government regulations in relation to an "Allowable Debt" factor. It is estimated that this should enable new spending of £2.8m over the next 4 years in addition to the figures shown above.
6. Taking all of these factors into account, it is anticipated that there will be capital receipts of £5.06m generated over the 4 year period 2021-2022 to 2024-25 that will be available to fund new capital expenditure.
7. These projections are potentially subject to significant variation as, for example, a single large asset sale could produce a large receipt and the level of future house sales is difficult to predict.
8. However, in looking at medium term financial plans it is best practice to use a prudent approach when estimating future available resources. The assumptions underlying these projections will be reviewed on a regular basis to ensure they take account of new developments.

Table 1 – Asset Sale Proceeds

Year	Number of Sales		Usable Sale proceeds £k	
	Council Houses	Other Assets	Council Houses	Other Assets
	2010/11	18	2	226
2011/12	10	0	123	0
2012/13	25	3	240	102
2013/14	48	4	307	29
2014/15	35	4	300	273
2015/16	57	5	338	142
2016/17	81	6	329	174
2017/18	73	1	332	9
2018/19	57	3	339	103
2019/20	56	2	339	8
2020/21	28	2	395	274

Based on recent trends and projecting forward on a prudent basis it is anticipated that there will be receipts of £0.96m generated from an estimated 200 RTB Council House sales over the next 4 years, as well as approximately £1.3m of receipts from land sales.

Annex C Capital Programme

9. The Council's current 3 year programme covers the period 2021/2022 to 2023/2024. Consequently, in addition to current year budgets there are also indicative spending approvals in place for the following two years.
10. It should be recognised, however, that as we operate a medium term capital programme, approvals that have been given for future years are indicative allocations only that are potentially subject to change.
11. The current value of spending approvals to be funded from capital receipts is £5.305m, which is analysed in Table 2 opposite. In addition to the existing scheme approvals it is our normal practice in developing the rolling medium term programme to include provisional allocations for the next year of the programme (in this case 2023/2024).
12. Consequently, Table 2 also contains provisional allocations of £0.424m for ongoing capital schemes which typically receive funding each year.
13. Table 3 below summarises the current position in terms of estimated capital receipt funding and spending requirements. The bottom line position is that there is £6422k available over the programme period. This funding position is before any consideration is given to potential new capital schemes that may be identified by Heads of Service, or which may be put forward by Members.

Table 3 - General Capital Receipts Funding Available	£000
Usable capital receipts held in April 2021	1,081
Estimate of receipts that will be generated between April 2020 and the end of the 2023/2024 financial year	5,060
Existing spending approvals covering period 2021/2022 – 2023/2024	-5,499
Total Funding Available for new schemes	642
Provisional spending approvals for 2023/2024	424

There are a number of options that can be considered to realign and update the programme. Members will need to carefully consider what proposals to include in the final budget to meet corporate and service objectives but also to ensure a balanced overall financial position.

Table 2 - CAPITAL EXPENDITURE PROGRAMME APPROVALS				All figures in £k	
SERVICE AND SCHEME	2020/21	2021/22	2022/23	Total	Provisional 2023/24
	Finance Procurement & Commercial Services				
Parish Capital Schemes	45	30	30	105	30
Civica Financials - Making Tax Digital	26	0	0	26	0
Culvert Debris Screens	2	0	0	2	0
Economic Regeneration Programme	5	0	0	5	0
Wellbeing & Leisure	0	0	0	0	0
Leisure Essential Works	44	0	0	44	0
Burscough Sports Centre	321	0	0	321	0
Green Lane Rugby Car Park	21	0	0	21	0
Chapel Gallery Phase 3	10	0	0	10	0
WL Play Strategy Improvements	260	99	78	437	30
Nye Bevan Pool Building Works	9	0	0	9	0
Park Pool Building Works	13	0	0	13	0
Allotment Improvements	6	0	0	6	0
Whittle Drive Playing Fields	37	0	0	37	0
Environmental Services	0	0	0	0	0
Purchase of Vehicles	6	40	0	46	0
HAZ bid for OrmskirkTown Centre	0	0	145	145	0
Purchase of Wheelie Bins	2	55	0	57	0
Expand In Cab System	0	4	0	4	0
Waste Collection Projects	0	1	0	1	0
Litter Bin Policy Review (Cabinet November 2019)	10	5	5	20	0
Replacement Vehicle Wash	21	0	0	21	0
Street Cleansing Tools	0	10	0	10	0
Updated Weighbridge Software	5	0	0	5	0
Growth and Development	0	0	0	0	0
Moor Street Phase 2	3	174	0	177	0
Alder Lane/Bramble Way Landfill, Site upgrade and replace	75	0	0	75	0
Free Trees	0	14	6	20	0
Conservation Area Enhancement	0	15	0	15	0
Preservation of Buildings at Risk	2	0	0	2	0
Skelmersdale Vision	0	11	0	11	0
Mill Dam Lane	3	0	0	3	0
Abbey Lake Quarry	20	0	0	20	0
Skelmersdale Gateway Improvements	50	0	0	50	0
Wheatsheaf Walks	0	29	0	29	0
Affordable housing	0	247	0	247	0
Housing and Regulatory Services	0	0	0	0	0
Corporate Property Investment Programme	164	164	164	492	164
Derby Street works to allow staff relocation following SORP	55	0	0	55	0
Building Compliance on Commercial Property	20	20	20	60	0
Project Management Leisure Buildings	61	0	0	61	0
Stanley Depot	39	0	0	39	0
Public Buildings Regulations & Upgrades	251	0	0	251	0
Project Management Public Buildings	20	0	0	20	0
Derby Street	343	0	0	343	0
M3PP System Replacement	0	40	0	40	0
Housing Renewal Grants	100	50	50	200	50
Disabled Facilities Grants	100	0	0	100	0
CCTV	134	120	0	254	0
Electric Vehicle Charge Point Network Extension	20	0	0	20	0
Corporate and Customer Services	0	0	0	0	0
I C T Infrastructure	50	50	50	150	50
ICT Development Programme	110	100	100	310	100
Increase in ICT Development Budget from 100k to 200k pa	200	100	100	400	0
Website	0	20	0	20	0
Egress Secure Email & File Transfer	11	0	0	11	0
CRM System	1	71	0	72	0
Invest to Save Digital Services	59	0	0	59	0
Etarmis System	0	17	0	17	0
Right Kit Right Role Right Refresh - support agile working	129	25	0	154	0
Digital Transformation - Implementation of IT Strategy	400	0	0	400	0
Less HRA funding for Strategy	-200	0	0	-200	0
Microsoft Enterprise Site Licence	35	35	35	105	0
ICT Upgrades	20	20	20	60	0
IDOX ERDM System	12	0	0	12	0
Total Programme	3,130	1,566	803	5,499	424

Annex C Capital Programme

14. There are a number of factors that can be considered through this process including: -

The Council has been very successful in attracting external capital investment over many years, and further opportunities should be considered

- The priority that is attached to the potential new capital schemes that may be identified through the budget process
 - The need for investment in IT to provide more effective and efficient services.
 - Reviewing existing spending approvals to assess whether they are still relevant and appropriate
 - Prudential borrowing could be assessed as a mean of providing additional capital resources.
 - The scope to develop new capital schemes funded through Section 106 Agreements or Community Infrastructure Levies which are subject to separate Processes.
 - The potential financing requirements of the new Development Company and the Skelmersdale Town Centre Redevelopment, which have been the subject of separate Committee reports.
 - The capital investment that will need to be made to ensure the successful implementation of the Sustainable Organisation Review.
15. Officers will work with each Political Group during the budget process to review the available options. The Council meeting on 23rd February will then provide an opportunity for each Political Group to put forward proposals to produce a balanced capital programme.
16. 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 a proper strategy in this area ensures that the capital base can shape the future direction of the Council.
17. The level of capital receipts generated by asset sales is a significant risk to the future development of the programme. If receipts exceed the projections contained in this report, it would enable additional schemes to be developed. However, if receipts are below the projections, it may require reductions to be made.
18. Some of the Capital Schemes will enhance the Health and Wellbeing of residents with the management of the delivery being assured via the reporting mechanism.

Growth Bids - CAPITAL

All figures in £k

Ref	Growth Bid	Yr1	Yr2	Yr3
		2022/23	2023/24	2024/25
	Invest to Save			
C12	Civica - upgrade of processing facilities - Phases 1-4 inclusive	140	0	0
	Environment			
C7	Purchase Glutton Urban Vacuum Cleaner	20	0	0
C8	Becconsall Closed Church Yard	30	0	0
C9	Litter Bin Policy	50	47	30
C50	Fountain in a park (celebration of Queen's reign)	50	0	0
C51	Tree Management	50	50	0
C52	Culvert Management	50	50	0
	Other			
C21	Hybrid, Remote and Streaming Council Meetings	92	0	0
C5	Changing Places Facility	60	0	0
C4	Microsoft Site Licences	0	140	145
C6	Mastercard Gateway Upgrade	40	0	0
C1	Microsoft M365 Phase 3 - platform to deliver transformation initiatives	150	100	0
C3	Digital innovation and the continued development of ServiceNow	80	100	0
Total		812	487	175

The above 13 growth bids for capital will add to the 3-year capital programme if approved.

Annex D Reserves - Existing Position

The Table opposite lists the existing 21 reserves totalling £23.7m as at 31st March 2021. These reserves have been rationalised into 6 reserves which are discussed at section H of this report.

REVISED Reserves Protocol

1. Details for each GRA reserve held by the Council are set out at section H and replicated below.
2. Each reserve is managed and controlled by the s151 Officer of the Council who will act as the responsible officer for the reserve.
3. The responsible officer can authorise amounts, commensurate with the current limit for RoD actions, to be taken from a reserve provided that its use is in line with the stated purpose of the reserve.
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.
5. 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.
6. Balances represent unallocated funds which have not been earmarked and consequently are available to support any service area..
7. The values shown at section H for each reserve reflect their current position as at 31st March 2021.
8. 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.

All figures in £k		
RESERVES Balances - post RATIONALISATION		
		31st Mar 2021
Ref	Reserve	2020/21
4B911	Core & Contingency Balances	£3,000
New	General Fund	£5,301
9644	Community Infrastructure Levy (CIL)	£9,308
9429	Provision for Insurance Claims	£1,000
9697	Industrial Portfolio Fund - Langtree Estate	£792
9417	s31 Grant - Retail Hospitality & Leisure Payment Holiday 20-21	£4,332
		£23,733
	Technical Reserves made at Year end (eg certain grants)	£3,603
	Total Reserves as per 2020/21 Statement of Accounts	£27,336

Reserve		Actual 2020/21
1	4B911: GENERAL FUND BALANCE (CC:- 9200 GRF Balance)	960,242
2	9186: SORP / POLICY OPTIONS RESERVE	172,092
3	9189: MAJOR PROJECTS RESERVE	406,377
4	9196: BUDGET AND EFFICIENCY SAVINGS RESERVE	836,496
5	9415: BENEFITS EQUALISATION RESERVE	847,070
6	9416: STRATEGIC INVESTMENT RESERVE	612,875
7	9417: BUSINESS RATES EQUALISATION RESERVE	6,357,848
8	9633: PLANNING INCOME EQUALISATION RESERVE	314,150
9	INSURANCE FUND	2,090,168
10	9694: CRA -R & R FUND	221,545
11	9687: SOLAR PV INCOME RESERVE	221,404
12	9637: P&D MACHINE REPLACEMENT FUND	24,047
14	9697: IND.PORTFOLIO - FUND	792,269
15	9699: INVESTMENT CENTRE RESERVE	298,020
16	9690: INVESTMENT CENTRE UTILITY RESERVE	30,000
17	9644: COMMUNITY INFRASTRUCTURE LEVY	9,308,291
18	9355: INTERNAL PROVISIONS	19,500
19	9630: PLANNING POLICY & ENGINEERS	175,676
20	9465: HSG GRA - GENERAL RESERVE	3,000
21	9696: R & P RESERVE	41,738
Total GRA balances and reserves		23,732,808

Annex E Risk Analysis

1. The diagram opposite presents the risk map of this budget for 2022/23.
2. The continued reliance the Council has (and is expected to have for some time) to centrally managed taxation as its prime source of taxation forms the greatest risk which the Council has to face in the medium term.
3. Clearly the chosen coping mechanism of seeking to increase other income is a potent mechanism only if material amounts of income are attracted in the forecast period.
4. Unfortunately the difficulty in generating such income depends heavily on the financial capability of the Council to generate a financial environment which is conducive to generating income - and this is limited given the dependence on centrally controlled taxation.
5. Thus generating income itself is considered a high risk aspect of this budget.
6. Energy costs are febrile and it is very difficult to estimate just how much they can be anticipated to increase in 2022/23, however a 25% contingency on 2021/22 costs has been created in the Budget and this should provide a degree of management of the risk.
7. General inflation also, but to a lesser extent than Energy costs, is rising steeply and this could well create a significant threat to the budgeted position.
8. Economic scarring is estimated at 6% of GDP however the economy is now under threat from inflation and potentially increasing interest rates therefore the assumption that the economy may continue to struggle as a result of the pandemic and Brexit is an assumption that is more likely to darken than lighten over the forecast period.
9. Loss of Financial Control is an ever present threat to complex financial environments and vigilance is of great importance during the financial year ahead if the budget is to be controlled as cost pressures emerge.
10. Given the inadequate level of capital receipts anticipated during the forecast period there is a possibility that any over programming exercised with the capital programme may result in subsequent borrowing to make up any financing shortfall. This will need to be monitored carefully throughout the like of the capital programme.

2022/23 - Budget Risk Map

Severity	Catastrophic			Loss of Financial Control		Reliance on Taxation
	Major	Deterioration of Reserve levels	Not Robust	Not growing Income	General Inflation	Energy Costs
	Moderate		Starting Point	Capital Over Programming	Economic Scarring	
	Minor		Poor Tax Collection	MRP Costs Escalation		
	Insignificant				Falling Demand re charged for services	
		Rare	Unlikely	Possible	Likely	Almost Certain
Probability						

	LOW
	MODERATE
	HIGH
	EXTREME



VISION

West Lancashire together, the place of choice to live, work, visit and invest

OUR PRIORITIES

CREATE
EMPOWERED,
ENGAGED AND
INCLUSIVE
COMMUNITIES

SUPPORT
BUSINESSES TO
ADAPT AND
PROSPER

BECOME A
GREENER
WEST LANCASHIRE

BE A FINANCIALLY
SUSTAINABLE
COUNCIL BY 2023

A CLEAN, SAFE
ENVIRONMENT
WITH AFFORDABLE
HOMES TO BUY
OR RENT FOR
EVERYONE IN
WEST LANCASHIRE

EVERYONE
TO BE
HEALTHY, HAPPY,
SAFE AND
RESILIENT

EVERYONE TO BE PROUD OF THEIR COUNCIL

75 **DRAFT REVENUE & CAPITAL PROGRAMME BUDGET**

Consideration was given to the report of the Head of Finance, Procurement and Financial Services as contained on pages 1415 to 1470 of the Book of Reports as set out at Appendix A of this report, the Medium -Term Financial Strategy (MTFS) for the 3 years ending 31st March 2025, together with the Revenue Budget for 2022/23 and the Capital Programme for the 3 years ending 31st March 2025.

The Interim Corporate Finance Manager provided an overview of the report referring to details set down within it.

Comments and questions were raised in respect of the following:

- Growth bids
- Cost pressures
- Anticipated favourable events
- Return from re-development of Skelmersdale Town Centre
- 2% pay award - estimate using Government forecast
- "Economic scaring" to Brexit (4% GDP) and Covid (2% GDP)
- Returns from TVD £250,000 from medium term forecast – the report does not state we are putting in £400,000 in share capital. TVD making a loss - would like to have seen a comment as a footnote in report (The Interim Corporate Finance Manager Informed Members that the classic measure is the yield - which shows a very good return for TVD and STC. He made an undertaking to consult with the Head of Finance, Procurement and Commercial Services in respect of details to be included for information and transparency in future reports)
- 'Holiday' on Reserves
- Sales, Fees and Charges policy - contradiction in respect of Planning Service Review report which states no intention to increase planning fees, perhaps reconsider, as this report suggests otherwise.

The Portfolio Holder for Resources and Transformation informed that a "great deal of effort had been put into the budget by Officers, including a 'deep dive' over the last ten years to look at assumptions as well as figures. He also explained that getting rid of the budget gap was due to SORP primarily. He also informed that we are awaiting the Government Fair Funding Review, and although we are in a much better position, we still have difficult times ahead".

RESOLVED: That the report be considered and noted and be presented to Cabinet on 25 January 2022 and Council on 23 February 2022 for their consideration.

(Note 1: The Chairman thanked Councillor Yates, Portfolio Holder for Resources and Transformation for his attendance)

(Note 2: Councillor Yates, Portfolio Holder for Resources and Transformation

thanked the Chairman for the invite and left the meeting at the conclusion of this item)

MINUTE OF CABINET – 25 JANUARY 2022

67 DRAFT REVENUE & CAPITAL PROGRAMME BUDGET

Councillor Yates introduced the report of the Head of Finance, Procurement and Commercial Services, which set out the Medium Term Financial Strategy (MTFS) for the 3 years ending 31st March 2025, together with the Revenue Budget for 2022/23 and the Capital Programme for the 3 years ending 31st March 2025, attached at appendix A.

The Minute of the Executive Overview and Scrutiny Committee held on 13 January 2022 had been circulated prior to the meeting.

In reaching the decision below, Cabinet considered the details set out in the report before it and the reasons contained therein.

RESOLVED: That the report be noted.



COUNCIL: 23 February 2022

Report of: Corporate Director of Transformation & Resources

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

SUBJECT: DETERMINATION OF COUNCIL TAX 2022/23

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 2022/23.

2.0 RECOMMENDATIONS

- 2.1 That it be noted that on the xx January 2022, the Borough Treasurer declared the Council Tax Base amounts set out in Appendix A for the financial year 2022/23 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 2.2 That the Budget for the Council's own purposes for 2022/23 (excluding parish precepts) be set at £13,857,983 in accordance with the earlier Budget Requirement report.

2.3 That the following amounts be now calculated by the Council for the financial year 2022/2023 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 xx (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 2022/2023.
- 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 xx (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 2022/2023 for dwellings in those parts of its area to which no special item relates.

g) Part of the Council's area:

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

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 2022/2023 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 2022/2023 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

A	B	C	D	E	F	G	H
£. p	£. p	£. p	£. p	£. p	£. p	£. p	£. p
x	x	x	x	x	x	x	x

- 2.5 That it be noted that for the year 2022/2023 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

A	B	C	D	E	F	G	H
£. p	£. p	£. p	£. p	£. p	£. p	£. p	£. p
x	x	x	x	x	x	x	x

- 2.6 That it be noted that for the year 2022/2023 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

A	B	C	D	E	F	G	H
£. p	£. p	£. p	£. p	£. p	£. p	£. p	£. p
x	x	x	x	x	x	x	x

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 2022/2023 for each of the categories of dwellings shown.

3.0 BACKGROUND

3.1 The earlier report entitled Budget Requirement resulted in the Council setting a Budget Requirement of £xx for 2022/2023. 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 xx January 2022, the estimated balance on the Collection Fund, in respect of Council Tax, as at the 31st March 2022.

4.2 The result of the exercise showed an estimated surplus/deficit of £xx as detailed in Appendix B. This surplus/deficit 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	xx
Combined Fire Authority	xx
Police Authority	xx
County Council	xx
	<hr/>
	xx

4.3 This surplus/deficit has to be taken into account when setting the Council Tax and Budget for 2022/2023.

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 xx 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 2022. This would have an adverse effect on cash flow and the collection rate.
-
-

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 2022/2023

Appendix B Estimated Collection Fund Balance as at 31 March 2022

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

Schedule 2 Council Tax rates payable for each band within the Borough Council's area



COUNCIL: 23 February 2022

Report of: Head of Finance, Procurement and Commercial Services

Relevant Portfolio Holder: Cllr J. Wilkie

Contact for further information: Peter Quick (Extn. 5203)

[\(\[peter.quick@westlancs.gov.uk\]\(mailto:peter.quick@westlancs.gov.uk\)\)](mailto:peter.quick@westlancs.gov.uk)

SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL BUDGET SETTING

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 2022/23.

2.0 RECOMMENDATIONS

- 2.1 That the rent and service charges set within delegated authority, as detailed in sections 4 and 5 of this report, be noted and endorsed.
- 2.2 That the HRA budget be approved, based on the proposals to be presented at the Council meeting by the Housing and Landlord Services portfolio holder.
- 2.3 That the Housing capital budget, approved in February 2021, be noted as continuing.
- 2.4 That, subject to any updated approvals in regard to Tawd Valley Developments, the HRA budgets be added to reflect the HRA share of each phase 2 and phase 3 scheme cost.
- 2.5 That the reserves policy set out in appendix B be approved.

- 2.6 That delegated authority be given to the Director of Transformation and Resources to take all necessary action to implement the decisions of Council.
-

3.0 BACKGROUND

- 3.1 The Council must set a budget for its Housing Revenue Account (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 Covid pandemic has had a substantial operational impact for WLBC during 2020/21 and 2021/22, particularly in relation to the delivery of services and collection of rents. This coincided with the new SORP organisation structures and working methods coming into place from 1 April 2020.
- 3.3 The HRA budget has been the subject of recent reports to Cabinet, Executive Overview and Scrutiny Committee and Landlord Services Committee. These reports identified a draft budget surplus of £320k in 2022/23, 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 In line with our standard practice, the Director of Place & Community will use her delegated authority to increase the majority of tenant rents by 4.1%, (being September CPI of 3.1% plus 1%), from April 2022.
- 4.2 To ensure compliance with the specific rules of the new rent policy and rent standard, a number of specific rules will also be applied to WLBC rents:
- To ensure strict adherence to the maximum rent increase that is allowed of CPI + 1%, all rents with this increase will be rounded down to the nearest penny. The effect in any individual year is negligible and penny differences over time will be corrected each time a property is re-let.
 - Around 1% of properties will have an increase in rent of between 0% and 3.1%, (being September 2021 CPI), rounded down if applicable.
- 4.3 The rent budget is also affected by 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.

5.0 OTHER CHARGES

- 5.1 The general principle applied to service charges is that they should be calculated to ensure that they are sufficient to recover the full cost of service provision. In addition, the Government has advised, but not directed, that it would expect service charge increases to be limited to CPI + 1% unless there is a very clear rationale.
- 5.2 In keeping with this principle, it is proposed to increase the general level of service charges next year by 4.1% (based on the September CPI rate of 3.1% plus 1.0% in line with our standard practice). 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.
- 5.3 There will be a number of exceptions to this general approach including:
- The heating charge for each property in 2022/23 will be calculated based on estimated cost. This means that different charges will apply to different residents. Gas prices have increased significantly in recent months. However; the heating account overall remains in surplus, so increases for most our residents will be limited to 2%, except for around 100 residents who will receive an increase between 0% and 2%, and around 71 residents who will receive an increase of between 2% and 4%
 - Sheltered tenants will see a reduction of £1.22, (after the 4.1% increase), in the charge that relates to Intensive Housing Management for 2022/23. This is because the element of the charge that relates to Home Care Link Services will reduce when the service is passed to New Progress Housing. The overall effect per customer will depend upon the type of sheltered scheme, but in all cases it will be a weekly reduction compared to 2021/22.
 - As in 2021/22, garage rents will be increased by CPI, (3.1%).
- 5.4 The majority of charge categories for the majority of leaseholders will rise by 4.1% in line with tenants; heating will be 2% During 2020/21 and 2021/22 budget setting it was advised that to avoid excessive increases in one year we would phase increases over two or three years in some cases. 2022/23 represents the third year of this phasing in, though review of service charges is an ongoing planned activity. Around 123 leaseholders will however see an overall increase in their bill from phasing in, in excess of 4.1%
- 5.5 In addition, updated buildings insurance fees have been received from our brokers detailing a 10.7% increase, due to market conditions. The annual insurance element is still less than £36 per year in 2022/23.
- 5.6 Overall, 369 leaseholders will see a total increase in excess of 4.1%, due to the factors mentioned above. The average increase for this group is less than £50 per annum.

6.0 REVENUE ESTIMATES

- 6.1 The HRA revenue estimates for 2022/23 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. The summary in 6.2, below, provides a high-level picture consistent with 2021/22 mid-year reporting and makes clear the main assumptions being applied.

6.2

HRA Revenue Estimates Summary 2022/23

Budget Area	2021/22 Budget £000	Mid year Forecast Variance £000	2022/23 Summary £000	Assumptions
Employee Expenses	3,617	-100	4,059	£325k resourcing changes; 2% assumed pay uplift; 1.25% welfare tax/NI.
Void repairs and response repairs	3,504	1,000	4,504	£1m forecast overspend in 21/22 assumed to base. Wates business cases assumed to be refuted.
Other premises costs	3,314	-200	3,512	No contract inflation identified. Electrical testing budget moved from supplies & services.
Transport costs	149	0	162	No contract inflation identified. Modest increase in fleet recharge costs.
Budget contingency	482	-482	260	Returned to base budget contingency amount
Supplies and Services	1,194	-50	1,009	Electrical testing moved to premises related costs
Support Services and internal income (net)	2,927	0	2,643	2% uplift assumed on recharges not yet finalised, pending completion of work.
Loan interest & Contribution towards Repayment	3,407	0	3,419	£3,057k interest – existing debt £362k existing debt repayment set aside

Contributions to capital	7,600	0	7,434	Balancing item
Dwelling rents	-23,260	-25	-24,300	4.1% uplift on the majority of tenant rents. Assumed rtb losses outweighed by new stock from TVD.
Other external income	-2,934	-25	-3,022	Several different income streams that behave in different ways. 4.1% increase to most service charges; 3.1% on garages. Sheltered Intensive Housing Management charge pw reduced
Total	0	118	-320	

7.0 CAPITAL INVESTMENT PROGRAMME

7.1 The Capital Investment Programme for the next seven years is shown in 7.2, below. These are the remaining years from the eight year housing capital programme approved by Council in February 2021. £400k of 2021/22 Walls budget, reprofiled at mid-year into 2022/23 has also been added. The budgets have initially been profiled equally to support resource allocation and contract procurement, Operational changes between years will be reflected in budget adjustments forwards or backwards.

7.2 Capital investment Plan until 2028/29

Scheme	22/23 £000's	23/24 £000's	5 Years 2024-29
Roofing	1,105	1,105	5,519
External Works	833	833	4,165
Kitchens	733	733	3,664
Heating	851	851	4,257
Windows & Doors	448	448	2,241
Electrics	329	329	1,644
Bathrooms	463	463	2,317
Walls	844	444	2,219
Fire Safety Works	101	101	507
Communal Services	133	133	667
Housing Capital Investment Plan	5,840	5,440	27,200 (5,440pa)
Carbon Neutral Dwellings	475		
Salary costs & Professional Fees	600	600	3,000
Disabled Adaptations	502	502	2,510
Contingency	300	300	1,500
Change in Standard for Smoke	300	300	1,500
Environmental Programme	364	200	1,000
Sheltered Housing Upgrades	140	140	700
Lifts	35		
Solar PV Battery Storage	25		
Other Housing Schemes	2,741	2,042	10,210 (2,042pa)
Total Expenditure	8,581	7,482	37,410 (7,482pa)

*Funded from revenue contributions and HRA borrowing

**No contract inflation added

- 7.3 Delivery of Tawd Valley Developments phase one continues, providing additional housing for WLBC tenants. The budget for phase one not used in 2020/21 was reprofiled into 2021/22. Phase one budget for phase one works to be delivered in 2022/23 will be reprofiled at year end, once the 2021/22 outturn position is known. Phase one funding plans were to utilise borrowing as well as Homes England Grants and 141 receipts. If the financial position at the end of 2021/22 supports it, funding may be switched to revenue contributions to avoid the unnecessary use of borrowing.
- 7.4 HRA budget relating to Tawd Valley Developments phases two and three will be in line with the updated and approved TVD business plan values for HRA stock.

8.0 BUDGET PROPOSALS

8.1 In addition to the roll over budget for continuing services, it is important to consider new budget issues and areas for development. The table in 8.2 indicates budget issue that officers have identified and that should be considered as part of the budget process. Members will need to consider these options, plus 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 HRA budget issues

	Budget Issues	2022/23 £000	2023/24 £000	2024/25 £000
	Capital Expenditure			
1	Regeneration project - £9m	1,000	4,000	4,000
2	Abritas upgrade	36	3	
3	Digital screens for Sheltered schemes	12		
	Sub Total	1,048	4,003	4,000
	Revenue Expenditure			
1	Second half of stock condition survey	300		
2	ASB prevention measures	10	10	10
3	Hardship fund - ongoing	10	10	10
	Sub Total	320	20	20
	Total	1,368	4,023	4,020

*revenue policy options will be funded from the HRA (rents)

**capital policy options will be funded by HRA borrowing

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 with its Tenants 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.

11.0 HEALTH AND WELLBEING IMPLICATIONS

11.1 The health and wellbeing implications arising from this report will be dependent on the budget proposals put forward at the Council meeting. Details of any significant implications will be provided at the Council meeting if required.

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 – Reserves Policy

Appendix 1 – HRA Draft Estimates 2022/23

	Employees	Running Expenses	External income	Total Cash	Support Services & Capital Charges	Net budget
Budget 2022/23	£	£	£	£	£	£
General Expenses						
Premises Related Expenses	0	167,890	0	167,890	0	167,890
Bad Debts Provision	0	160,000	0	160,000	0	160,000
Capital Programme Contribution	0	0	0	0	7,433,860	7,433,860
Debt Principal Repayment	0	0	0	0	362,110	362,110
Debt Charges	0	0	0	0	3,056,990	3,056,990
Sub-Total	0	327,890	0	327,890	10,852,960	11,180,850
Supervision, Management, Repairs & Maintenance						
Central Administration	285,310	858,270	-414,220	729,360	2,735,460	3,464,820
Income & Financial Inclusion	666,050	103,770	0	769,820	151,750	921,570
Tenancy Services						
Allocations	278,700	69,250	-90	347,860	10,000	357,860
Estate Management	301,700	303,600	-30	605,270	24,380	629,650
Other Tenancy Services	34,550	228,560	-288,870	-25,760	0	-25,760
Elderley & Disabled Support	304,710	127,150	-588,030	-156,170	88,130	-68,040
Sub-Total	919,660	728,560	-877,020	771,200	122,510	893,710
Property Services						
Property Services Management	750,480	1,096,800	-210	1,847,070	-140,070	1,707,000
Caretakers	407,160	153,420	-41,220	519,360	-43,220	476,140
Maintenance of Grassed Areas	0	869,570	-31,440	838,130	0	838,130
Responsive & Void Repairs	344,910	4,563,140	-58,000	4,850,050	-14,130	4,835,920
Independent Living Premises Costs	239,260	313,360	-745,250	-192,630	148,270	-44,360
Planned Maintenance	446,300	432,570	-3,780	875,090	-316,880	558,210
Sub-Total	2,188,110	7,428,860	-879,900	8,737,070	-366,030	8,371,040
General Income						
Customer & Client Receipts	0	0	-25,150,990	-25,150,990	0	-25,150,990
Interest	0	0	0	0	-1,000	-1,000
Sub-Total	0	0	-25,150,990	-25,150,990	-1,000	-25,151,990
Transfers to/from Reserves	0	0	0	0	0	0
Grand Total	4,059,130	9,447,350	-27,322,130	-13,815,650	13,495,650	-320,000

*Independent living premises costs have been moved from Tenancy Services to Property Services, reflecting management of the budget. The budget for Elderley & Disabled support remains in Tenancy Services.

Budget 2021/22	Employees £	Running Expenses £	External income £	Total Cash £	Support Services & Capital Charges £	Net budget £
General Expenses						
Premises Related Expenses	0	167,890	0	167,890	0	167,890
Bad Debts Provision	0	160,000	0	160,000	0	160,000
Capital Programme Contribution	0	0	0	0	7,550,000	7,550,000
Debt Principal Repayment	0	0	0	0	349,860	349,860
Debt Charges	0	0	0	0	3,056,990	3,056,990
Sub-Total	0	327,890	0	327,890	10,956,850	11,284,740
Supervision, Management, Repairs & Maintenance						
Central Administration	127,900	858,270	-411,600	574,570	3,152,290	3,726,860
Income & Financial Inclusion	643,630	101,770	0	745,400	148,770	894,170
<u>Tenancy Services</u>						
Allocations	231,020	69,250	-90	300,180	9,810	309,990
Estate Management	293,290	303,600	-30	596,860	114,750	711,610
Other Tenancy Services	32,090	228,560	-277,770	-17,120	0	-17,120
Elderly & Disabled Support	554,900	411,510	-1,279,690	-313,280	323,280	10,000
Sub-Total	1,111,300	1,012,920	-1,557,580	566,640	447,840	1,014,480
<u>Property Services</u>						
Property Services Management	548,380	1,096,800	-210	1,644,970	-137,330	1,507,640
Caretakers	304,240	140,520	-49,180	395,580	13,130	408,710
Maintenance of Grassed Areas	0	866,840	-30,200	836,640	0	836,640
Responsive & Void Repairs	348,260	3,563,140	-57,360	3,854,040	-13,840	3,840,200
Planned Maintenance	438,360	432,570	-3,640	867,290	-310,670	556,620
Sub-Total	1,639,240	6,099,870	-140,590	7,598,520	-448,710	7,149,810
General Income						
Customer & Client Receipts	0	0	-24,083,860	-24,083,860	0	-24,083,860
Interest	0	0	0	0	-1,000	-1,000
Sub-Total	0	0	-24,083,860	-24,083,860	-1,000	-24,084,860
Transfers to/from Reserves	0	0	0	0	-5,200	-5,200
Grand Total	3,522,070	8,400,720	-26,193,630	-14,270,840	14,250,840	-20,000

APPENDIX B

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.	Head of Housing	620

HRA ELEMENT OF INSURANCE FUND	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. The level of the reserve is determined through actuarial reviews	Head of Finance, Procurement & Commercial Property	331
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	Head of Housing & Regulatory Services	200
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	Head of Housing & Regulatory Services	549
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	Head of Housing & Regulatory Services	86
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	Head of Housing & Regulatory Services	598



Council:

23rd February 2022

Report of: **Head of Finance, Procurement and Commercial Property**

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SUBJECT: CAPITAL FINANCIAL AND TREASURY MANAGEMENT FRAMEWORK

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 for 2021-22 set out in Appendix 1 be noted.
- 2.2 That the Prudential Indicators for the next three years set out in Appendix 2 be agreed.

3.0 BACKGROUND

3.1 The Council has the ability to borrow to support its capital investment programme, subject to regulations that require any borrowing to be affordable, prudent and sustainable. These regulations require consideration to be given to a range of prudential indicators in determining what represents an appropriate level of borrowing. The Council approved targets for the prudential indicators for 2021-22 and the subsequent two financial years at its meeting in February 2021. This report considers performance against the targets for 2021-22 and sets out proposed targets for the next 3 years, taking account of new information and planned future developments.

- 3.2 The CIPFA Treasury Management Code of Practice requires Authorities to have a Treasury Management Strategy in place, and this report sets out the proposed strategy for the next financial year, 2022-23. The code also requires that a Capital Strategy should be put in place and that performance indicators are expanded upon to aid understanding of exposure risks and investment decisions.
- 3.3 It is expected that the next 3 years will see a significant increase in external borrowing for a range of different initiatives including Skelmersdale Town Centre Redevelopment, investment in affordable housing, and investment in Tawd Valley Developments Limited. The Sustainable Organisation Review (SORP) which was approved at Council July 2019 agreed that up to £10m be invested in longer term higher yielding investments subject to analysis and evaluation of the risks, and to purchase or build up to £30m in physical assets through a new Commercial Property Strategy. The financial outcome of the change in investment strategy was that the treasury management income budget was increased from £54,300 to £380,300. Consequently this is a time of significant change in treasury management activities and this report provides Members with relevant information in order to make informed decisions.

4.0 PRUDENTIAL INDICATOR PERFORMANCE 2020-21

- 4.1 Appendix 1 shows the projected position against the prudential indicator targets that have been agreed for 2021-22. The first indicator shows the ratio of debt financing costs, after allowing for investment income compared to the net revenue budget (reflecting treasury management costs as a percentage of expenditure). The GRA forecast level of 1.58% reflects the position that income targets have not been as great as budgeted and following an internal review of the MRP calculation a revision to the MRP charge to GRA. The estimated investment income target is a challenge and in addition the pandemic has affected the economic climate negatively and subsequently investment returns have not been as high as anticipated.
- 4.2 The HRA forecast level for financing costs of 11.53% is higher than the GRA ratio, as a result of the £88.212m of borrowing that had to be taken out to pay the government for the introduction of the HRA self-financing system. This borrowing has an interest charge of £3.057m but this can be accommodated within the overall HRA budget position. Estimated performance on HRA financing costs is broadly in line with forecast.
- 4.3 The second indicator shown in Appendix 1 is the impact of capital decisions on the Council Tax. The forecast and estimated levels are both shown as nil, as borrowing for capital investment will only be undertaken where the business case has demonstrated a positive rate of return (and so there will be no additional costs that fall against the council tax).
- 4.4 Table 2 in Appendix 1 details the Indicator in relation to capital expenditure, which falls under the principle of Prudence. The figures represent the total scheme approvals for the capital programme, which were recently considered by Council at its meeting in January 2021. The main message here is that the schemes are fully financed and that the actual expenditure incurred to date is contained within the budgetary sums provided so no problems are anticipated.

- 4.5 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, and this will not be possible until Summer 2022.
- 4.6 Appendix 1 Part B shows that the Council has not breached any of its borrowing limits during the financial year, and it is not expected that any external borrowing will be taken out this year.

5.0 FORECAST 3-YEAR PRUDENTIAL AND PERFORMANCE INDICATORS

- 5.1 As well as considering performance in the current year, forecast levels need to be agreed for the next 3 years. The range of indicators reported against has also been expanded to reflect the new regulations in this area, and details are set out in Appendix 2.
- 5.2 The estimate of ratio of financing costs for the GRA is showing a negative percentage in 2022-23 which means that more investment income is being generated than the financing costs being incurred. This is as a result of the budgeted increases in cash investment returns as a result of SORP.
- 5.3 Debt to net service expenditure is detailed in appendix 2 for the GRA. The purpose of this PI is to show the amount of gross borrowing in the context of the size of the Council as measured by net service expenditure. This indicator will be influenced by a number of factors going forward including:
- The level of borrowing that will need to be taken out to support lending to the Council's development company. This will fluctuate significantly over time depending on the timing of when building works start and when sales are generated.
 - The Skelmersdale Town Centre development will require borrowing to finance the scheme the timing of which is unclear and will be dependent upon overall Council cash flows.
 - Borrowing of up to £30m to fund a new Commercial Property Strategy was also agreed through the SORP.
 - There could be a significant borrowing requirement to fund the rebuilding of Leisure Centres. This has not been reflected in the PI as the funding requirement and timescales have still to be agreed
- 5.4 As projects move forward and the financial picture develops the implications of the financing arrangements will be reflected in the PIs and future reports on a regular basis. 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. It should also be noted that while the GRA ratio of debt to net service expenditure is expected to increase significantly going forward, it is still well below the HRA level.

- 5.5 The incremental impact on the Council Tax as a result of the capital programme is estimated to be nil as although there will be borrowing in the future, these would be progressed only if the business case demonstrated that they had at least a neutral effect on the revenue position. The HRA rental levels are subject to regulation and consequently the capital programme will not have a direct effect on the charges levied.
- 5.6 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 and consequently 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.
- 5.7 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.'*
- 5.8 The Council should have no difficulty meeting this requirement in 2021-22 nor are any difficulties envisaged for future years. This view takes into account current commitments and existing plans.
- 5.9 Appendix 2, Part B, details the prudential indicators that are relevant for the purposes of setting an integrated treasury management strategy, including the authorised and operational limits for external debt.
- 5.10 The authorised limits for external debt 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.
- 5.11 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.
- 5.12 Appendix 2 contains details on occupancy levels for different types of Commercial Assets. The industrial assets occupancy has held up well during the pandemic whilst office premises occupancy rates have declined. This appendix also shows a forecast decline in income levels by the commercial assets, based upon actual performance and forecast income in the current financial year. This provides trend information on the income levels being achieved.

6.0 TREASURY MANAGEMENT STRATEGY 2022-23

6.1 The Council's cash flow position is actively managed to avoid any short-term deficits arising, however considering a number of large projects commencing and continuing in 2022/23, some borrowing of this nature may be required.

6.2 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

6.3 Link Asset Services act as a Treasury Adviser to the Council and part of their service is to assist in formulating views on interest rates.

6.4 The table below gives the Link central view on future interest rate movements.

Link Group Interest Rate View 7.2.22													
	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25
BANK RATE	0.75	1.00	1.00	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
3 month av. earnings	0.80	1.00	1.00	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
6 month av. earnings	1.00	1.10	1.20	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
12 month av. earnings	1.40	1.50	1.60	1.70	1.70	1.60	1.60	1.50	1.40	1.40	1.40	1.40	1.40
5 yr PWLB	2.20	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30	2.30
10 yr PWLB	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40
25 yr PWLB	2.40	2.50	2.50	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60	2.60
50 yr PWLB	2.20	2.30	2.30	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40	2.40

Additional notes by Link on this forecast table: -

- LIBOR and LIBID rates ceased at the end of 2021. Work is currently progressing to replace LIBOR with a rate based on SONIA (Sterling Overnight Index Average). In the meantime, our forecasts are based on expected average earnings by local authorities for 3 to 12 months.
- Our forecasts for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short term cash at any one point in time.

6.5 Over the last two years, the coronavirus outbreak has done huge economic damage to the UK and to economies around the world. After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25% at its meeting on 16th December 2021 and then to 0.50% at its meeting of 4th February 2022.

As shown in the forecast table above, the forecast for Bank Rate now includes a further three four increases of 0.25%, one in March, May and November 2022 to end at 1.25%.

- 6.6 Since the start of 2021, we have seen a lot of volatility in gilt yields, and hence PWLB rates. As the interest forecast table for PWLB certainty rates above shows, there is forecast to be a steady, but slow, rise in both Bank Rate and gilt yields during the forecast period to March 2025, though there will doubtless be a lot of unpredictable volatility during this forecast period.
- 6.7 The Treasury Management team will continue to 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

- 6.8 Following a review of the treasury management function by Red Quadrant as part of SORP, an additional GRA income target of around £326k per annum is expected to be generated by using longer term alternative investments. The Council's investment strategy was updated within last year's strategy to facilitate achievement of this increased sum.
- 6.9 The Council has established a cross party Strategic Asset Purchasing Committee to assess suitable longer term investment opportunities. An approach is currently being devised to improve returns than those currently being achieved
- 6.10 Given the operating environment as set out in 7.8 the additional GRA investment income of £326k will not be achieved in 2021/22 and will be a very challenging target for 2022/23.
- 6.11 It is anticipated that, during 2022/23, the Council should on average have approximately £25m available for investment, although the level of investments can vary significantly at different times of the year.
- 6.12 There are a number of protocols in place to guarantee the safety of our investments. These protocols are set out in the Council's Treasury Management Policy (TMP) Statement.
- 6.13 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. Performance will continue to be monitored however, as mentioned 7.4, it is to be decided what measure will replace the previously declared benchmark of the 3-month LIBID.
- 6.14 The Market in Financial Instruments Directive II (MIFID II) changed the classification of local authority investors. It reclassified local and public authorities as retail investors from 3 January 2018. Authorities could elect for a return to professional status provided they met certain criteria. If the Council did not opt up they would have had access to a more limited a range of financial investment instruments. Therefore the decision has been taken to opt for profession status with all counterparties in which it currently invests and will do the same for any future eligible ones.

CREDITWORTHINESS POLICY

- 6.15 The primary principle governing the Council's investment criteria is the security of its investments, although the yield or return on the investment is also a key consideration. After this main principle, the Council will ensure that:
- It maintains a policy covering both the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
 - It has sufficient liquidity in its investments. For this purpose, it will set out procedures for determining the maximum periods for which funds may prudently be committed.
- 6.16 The Head of Finance will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to Council for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the Council may use, rather than defining what types of investment instruments are to be used.
- 6.17 Credit rating information is supplied by the Link Group, our treasury advisors, on all active counterparties that comply with the criteria below. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks (notification of the longer-term bias outside the central rating view) are provided to officers almost immediately after they occur, and this information is considered before dealing.
- 6.18 The criteria for providing a pool of high-quality investment counterparties, (both specified and non-specified investments) is:

Type of Counterparty	Maximum loan by Council	Maximum Period
Major British Based Banks and Subsidiaries with at least A- credit rating.	£5m	Up to £5m 364 days Up to £3m 3 years
British Based Building Societies. – Only those with at least A- credit rating as advised by Link.	£5m	Up to £5m 364 days Up to £3m 3 years
Other Local Authorities, where agreed.	£5m	Up to 5 years
Property Funds, Corporate Bonds, Infrastructure Investments	£3m	Up to 3 years for Corporate, and 5 years for Property and Infrastructure
Money Market Funds AAA rated	£3m	N/A Callable deposits

- 6.19 Additional requirements under the Code require the Council to supplement credit rating information. Whilst the above criteria rely primarily on the application of credit ratings to provide a pool of appropriate counterparties for officers to use, additional operational market information will be applied before making any specific investment decision from the agreed pool of counterparties. This additional market information (for example Credit Default Swaps, rating Watches/Outlooks) will be applied to compare the relative security of differing investment opportunities.

BORROWING STRATEGY

- 6.20 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.
- 6.21 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.
- 6.22 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 7.1 with several significant projects due to commence the requirement for long term borrowing is very likely.

7.0 SUSTAINABILITY IMPLICATIONS

7.1 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.

8.0 RISK ASSESSMENT

8.1 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.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 There are no significant health and wellbeing implications arising from this report.

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

Appendix 1 – Prudential Indicator Performance 2021-22

Appendix 2 – Three-year prudential indicator Forecasts

Part A - Affordability

Table 1:

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

G.R.A.	Estimate	-0.07%	
	Forecast		-1.58%
H.R.A.	Estimate	11.54%	
	Forecast		11.53%

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	16,735
H.R.A.	Estimate with slippage	27,039
TOTAL		43,774

Approved Council January 2021

Part B – Treasury Management Prudential Indicators

Table 3 £000

Authorised limit for external debt

	Limit	Forecast
Borrowing	120,500	88,212
Other Long Term Liabilities	500	0
Total	121,000	88,212

Operational Boundary

	Limit	Forecast
Borrowing	107,500	88,212
Other Long Term Liabilities	0	0
Total	107,500	88,212

Appendix 2

3- YEAR PRUDENTIAL INDICATORS & PERFORMANCE LEVELS

Part A - Affordability

Table 4

Estimate of Ratio of Financing Costs to net revenue stream			
	2022-23	2023-24	2024-25
G.R.A.	-1.08%	-1.08%	-1.07%
H.R.A.	10.88%	10.51%	10.15%

Estimate of the incremental impact of capital decisions on the Council Tax and HRA rental levels			
£	2022-23	2023-24	2024-25
Incremental increase Band D and HRA rental levels	Nil	Nil	Nil

Prudence:

Table 5

£ 000' s

	2022-23	2023-24	2024-25
<div style="border: 1px solid black; padding: 5px;"> Estimate of capital expenditure - Accurate figures TBD on the night - Estimates based upon previous committee reports </div>			
G.R.A.	11,156	10,605	10,605
H.R.A.	14,431	18,681	13,074
	25,587	29,286	23,679
<div style="border: 1px solid black; padding: 5px;"> Capital Financing Requirement </div>			
G.R.A.	18,048	27,482	36,715
H.R.A.	125,023	136,047	141,234
Total	143,071	163,529	177,949

Appendix 2

Part B - Treasury Management Prudential Indicators

Table 6

£ 000's	2022-23	2023-24	2024-25
Authorised limit for external debt			
Borrowing	153,071	173,529	187,949
Other Long-Term Liabilities	500	500	500
Total	153,571	174,029	188,449
Operational Boundary			
Borrowing	143,071	163,529	177,949
Other Long-Term Liabilities	0	0	0
Total	143,071	163,529	177,949

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>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
£000			FORECAST
G.R.A.	2,331	2,300	2,270

Debt to Net Service Expenditure

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
G.R.A.	92.0%	61.0%	46.0%

Occupancy Levels – as at January 2022

Percentage of units let	%
Industrial Units	98
Offices	93
Retail Units	95
Ground leases, depot+ others	91



COUNCIL: 23 February 2022

Report of: Legal and Democratic Services Manager & Monitoring Officer

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SUBJECT: REVIEW OF THE MEMBERS' CODE OF CONDUCT

Wards affected: Borough wide.

1.0 PURPOSE OF THE REPORT

1.1 To seek approval of the revised Members', Parish' and Town Councils Code of Conduct following which the Code will be adopted.

2.0 RECOMMENDATIONS TO COUNCIL

- 3.1 That subject to any further agreed amendments arising out of the meeting, that the amended draft Code of Conduct be agreed and adopted forthwith, and the Constitution be updated accordingly.
- 3.2 That the Legal & Democratic Services Manager be given authority to liaise with the borough's Parish & Town Councils with a view to them adopting the revised Code.

4.0 BACKGROUND

4.1 On 30 January 2019, the Committee on Standards in Public Life published its national report on local government ethical standards:

<https://www.gov.uk/government/publications/local-government-ethical-standards-report>

- 4.2 One of the main recommendations of the Committee was that the Local Government Association (LGA) should create an updated, non-mandatory, model code of conduct, which local authorities could then consider either adopting in full or adapting according to their local circumstances.
- 4.3 The model code was published by the LGA in December 2020 and updated in May 2021.
- 4.4 The Council's current Members' Code of Conduct, which has also been adopted by all parishes within West Lancashire, is attached at Appendix 1. It is hoped that the Parish and Town Council's will adopt the revised version of the Code at Appendix 2 with supplementary guidance at Appendix 3. The current code was adopted by West Lancashire Borough Council on 1 July 2012.

5.0 TIMETABLE FOR CONSIDERATION OF THE REVISED MEMBERS' CODE OF CONDUCT

- 5.1 Potential changes to the Code of Conduct were initially considered at Standards Committee on the 16th March 21 when it was decided to proceed with a revised Code of Conduct formed from a combination of both the current Code of Conduct and the new LGA model Code. The LGA subsequently published a guidance document which again was considered and adapted to reflect the revised Code. Although the Guidance document will not form part of the constitution it can be used to provide greater insight into the requirements of the Code.
- 5.3 The revised Code of Conduct and guidance document were then presented to Standards Committee on the 21st September 2021 and full Council on the 13th October 2021. There then followed a Consultation Period between 10th December 2021 until 14th January 2022. The Consultation included direct emails to all Borough Councillors, Parish & Town Councillors and members of staff. In addition, the consultation was highlighted on the Council's website and the Comms Team posted several posts on social media in order to bring it to the attention of the general public.
- 5.5 Attached at Appendix 4 is a list of the consultation responses which have included emailed responses along with voicemail messages and a Teams meeting. Relevant amendments have been made to the draft Code and are attached for your consideration.
- 5.6 Most of the comments that have been received are in respect of the numbering and layout of the Code. These have been addressed but for ease of reading do not generally appear as tracked changes.
- 5.7 One suggestion was received from a Parish Councillor that we should make the Code more inclusive for Parish and Town Councillors. In addition, it was suggested a definition of the Monitoring Officer's duties should be included as some Parish Councillor's may not understand the role of the Monitoring Officer.
- 5.8 Members are asked to consider the revised code of conduct and subject to any proposed further amendments at the meeting approve the revised Code of

Conduct for adoption forthwith and agree to the Constitution be amended accordingly.

6.0 SUSTAINABILITY IMPLICATIONS

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

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

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

8.0 RISK ASSESSMENT

8.1 This item does not require a formal risk assessment and no changes have been made to risk registers as a result of this report.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 Ensuring high standards of member conduct supports health (in particular mental health) and wellbeing within West Lancashire. This report provides an updated Code of Conduct revised in consideration of the best practice recommendations of the Committee on Standards in Public Life following its national review of Local Government Ethical Standards to help to ensure high standards are maintained as well as a public consultation.

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 stakeholder. Therefore, no Equality Impact Assessment is required.

Appendix 1 – West Lancashire Borough Council's current Code of Conduct

Appendix 2 - West Lancashire Borough Council, Parish and Town Council's revised Members Code of Conduct.

Appendix 3 – West Lancashire Borough Council, Parish and Town Council's revised Members Code of Conduct – Guidance Document.

Appendix 4 – Table of consultation responses.

Part 5 - Codes and Protocols

WEST LANCASHIRE BOROUGH COUNCIL AND PARISH COUNCILS MEMBERS' CODE OF CONDUCT

1. You are a Member or Co-opted Member and hence you shall have regard to the principles set out in the attached Annex.
- 2.1 You must comply with this Code whenever you act in your capacity as a Member or Co-opted Member.
- 2.2 Where you act as a representative of the Council on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or on any other body, you must, when acting for that other body, comply with this code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.
- 3.1 You must treat others with respect
- 3.2 You must not do anything which may cause the Council to breach any of the equality enactments; bully any person; intimidate or attempt to intimidate any person who is or is likely to be a complainant, a witness, or involved in the administration of any investigation or proceedings, in relation to an allegation that a member (including yourself) has failed to comply with his or her authority's code of conduct; or do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, the Council.
- 4.1 You must not disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature except where you have the consent of a person authorised to give it; you are required by law to do so; the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or the disclosure is reasonable and in the public interest; and made in good faith and in compliance with the reasonable requirements of the Council.
- 4.2 You must not prevent another person from gaining access to information to which that person is entitled by law.
5. You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or the Council into disrepute.
- 6.1 You must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage.
- 6.2 You must act in accordance with all legal obligations, alongside any requirements contained within the Council's policies, protocols and procedures.

- 6.3 You must, when using or authorising the use by others of Council resources (i) act in accordance with the Council's reasonable requirements; and (ii) ensure that such resources are not used improperly for political purposes (including party political purposes).
- 6.4 You must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986
- 7.1 When reaching decisions on any matter you must have regard to any relevant advice provided to you by the Council's chief finance officer; or monitoring officer where that officer is acting pursuant to his or her statutory duties.
- 7.2 You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.

8. Registering and declaring disclosable pecuniary interests

- 8.1 You must, within 28 days of your election or appointment to office as a member or co-opted member notify the Council's monitoring officer of any disclosable pecuniary interests you have (see paragraph 9 below)
- 8.2 You must, notify the Council's monitoring officer within 28 days of becoming aware of any changes to a disclosable pecuniary interest previously notified or of any new disclosable pecuniary interest not previously notified.
- 8.3 If a disclosable pecuniary interest, has not been entered onto the Council's register, then the member or co-opted member must disclose the interest to any meeting of the Council at which they are present, where they have a disclosable pecuniary interest and where the matter is not a 'sensitive interest' *described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.*
- 8.4 Following disclosure of a disclosable pecuniary interest not on the Council's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.
- 8.5 Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a disclosable pecuniary interest.

It is a criminal offence to

Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election

Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register

Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting

Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest

As an executive member discharging a function acting alone, and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of the interest.

Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.

The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years. Council Procedure Rules require you to leave the room where the meeting is held whilst any discussion or voting takes place.

9. Definitions

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	Prescribed description
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	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.

Meeting means any meeting of the Council, the Cabinet, any of the Council’s or Cabinet’s committees, sub-committees, joint committees, joint sub-committees, or area committees.

10. Registering and Declaring Interests other than Disclosable Pecuniary Interests (Pecuniary and Non-Pecuniary Interests)

10.1 Registering Interests

- (1) You must, within 28 days of your election or appointment to office as a member or co-opted member notify the Monitoring Officer in writing of your non-pecuniary interests where they fall within the following descriptions, for inclusion in the register of interests:
 - (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.
- (2) You must, within 28 days of becoming aware of any new interest or change to any interest registered under 10.1(1), notify the Monitoring Officer in writing of the details of that new interest or change.

10.2 Declaring interests

- (1) Where you have a non-pecuniary interest described in 10.1(1) above or in 10.2(2) below in any business of your authority, and where you are aware or ought reasonably to be aware of the existence of the non-pecuniary interest, and you attend a meeting of the Council at which the business which related to or is likely to affect that non-pecuniary interest is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- (2) You have a non-pecuniary interest in any business of your authority where 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.
- 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 paragraph 10.1(1)(i) or (ii).
- (3) Where you have a non-pecuniary interest in any business of your authority which relates to or is likely to affect a person described in 10.1(1)(i) or 10.1(1)(ii)(a), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
- (4) Where you have a non-pecuniary interest but, by virtue of 10.4, sensitive information relating to it is not registered in the Council's register of members' interests, you must indicate to the meeting that you have a non-pecuniary interest, but need not disclose the sensitive information to the meeting.
- (5) Where you have a non-pecuniary interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

10.3 Register of interests

Any interests notified to the Monitoring Officer as above will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the Council's website.

10.4 Sensitive interests

Where you consider that disclosure of the details of the interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have an interest, the details of which are withheld.

10.5 Non participation in case of pecuniary interest

- (1) Where you have a non-pecuniary interest in any business of your authority that interest will become a pecuniary interest where 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 your judgement of the public interest and where that business (a) affects your financial position or the financial position of a person or body described in 10.1(1), 10.1(2) or 10.2(2); or (b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in 10.1(1), 10.1(2) or 10.2(2).

- (2) Subject to paragraph (3) and (4), where you have a pecuniary interest in any business of your authority (a) you may not participate in any discussion of the matter at the meeting (b) you may not participate in any vote taken on the matter at the meeting and (c) you must disclose the interest to the meeting.

In addition Council Procedure Rules require you to leave the room where the meeting is held while any discussion or voting takes place.

- (3) Where you have a pecuniary interest in any business of your authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.
- (4) Subject to you disclosing the interest at the meeting, you may attend a meeting and vote on a matter where you have a pecuniary interest that relates to the functions of your authority in respect of
 - (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
 - (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
 - (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;

- (iv) an allowance, payment or indemnity given to members;
 - (v) any ceremonial honour given to members; and
 - (vi) setting council tax or a precept under the Local Government Finance Act 1992.
- (5) Where, as an executive member, you may discharge a function alone, and you become aware of a pecuniary interest in a matter being dealt with, or to be dealt with by you, you must notify the Monitoring Officer in writing of the interest and must not take any steps or further steps in the matter, or seek improperly to influence a decision about the matter.

10.6 Interests arising in relation to overview and scrutiny committees

In any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where (a) that business relates to a decision made (whether implemented or not) or action taken by the executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and (b) at the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken, you may only attend a meeting of the overview and scrutiny committee for the purpose of answering questions or giving evidence relating to the business, and you must leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

11. Gifts and Hospitality

You must, within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £100 which you have accepted as a member from any person or body other than the authority. The Monitoring Officer will place your notification on a public register of gifts and hospitality. This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the authority for this purpose.

ANNEX**PRINCIPLES****Selflessness**

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

West Lancashire Borough Council - Constitution
Part 5 - Codes and Protocols – Post Consultation Draft Showing Tracked Changes

**WEST LANCASHIRE BOROUGH COUNCIL, AND PARISH AND
TOWN COUNCILS**

MEMBERS' CODE OF CONDUCT

1. You are a Member, ~~or~~ Co-opted Member or and Parish or Town Councillor (where this Code of Conduct (the Code) has been adopted by a Parish or Town Council within the Borough of West Lancashire) hence you shall have regard to the principles set out in this Code and the attached Annex.

2. You must comply with this Code whenever you act in your capacity as a Member or Co-opted Member and/or Parish or Town Councillor (where applicable).

3. Where you act as a representative of the Council on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or on any other body, you must, when acting for that other body, comply with this code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

Definitions

4. For the purposes of this Code, a "councillor" means a member or co-opted member of a local authority or a directly elected mayor. A "co-opted member" is defined in the Localism Act 2011 Section 27(4) as "a person who is not a member of the authority but who

- a) is a member of any committee or sub-committee of the authority, or;
- b) is a member of, and represents the authority on, any joint committee or joint subcommittee of the authority

and who is entitled to vote on any question that falls to be decided at any meeting of that committee or sub-committee".

5. If this Code is adopted by a Parish Council or Town Council within the borough of West Lancashire any reference to "Councillor" and/or "Member" also includes any Parish or Town Councillor.

6. For the purposes of this Code, "local authority" includes county councils, district councils, London borough councils, parish councils, town councils, fire and rescue authorities, police authorities, joint authorities, economic prosperity boards, combined authorities and National Park authorities

[7. For the purposes of this code the Monitoring Officer means the person appointed by West Lancashire Borough Council \(the Council\) under section 5 of the Local Government and Housing Act 1989. Contact details can be found on the Council's website.](#)

The Monitoring Officer has three main roles:

- [To report on matters he/she believes are, or are likely to be, illegal or amount to maladministration.](#)
- [To be responsible for matters relating to the conduct of Councillors \(including Parish and Town Councillors where the Code is adopted by a Parish or Town Council within the Borough\) and officers; and](#)
- [To be responsible for the operation of the Council's Constitution.](#)

Purpose of the Code of Conduct

8. The purpose of this Code is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct. The [Local Government Association \(LGA\)](#) encourages the use of support, training and mediation prior to action being taken using the Code. The fundamental aim of the Code is to create and maintain public confidence in the role of councillor and local government.

General principles of councillor conduct

9. Everyone in public office at all levels; all who serve the public or deliver public services, including ministers, civil servants, councillors and local authority officers; should uphold the Seven Principles of Public Life, also known as the Nolan Principles (see Annex 1 below).

10. Building on these principles, the following general principles have been developed specifically for the role of councillor.

11. In accordance with the public trust placed in me, on all occasions:

- I act with integrity and honesty
- I act lawfully
- I treat all persons fairly and with respect; and
- I lead by example and act in a way that secures public confidence in the role of councillor.

12. In undertaking my role:

- I impartially exercise my responsibilities in the interests of the local community
- I do not improperly seek to confer an advantage, or disadvantage, on any person
- I avoid conflicts of interest
- I exercise reasonable care and diligence; and

- I ensure that public resources are used prudently in accordance with my local authority's requirements and in the public interest.

Application of the Code of Conduct

13. This Code applies to you as soon as you sign your declaration of acceptance of the office of councillor or attend your first meeting as a co-opted member and continues to apply to you until you cease to be a councillor.

14. This Code applies to you when you are acting in your capacity as a councillor which may include when:

- you misuse your position as a councillor
- your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor;

15. The Code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communication
- in electronic and social media communication, posts, statements and comments.

16. You are also expected to uphold high standards of conduct and show leadership at all times when acting as a councillor.

17. Your Monitoring Officer has statutory responsibility for the implementation of the Code, and you are encouraged to seek advice from your Monitoring Officer on any matters that may relate to the Code. Town and Parish councillors are encouraged to initially seek advice from their Clerk, who may refer matters to the Monitoring Officer. **If appropriate, the Monitoring Officer can be contacted directly.**

Part 1 - Standards of Councillor Conduct

1. This section sets out your obligations, which are the minimum standards of conduct required of you as a councillor. Should your conduct fall short of these standards, a complaint may be made against you, which may result in action being taken. Guidance is included to help explain the reasons for the obligations and how they should be followed.

General Obligations under the Code of Conduct

A. Respect

Commented [LK1]: This has been added to reflect the Guidance document for ease of reference.

2. As a councillor:

2.1 I treat other councillors and members of the public with respect.

2.2 I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.

3. Respect means politeness and courtesy in behaviour, speech, and in the written word. Debate and having different views are all part of a healthy democracy. As a councillor, you can express, challenge, criticise and disagree with views, ideas, opinions and policies in a robust but civil manner. You should not, however, subject individuals, groups of people or organisations to personal attack.

4. In your contact with the public, you should treat them politely and courteously. Rude and offensive behaviour lowers the public's expectations and confidence in councillors.

5. In return, you have a right to expect respectful behaviour from the public. If members of the public are being abusive, intimidatory or threatening you are entitled to stop any conversation or interaction in person or online and report them to the local authority, the relevant social media provider or the police. This also applies to fellow councillors, where action could then be taken under the Code, and local authority employees, where concerns should be raised in line with the local authority's councillor officer protocol.

B. Bullying, harassment and discrimination

6. As a councillor:

6.1 I do not bully any person.

6.2 I do not harass any person.

6.3 I promote equalities and do not discriminate unlawfully against any person.

7. The Advisory, Conciliation and Arbitration Service (ACAS) characterises bullying as offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient. Bullying might be a regular pattern of behaviour or a one-off incident, happen face-to-face, on social media, in emails or phone calls, happen in the workplace or at work social events and may not always be obvious or noticed by others.

8. The Protection from Harassment Act 1997 defines harassment as conduct that causes alarm or distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a person in a manner that could be expected to cause distress or fear in any reasonable person.

9. Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are age, disability, gender reassignment,

marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

10. The Equality Act 2010 places specific duties on local authorities. Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

C. Impartiality of officers of the council

11. As a councillor:

11.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.

12. Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

D. Confidentiality and access to information

13. As a councillor:

13.1 I do not disclose information:

- a. given to me in confidence by anyone
- b. acquired by me which I believe, or ought reasonably to believe-be aware, is of a confidential nature, unless:
 - i. I have received the consent of a person authorised to give it;
 - ii. I am required by law to do so;
 - iii. the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
 - iv. the disclosure is:
 - 1. reasonable and in the public interest; and
 - 2. made in good faith and in compliance with the reasonable requirements of the local authority; and
 - 3. I have consulted the Monitoring Officer prior to its release.

13.2 I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer or my business interests.

13.3 I do not prevent anyone from getting information that they are entitled to bylaw.

14. Local authorities must work openly and transparently, and their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

E. Disrepute

15. As a councillor:

15.1 I do not bring my role or local authority into disrepute.

16. As a Councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. You should be aware that your actions might have an adverse impact on you, other councillors and/or your local authority and may lower the public's confidence in your or your local authority's ability to discharge your/its functions. For example, behaviour that is considered dishonest and/or deceitful can bring your local authority into disrepute.

17. You are able to hold the local authority and fellow councillors to account and are able to constructively challenge and express concern about decisions and processes undertaken by the council whilst continuing to adhere to other aspects of this Code.

F. Misuse of position

18. As a councillor:

18.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

19. Your position as a Councillor of the local authority/parish or Town council provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

G. Use of local authority, Town or Parish Council resources and facilities

20. As a councillor:

20.1 I do not misuse council resources.

20.2 I will, when using the resources of the local authority or authorising their use by others:

- a. **act in accordance with the local authority's requirements; and**
- b. **ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

21. You may be provided with resources and facilities by the local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery
- equipment such as phones, and computers
- transport
- access and use of local authority buildings and rooms.

22. These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

H. Complying with the Code of Conduct

23. **As a Councillor:**

23.1 I undertake Code of Conduct training provided by my local authority.

23.2 I cooperate with any Code of Conduct investigation and/or determination.

23.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.

23.4 I comply with any sanction imposed on me following a finding that I have breached the Code.

24. It is extremely important for you as a councillor to demonstrate high standards, for you to have your actions open to scrutiny and for you not to undermine public trust in the local authority or its governance. If you do not understand or are concerned about the local authority's processes in handling a complaint you should raise this with your Monitoring Officer.

I. Obligations

25. **As a Councillor:**

25.1 I act in accordance with all legal obligations, alongside any requirements contained within the Council's, Parish Council's or Town Council's policies, protocols and procedures.

25.2 I have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986 (as amended)

25.3 When reaching decisions on any matter I will have regard to any relevant advice provided to me by the Council's Chief Finance Officer; or Monitoring Officer where that officer is acting pursuant to his or her statutory duties.

25.4 I will give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by [myyour](#) authority.

Protecting your reputation and the reputation of the local authority

J. Interests

26. As a councillor:

26.1 I register and disclose my interests. – See [Part 2Appendix B](#) below

27. Section 29 of the Localism Act 2011 requires the Monitoring Officer to establish and maintain a register of interests of members of the authority.

28. You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

29. You should note that failure to register or disclose a disclosable pecuniary interest (see below) is a criminal offence under the Localism Act 2011.

30. [Part 2Appendix B](#) sets out the detailed provisions on registering and disclosing interests. If in doubt, you should always seek advice from your Monitoring Officer

K. Gifts and hospitality

31. As a councillor:

31.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local

authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.

31.2 I register in writing with the Monitoring Officer any gift or hospitality you have received as a Councillor with an estimated value of at least £100 within 28 days of its receipt.

31.3 I register in writing with the Monitoring Officer any significant gift or hospitality that I have been offered but have refused to accept.

32. In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality.

33. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. The Monitoring Officer will place your notification on a public register of gifts and hospitality

34. However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your Monitoring Officer for guidance.

35. This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the authority for this purpose

Part 2 Appendix B – Registering Interests

1. You must, within 28 days of your election or appointment to office as a Councillor or co-opted member notify the Council's monitoring officer of any disclosable pecuniary interests you have (see paragraph 7 below)
2. You must, notify the Council's monitoring officer within 28 days of becoming aware of any changes to a disclosable pecuniary interest previously notified or of any new disclosable pecuniary interest not previously notified.
3. If a disclosable pecuniary interest, has not been entered onto the Council's register, then the Councillor or co-opted member must disclose the interest to any meeting of the Council at which they are present, where they have a disclosable pecuniary interest and where the matter is not a 'sensitive interest' *described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.*
4. Following disclosure of a disclosable pecuniary interest not on the Council's register or the subject of pending notification, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.
5. Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a disclosable pecuniary interest.

It is a criminal offence to

- *Fail to notify the Monitoring Officer of any disclosable pecuniary interest within 28 days of election*
- *Fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register*
- *Fail to notify the Monitoring Officer within 28 days of a disclosable pecuniary interest that is not on the register that you have disclosed to a meeting*
- *Participate in any discussion or vote on a matter in which you have a disclosable pecuniary interest*
- *As an executive member discharging a function acting alone and having a disclosable pecuniary interest in such a matter, failing to notify the Monitoring Officer within 28 days of the interest.*
- *Knowingly or recklessly providing information that is false or misleading in notifying the Monitoring Officer of a disclosable pecuniary interest or in disclosing such interest to a meeting.*

6. The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years. Council Procedure Rules require you to leave the room where the meeting is held whilst any discussion or voting takes place.

Registering and declaring disclosable pecuniary interests

Definitions

7. 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	Prescribed description
Employment, office, trade, profession or vocation Sponsorship	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 <u>Trade Union and Labour Relations (Consolidation) Act 1992</u> .
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.

Meeting means any meeting of the Council, the Cabinet, any of the Council’s or Cabinet’s committees, sub-committees, joint committees, joint sub-committees, or area committees.

Registering and Declaring Interests other than Disclosable Pecuniary Interests (Pecuniary and Non-Pecuniary Interests)

Registering Interests

8 You must, within 28 days of your election or appointment to office as a member or co-opted member notify the Monitoring Officer in writing of your non-pecuniary interests where they fall within the following descriptions, for inclusion in the register of interests:

- (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.

9. You must, within 28 days of becoming aware of any new interest or change to any interest registered under paragraph 8. notify the Monitoring Officer in writing of the details of that new interest or change.

10. Declaring interests

10.1 (1) Where you have a non-pecuniary interest described in paragraph 8 above or in 10.(2) below in any business of your authority, and where you are aware or ought reasonably to be aware of the existence of the non-pecuniary interest, and you attend a meeting of the Council at which the business which related to or is likely to affect that non-pecuniary interest is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

(2) You have a non-pecuniary interest in any business of your authority where 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.

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 paragraph 8(i) or (ii).

(3) Where you have a non-pecuniary interest in any business of your authority which relates to or is likely to affect a person described in 8(i) or 8(ii)(a), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.

(4) Where you have a non-pecuniary interest but, by virtue of 10.3 (below), sensitive information relating to it is not registered in the Council's register of members' interests, you must indicate to the meeting that you have a non-pecuniary interest, but need not disclose the sensitive information to the meeting.

(5) Where you have a non-pecuniary interest in any business of your authority and you have made an executive decision in relation to that business, you must ensure that any written statement of that decision records the existence and nature of that interest.

10.2 Register of interests

Any interests notified to the Monitoring Officer as above will be included in the register of interests. A copy of the register will be available for public inspection and will be published on the Council's website.

10.3 Sensitive interests

Where you consider that disclosure of the details of the interest could lead to you, or a person connected with you, being subject to violence or intimidation, and the Monitoring Officer agrees, if the interest is entered on the register, copies of the register that are made available for inspection and any published version of the register will exclude details of the interest, but may state that you have an interest, the details of which are withheld.

10.4 Non participation in case of pecuniary interest

(1) Where you have a non-pecuniary interest in any business of your authority that interest will become a pecuniary interest where 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 your judgement of the public interest and where that business (a) affects your financial position or the financial position of a person or body described in 8, 9 or 10(2); or (b) relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described in 8, 9 or 10(2).

(2) Subject to paragraph (3) and (4), where you have a pecuniary interest in any business of your authority (a) you may not participate in any discussion of the matter at the meeting (b) you may not participate in any vote taken on the matter at the meeting and (c) you must disclose the interest to the meeting.

In addition, Council Procedure Rules require you to leave the room where the meeting is held while any discussion or voting takes place.

(3) Where you have a pecuniary interest in any business of your authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

(4) Subject to you disclosing the interest at the meeting, you may attend a meeting and vote on a matter where you have a pecuniary interest that relates to the functions of your authority in respect of:

- (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
- (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
- (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
- (iv) an allowance, payment or indemnity given to members;
- (v) any ceremonial honour given to members; and
- (vi) setting council tax or a precept under the Local Government Finance Act 1992.

(5) Where, as an executive member, you may discharge a function alone, and you become aware of a pecuniary interest in a matter being dealt with, or to be dealt with by you, you must notify the Monitoring Officer in writing of the interest and must not take any steps or further steps in the matter, or seek improperly to influence a decision about the matter.

10.5 Interests arising in relation to overview and scrutiny committees

In any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where (a) that business relates to a decision made (whether implemented or not) or action taken by the executive or another of your authority's committees, sub-committees, joint committees or joint sub-committees; and (b) at the time the decision was made or action was taken, you were a member of the executive, committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken, you may only attend a meeting of the overview and scrutiny committee for the purpose of answering questions or giving evidence relating to the business, and you

must leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

~~11. Gifts and Hospitality~~

~~You must, within 28 days of receipt, notify the Monitoring Officer in writing of any gift, benefit or hospitality with a value in excess of £100 which you have accepted as a member from any person or body other than the authority. The Monitoring Officer will place your notification on a public register of gifts and hospitality. This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the authority for this purpose.~~

Commented [LK2]: Information already contained in Para 31 above

INTERESTS – FLOWCHART

All interests have to be disclosed to the Monitoring Officer within 28 days of becoming a Member or Co-opted Member or becoming aware of the interest

IS MY INTEREST IN THE BUSINESS BEING CONSIDERED A DISCLOSABLE PECUNIARY INTEREST? - See Section 7 for definition

Yes

No

Unless a dispensation is granted you
 - cannot take part in any discussion
 - vote
 - or discharge any function related to that matter

You must leave the room whilst the item is being considered

 If you have not already done so you must report your DPI to the Monitoring Officer within 28 days

Your interest may still be either a Pecuniary or Non-Pecuniary Interest

Non-Pecuniary Interest

Action

Does the business being considered effect:

(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.

Action for Non-Pecuniary Interests
 - You must disclose that you have a non-pecuniary interest and the nature of that interest at the start of the meeting or as soon as you become aware that one exists
 - You do not need to leave the meeting and can continue to discuss, consider the matter and vote
 - If you have not already done so you must inform the Monitoring Officer of your interest within 28 days of declaring it at the meeting.

ALSO:

You have a non-pecuniary interest in any business of your authority where 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

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 paragraph 8(i) or (ii). above

WHEN DOES A NON-PECUNIARY INTEREST BECOME A PECUNIARY INTEREST?

Where you have a non-pecuniary interest in any business of your authority **that interest will become a pecuniary interest where 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 your judgement of the public interest and where that business (a) affects your financial position or the financial position of a person or body described above or relates to the determining of any approval, consent, licence, permission or registration in relation to you or any person or body described above**

Action

Actions for Pecuniary Interests
(a) you may not participate in any discussion of the matter at the meeting
(b) you may not participate in any vote taken on the matter at the meeting and
(c) you must disclose the interest to the meeting.

• In addition, Council Procedure Rules require you to leave the room where the meeting is held while any discussion or voting takes place.

What you can do
You may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise and you must leave the room where the meeting is held immediately after making representations, answering questions or giving evidence.

IF IN DOUBT ALWAYS CONTACT THE MONITORING OFFICER OR MEMBER SERVICES FOR ADVICE

ANNEX 1

NOLAN PRINCIPLES

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

**WEST LANCASHIRE BOROUGH COUNCIL, PARISH AND TOWN COUNCILS
MEMBERS' CODE OF CONDUCT**

BEHAVIOURAL STANDARDS - GUIDANCE DOCUMENT

Introduction

West Lancashire Borough Council has a Members Code of Conduct (the Code) which forms part of the Constitution. This Code may be adopted (like its predecessor) by the borough's Parish and Town Councils. Reference in this document to "Councillor" includes reference to you as a Borough Councillor, Town Councillor or Parish Councillor or Co-opted Member (as applicable).

The purpose of the Code is to assist you, as a councillor, in modelling the behaviour that is expected of you, to provide a personal check and balance, and to set out the type of conduct that could lead to action being taken against you. It is also to protect you, the public, fellow councillors, local authority officers and the reputation of local government. It sets out general principles of conduct expected of all councillors and your specific obligations in relation to standards of conduct

The aim was to make the Code relatively short and easy to read rather than an overly complex legal document as it needs to be accessible to councillors, officers, and the public alike. The following guidance will help you to understand the Code and to maintain standards of behaviour in public life.

The Code together with this guidance have been designed to protect your democratic role, encourage good conduct, and safeguard the public's trust and confidence in the role of councillor in local government. While it sets out the minimum standards of behaviour expected, together with the guidance, it is designed to encourage councillors to model the high standards expected of councillors, to be mutually respectful even if they have personal or political differences, to provide a personal check and balance, and to set out the type of conduct that could lead to complaints being made of behaviour falling below the standards expected of councillors and in breach of the code. It is also to protect councillors, the public, local authority officers and the reputation of local government.

Note: Parts of the Guidance below including some of the examples have been adapted from LGA Guidance Document which accompanied the LGA draft Code.

Application of the Model Councillors' Code of Conduct

General principles of Councillor conduct

When does the Code apply?

S27(2) of the Localism Act 2011 says that a local authority must adopt 'a code dealing with the conduct that is expected of members and co-opted members of the authority when they are acting in that capacity.'

The term 'capacity' is not further defined in the Act. However, the Model Code states that:

The Code of Conduct applies to you when you are acting in your capacity as a councillor which may include when:

- you misuse your position as a councillor
- your actions would give the impression to a reasonable member of the public with knowledge of all the facts that you are acting as a councillor.

This means it applies when you are carrying out your official duties, for example when you are considering or discussing local authority business, either as a councillor or representing the local authority on an outside body.

There is no formal description of what the role of a councillor is, but aside from formal local authority business it would include promoting and representing the local authority in the local community and acting as a bridge between the community and the local authority.

The code does not, therefore, apply solely when you are in local authority meetings or on local authority premises.

The code applies to all forms of communication and interaction, including:

- at face-to-face meetings
- at online or telephone meetings
- in written communication
- in verbal communication
- in non-verbal communications
- in electronic and social media communication, posts, statements, and comments.

This includes interactions with the public as well as with fellow councillors and local authority officers.

Acting as a private individual

For something to fall within the code there must be a clear link to a local authority function or your role as a councillor. For example, an argument with a neighbour which does not relate to local authority business would not engage the code, even if your neighbour happens to know you are a councillor and therefore complains to the local authority about being treated disrespectfully.

Example

If the facts in the above scenario are changed and, on this occasion, although the Councillor is having the same argument with a neighbour for example about rubbish in their garden and intimates in any way that he is a Councillor or would use his position to gain an advantage for example if he stated "Do you know who I am, I have friends at the Council I will make sure they know about this. Either clear up your property or they will have you out" may be deemed to be acting in your official capacity.

It is not always immediately apparent in which capacity you are acting, therefore in situations where there may be ambiguity it may be helpful if you can make clear to people in which capacity you are engaging with them.

While the Code does not apply to your non-councillor roles, what you do as a councillor could impact on your position in those other roles.

Political party or group rules may also require you as a councillor to demonstrate certain behaviours as a private individual and failure to do so can result in sanctions from political groups.

Under the Local Government Act 1972 councillors can be disqualified from being a councillor due to matters in their private life, such as being subject to a bankruptcy order or receiving a custodial sentence of three months or longer (whether or not suspended).

In what circumstances might I give the impression to a reasonable member of the public that I was engaged on local authority business?

When you use or attempt to use your position as a councillor to seek to gain an advantage for yourself or someone close to you or to disadvantage someone this is an attempt to misuse your position and therefore falls within the scope of the Code of Conduct.

A number of factors will need to be taken into account to determine whether or not you had used or attempted to use your position as a councillor.

For example:

- writing to someone on local authority headed paper or using a local authority email address may lead someone to assume you were writing in your capacity as a councillor
- handing out a business card where you describe yourself as a councillor may also lead to that assumption;
- wearing official local authority regalia.
- Posting blogs or articles on your party website or social media platforms regarding Council business

Examples

A. Attempting to misuse your position as a councillor would include if you threaten to use your position improperly to block someone's planning, licence or grant application. In effect you would be doing something that only a councillor could do even if as a matter of fact, you did not have the power to do so. That may include an assumption, for example, that you would put inappropriate pressure on officers or fellow councillors or lobby behind the scenes for a particular outcome. It should not be up to a member of the public to have to work out whether you are in fact on a planning committee.

B. Another example would be disclosing confidential information improperly you had received because of your role as a councillor.

C. A councillor returning from a party got into an argument with a taxi driver. When he arrived home, he refused to pay the fare and when he spoke to the manager of the taxi company, he said that he was a councillor and would make sure that the taxi driver's

licence was withdrawn by the council. While he was entitled to dispute the payment if he was dissatisfied with the service he had received he was found to have breached the code by invoking his office and seeking to misuse his position to intimidate the manager and driver and to seek to gain an advantage for himself, notwithstanding the fact that he did not in reality have the ability to carry out his threat.

Social media postings

Simply describing yourself as a councillor in a social media posting or at the top of your page or in your username or profile, for example, does not of itself mean that every posting you make is covered by the Code. There must be a link within the individual posting or thread to your role as a councillor or to local authority business. However, even if you do not describe yourself as a councillor you may fall within the scope of the code if you are discussing local authority business.

For example, a posting which is simply discussing a recent football match is not covered by the code even if you have described yourself as a councillor. However, if you make a posting threatening a fellow councillor or officer that would fall within the code even if you have not described yourself as a councillor as it relates to local authority business or your role as a councillor.

Each matter would need to be looked at on a case-by-case basis (see guidance on 'disrespect, bullying and harassment in Part 2 for further information).

You should be very careful when describing yourself as a councillor as seeing the word "councillor" may lead to assumptions amongst the community that you are acting as a councillor.

To help avoid some of these issues, some councillors have found it helpful to have separate social media profiles for personal, group and local authority use, though even the strictest privacy settings are no guarantee that posts or actions will remain private. As a rule of thumb, never post anything online you would not be comfortable saying or sharing in a public meeting.

Examples

Following a heavy snowstorm which meant a local street market could not go ahead a councillor posted on the local community Facebook page that a certain local authority officer should be sacked for failing to put adequate arrangements in place to clear the snow. Even though it was not posted on a local authority page and he did not explicitly describe himself as a councillor in the post he was found to have breached the code by treating an officer with disrespect and seeking to put undue pressure on officers.

A councillor who described himself as such in his Twitter profile made insulting and offensive comments about the Prime Minister which led to complaints being made to his local authority. He was found not to have breached the code as the comments did not directly relate to his role as a councillor or local authority business but were seen as wider political comments.

What does acting as a representative of my local authority mean?

You are acting as a representative of the local authority when you are sitting on an outside body to which you have been appointed by the local authority, for example.

You would also be considered a representative of the local authority where you were attending an external function or conference on behalf of the local authority or as the local authority's nominated delegate.

You would not be considered as a representative of the local authority where you were attending an event in a party-political role, for example at a political party's annual conference. In that situation you would be subject to any relevant party rules.

Matters in party group meetings would also normally not be covered by the code as they are more matters for a party to regulate. However, if you are clearly trying to improperly influence fellow councillors or put undue pressure on them in relation to local authority business for example then relevant provisions of the code would apply. The same would apply to social media groups you may be a member of, such as a WhatsApp group set up for your local authority group.

What if I sit on more than one local authority?

If you sit on more than one local authority, you are subject to the code and associated procedures of the local authority you are representing at any one time. As such, if you are on a district council and a parish council, you would be bound by the district code when attending district council meetings or speaking to district council officers; and bound by the parish council code when attending parish council meetings or speaking to parish council officers.

Traditionally West Lancashire Borough Council and its associated Parish and Town Councils have adopted the same code as such the same rules would apply and, for example, your completed register of interests should be the same on both tiers.

What is a co-opted member?

The code also applies to co-opted members under the Localism Act. A co-opted member under the Act is someone who is entitled to vote on any matter to be decided at a local authority committee or sub-committee.

A parish councillor who has been co-opted to fill a casual vacancy where an election has not been held is also covered by the Code of Conduct in the same way as if they had been elected.

It does not, therefore include co-opted members who do not have voting rights, nor does it cover, for example, an Independent Person appointed under s28 of the Localism Act to support the local authority on standards matters.

However, it would be good practice to ask such councillors to agree to abide by the code of conduct and to inform the monitoring officer of any interests they might have. While they would not formally fall within the statutory framework for complaint handling, they can be removed from their role by the local authority should they be found to have committed a serious breach of the code so it is important that they are also aware of the expected standards of behaviour.

Part 1 – Standards of Councillor Conduct

General obligations under the Code of Conduct

A. Respect

As a councillor:

- 1. I treat other councillors and members of the public with respect.**
- 2. I treat local authority employees, employees and representatives of partner organisations and those volunteering for the local authority with respect and respect the role they play.**

Showing respect to others is fundamental to a civil society. As an elected or appointed representative of the public it is important to treat others with respect and to act in a respectful way. Respect means politeness, courtesy and civility in behaviour, speech, and in the written word. It also relates to all forms of communications councillors undertake, not just in meetings. Rude, offensive, and disrespectful behaviour lowers the public's expectations and confidence in its elected representatives.

Respect

The key roles and responsibilities of councillors; representing and serving your communities and taking decisions on their behalf, require councillors to interact and communicate effectively with others. Examples of councillor interaction and communication include talking to constituents, attending local authority or Parish and Town Council meetings, representing the local authority on outside bodies, and participating in community meetings and events. In turn this means that as a councillor you are required to interact with many different people, often from diverse backgrounds and with different or conflicting needs and points of view.

You will engage in robust debate at times and are expected to express, challenge, criticise and disagree with views, ideas, opinions, and policies. Doing these things in a respectful way will help you to build and maintain healthy working relationships with fellow councillors, officers, and members of the public, it encourages others to treat you with respect and helps to avoid conflict and stress. Respectful and healthy working relationships and a culture of mutual respect can encourage positive debate and meaningful communication which in turn can increase the exchange of ideas, understanding and knowledge.

Examples of ways in which you can show respect are by being polite and courteous, listening and paying attention to others, having consideration for other people's feelings, following protocols and rules, showing appreciation and thanks and being kind. In a local government context this can mean using appropriate language in meetings and written communications, allowing others time to speak without interruption during debates, focusing any criticism or challenge on ideas and policies rather than personalities or personal attributes and recognising the contribution of others to projects.

Disrespectful behaviour

Failure to treat others with respect will occur when unreasonable or demeaning behaviour is directed by one person against or about another. The circumstances in which the behaviour occurs are relevant in assessing whether the behaviour is disrespectful. The circumstances include the place where the behaviour occurs, who observes the behaviour, the character and relationship of the people involved and the behaviour of anyone who prompts the alleged disrespect.

Disrespectful behaviour can take many different forms ranging from overt acts of abuse and disruptive or bad behaviour to insidious actions such as bullying and the demeaning treatment of others. It is subjective and difficult to define. However, it is important to remember that any behaviour that a reasonable person would think would influence the willingness of fellow councillors, officers or members of the public to speak up or interact with you because they expect the encounter will be unpleasant or highly uncomfortable fits the definition of disrespectful behaviour.

Alternatively, ask yourself whether you would be happy for another person to either be speaking or acting in a certain way towards your husband, wife or someone you care about in the way in which you have addressed/acted towards the person in front of you. If the answer is no then it is likely the conduct would be seen as inappropriate.

Examples of disrespect in a local government context might include rude or angry outbursts in meetings, use of inappropriate language in meetings or written communications such as swearing, ignoring someone who is attempting to contribute to a discussion, attempts to shame or humiliate others in public, nit-picking and fault-finding, the use of inappropriate sarcasm in communications, allegations of misconduct such as "officers receiving brown envelopes", intimations of immoral or illegal behaviour and the sharing of malicious gossip or rumours.

Why is being respectful so important?

Disrespectful behaviour can be harmful to both you and to others. It can lower the public's expectations and confidence in you and your local authority and councillors and politicians more generally. It influences the willingness of fellow councillors, officers, and the public to speak up or interact with you because they expect the encounter will be unpleasant or uncomfortable. Ongoing disrespectful behaviour can undermine willingness of officers to give frank advice, damage morale at a local authority, and ultimately create a toxic culture and has been associated with instances of governance failure.

Freedom of expression

The requirement to treat others with respect must be balanced with the right to Freedom of expression. Article 10 of the European Convention on Human Rights protects your right to hold your own opinions and to express them freely without government interference. This includes the right to express your views aloud or in writing, such as in published articles or leaflets or on the internet and social media. Protection under Article 10 extends to the expression of views that may shock, disturb, or offend the deeply held beliefs of others.

However, Article 10 is not an absolute but a qualified right which means that the rights of the individual must be balanced against the interests of society. Whether a restriction on freedom of expression is justified is likely to depend on a number of factors, including the

identity of the speaker, the context of the speech and its purpose, as well as the actual words spoken or written. Democracy depends on people being free to express, debate and criticise opposing viewpoints. The courts have generally held that the right to free expression should not be curtailed simply because other people may find it offensive or insulting. A balance must still be struck between the right of individuals to express points of view which others may find offensive or insulting, and the rights of others to be protected from hatred and discrimination.

Freedom of expression is protected more strongly in some contexts. A wide degree of tolerance is accorded to political speech, and this enhanced protection applies to all levels of politics, including local government.

Article 10 protects the right to make incorrect but honestly made statements in a political context but it does not protect statements which the publisher knows to be false. That said there is an expectation that Councillors should try to appraise themselves of the correct facts before making any statements.

Public servants such as local government officers are subject to wider levels of acceptable criticism than other members of the public when matters of public concern are being discussed. However, the limits are not as wide as they are for elected politicians such as councillors. Officers do not necessarily have the same right of reply to such comments as councillors do and councillors should take care not to abuse or exploit this imbalance.

Recent case law has confirmed that local authority officers should be protected from unwarranted comments that may have an adverse effect on good administration and states that it is in the public interest that officers are not subject to offensive, abusive attacks and unwarranted comments that prevents them from carrying out their duties or undermine public confidence in the administration. That said, officers who are in more senior positions, for example chief executives or heads of services, will also be expected to have a greater degree of robustness.

Can councillors criticise officers?

Yes. In some cases, officers have been known to reject reasonable criticism appropriately made and describe it as disrespectful or bullying. The Code of Conduct is not intended to constrain councillors' involvement in local governance, including the role of councillors to challenge performance. Councillors can question and probe poor officer performance provided it is done in an appropriate way. In the everyday running of a local authority, it is inevitable that councillors may have disagreements with officers from time to time.

It is important that councillors raise issues about poor performance in the correct way and at the appropriate forum in accordance with your local authority's processes and procedures, and not in a public meeting or through a published attack in the media.

It is only where councillors' conduct is unfair, unreasonable, or demeaning that the code will be relevant. If a councillor's criticism is abusive or offensive it is likely to breach the code.

What if a member of the public is being unnecessarily disrespectful to me?

Councillors are allowed to respond to criticism, and where that criticism is robust, then they can be robust in response. However, councillors should always seek to try to be civil and demonstrate leadership in their communication. Even where councillors have been wrongly accused, responding in an angry, defensive way can often escalate the situation.

There has been a growing tendency for members of the public to use social media channels to unfairly criticise local councillors. For more information see the civility in public life resources available on the [LGA's website](#).

Examples

The complaint alleged that the councillor posted on their blog a highly critical comment and an offensive caption about a former councillor, who had passed away and whose funeral had taken place the previous day. The councillor was found to have breached the provisions of his local authority's Code of Conduct relating to councillors treating others with respect; as well as conducting themselves in a manner which could reasonably be regarded as bringing their role or their authority into disrepute.

The complaint alleged that a councillor commented under a pseudonym on a local authority blog referring to possible nepotism in the awarding of a contract to a local firm by the local authority. The standards committee found that the councillor had breached the Code of Conduct in making the posts because he had failed to treat others with respect and, in doing so, he had conducted himself in a manner which brought his role and his local authority into disrepute.

The complaint alleged that a councillor had made remarks of an abusive, insulting and personal nature to the complainant, a police officer, and also made a number of unfounded allegations about him during two telephone calls to a police station made in his capacity as a ward councillor. It was found that the comments amounted to an unacceptable personal attack on the complainant and that the councillor had breached the respect provisions in his local authority's Code of Conduct.

B. Bullying, harassment and discrimination

As a councillor:

- 1. I do not bully any person.**
- 2. I do not harass any person**
- 3. I promote equalities and do not discriminate unlawfully against any person**

Bullying, harassment, discrimination, and victimisation (either directly or indirectly) are unacceptable and should not be tolerated. It is important to recognise the impact such behaviour can have on any individual experiencing it, as well as on the wider organisation in terms of morale and operational effectiveness.

Bullying may be characterised as offensive, intimidating, malicious, insulting, or humiliating behaviour, an abuse or misuse of power that can make a person feel

vulnerable, upset, undermined, humiliated, denigrated or threatened. Power does not always mean being in a position of authority and can include both personal strength and the power to coerce through fear or intimidation. Bullying may be obvious or be hidden or insidious. Such conduct is usually part of a pattern of behaviour which attempts to undermine an individual or a group of individuals, is detrimental to their confidence and capability, and may adversely affect their health.

Bullying can take the form of physical, verbal, and non-verbal conduct but does not need to be related to protected characteristics. Bullying behaviour may be in person, by telephone or in writing, including emails, texts, or online communications such as social media. The standards of behaviour expected are the same, whether you are expressing yourself verbally or in writing.

Bullying can affect anyone, in any career, at any time, at any level and within any workplace. Such behaviour can take the form of easily noticed, physically threatening or intimidatory conduct with immediate impact, or it can take place behind closed doors, or be much more subtle or camouflaged and difficult to identify, at least at first. It can start, for example, with what appear to be minor instances, such as routine 'nit-picking' or fault-finding, but which become cumulative or develop into more serious behaviour over time, enabling the perpetrator to isolate and control the person.

Some bullies lack insight into their behaviour and are unaware of how others perceive it. Others know exactly what they are doing and will continue to bully if they feel they are unlikely to be challenged. Bullying can sometimes be overlooked, as a result of common euphemisms being used by way of explanation or justification, referring to someone as having a "poor leadership style" or a "bad attitude," for example, or to the problem being due to a "personality clash".

You should always be mindful of the overall potential impact of the behaviour on others. First and foremost, bullying can have a significant impact on the recipient's well-being and health. Bullying can have an impact on a local authority's effective use of resources and provision of services. Officers who are subject to bullying are frequently away from their posts, sometimes for extended periods, on sickness or stress-related leave. Bullying can impact on a councillor's ability to represent their residents effectively. It can also discourage candidates from standing in local elections, making local authorities less representative of their communities, and impacting local democracy.

Like disrespectful behaviour, bullying can be difficult to define. When allegations of bullying are considered it's likely that the person handling the complaint will consider both the perspective of the alleged victim, and whether the councillor intended their actions to be bullying. They will also consider whether the individual was reasonably entitled to believe they were being bullied.

Conduct is unlikely to be considered as bullying when it is an isolated incident of a minor nature, where it is targeted at issues, rather than at an individual's conduct or behaviour, or when the behaviour by both the complainant and councillor contributed equally to the breakdown in relations. However, the cumulative impact of repeated 'minor' incidents should not be underestimated.

Examples of bullying include but are not limited to:

- verbal abuse, such as shouting, swearing, threats, insults, sarcasm, ridiculing or demeaning others, inappropriate nicknames, or humiliating language
- physical or psychological threats or actions towards an individual or their personal property
- practical jokes
- overbearing or intimidating levels of supervision, including preventing someone from undertaking their role or following agreed policies and procedures
- inappropriate comments about someone's performance
- abuse of authority or power, such as placing unreasonable expectations on someone in relation to their job, responsibilities, or hours of work, or coercing someone to meet such expectations
- ostracising or excluding someone from meetings, communications, work events or socials
- sending, distributing, or posting detrimental material about other people, including images, in any medium
- smear campaigns.

Does this mean that councillors cannot raise concerns about officers or fellow councillors?

Bullying behaviour should be contrasted with the legitimate challenges which a councillor can make in challenging policy or scrutinising performance. An example of this would be debates in the chamber about policy or asking officers to explain the rationale for the professional opinions they have put forward. You are entitled to challenge fellow councillors and officers as to why they hold their views. However, if your criticism is a personal threat or abusive or offensive in nature, you are likely to cross the line of what is acceptable behaviour.

Preventing bullying conduct from developing

Ideally, a culture of honest and clear communication should be sought, with respect for the individual and for the confidentiality required when managing individual performance-related issues.

Early discussion about emerging issues is important to help avoid matters escalating and help establish more effective working arrangements for the future.

Harassment

As a councillor:

1. I do not harass any person.

The Protection from Harassment Act 1997 states that harassment includes behaviour which alarms a person or causes a person distress or puts people in fear of violence and must involve such conduct on at least two occasions. It can include repeated attempts to impose unwanted communications and contact upon a victim in a manner that could be expected to cause distress or fear in any reasonable person. Harassment of any kind whether direct or indirect is in no-one's interest and should not be tolerated. It is

important to recognise the impact such behaviour can have on any individual experiencing it, as well as on the wider organisation in terms of morale and operational effectiveness.

Like bullying, harassment can take the form of physical, verbal, and non-verbal conduct but does not need to be related to protected characteristics. Harassment may be in person, by telephone or in writing, including emails, texts, or online communications such as social media. It may manifest obviously or be hidden or insidious.

The factors likely to be considered when assessing allegations of harassment are whether the councillor knows or ought to know that their actions constitute harassment, whether a reasonable person would consider the actions to be harassment and the impact of the behaviour/conduct on victim.

Examples of harassment include but are not limited to:

- sending unwelcome emails
- unnecessarily repetitive, intrusive questioning
- unwelcome physical contact such as touching or invading 'personal space'
- haranguing
- intimidation
- inappropriate remarks or questioning such as comments about someone's appearance, lewd comments, and offensive jokes
- overbearing or intimidating levels of supervision, including preventing someone from undertaking their role or following agreed policies and procedures
- inappropriate comments about someone's performance
- placing unreasonable expectations on someone in relation to their job, responsibilities, or hours of work, or coercing someone to meet such expectations
- sexual harassment

Example

The complaint alleged that a councillor had behaved in a disrespectful and harassing manner towards two fellow female councillors and officers. It was established that the councillor had made unwarranted and inappropriate physical contact with the councillors and officers at an official event and had also made remarks towards the officers which were patronising and demeaning. The councillor was found to be in breach of the Code of Conduct.

Discrimination

As a councillor:

2.3 I promote equalities and do not discriminate unlawfully against any person.

Councillors have a central role to play in ensuring that equality issues are integral to the local authority's performance and strategic aims, and that there is a strong vision and public commitment to equality across public services.

The Equality Act 2010 imposes positive duties on local authorities to promote equality and to eliminate unlawful discrimination and harassment. Under the Act your authority may be liable for any discriminatory acts which you commit. This will apply when you do

something in your official capacity in a discriminatory manner. You must be careful not to act in a way which may amount to any of the prohibited forms of discrimination, or to do anything which hinders your authority's fulfilment of its positive duties under the Act. Such conduct may cause your authority to break the law, and you may find yourself subject to a complaint that you have breached this paragraph of the Code of Conduct. If you are unsure about the particular nature of the duties of your authority you should seek advice from the monitoring officer or parish clerk.

Unlawful discrimination is where someone is treated unfairly because of a protected characteristic. Protected characteristics are specific aspects of a person's identity defined by the Equality Act 2010. They are:

- age
- disability
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race
- religion or belief
- sex and sexual orientation

There are four main forms of discrimination:

Direct discrimination: treating people differently because of their age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, or sexual orientation.

Indirect discrimination: treatment which does not appear to differentiate between people because of their age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, or sexual orientation but which disproportionately disadvantages them.

Harassment: engaging in unwanted conduct on the grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy or maternity, race, religion or belief, sex, or sexual orientation, which violates another person's dignity or creates a hostile, degrading, humiliating or offensive environment.

Victimisation: treating a person less favourably because they have complained of discrimination, brought proceedings for discrimination, or been involved in complaining about or bringing proceedings for discrimination.

Examples of discriminatory behaviour include but are not limited to:

- exclusion or victimisation based on the Protected Characteristics
- treating someone less favourably or limiting their opportunities based on any of the Protected Characteristics
- comments, slurs, jokes, statements, questions, or gestures that are derogatory or offensive to an individual's or group's characteristics

- promoting negative stereotypes relating to individual's or group's characteristics
- racial or ethnic slurs, insults, or jokes
- intolerance toward religious customs
- mimicking, mocking, or belittling a person's disability
- homophobic, biphobic or transphobic comments or slurs
- discriminating against pregnant people or mothers
- declaring ('outing') someone's religion or sexuality or threatening to do so against their will
- deliberate, unwarranted application of an authority's practice, policy or rule in a way that may constitute indirect discrimination
- instructing, causing, inducing, or knowingly helping someone to commit an act of unlawful discrimination under the Equality Act 2010.

A councillor's personality and life experiences will naturally incline them to think and act in certain ways. They may form views about others based on those experiences, such as having an affinity with someone because they have a similar approach to life or thinking less of someone because they are from a different generation. This is known as "unconscious bias" and it can lead people to make decisions based on biases or false assumptions. Councillors need to be alert to the potential of unconscious bias and ensure they make decisions based on evidence, and not on assumptions they have made based on biases.

Examples

The complaint alleged that a councillor 'liked' several racially discriminatory comments on social media and one comment advocating violence against Travellers. The panel found that 'Liking' of the offensive comments did amount to a failure to treat those who were the subject of such comments with respect and a failure to promote equalities in breach of the Code of Conduct.

A councillor was a member of the local authority's recruitment panel to appoint a new chief executive. Five applicants were shortlisted. After one candidate had finished his presentation and left the room the councillor said, "good candidate, shame he's black". The panel found that the Code of Conduct had been breached.

C. Impartiality of officers

As a councillor:

3.1 I do not compromise, or attempt to compromise, the impartiality of anyone who works for, or on behalf of, the local authority.

Officers work for the local authority as a whole and must be politically neutral (unless they are political assistants). They should not be coerced or persuaded to act in a way that would undermine their neutrality. You can question officers in order to understand, for example, their reasons for proposing to act in a particular way, or the content of a report that they have written. However, you must not try and force them to act differently, change their advice, or alter the content of that report, if doing so would prejudice their professional integrity.

Both councillors and officers are servants of the public and are indispensable to one another. Together, they bring the critical skills, experience and knowledge required to manage an effective local authority.

At the heart of this relationship, is the importance of mutual respect. Councillor-officer relationships should be conducted in a positive and constructive way. Therefore, it is important that any dealings between councillors and officers should observe reasonable standards of courtesy, should show mutual appreciation of the importance of their respective roles and that neither party should seek to take unfair advantage of their position or seek to exert undue influence on the other party.

Councillors provide a democratic mandate to the local authority and are responsible to the electorate whom they represent. They set their local authority's policy framework, ensure that services and policies are delivered and scrutinise local authority services.

Councillors of the executive, chairs and vice chairs of committees have additional responsibilities. These responsibilities will result in increased expectations and relationships with officers that are more complex. Such councillors must still respect the impartiality of officers and must not ask them to undertake work of a party-political nature or compromise their position with other councillors or other officers.

Officers provide the professional advice and managerial expertise and information needed for decision making by councillors and to deliver the policy framework agreed by councillors. They are responsible for implementing decisions of councillors and the day-to-day administration of the local authority.

The roles are very different but need to work in a complementary way.

It is important for both sides to respect these differences and ensure that they work in harmony. Getting that relationship right is an important skill. That is why the code requires councillors to respect an officer's impartiality and professional expertise. In turn officers should respect a councillor's democratic mandate as the people accountable to the public for the work of the local authority.

Officers may sometimes give you advice that you do not want to hear or does not suit your political views. They must be allowed to do this without fear of recriminations to allow for good decision-making looking at all relevant options.

Examples

A councillor who, over a period of six months, persistently sought to influence the decisions of officers dealing with a complaint by his son and daughter-in-law against their local authority tenant neighbour was found, through his actions, to have compromised the impartiality of the officers and to have used his position improperly to promote the interest of his family and to have brought the role of councillor into disrepute in breach of the Code of Conduct.

What if I disagree with the views of an officer?

You are perfectly entitled to disagree with officers. They are there to give you impartial professional advice and you do not need to accept their advice without question. When

you do question them however, you should treat them with respect and recognise that they are professionals.

If you feel dissatisfied with the advice you are given you should raise through appropriate management channels.

Having regard to Officer advice

Councillors take decisions every day that affect the lives of those who live and work within your community. It is therefore important that those decisions are made having regard to all available evidence and weighing up all sides of the argument.

Decisions can be challenged if they are unreasonable, and the local authority could find itself facing an expensive legal bill if it takes a decision which is unlawful. When considering any decision, you must have regard to any professional advice you have been offered, for example from planning or licensing officers. Both the monitoring officer and the chief finance officer have a statutory duty to report formally to the local authority where they believe a local authority action or expenditure is, or may be, unlawful. Similarly, when it comes to elections, you will need to have regard to any advice given to you by the returning officer who may well be a senior officer but in that capacity is entirely independent of and separate from the local authority and is required to be politically neutral.

You must also give reasons for all decisions in accordance with statutory requirements and any reasonable requirements imposed by your local authority. Giving reasons for decisions is particularly important in relation to regulatory decisions and decisions where people's rights are affected. Where councillors disagree with officer recommendations in making a decision, councillors will need to take particular care in giving clear reasons for the decision.

If you seek advice as an individual councillor, or advice is offered to you, for example, on whether or not you should register or declare an interest, you must have regard to this advice before you make your mind up. Failure to do so may lead to a breach of the Code of Conduct.

If in any doubt – be safe and always seek advice from your monitoring officer before taking any action.

The LGA published "**A councillor's workbook on effective councillor/officer relationships 2018**". This workbook has been designed as a distance learning aid for local councillors. It forms part of the suite of LGA resources intended to provide councillors with insight and assistance into key skills and knowledge. It is designed to provide a foundation for effective working as you progress in your councillor career, from the ward level to holding a leading councillor position..

D. Confidentiality and access to information

As a councillor:

4.1 I do not disclose information:

a. given to me in confidence by anyone
b. acquired by me which I believe, or ought reasonably to be aware, is of a confidential nature, unless

- I have received the consent of a person authorised to give it;
- I am required by law to do so;
- the disclosure is made to a third party for the purpose of obtaining professional legal advice provided that the third party agrees not to disclose the information to any other person; or
- the disclosure is:
 1. reasonable and in the public interest; and
 2. made in good faith and in compliance with the reasonable requirements of the local authority; and
 3. I have consulted the monitoring officer prior to its release.

4.2 I do not improperly use knowledge gained solely as a result of my role as a councillor for the advancement of myself, my friends, my family members, my employer, or my business interests.

4.3 I do not prevent anyone from getting information that they are entitled to by law.

Local authorities must work openly and transparently. Their proceedings and printed materials are open to the public, except in certain legally defined circumstances. You should work on this basis, but there will be times when it is required by law that discussions, documents, and other information relating to or held by the local authority must be treated in a confidential manner. Examples include personal data relating to individuals or information relating to ongoing negotiations.

Confidential information

While local authority business is by law generally open and local authorities should always operate as transparently as possible, there will be times – for example, when discussing a named individual, confidential HR matters or commercially sensitive information – when it is appropriate for local authority business to be kept confidential or treated as exempt information.

Disclosure in the public interest

Disclosure ‘in the public interest’ is only justified in limited circumstances, when all the following four requirements are met:

- the disclosure must be reasonable
- the disclosure must be in the public interest
- the disclosure must be made in good faith
- the disclosure must be made in compliance with any reasonable requirements of your authority

In summary, to decide whether the disclosure is reasonable and in the public interest, you may need to conduct a balancing exercise weighing up the public interest in

maintaining confidentiality against any countervailing public interest favouring disclosure. This will require a careful focus on how confidential the information is, on any potentially harmful consequences of its disclosure, and on any factors, which may justify its disclosure despite these potential consequences. If in doubt you should always seek advice from the monitoring officer. Always keep a note of the reason for your decision.

In some situations, it is extremely unlikely that a disclosure can be justified in the public interest. These will include where the disclosure amounts to a criminal offence, or where the information disclosed is protected by legal professional privilege.

If you are in any doubt contact the Council's Data Protection Officer

Access to information

Transparency is a very important principle underpinning local democracy and public decision-making. The public are entitled to see information about the way decisions are made unless there are specific reasons why that information is confidential.

The 'need to know'

As a councillor, you are not automatically entitled to access all information the local authority holds. For example, the local authority may deal with highly confidential and sensitive information about employees or about residents involved in complex cases.

In addition to rights set out in law or conferred by your local authority constitution, you have a right to inspect documents if you can demonstrate a "need to know". This isn't a right to a roving commission but must be linked to your performance of your duties and functions as a councillor. For example, the need could more easily be demonstrated by membership of a relevant committee, such as a staffing committee than simply because you are interested in seeing the information. Local authorities have more justification for denying free access to particularly sensitive papers such as childcare or staffing records. **You should not seek to get information if you have a declarable interest in it.**

You can also exercise the "need to know" in respect of attending meetings. Access to Information Rules set out an Overview and Scrutiny Committee's rights of access to documents and additional rights of access to documents for councillors to carry out their functions.

Where you are given access to documents which are not available to members of the public, you should ensure that any confidential information is used and protected in an appropriate and secure manner and shared with authorised persons only.

Can I use local authority information for matters outside the local authority?

A councillor is entitled to access information held by the local authority for the performance of their duties as a councillor. If a councillor wishes to use local authority information for any purpose other than in connection with their duties as a councillor, and that information is not in a publicly available document, however, then that councillor should submit a freedom of information request so that it can be given to them to use freely.

The general rule is that any information held by the local authority and given directly to a councillor may only ever be used for the purpose for which it was provided. That purpose may add particular restrictions, for example where it relates to an individual constituent or sensitive matter. The purpose should not be for anything other than use in connection with the proper performance of the councillor's duties as a councillor. The exceptions to this are where the information has already been published, it has been given as a result of a request under Freedom of Information or Environmental Information Regulations or it is in the public interest ('whistleblowing') for which provisions are made in the Code of Conduct as explained above.

E. Disrepute

As a councillor:

5.1 I do not bring my role or local authority into disrepute.

As a councillor, you are trusted to make decisions on behalf of your community and your actions and behaviour are subject to greater scrutiny than that of ordinary members of the public. Article 10 of the European Convention on Human Rights protects your right to freedom of expression, and political speech as a councillor is given enhanced protection but this right is not unrestricted. You should be aware that your actions might have an adverse impact on your role, other councillors and/or your local authority and may lower the public's confidence in your ability to discharge your functions as a councillor or your local authority's ability to discharge its functions.

In general terms, disrepute can be defined as a lack of good reputation or respectability. In the context of the Code of Conduct, a councillor's behaviour in office will bring their **role** into disrepute if the conduct could reasonably be regarded as either:

1. reducing the public's confidence in them being able to fulfil their role; or
2. adversely affecting the reputation of your authority's councillors, in being able to fulfil their role.

Conduct by a councillor which could reasonably be regarded as reducing public confidence in their local authority being able to fulfil its functions and duties will bring **the authority** into disrepute.

For example, circulating highly inappropriate, vexatious or malicious e-mails to constituents, making demonstrably dishonest posts about your authority on social media or using abusive and threatening behaviour might well bring the role of councillor into disrepute. Making grossly unfair or patently untrue or unreasonable criticism of your authority in a public arena might well be regarded as bringing your local authority into disrepute.

Questions

What distinguishes disrepute to "your role or local authority" from disrepute to you as a person?

The misconduct will need to be sufficient to damage the reputation of the councillor's role or local authority, as opposed simply to damaging the reputation of the individual concerned.

Certain kinds of conduct may damage the reputation of an individual but will rarely be capable of damaging the reputation of the role of councillor or the reputation of the authority.

Here are some of the situations that might tip the balance in favour of disrepute to the role of councillor or to the authority in particular cases:

1. Situations where councillors have put their private interests above the public interest, which they are expected to promote as councillors, and therefore reduced the standing of their role. For example, councillors using their position to secure a secret personal profit.
2. Similarly, situations where a councillor defies important and well-established rules of the authority for private gain.
3. Where a councillor engages in conduct which directly and significantly undermines the authority's reputation as a good employer or responsible service provider.

Examples

A councillor posted a tweet reading "Cllr Blogs why don't you just throw in the towel, just go before you cause any more damage to the reputation of the council. You and some members of your cabinet have failed. I hope that the SFO is brought in to investigate your conduct. #failedleadership." The complainant stated that she found the tweet 'very offensive' and bullying and also considered that the tweet would reasonably bring the councillor's office and the authority into disrepute. The councillor was found to have brought his authority into disrepute by reducing public confidence in the council.

A councillor brought his role and authority into disrepute by taking advantage of a local authority mistake and failing to prevent local authority-employed contractors from working on his privately-owned home. The local authority mistakenly sent decorators to the home, an ex-local authority property. The councillor only told the local authority about the mistake after the work had been completed and then said he could not be charged for the work.

The chair of a local authority made a deeply inappropriate remark at a local authority meeting that was reported in the local media and was accused of bringing his role and authority into disrepute. It was clear in both the meeting and the local media reporting that other councillors expressed concerns about his comments and found them inappropriate. It was found that he had not brought his authority into disrepute but that he had brought his role into disrepute.

F. Misuse of position

As a councillor:

6.1 I do not use, or attempt to use, my position improperly to the advantage or disadvantage of myself or anyone else.

Your position as a councillor provides you with certain opportunities, responsibilities, and privileges, and you make choices all the time that will impact others. However, you should not take advantage of these opportunities to further your own or others' private interests or to disadvantage anyone unfairly.

You should not use, or attempt to use, your public office either for your or anybody else's personal gain or loss. For example, your behaviour would be improper if you sought to further your own private interests through your position as a councillor.

Involving yourself in a decision in which you have an interest, to seek to benefit yourself or another would be a breach of this paragraph of the code.

Councillors who own land, or whose relatives or close associates own land, need to be particularly cautious where planning matters are concerned. This applies equally to parish councillors when your local authority is consulted on planning matters. Similarly, while it is reasonable to expect councillors to help constituents apply to the local authority, for example, for housing, it is quite improper to seek to influence the decision to be taken by the officers and would also be in breach of the code.

What kinds of attempts to advantage or disadvantage would be improper?

There are circumstances where it will be proper for a councillor to seek to confer an advantage or disadvantage and other circumstances where it will not.

Being a councillor can involve making hard choices and balancing a range of interests. Most decisions will inevitably benefit some people and will be to the detriment of others. It's important when you make those decisions to make them in what you think is the public interest and not be influenced by private interests.

For example, there can be no objection to councillors voicing their opposition to the closure of a local public library. This conduct is clearly intended to secure an advantage for the users of the library. What is crucial is that councillors' attempts to secure this advantage are clearly part and parcel of their duties as a local representative. Therefore, these activities are not improper.

The term 'improperly' is not defined in the Code of Conduct. This ensures that the scope of the provision is not unnecessarily limited. The underlying principle is that councillors are elected or appointed to public office to serve the public interest.

A councillor's conduct would be improper if they were to use their public position to further private interests of themselves or associates, or to settle old scores with enemies, to the detriment of the public interest. Any conduct that unfairly uses a councillor's public position to promote private interests over the public interest will be improper.

What if the attempt to confer an advantage or disadvantage fails?

The wording of the Code of Conduct makes it clear that the use of position provision covers failed attempts as well as situations where an advantage or disadvantage has actually been achieved.

For example, if you have tried to influence fellow councillors to vote in a particular way which would be to your personal advantage and/or that of your family/close associates

you would have breached this provision of the code even if they did not in fact vote that way.

Examples

Most alleged improper uses of position are in connection with matters in which the councillors have interests.

A councillor who was a 'joint co-ordinator' of a community group did not notify the local authority of her position in this group. She took part in the considerations and voted on the decision to negotiate a new lease in respect of a workshop used by this community group. A standards committee found that she had used her position improperly as the decision on which she voted benefited a group in which she clearly had an interest which she had not disclosed to the local authority.

A local authority leader failed to declare a conflict of interest relating to land he owned. The court found that he used his position as a councillor and instructed a planning officer to alter the road route to benefit his own land's value to a considerable extent. He was found guilty of misconduct in public life for trying to influence the route of a new by-pass to enclose his land in a new development belt, which would have significantly increased its value. He received an 18-month custodial sentence.

A parish councillor was found to have improperly used his position and secured an advantage for a member of the public by asking the parish clerk to make a payment which had not been approved by the Parish Council in breach of the Code of Conduct. The payment was for repairs to a private road used by the councillor to get to his allotment.

G. Use of local authority, Town or Parish Council resources and facilities

As a councillor:

7.1 I do not misuse local authority resources.

7.2 I will, when using the resources of the local authority or authorising their use by others:

- a. act in accordance with the local authority's requirements; and**
- b. ensure that such resources are not used for political purposes unless that use could reasonably be regarded as likely to facilitate, or be conducive to, the discharge of the functions of the local authority or of the office to which I have been elected or appointed.**

You may be provided with resources and facilities by your local authority to assist you in carrying out your duties as a councillor.

Examples include:

- office support
- stationery

- equipment such as phones, and computers
- transport
- access and use of local authority buildings and rooms

These are given to you to help you carry out your role as a councillor more effectively and are not to be used for business or personal gain. They should be used in accordance with the purpose for which they have been provided and the local authority's own policies regarding their use.

You must make sure you use the authority's resources for proper purposes only. It is not appropriate to use, or authorise others to use, the resources for political purposes, including party political purposes. **The recommended code of practice for local authority publicity** published by Ministry of Housing, Communities & Local Government provides guidance on the content, style, distribution, and cost of local authority publicity.

You must be familiar with the rules applying to the use of resources made available to you by your local authority. Failure to comply with the local authority's rules is likely to amount to a breach of the code.

If you authorise someone (for example a member of your family) to use your local authority's resources, you must take care to ensure that this is allowed by the local authority's rules.

You should never use local authority resources for purely political purposes, including designing and distributing party political material produced for publicity purposes.

You should never use local authority resources purely for private purposes, for example using a photocopier to print off flyers for your business unless your local authority's procedures allow for you to repay any costs accrued.

Resources could include any land or premises, equipment, computers, and materials. The time, skills, and assistance of anybody employed by the authority, or working on its behalf, are also resources, as is information held by the authority which it has not published.

Examples

The complaint alleged a councillor used his computer equipment provided by his local authority for private purposes by downloading inappropriate adult pornographic images and sending a number of letters to a local newspaper, which he falsely represented as being from members of the public. He was found to have misused the local authority's equipment in breach of the code and had brought his office into disrepute.

A councillor used local authority notepaper in an attempt to avoid parking penalties incurred by his son. He also dishonestly attempted to renew a parking permit for disabled drivers. He was convicted of attempting, by deception, to evade the parking penalties dishonestly. He was also found by his local authority to have breached this paragraph of the code.

H. Complying with the Code of Conduct

As a councillor:

8.1 I undertake Code of Conduct training provided by my local authority.

8.2 I cooperate with any Code of Conduct investigation and/or determination.

8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings

8.4 I comply with any sanction imposed on me following a finding that I have breached the Code.

Councillors should be competent for the work they undertake, and this includes the way in which you conduct yourself when carrying out your role as a councillor. Training helps to develop such competence, ensuring that you understand the Code of Conduct and how it applies to you.

As a councillor you are responsible for your own actions and will be held personally responsible if you breach your local authority's Code of Conduct. Therefore, it is essential that, where you are offered the opportunity by your local authority, you equip yourself with sufficient knowledge of the code to ensure that you comply with it at all times.

8.2 I cooperate with any Code of Conduct investigation and/or determination.

The Code of Conduct is a cornerstone of good governance. It is important for public trust that it is seen to be taken seriously by individual councillors as well as the local authority as a whole.

While being the subject of a complaint that you have breached the Code of Conduct and having your conduct investigated may at times be unpleasant and stressful it is essential that councillors cooperate with any code investigations and determinations. Failure to cooperate will not stop an investigation but may simply drag matters and does not allow you to put your side of the story so increases the risk that inferences are drawn about your unwillingness to cooperate and that you will be found in breach of the Code.

It is equally important if you have made a complaint which the local authority has decided merits investigation that you continue to cooperate. Complaints made simply to damage the reputation of an individual through inferences but which you are not willing to support through your cooperation will damage relationships and will also damage the reputation of you and your local authority.

If you are asked to assist the investigator as a potential witness it is again important that you do so to allow as fully rounded a picture as possible to be drawn so that any determination on a case has as much evidence as necessary in order to reach the correct decision. You should let the investigator know if you need any reasonable adjustments made.

8.3 I do not intimidate or attempt to intimidate any person who is likely to be involved with the administration of any investigation or proceedings.

However much you may be concerned about allegations that you or a fellow councillor failed to comply with the Code of Conduct, it is always wrong to intimidate or attempt to

intimidate any person involved in the investigation or hearing. Even though you may not have breached the Code of Conduct, you will have your say during any independent investigation or hearing, and you should let these processes follow their natural course. If you seek to intimidate a witness in an investigation about your conduct, for example, you may find yourself subject to another complaint that you breached this paragraph of the Code of Conduct.

8.4 I comply with any sanction imposed on me following a finding that I have breached the Code of Conduct.

Fair, consistent, and proportionate sanctions help to ensure the integrity of the standards framework and thus maintain public trust and confidence in councillors, your role, and your authorities. It is important that councillors and local authorities take standards of conduct seriously and the use of sanctions helps to demonstrate this.

Failure to comply with sanctions can bring the standards framework into disrepute

I. Obligations

9. As a Councillor:

- 9.1 I act in accordance with all legal obligations, alongside any requirements contained within the Council's, Parish Council's or Town Council's policies, protocols and procedures.**
- 9.2 I have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986 (as amended)**
- 9.3 When reaching decisions on any matter I will have regard to any relevant advice provided to me by the Council's Chief Finance Officer; or Monitoring Officer where that officer is acting pursuant to his or her statutory duties.**
- 9.4 I will give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by my authority.**

Protecting your reputation and the reputation of the local authority

The code requires you to register matters under 2 separate categories:

- 1. Gifts and hospitality, you receive in your role as a councillor; and
- 2. Certain types of interests

Registration of gifts, hospitality and interests

J. Interests

10. As a councillor:

10.1 I register and disclose my interests. – See Part 2 in the Code

Register of interests

Section 29 of the Localism Act 2011 requires the monitoring officer to establish and maintain a register of interests of members of the local authority.

You need to register your interests so that the public, local authority employees and fellow councillors know which of your interests might give rise to a conflict of interest. The register is a public document that can be consulted when (or before) an issue arises. The register also protects you by allowing you to demonstrate openness and a willingness to be held accountable. You are personally responsible for deciding whether or not you should disclose an interest in a meeting, but it can be helpful for you to know early on if others think that a potential conflict might arise. It is also important that the public know about any interest that might have to be disclosed by you or other councillors when making or taking part in decisions, so that decision-making is seen by the public as open and honest. This helps to ensure that public confidence in the integrity of local governance is maintained.

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the monitoring officer the interests which fall within the categories set out in Part 2 of the Code and which are as described in “The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012”. You should also register details of your other personal interests which fall within the categories :

1. Disclosable Pecuniary Interests – these are categories of interests which apply to you and your partner. The categories are set out in regulations made under s27 of the Localism Act 2011 and knowing non-compliance is a criminal offence.
2. Pecuniary and Non-Pecuniary interests – these are categories of interest which apply only to you and which should be registered as an aid to transparency.

Further details can be found in the Members Code of Conduct where you will also find a useful Flow Diagram to help you ascertain whether you have an interest and what if anything you need to do as a result.

K. Gifts and hospitality

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As a councillor:

11.1 I do not accept gifts or hospitality, irrespective of estimated value, which could give rise to real or substantive personal gain or a reasonable suspicion of influence on my part to show favour from persons seeking to acquire, develop or do business with the local authority or from persons who may apply to the local authority for any permission, licence or other significant advantage.

11.2 I register in writing with the monitoring officer any gift or hospitality you have received as a Councillor with an estimated value of at least £100 within 28 days of its receipt.

11.3 I register in writing with the monitoring officer any significant gift or hospitality that I have been offered but have refused to accept.

In order to protect your position and the reputation of the local authority, you should exercise caution in accepting any gifts or hospitality which are (or which you reasonably believe to be) offered to you because you are a councillor. The presumption should always be not to accept significant gifts or hospitality. However, there may be times when such a refusal may be difficult if it is seen as rudeness in which case you could accept it but must ensure it is publicly registered. **The Monitoring Officer will place your notification on a public register of gifts and hospitality**

However, you do not need to register gifts and hospitality which are not related to your role as a councillor, such as Christmas gifts from your friends and family. It is also important to note that it is appropriate to accept normal expenses and hospitality associated with your duties as a councillor. If you are unsure, do contact your monitoring officer for guidance.

This duty to notify the Monitoring Officer does not apply where the gift, benefit or hospitality comes within any description approved by the authority for this purpose

What does “hospitality” mean?

Hospitality can be defined as any food, drink, accommodation, or entertainment freely provided or heavily discounted.

How much detail should I include on the register?

Where you register gifts or hospitality you should include the name of the person or organisation who gave you the gift or hospitality; the date on which you received it; the reason it was given; and its value or estimated value.

How do I know if gifts or hospitality have been offered to me because of my role as a councillor?

The code says you must register any gift or hospitality received *in your capacity as a councillor* if the estimated value exceeds £100.

You should ask yourself whether you would have received the gift or hospitality if you were not on the local authority. If you are in doubt as to the motive behind an offer of a gift or hospitality, we recommend that you register it or speak to the clerk or monitoring officer before deciding whether to accept it.

You should apply common sense when you consider how receipt of a gift might be interpreted. For example, if you are the chair of the planning committee and a birthday present arrives from a family friend who is also an applicant just before a planning application is due to be considered, then you need to think about how this would be interpreted by a reasonable member of the public.

What about gifts or hospitality I do not accept?

The code makes it clear that the presumption is that you do not normally accept gifts or hospitality. There will be times, however, where turning down hospitality or gifts could be seen as causing unnecessary offence. For example, if you have been invited as a ward councillor to a local festival or faith celebration along with other members of the community then it may be entirely appropriate to accept the hospitality. However, you should always exercise particular caution if the organisers are involved in ongoing negotiations with the local authority on a particular matter.

Where you are offered a gift or hospitality but decline it you should nevertheless notify the monitoring officer. That helps the authority to identify if there are any patterns and to be aware of who might be seeking to influence the authority.

What about gifts or hospitality that falls below the limit in the code?

You should always notify the monitoring officer of any gift or hospitality offered to you if it could be perceived as something given to you because of your position, especially where the gift or hospitality is from somebody who has put in an application to the local authority (or is about to) even where that hospitality falls below £100.

While that would not be a matter for the public register it again allows the authority to be aware of any patterns.

Also, an accumulation of small gifts you receive from the same source over a short period of say a couple of months that add up to £100 or over should be registered in the interests of transparency.

What if I do not know the value of a gift or hospitality?

The general rule is, if in doubt as to the value of a gift or hospitality, you should register it, as a matter of good practice and in accordance with the principles of openness and accountability in public life. You may therefore have to estimate how much a gift or hospitality is worth. For example, if you attend a dinner as a representative of the authority which has been pre-paid by the sponsors you would need to make an informed judgment as to its likely cost.

WEST LANCASHIRE BOROUGH COUNCIL – MEMBERS CODE OF CONDUCT

CONSULTATION RESPONSES

CONSULTATION RESPONSE	RECOMMENDATION	ADOPTED?
RESPONSE 1	<ul style="list-style-type: none"> • Annex should be Annex 1 • LGA model code has £50 is there a reason why we have a £100? 	Adopted Members Opinion will be sought on level to be applied
RESPONSE 2	Just a few formatting alignments needed on Code of Conduct draft 2021. From Para 21 the bullets, eg 21.1 down to 30 need indenting	Changes incorporated
RESPONSE 3	Voicemail – should there be reference to social media in the Code	Social Media is a forum upon which information is exchanged like news articles or even Councillors speaking at meetings. Information on the use of Social Media is covered in the guidance. In addition, the behaviours outlined in the Code are expected to be demonstrated whilst posting on Social Media as per all other areas of Councillor Conduct. Training on Social Media will be incorporated into the forthcoming training, it was therefore felt that additional information specifically in respect of Social Media should not be incorporated into the Code.
RESPONSE 4 – PARBOLD PARISH COUNCIL	<p>Issues of style and paragraph numbering where raised. Parish Councillors felt that the numbering was confusing. They asked for the numbering to be looked at again.</p> <p>The numbering of Appendix B could also be improved as there was no Appendix A</p> <p>It is not clear why the West Lancs version is numbered like this, but it makes the text much harder to follow.</p> <p>The new Code of conduct from LGA has similar text, but with the main paragraph numbers relating to the principle subjects. This makes the text much easier to follow e.g.: Respect, Bullying, Impartiality, Confidentiality Etc Other minor corrections that could be incorporated:</p>	<p>The numbering of the Code has been reworked with the Code being split into Part 1 – Standards of Councillor Conduct i.e expected behaviours and Part 2 Interests.</p> <p>The only time when amendments have not been made is where the information is copied directly from legislation.</p>

	<p>Section 23.1. b. Change “be aware” to “believe”</p> <p>Section 26. Add the word “ability” after the words “...confidence in your”</p> <p>Section 28.1. add the word “or” between advantage and disadvantage</p> <p>Section 34.4. The word “your” seems wrong. Should it be “my”?</p> <p>Appendix B section 3. One very long sentence. Could be improved.</p> <p>Appendix B section 6. The sentence “Council procedure rulesplace” possibly could be repositioned to the end of section 5, first paragraph.</p> <p>Appendix B. section 11. Gits and hospitality. This is a repeat of Section 40 said in a slightly different way.</p>	
<p>RESPONSE 5 Parish Councillor from Parbold Parish Council</p>	<p>Telephone call: As well as the above points a request was made to assist Parish Councillors with the inclusion of an explanation of who the Monitoring Officer was.</p> <p>In addition, a request to make the Code more inclusive of Parish Councillors with specific reference to them.</p> <p>A request was made for the numbering in the guidance to reflect the numbering of the Code.</p>	<p>All Adopted</p>
<p>RESPONSE 6 AUGHTON PARISH COUNCIL</p>	<p>Thank you for consulting us on the following amendments/revisions which were considered by Aughton Parish Council at our January meeting:</p> <p>a) Amendments to Members' Code of Conduct - we could not view anything that was unreasonable or would not be expected of members of Parish Councils. The Flow Diagram in the draft Code was most helpful. Once the Code has been updated and adopted, the final</p>	<p>No Action required</p>

	version should be released to all Parish Councils with a view to formally adopting the amended version.	
RESPONSE 7 WRIGHTINGTON PARISH COUNCIL	The Parish Council considered the amendments proposed by the Borough Council to the Councillors Code of Conduct and has no objections to the amendments proposed.	



COUNCIL
23rd February 2022

Report of: Legal and Democratic Services Manager & Monitoring Officer

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

SUBJECT: REVIEW OF THE WHISTLEBLOWING POLICY

Wards affected: Borough wide.

1.0 PURPOSE OF THE REPORT

1.1 To seek approval of the revised Whistleblowing Policy following which the Code shall be adopted.

2.0 RECOMMENDATIONS TO STANDARDS COMMITTEE

2.1 That subject to any further agreed amendments arising out of the meeting, that the amended draft Whistleblowing Policy be adopted forthwith, and the Constitution be updated accordingly.

4.0 BACKGROUND

4.1 As part of the Corporate Governance Audit Review 2020/21, it was identified that there was a need to review the Whistleblowing Code

4.2 The Whistleblowing Code had not been reviewed in detail for some time. The Auditor had undertaken a review of the Code using the National Audit Office (NAO) Assessment Criteria for Whistleblowing Policies. The Auditor also reviewed the code in line with the Public Interest Disclosure Act (PIDA) requirements and the Department for Business, Innovation and Skills Whistleblowing Guidance for Employers and Code of Practice.

4.3 A copy of the existing Whistleblowing Policy can be found at Appendix 1

4.4 The main aim of the Review was to ensure that the Whistleblowing Code was fit for purpose when assessed against the NAO criteria. The current Whistleblowing

Code was assessed as not meeting all the necessary requirements as set out in the NAO assessment tool.

4.5 The following recommendations were therefore made:

- The current Whistleblowing Code should become a Policy document and be refreshed taking into consideration the requirements of the National Audit Office criteria and meet the needs of the Public Interest Disclosure Act (PIDA) and Department for Business, Innovation and Skills Whistleblowing Guidance for Employers and Code of Practice.
- A contents page should be added to give structure and allow the reader to easily navigate the document
- The new Whistleblowing Policy should explain the Public Interest Disclosure Act (PIDA) 1998 and its purpose. The Policy must be clear about who has protection under the PIDA.
- The new Whistleblowing Policy should clearly explain what constitutes a disclosure under PIDA and include examples of what a disclosure could be.
- The new Whistleblowing Policy should make it clear that disclosures can be reported to prescribed regulators as recommended by the Government. A link/list should be included within the Whistleblowing Policy.
- The New Whistleblowing Policy should include procedures for contractors, Council Members and members of the public to Whistleblow. There should be clear distinctions made between what constitutes a Whistleblow as opposed to a complaint, Freedom of Information Request or Subject Access Request
- The section for raising a concern and how the Council will respond needs to be reviewed and updated to ensure that a logical sequence is followed
- There should be standard documents/forms available for completion by the Whistleblower that captures all the required information for any investigation to commence.
- There should be guidance notes for named contacts on how to manage and deal with the concern raised to ensure a consistent approach.
- A suite of standard forms should be devised and made available to the named contact officers in the new Whistleblowing Policy and any appointed Investigating Officer to ensure that all the relevant information is captured, and a consistent approach is used
- When the Whistleblowing Policy is produced and approved the Council's Intranet and Internet web page must be updated with links to the latest version.
- The new Whistleblowing Policy must be promoted on the intranet and internet as part of our website and should be available on the search facility a-z under 'w'.
- There should be an online form to allow a whistleblower to raise a concern via the online facility.
- In line with National Audit Office best practice, consideration should be given to adding a flow chart or diagram to the policy show how the process will work

- The new Whistleblowing Policy should be mandatory reading all staff and for any new starter as part of the Induction Process. Additionally, there should be evidence that the Policy has been read
- Mandatory training should be developed and undertaken by designated contacts named in the new Whistleblowing Policy as well as all Senior Managers so that Whistleblowing requirements can be reported and investigated appropriately and consistently.
- A register is maintained, in accordance with the Department for Business, Innovation and Skills Whistleblowing Guidance for Employers and Code of Practice documents, of any subsequent whistleblows.
- A case record is held that holds the detail of the whistleblow, the investigation and outcome and these are stored in a secure system.
- Whistleblowing is added to the Terms of Reference for Audit & Governance Committee as a regular agenda item to show that the Council promotes Whistleblowing and has a robust and transparent process in place.

5.0 CURRENT POSITION

- 5.1 A full review has been undertaken on the Whistleblowing Policy in accordance with the above recommendations. Consideration has been given to Policies in place at other organisations.
- 5.2 A new draft policy has been created and is attached at Appendix 2. This policy incorporates all the recommendations from the Audit Review.
- 5.3 In order to ensure the highest standards of clear and transparent Governance it has been decided that any issues arising from a Whistleblowing complaint should be considered jointly between the Monitoring Officer (MO) and Internal Audit Manager (IAM). This will ensure that there are cross cutting checks and balances across the organisation and gives a higher level of assurance than that recommended by the review.
- 5.4 The draft policy has been created in consultation with the IAM and a proposed agreed course of action to implement the other recommendations is in place.

6.0 TIMETABLE FOR CONSIDERATION OF THE WHISTLEBLOWING POLICY

- 6.1 A "consultation draft" of the draft policy was considered by Standards Committee on the 21st September 2021 and then by Audit & Governance Committee on the 26th October 2021.
- 6.2 The draft policy was then be the subject of a consultation exercise between the 16th December 21 and 14th January 22 with direct emails being sent to all employees, Members, Parish and Town Councils, and trade unions. In addition, the consultation was highlighted on the Council's website and the Comms Team posted several posts on social media in order to bring it to the attention of the general public.

6.3 Attached at Appendix 3 is a list of the consultation responses. Relevant amendments have been made to the draft Code and are attached for your consideration.

6.4 The remainder of the recommendations in the Audit review will be completed once the Code has been approved at full Council.

6.0 SUSTAINABILITY IMPLICATIONS

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

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

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

8.0 RISK ASSESSMENT

8.1 This item does not require a formal risk assessment and no changes have been made to risk registers as a result of this report.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 Ensuring high standards of governance including protection measures for those that submit whistleblowing reports promotes health (in particular mental health) and wellbeing within West Lancashire. This report provides an update on actions taken in consideration of the Corporate Governance Audit Review 2020/21 to help to ensure that the Whistleblowing Code was fit for purpose when assessed against the NAO criteria and to demonstrate clear and transparent governance across the authority.

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 stakeholder. Therefore, no Equality Impact Assessment is required.

Appendix 1 – Current Whistleblowing Policy

Appendix 2 – West Lancashire Borough Council revised Whistleblowing Policy.

Appendix 3 – Table of Responses.

Whistleblowing Code

1.0 What is Whistleblowing?

- 1.1 Whistleblowing encourages and enables employees to raise serious concerns **within** the Council rather than overlooking a problem, turning a blind eye or voicing concerns outside. It is a Safe Alternative to Silence.
- 1.2 Without a Whistleblowing avenue, there is increased risk that the Council could be defrauded, damaged or sued. It can also lead to a demoralised workforce who feel unable to express concerns.
- 1.3 Whistleblowing supports good governance, accountability and the Council's risk control framework. It is a valuable contribution to the Council's efficiency and long term success.

2.0 Purpose of the Code

- 2.1 West Lancashire Borough Council not only accepts, but positively encourages, whistleblowing.
- 2.2 Employees are often the first to realise that there may be something seriously wrong within the Council. They have an important role in helping the Council to promote good practice while providing a service to the Community and protecting its residents.
- 2.3 However, they may not express their concern because they feel that speaking up would be disloyal to their colleagues or to the Council. They may also fear unfair treatment or discrimination. In those circumstances it may be easier to ignore the concern, rather than report what may just be a suspicion of malpractice.
- 2.4 This code makes it clear that employees can voice their concerns without fear of reprisal or adverse repercussions.

3.0 Our Commitment

- 3.1 West Lancashire Borough Council is committed to the highest possible standards of openness, fairness, probity and accountability. It is against any form of impropriety. In line with that commitment, we encourage employees, and others that we deal with, who have serious concerns about any aspect of the Council's work, to come forward with confidence and voice those concerns. All concerns will be taken seriously, will not be ignored or ridiculed, will be investigated and, where applicable, resolved. It is recognised that certain cases will have to proceed on a confidential basis.
- 3.2 The Council is committed to good practice and high standards and is supportive of its employees.

4.0 Who does the Code apply to?

4.1 The Code applies to all employees, irrespective of seniority, rank or status - including casual, temporary, agency, volunteers or work placements, and all contractors and suppliers engaged by the Council.

5.0 Aims and scope of this Code

5.1 This Code aims to:

- encourage you to feel confident in raising serious concerns and to question and act upon concerns about practice;
- provide avenues for you to raise those concerns and receive feedback on any action taken;
- help you to take the matter further if you are dissatisfied with the Council's response;
- reassure you that you will be protected from the possibility of reprisals or victimisation if you have a reasonable belief that you have raised your concerns in good faith, believe the allegation to be substantially true and did not act for personal gain or for malicious purposes.

5.2 This code is not for raising grievances concerning your personal employment circumstances or as an appeal against management decisions, unless these involve malpractice and are in the public interest. Procedures to enable you to pursue grievances etc., relating to your employment, are contained in the Council's Grievance Policy.

5.3 This Code supports the Council's Anti-Fraud, Bribery and Corruption Policy and **supplements** but **does not** replace the Council's other Codes and Policies.

5.4 This code has been discussed with the relevant Trade Unions and has their support.

6.0 What types of concerns are covered?

6.1 The code uses the word malpractice. Malpractice includes any kind of improper practice or conduct which falls short of what is reasonably expected, whether it relates to an act or omission and also includes any form of harassment. Failures could be happening now, have occurred in the past or be likely to happen in the future. The overriding concern should be that it would be in the public interest for the malpractice to be corrected. If in doubt, please raise it.

Some examples are (this list is not exhaustive):

- failure to comply with a legal obligation;
- miscarriage of justice;
- breach of Council's Procedure Rules / Financial Regulations or other Council policies;
- Unlawful discrimination against people with protected characteristics.
- breach of Codes of Conduct
- conduct which falls below established standards or is unethical;

- actions which would put at risk the good reputation of the council;
- a criminal offence occurring;
- showing undue favour over a contractual matter or to a job applicant;
- actions which could cause damage to the environment;
- danger to the health and safety of any individual
- possible bribery fraud and corruption
- deliberate covering up of information
- unlawful discrimination on the grounds of sex, race, disability, religion, sexual orientation or age

7.0 Protection and Safeguards against Harassment or Victimisation

- 7.1 This Code is intended to encourage and enable employees to raise serious concerns **within** the Council, rather than overlooking a problem or ‘blowing the whistle’ outside. It provides protection to employees that do so. **If you choose to voice your concerns in some other way, then you may lose the protection the Code provides.**
- 7.2 The Public Interest Disclosure Act 1998 also protects all employees from detrimental treatment or victimisation, if, in the public interest, they blow the whistle provided disclosures are made in accordance with the Act’s provisions
- 7.3 The Council recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice. If you honestly believe what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and those for whom you provide a service. It may help to think of yourself as a witness, rather than a complainant
- 7.4 The Council will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect and support you when you raise a concern in good faith and in the public interest.
- 7.5 If you were subject to reprisals, e.g. denial of training, closer monitoring, ostracism, demotion or re-assignment, from those responsible for the malpractice or any other member of staff, they may be disciplined under the Council’s procedures. Deterring an employee from raising a concern will be considered a serious misdemeanour.
- 7.6 This does not mean, however, if you are already the subject of disciplinary or redundancy procedures, that those procedures will be halted as a result of your whistleblowing.
- 7.7 If you believe you are or have suffered a detriment as a result of raising a concern this should be reported to the Chief Operating Officer, the Legal and Democratic Services Manager, the Head of Finance, Procurement and Property Services, the Internal Audit Manager or the HR Advisor

8.0 Confidentiality

- 8.1 The Council will do its best to protect your identity when you raise a concern and do not want your name to be disclosed. However, it must be appreciated that the investigation process may reveal the source of the information and a statement by you may be required as part of the evidence. Where confidentiality is an issue if it is

possible to establish the truth about allegations from an independent source, the Council will seek to do this.

9.0 Anonymous allegations

9.1 This Code encourages you to put your name to your allegation whenever possible as anonymous allegations are much more difficult to pursue. Concerns expressed anonymously are much less powerful, however, they will be considered at the discretion of the Council. Contact details for the External Auditor are Grant Thornton UK LLP telephone number 0161 952 6900.

9.2 In exercising this discretion the factors to be taken into account would include:

- the seriousness of the issues raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

9.3 Clearly, if it is not known who provided the information it is not possible to reassure or protect them.

10.0 Untrue allegations

10.1 If you make an allegation in good faith and in the public interest, but it is not confirmed by the investigation, no action will be taken against you. If, however, you make an allegation frivolously, maliciously or for personal gain, disciplinary action may be taken against you.

10.2 Malicious or vexatious allegations include those which are trivial and do not have any substance or are made persistently and annoyingly for the wrong reasons, e.g., simply to make trouble, or purely out of self interest or for personal gain.

11.0 How to raise a concern

11.1 If you are worried that something wrong or dangerous is happening at work, please don't keep it to yourself. Unless you raise your concerns, the chances are we won't find out until it's too late.

11.2 As a first step, you should normally raise concerns with your immediate Manager or their superior and state that you wish to make the disclosure under the provisions of this Code. This depends, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that management is involved, you should approach the Chief Operating Officer, the Legal and Democratic Services Manager, the Head of Finance, Procurement and Property Services or the Internal Audit Manager.

11.3 You should **not** try to investigate the matter yourself, although you may be expected to assist with any subsequent investigation, and you should not directly approach or accuse individuals you have concerns about.

11.4 The earlier you express the concern, the easier it is to take action. Also, further wrongdoings can be deterred; any damage caused repaired and potential problems 'nipped in the bud' with corrective action before they become endemic or develop into a crisis.

-
- 11.5 Concerns may be raised verbally but are better submitted in writing. You should set out details of the background and history of the concern, giving names, dates and locations, where possible, and the reason why you are particularly concerned about the situation. If you have made notes, you may be asked for copies of these to aid the investigation. If you do not feel able to put your concern in writing, you can telephone or arrange a meeting with the appropriate officer.
- 11.6 When any meeting or interview is arranged in connection with the concern you have raised this may be off site if you prefer. If you wish, you may invite your trade union, professional association representative or a friend to be present.
- 11.7 Although you are not expected to prove beyond doubt the truth of an allegation, you will need to demonstrate to the person contacted that there are sufficient grounds for your concern and that you believe it to be substantially true.
- 11.8 Initial and / or informal advice and guidance on how your concern may be pursued can be obtained from:

Interim Chief Operating Officer
Jacqui Sinnott-Lacey
Tel: 585005
Email: Jacqui-Sinnott-Lacey@westlancs.gov.uk

Legal and Democratic Services Manager
Mr M Jones
Tel: 585025
Email: matthew.jones@westlancs.gov.uk

Head of Finance, Procurement and Property
Mr M Taylor
Tel: 585092
Email: marc.taylor@westlancs.gov.uk

Internal Audit Manager
Jacqueline Pendleton
Tel: 712603
Email: Jacqueline.pendleton@westlancs.gov.uk

Human Resources
Ms S Lewis
Tel: 585027
Email: Sharon.lewis@westlancs.gov.uk

- 11.9 You may wish to consider discussing your concern with a colleague first and you may find it easier to raise the matter if there are two (or more) of you who have similar experiences or concerns.

12.0 How the Council will respond

- 12.1 The Council will respond expeditiously to your concerns and any action taken will depend on the nature of the concern.
- 12.2 The matters raised may:
- be investigated internally by management or Internal Audit or through the disciplinary process
 - be referred to the Police
 - be referred to the External Auditor
 - form the subject of an independent inquiry
 - be referred to the Council's Standards Committee (where the complaint involves a councillor)
- 12.3 In order to protect individuals, the Council and those accused of misdeeds or possible malpractice, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take. The overriding principle which the Council will have in mind is the public interest.
- 12.4 Concerns or allegations which fall within the scope of specific procedures (for example discrimination issues), will normally be referred for consideration under those procedures.
- 12.5 Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required this will be taken before the investigation.
- 12.6 Within ten working days of a concern being raised, the Council will write to you:
- indicating how it proposes to deal with the matter
 - giving an estimate of how long it will take to provide a final response
 - telling you whether any initial enquiries have been made
 - acknowledging that the concern has been received
 - telling you whether further investigations will take place and if not, why not,
 - supplying you with information on staff support mechanisms
- 12.7 The amount of contact between the Officers considering the issues and you will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from you.
- 12.8 The Council will take steps to minimise any difficulties which you may experience as a result of raising a concern. For instance, this will include an assessment of any danger or risk which exists or may arise. Also, if you are required to give evidence in criminal or disciplinary proceedings the Council will arrange for you to receive advice about the procedure.

12.9 The Council accepts that you need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, you will be informed of the progress and outcome of any investigation.

13.0 How the matter can be taken further

13.1 This code is intended to provide you with an avenue **within** the Council to raise concerns. The Council hopes that you will be satisfied with any action taken. If you are not, and if you feel it is right to take the matter outside the Council, the following are possible contact points:

- the External Auditor;
- your Trade Union;
- your local Citizens Advice Bureau;
- relevant professional bodies or regulatory organisations;
- a relevant voluntary organisation;
- the Police;
- your Solicitor;
- Public Concern at Work (Tel: 02074046609). This is a registered charity whose services are free and strictly confidential. The charity can also provide advice on the specific provisions and protections detailed in the Public Interest Disclosure Act 1998.

13.2 If you do take the matter outside the Council, you should ensure that you do not disclose confidential information as you may lose protection rights. You are advised to check this with the Legal and Democratic Services Manager.

14.0 The Responsible Officer

14.1 The Legal and Democratic Services Manager as Monitoring Officer, has overall responsibility for the maintenance and operation of this Code. She maintains a record of concerns raised and the outcomes (but in a form which does not endanger your confidentiality) and will report as necessary to the Council. How procedures are working in practice will be continually reviewed to ensure lessons are learned and appropriate action is taken for each concern raised, along with any complaints of victimisations or failures to maintain confidentiality.

15.0 Conclusion

15.1 Existing good practice within the Council, in terms of its systems of internal control, both financial and non-financial, and the external regulatory environment in which the Council operates, ensures that serious cases of suspected impropriety rarely occur.

15.2 This Whistleblowing Code is provided as a reference document to establish a framework within which issues can be raised confidentially internally, and if necessary, outside the management structure of the Council. This document is a public commitment that concerns are taken seriously and is a means of strengthening the organisation's corporate governance arrangements.



Whistleblowing Policy

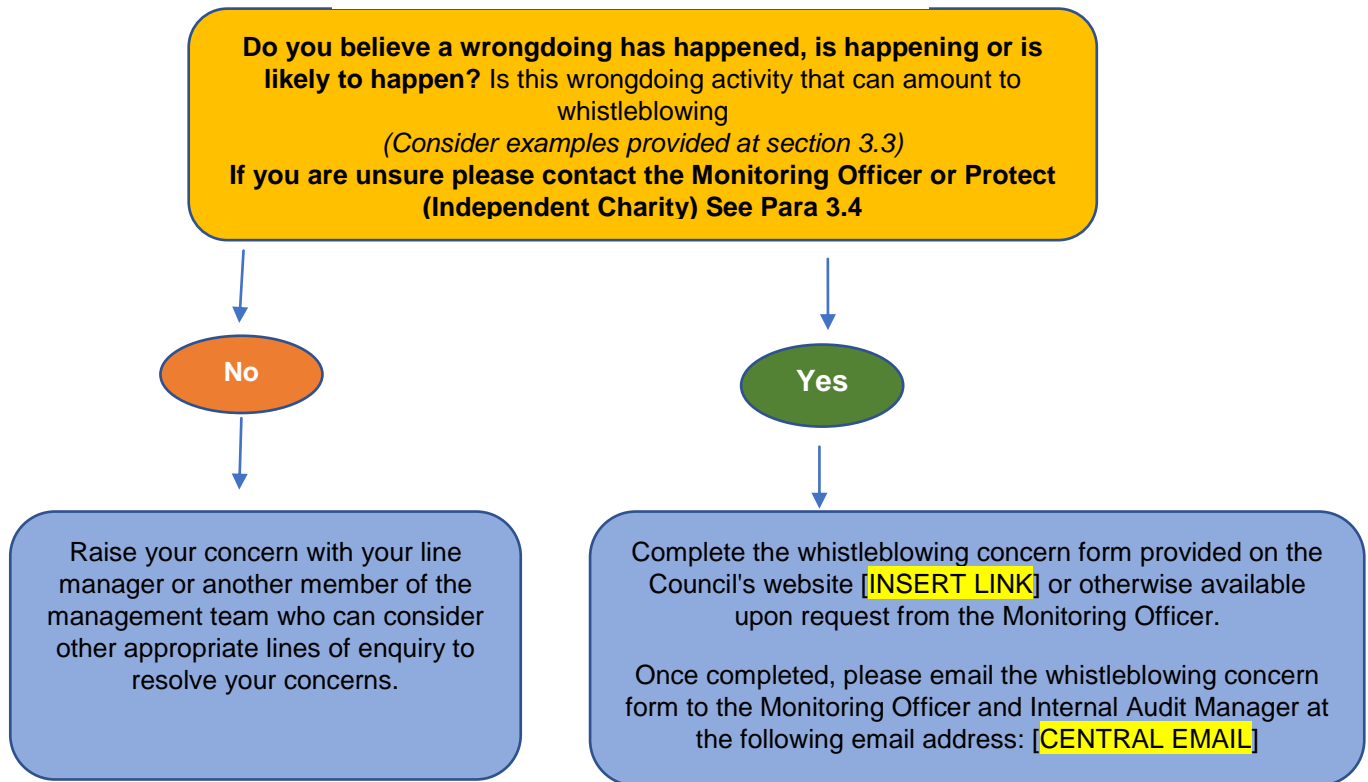
Dated: [INSERT]

Next review date: [INSERT]

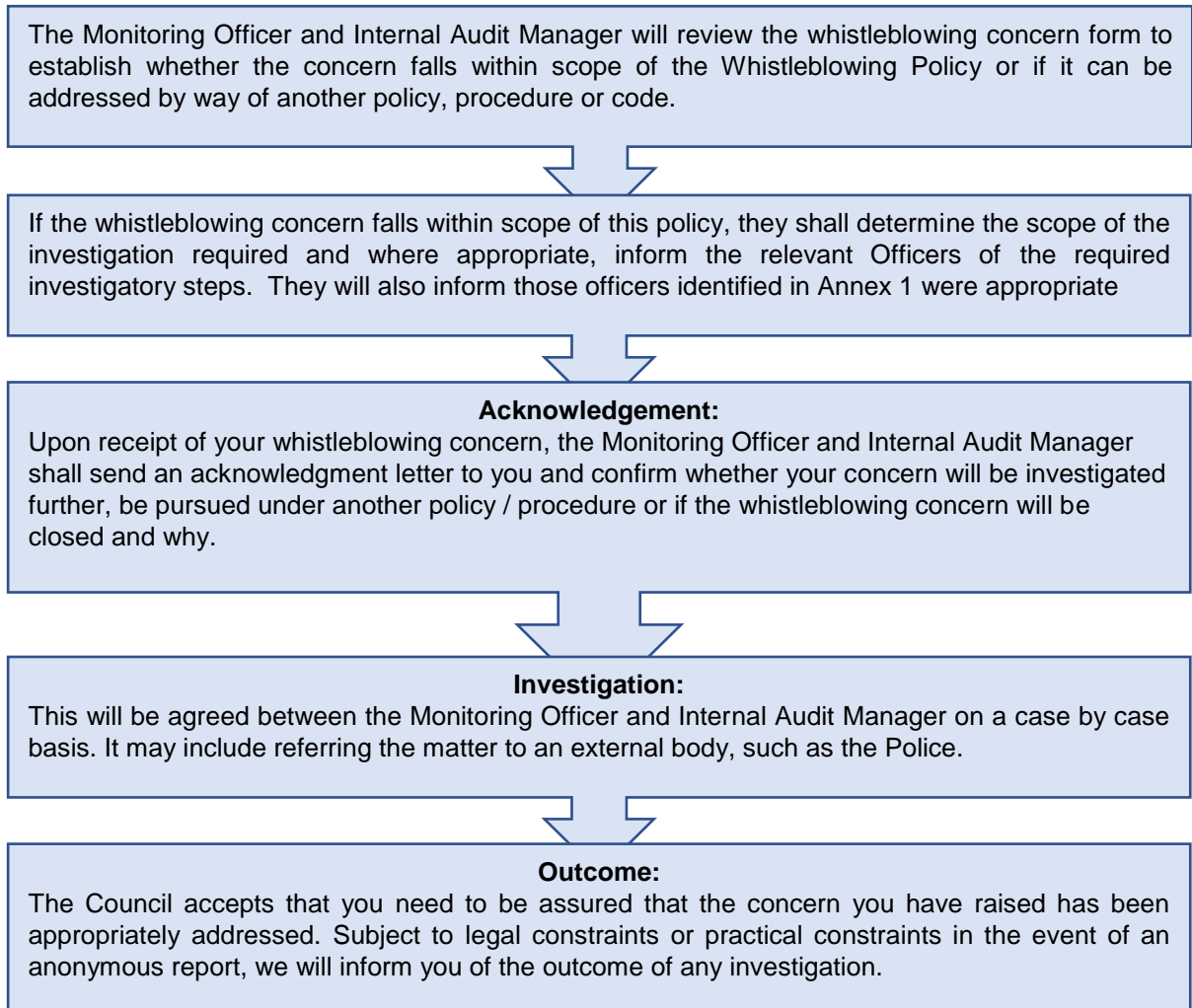
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Whistleblowing Flowchart



What happens next?



1. About this policy – aims, scope and purpose

Why is this policy important?

- 1.1 West Lancashire Borough Council (the "Council") is committed to the highest possible standards of openness, probity and accountability and values its staff as the eyes and ears of the organisation to operate in line with this commitment.
- 1.2 Despite all best intentions, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.
- 1.3 The Council is committed to creating a culture where staff and others working with the Council, feel safe to speak up knowing that their concerns will be listened to and acted upon without the need to take matters outside of the organisation. Please refer to section 11 for information relating to the protection and support available to an individual who raises a whistleblowing concern.
- 1.4 The policy has been written with regard to the Public Interest Disclosure Act 1998 and follows the Department for Business, Energy and Industrial Strategy – Whistleblowing Guidance for Employers and Code of Practice (March 2015).

Who does this policy apply to?

- 1.5 This policy applies to anybody working for, with or on behalf of the Council. This includes, but is not limited to, employees (including those designated as casual, temporary, authorised volunteers or individuals gaining work experience), elected Members and those contractually working for the Council on its premises. It also covers suppliers and those providing services under a partnership arrangement with the Council. Members of the public are also encouraged to report their concerns via this policy.

When should this policy be used?

- 1.6 The aims of this policy are:
 - (a) To encourage staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected.
 - (b) To provide staff with guidance as to how to raise those concerns.
 - (c) To reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.

- (d) To encourage staff to feel confident in raising serious concerns and to question and act upon those concerns.
- (e) To advise and remind staff that the detrimental treatment of colleagues who blow the whistle may be considered a disciplinary matter.

- 1.7 This policy is in addition to the Council's complaints procedures and other statutory reporting procedures applying to some services.
- 1.8 This policy should not be used for complaints relating to your own personal circumstances, such as the way you have been treated at work. In those cases you should use the applicable grievance procedure, which is separate to this policy.
- 1.9 If your concern relates to safeguarding, Code of Conduct and/or Standards matters, Complaints Policy, Ombudsman complaints, RIPA or data sharing please refer to those specific policies and / or codes for information regarding the process to follow to raise your concerns.
- 1.10 This policy has been implemented following consultation with the Trade Union.
- 1.11 This policy does not form part of any employee's contract of employment, and we may amend it from time to time.

2. Personnel responsible for this policy

- 2.1 The Monitoring Officer has overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy. In addition, the Monitoring Officer has day-to-day operational responsibility and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.
- 2.2 To ensure the highest level of governance, the Monitoring Officer will consider all whistleblowing concerns raised in conjunction with the Internal Audit Manager. The Monitoring Officer will consult the Internal Audit Manager regarding any potential changes to this policy.
- 2.3 The Monitoring Officer, in conjunction with the Internal Audit Manager, should review this policy from a legal and operational perspective at least once a year. This policy shall also be reported to the Audit and Governance Committee and the Standards Committee at least once a year.

3. What is whistleblowing?

- 3.1 Whistleblowing is a term used when a person raises a genuine concern about a suspected wrongdoing or danger (a **whistleblower**). Examples of whistleblowing activity are provided at paragraph 3.3.
- 3.2 If you have any genuine concerns related to suspected wrongdoing or danger affecting any of the Council's activities (a **whistleblowing concern**) and you reasonably believe that by reporting it ***you are acting in the public interest***, you should report it under this policy. Personal grievances and complaints are not covered by whistleblowing law.
- 3.3 Examples of activity that can amount to whistleblowing include:
- (a) Conduct which is an offence or breach of law;
 - (b) Failure to comply with a legal obligation;
 - (c) Disclosures related to miscarriages of justice;
 - (d) Unlawful discrimination on the grounds of sex, race, disability, religion, sexual orientation or age;
 - (e) Health and safety risks, including risks to the public as well as other staff;
 - (f) Damage to the environment;
 - (g) The unauthorised use of public funds;
 - (h) Possible fraud, bribery or corruption including but not limited to theft of property, financial irregularities, misuse of Council property and systems, conflicts of interest or supplier rewards;
 - (i) Sexual or physical abuse of another member of staff or service user;
 - (j) Failure to observe the Council's constitution (including the Council's Contract and Financial Procedure Rules);
 - (k) Breach of the Employee Code of Conduct or Member Code of Conduct;
 - (l) Something which could damage the Council's reputation or image;
 - (m) Policies, procedure or practices not being followed;
 - (n) A culture of inappropriate behaviour, including bullying or intimidation.
- 3.4 If you are uncertain whether your concern amounts to a whistleblowing concern, you should seek advice from the Monitoring Officer on the details below or alternatively, you may seek advice externally from Protect the independent whistleblowing charity, who offer a confidential helpline. Protect's contact details can be found at **Annex 1**.

CONTACT DETAILS:

Monitoring Officer: Kay Lovelady

Email: kay.lovelady@westlancs.gov.uk

Telephone: 01695 585075

4. Safeguards

4.1 It is recognised that the decision to report a whistleblowing concern can be an intimidating and difficult decision to make. This policy is intended to encourage serious concerns to be raised within the Council, rather than overlooking a concern or initiating an external whistleblowing. The following safeguards or principles shall be applied in all cases.

Harassment and Victimisation

4.2 The Council have a zero-tolerance approach to any harassment or victimisation of a whistleblower that raises a genuine whistleblowing concern which is in the public interest. Any member of staff who harasses or victimises a whistleblower or deters an individual from whistleblowing may be subject to disciplinary action.

4.3 Heads of Service and managers should monitor how a whistleblower is subsequently treated after raising a whistleblowing concern. They should ensure that a whistleblower is treated fairly and that any harassment or victimisation is dealt with under disciplinary arrangements.

4.4 If you believe that you have been victimised as a result of making a disclosure or blowing the whistle, you should report your concerns to the Human Resources and Organisational Development Manager and the Monitoring Officer.

Protected disclosures

4.5 The Public Interest Disclosure Act 1998 (as amended by the Enterprise and Regulatory Reform Act 2013) (hereinafter referred to as "PIDA") applies to this policy. PIDA provides legal protection against detrimental treatment or dismissal for employees who raise concerns in the public interest about a danger, risk, malpractice or wrongdoing. It is often referred to as the whistleblowing law and is designed to encourage and enable employees to "speak out".

- 4.6 The PIDA legislation legally protects employees (including temporary workers and agency staff), from any detriment from their employer or colleagues that arises as a result of making a protected disclosure in the public interest. This includes protection from harassment, victimisation or dismissal by their employer.
- 4.7 The PIDA only covers protected disclosures under six categories, which are:
- (a) A criminal offence;
 - (b) The breach of legal obligation;
 - (c) A miscarriage of justice;
 - (d) A danger to the health and safety of any individual;
 - (e) Damage to the environment;
 - (f) Deliberate attempt to conceal any of the above.
- 4.8 A disclosure of information will not qualify for protection if the person making the disclosure commits an offence by making it.
- 4.9 Whilst protection under the PIDA covers most workers, it does not include contractors, non-executive directors, volunteers or the self-employed. As far as possible, the Council will endeavour to apply the principles outlined within this policy to all whistleblowing concerns received from sources other than employees.
- 4.10 If you believe you are or have suffered a detriment, victimisation or harassment as a result of raising a whistleblowing concern, this should be reported to one of the following:
- (a) Human Resources and Organisational Development Manager;
 - (b) Internal Audit Manager;
 - (c) Monitoring Officer.

Contact details for the above listed Officers can be located at **Annex 1** of this policy.

Confidentiality and anonymous allegations

- 4.11 We hope that staff will feel able to voice whistleblowing concerns openly under this policy. However, if you want to raise your concern confidentially, we will make every effort to keep your identity secret. If it is necessary for anyone investigating your concern to know your identity, we will discuss this with you.
- 4.12 We do not encourage staff to make disclosures anonymously, however where an individual chooses to report their concerns anonymously, such anonymity shall be respected. Proper investigation may be more difficult or impossible if we cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible. Concerns raised anonymously will be considered at our discretion.

- 4.13 In exercising discretion, factors taken into account include:
- (a) The seriousness of the issue raised;
 - (b) The credibility of the concern; and
 - (c) The likelihood that the allegation can be confirmed from other attributable sources.
- 4.14 Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to the Monitoring Officer or one of the other contact points listed in **Error! Bookmark not defined.**4.10 and appropriate measures can then be taken to preserve confidentiality. If you are in any doubt you can seek advice from Protect, the independent whistleblowing charity, who offer a confidential helpline. Their contact details are at **Annex 1**.

Malicious, vexatious or untrue allegations

- 4.15 If an allegation is made which you believe to be in the public interest, but it is not confirmed by the outcome of the investigation, no action will be taken against you. Malicious or vexatious allegations include those which are trivial and do not have any substance and are made persistently with the wrong intentions, for example, to cause trouble or from a place of self-interest or personal gain.
- 4.16 In the event of an allegation which is made maliciously or for personal gain and you are an employee of the Council, disciplinary action may be taken against you. If you are an elected Member, you may be in breach of the Members Code of Conduct and contractors or partners may be in breach of your contractual responsibilities to the Council.

Misuse of policy

- 4.17 This policy is designed to promote and encourage reporting genuine concerns. The policy is not designed to allow:
- (a) Individuals who have acted inappropriately to escape punishment by highlighting any malpractices they were involved in;
 - (b) Employment protection in relation to a redundancy situation or pre-existing disciplinary issues as a result of reporting a wrongdoing;
 - (c) An individual to raise a concern for some private motive and not to prevent or correct the wrongdoing.

5. How to raise a whistleblowing concern or make a disclosure

- 5.1 The procedure for raising a concern, whether that be an employee of the Council, elected Member, member of the public or third party, is specified within this section 5. A flow diagram has been included at the beginning of this policy as an easy reference point.
- 5.2 In raising a whistleblowing concern, you should be prepared to provide the following information:
- (a) The background and history of the concern (including relevant dates);
 - (b) The reason why you are particularly concerned about the situation; and
 - (c) The name(s) of any individuals who you consider are either directly involved or can help provide further information.
- 5.3 Reporting a whistleblowing concern is not conditional upon you being able to provide evidence. Your whistleblowing concern will still be reviewed in accordance with this policy.
- 5.4 All whistleblowers, whether that be Council staff, Members, members of the public or third parties (such as suppliers and contractors) are asked to complete the Council's whistleblowing form which can be located [HERE]. An example of the form is attached at **Annex 2**. The Council ask that the whistleblowing form is completed as this ensures that your concerns are accurately and clearly reported.
- 5.5 In the event you are unable to access the whistleblowing form online, a hardcopy can be obtained directly from the Monitoring Officer or Internal Audit Manager. The whistleblowing form must be completed and sent via email to the central whistleblowing inbox: [INSERT]
- 5.6 If you are unable to send the completed whistleblowing form to the central whistleblowing inbox, you can send a hardcopy of the form marked for the attention of the Monitoring Officer to the postal address listed at **Annex 1**. The Council encourages you to submit the whistleblowing form via email to the central whistleblowing inbox rather than posting a hardcopy of the form as this promotes data security and confidentiality.
- 5.7 If you are a member of Council staff, you may inform your manager verbally (if appropriate) of a whistleblowing concern in the first instance should you require support completing the whistleblowing form., However, all whistleblowing concerns raised in accordance with this policy must be reported directly to the dedicated whistleblowing email address, which is monitored by both the Monitoring Officer and Internal Audit Manager. If it is not appropriate for you to report the whistleblowing concern to this email

address, you should contact an alternative Officer listed at **Annex 1** or a third party listed at **Annex 1**.

- 5.8 Officers receiving whistleblowing concerns or assisting and / or supporting a person raising a whistleblowing concern must follow the obligation of confidentiality and reporting procedures in accordance with paragraph 6.9.
- 5.9 If you feel that you cannot report your concerns within the Council, contacts external to the Council are provided under **Annex 1** of this policy.
- 5.10 Additional information about the PIDA can be obtained from the whistleblowing charity Protect, which contributed to the formulation of the PIDA and is a legal advice centre. You can find their details under **Annex 1**.

6. Whistleblowing report form submitted – what happens next?

Acknowledgement:

- 6.1 Once a concern has been reported to the central whistleblowing inbox, the Monitoring Officer and Internal Audit Manager will receive your whistleblowing concern directly. The Monitoring Officer and Internal Audit Manager will review the initial information you have provided and determine whether it is appropriate to address the matter under this policy and delegate, where appropriate, to the relevant Officer(s) to undertake a full investigation if required.
- 6.2 The Monitoring Officer, Internal Audit Manager and / or the appropriate officer handling your disclosure shall complete the whistleblowing case record, provided under **Annex 2**. All completed case records shall be provided to the Monitoring Officer for secure storage and in accordance with document retention and data security requirements.
- 6.3 Some concerns reported may be resolved by way of an agreed action and may not require a full investigation. In the event urgent action is required, this will be acted upon and will not be dependent upon the conclusion of an investigation.
- 6.4 Once you have reported a concern, your involvement with the investigation will depend upon the nature of the concerns raised and the clarity of the information provided as part of your report. If necessary, you may be required to provide further information as part of the investigation. You may invite your trade union, professional association representative or a friend to be present. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.

- 6.5 Once the whistleblowing form has been received via the central whistleblowing inbox, the Monitoring Officer shall record receipt of the report and its contents on a central log maintained by the Monitoring Officer.
- 6.6 Upon receipt of a whistleblowing report, the Monitoring Officer, Internal Audit Manager or an appropriate alternative Officer will acknowledge receipt of your concerns within 10 working days of the date the report was received, and you will receive a written response:
- (a) Acknowledging that the concern has been received and recorded;
 - (b) Identifying the key officers involved in investigating your concern and your point of contact;
 - (c) Requesting further clarifications relating to the concern reported, if any;
 - (d) Supplying you with information on staff support mechanisms;
 - (e) If no action is planned, why not.
- 6.7 Where appropriate, matters raised may:
- (a) Be investigated by management or internal audit;
 - (b) Be referred to the Police or other statutory agencies;
 - (c) Be referred to an external auditor.
- 6.8 We will aim to keep you informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent us giving you specific details of the investigation or any disciplinary action taken as a result. You should treat any information about the investigation as confidential.
- 6.9 All allegations will be handled confidentially and discreetly by those managers who are directly involved in the investigation process. The ongoing point of contact for the whistleblower will be given in the acknowledgement letter.

Investigation:

- 6.10 The specifics of an investigation will be discussed and agreed on a case by case basis by the Monitoring Officer, Internal Audit Manager and other relevant parties where appropriate. Some whistleblowing concerns may be investigated internally, whilst other whistleblowing concerns may be outsourced to another body, such as the Police or external auditors.

Outcome:

- 6.11 The Council accepts that you need to be assured that the concern you have raised has been appropriately addressed. Subject to legal constraints or practical constraints in the event of an anonymous report, we will inform you of the outcome of any investigation.

6.12 If we conclude that a whistleblower has made false allegations maliciously, the whistleblower will be subject to disciplinary action.

7. If you are not satisfied

7.1 While we cannot always guarantee the outcome you are seeking, we will try to deal with your concern fairly and in an appropriate way. By using this policy you can help us to achieve this.

7.2 If you do not believe your concern was handled in accordance with this policy, you can raise your concerns with the Chief Operating Officer. Alternatively, you may contact our external auditors. Contact details are set out at **Annex 1**.

7.3 If you are dissatisfied with the outcome of the investigation and do not agree with the conclusion of the investigation, you can raise your concerns with the independent charity Protect, on the following details:

Protect (Independent Charity)

Helpline: 0203 117 2520

Website: <https://protect-advice.org.uk/>

8. External disclosures

8.1 The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases you should not find it necessary to alert anyone externally, but we recognise that in some circumstances you may feel the need to report to an external body, such as a regulator.

8.2 The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. It will very rarely, if ever, be appropriate to alert the media. We strongly encourage you to seek advice before reporting a concern to anyone external. The independent whistleblowing charity, Protect, operates a confidential helpline. They also have a list of prescribed regulators for reporting certain types of concern. Their contact details are provided under **Annex 1**.

8.3 Whistleblowing concerns usually relate to the conduct of our staff, but they may sometimes relate to the actions of a third party, such as a supplier or service provider. In some circumstances the law will protect you if you raise the matter with the third party directly. However, we encourage you to report such concerns internally first by following the procedures set out at section 5.

9. Monitoring of whistleblowing concerns

- 9.1 The Monitoring Officer will maintain a central record of all whistleblowing concerns made under this policy and both the Monitoring Officer and Internal Audit Manager will monitor the outcome of these cases.
- 9.2 A report on the number of whistleblowing reports received and the reporting process shall be presented to senior management and the Audit and Governance Committee on an annual basis.
- 9.3 The Monitoring Officer and Internal Audit Manager retain responsibility for monitoring the effectiveness of the Council's whistleblowing policy and process.

10. Training and awareness

- 10.1 Chief Officers, Heads of Service and managers are responsible for ensuring that their employees are aware of this policy and process and that any training needs are addressed which may arise from the application of this policy. Raising awareness of this policy should form part of the induction training for all employees and should be addressed as refresher training for all employees.
- 10.2 You have a responsibility to ensure that you are aware of and understand the Council's policy in relation to whistleblowing.

11. Protection and support for whistleblowers

- 11.1 It is understandable that whistleblowers are sometimes worried about possible repercussions. We aim to encourage openness and will support staff who raise genuine concerns under this policy, even if they turn out to be mistaken.
- 11.2 Whistleblowers must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Monitoring Officer and the Human Resources and Organisational Development Manager immediately. If the matter is not remedied, you should raise it formally using the Council's grievance procedure which can be located via the Council's website or by contacting the Human Resources and Organisational Development Manager.
- 11.3 You must not threaten or retaliate against whistleblowers in any way. If you are involved in such conduct you may be subject to disciplinary action.

11.4 A confidential support and counselling hotline is available to whistleblowers who raise concerns under this policy. Their contact details are set out at the end of this policy.

12. Data Protection

12.1 The Council shall ensure that all whistleblowing concerns are handled in accordance with the Council's internal policies and procedures relating to data protection and information governance and in accordance with the requirements of the Data Protection Act 2018 and the General Data Protection Regulation ((EU) 2016/679) (*collectively the "UK GDPR"*) and the Freedom of Information Act 2000.

ANNEX 1 – Key contacts

WLBC's Contact Details	
Whistleblowing Inbox	[INSERT EMAIL] Governed by the Monitoring Officer and the Internal Audit Manager.
Monitoring Officer / Legal and Democratic Services Manager	Kay Lovelady 01695 585075 kay.lovelady@westlancs.gov.uk
Deputy Monitoring Officer	Claire Kelly 01695 585129 claire.kelly@westlancs.gov.uk
Chief Operating Officer	Jacqui Sinnott-Lacey 01695 585200 jacqui.sinnott-lacey@westlancs.gov.uk
Head of Finance, Procurement and Property	James Pierce 01695 585202 james.pierce@westlancs.gov.uk
Internal Audit Manager	Jacqueline Pendleton 01696 712603 jacqueline.pendleton@westlancs.gov.uk
Human Resources and Organisational Development Manager	Sharon Lewis 01695 585 027 sharon.lewis@westlancs.gov.uk
External Organisation Contact Details	
External auditors	Grant Thornton UK LLP 0161 952 6900 [E-MAIL]
Confidential counselling hotline <i>(Available to Council staff only)</i>	Further information can be located <u>here</u> .
Protect (Independent whistleblowing charity)	Helpline: 0203 117 2520 Website: https://protect-advice.org.uk/

Information Commissioner Office (ICO)	Helpline: 0303 123 1113 Website: https://ico.org.uk/
Local Government and Social Care Ombudsman	Helpline: 0300 061 0614 Website: https://www.lgo.org.uk/

Annex 2 – Whistleblowing forms

1. Whistleblowing form – to be completed by whistleblower

To be completed by individual reporting concern	
Who is the allegation against?	
<p>What is the allegation? <i>Please provide as much detail as possible, including where possible:</i></p> <ul style="list-style-type: none"> • The background and history of the concern (including relevant dates); • The reason why you are particularly concerned about the situation; and • The name(s) of any individuals who you consider are either directly involved or can help provide further information. 	
Where is this happening and is it still happening?	
What evidence can you provide to support this?	
Please upload / provide any evidence you may have.	

Have you reported this previously?	
If you have reported this previously, who and when did you report it?	
Any further information?	
Do you wish to remain anonymous?	
If you would like an email receipt of your reported concern, please enter your email address.	

2. Whistleblowing case record – To be completed by officers receiving the whistleblowing concern and investigating

To be completed by Officer receiving concern	
The date the concern / allegation / disclosure was received by the Council.	
Directorate involved:	
How was the report received? <i>(written, verbal, online form)</i>	
Details of who the concerns were raised with? <i>(Name and job role)</i>	
Name and job role of the individual raising a complaint / allegation. <i>(Unless anonymity was requested).</i>	
Was confidentiality requested / explained or promised?	
A summary of the concern / allegation raised:	
Details of any feedback given and any response from the employee.	
Matter reported to the Monitoring Officer (yes / no): Date referred:	

Who else has this concern been reported / flagged to?	
Has formal acknowledgement been provided to the individual in line with the policy?	
Officers handling the investigation:	
Summary outcome of investigation (proved / not proved / action plans and recommendations):	
Date notification of outcome given to individual:	
Papers retained (and the location of the papers), review date of this concern.	

WEST LANCASHIRE BOROUGH COUNCIL – WHISTLEBLOWING CODE

CONSULTATION RESPONSES

CONSULTATION RESPONSE	RECOMMENDATION	ADOPTED?
<p>RESPONSE 1 WLBC – DATA PROTECTION OFFICER</p>	<p>Having read the current and proposed "Whistleblowing Code", I thought it maybe useful to provide you with this feedback for consideration prior to its rollout.</p> <p>The Public Interest Disclosure Act 1998 (PIDA 1998), which is also now incorporated into the Employment Rights Act 1996 (part IVA). You may wish to mention the Employment Rights Act 1996 legislation as well within the proposed Whistleblowing Code.</p> <p>With the introduction of UK GDPR, it has made privacy rights even more stringent, increasing the need to carry out the proposed whistleblowing procedure with careful internal checks and controls as I will elaborate as follows;</p> <p><u>The Right to be Forgotten</u></p> <p>UK GDPR also underlines the ‘Right to be Forgotten’. This includes the requirement that personal data be erased after being completely processed. GDPR (Article 17) describes "the conditions for the erasure of data": either the data is no longer relevant to the original purposes of processing, or the data subject withdraws his or her consent for data processing. In contrast to email or phone reporting, WLBC's whistleblowing will need to meet these erasure requirements by providing where relevant options like data anonymization in a simple and structured manner.</p> <p>The UK GDPR gives individuals significant rights regarding their personal data. Some of these rights may potentially conflict with the public interest in protecting whistleblowers against the risk of retaliation for making a protected disclosure.</p> <p>For example, if say employee A discloses information about employee B to an employer and employee B later makes a subject access request under DPA, employee B has a right of access to their personal data, including “where personal data are not collected from the data subject, any information as to their source” which would in reality reveal the identity of the whistleblower.</p> <p>If access is granted to a concerned individual, all the personal data of the whistleblower and any third parties should therefore be redacted from those documents. This is where the "Whistleblowing SOP" will come into play. Where this is not practicable, it may be possible to withhold the disclosure of an individual’s personal data on the basis that this would interfere with the rights and freedoms of another individual. This will need to be assessed on a case-by-case basis in practice by the Data Protection Officer in consultation with the Monitoring Officer and Internal Audit Manager.</p> <p>To comply with data protection obligations, WLBC must</p>	<p>Adopted</p> <p>The guidance provided by the DPO is very useful and although it will not form part of the Code itself the requirements of GDPR will be included in the working practices that will be developed once the Code is adopted to ensure compliance with the regulations</p>

ensure we adhere to strict internal procedures when handling whistleblowing cases as part of this code and SOP. This should include the following steps which is to be considered as a minimum:

- **limit the processing of personal data to that which is necessary.**

A whistleblower may pass on information that is irrelevant to the allegations, in which case it is the Monitoring Officer and the Internal Audit Managers responsibility to restrict and delete any extraneous information, particularly that relating to special categories of data, to ensure that the information that is passed on is limited to that which is strictly needed for the investigation in consultation with the Data Protection Officer and Information Governance team.

- **limit the amount of time for which the personal data is held under WLBC's Records Retention Policy.**

Once the investigation has concluded, extract the personal data held from day-to-day systems and implement technical and organisational measures to hold the personal data securely in line with the councils Data Protection and Security Policies.

- **inform relevant categories of individuals that their personal data is being processed (where possible).**

For example, the whistleblower should be told, in general terms, who the possible recipients of their disclosures and personal data could be as part of the proposed whistleblowing code. Informing third parties (such as regulators) may not be necessary where this would be disproportionate, so this can be assessed on a case-by-case basis.

I also feel a section on Data Protection needs to be included and embedded possibly in beginning of the Whistleblowing Code as follows taking into consideration some of my initial observations as highlighted to you above;

Data protection

- a) A disclosure made under this policy is likely to identify an individual or individuals, or may lead to an investigation in which it is necessary to identify individuals. It will therefore involve the processing of personal data under the Data Protection Act 2018 (DPA) and General Data Protection Regulation 2016 (GDPR). Depending on the nature of the allegations or information disclosed it may also involve the processing of special category personal data and/or personal data relating to criminal offences and convictions.
- b) WLBC's lawful basis for processing personal data in response to a disclosure made under this policy including special category data is set out in our

	<p>corporate Privacy Notice.</p> <p>c) Individuals named in a disclosure will normally be told of the allegations and the identity of anyone who will receive personal data about them during the investigation of the matter, unless there is a substantial risk that this will prejudice the investigation or it would otherwise be unlawful.</p> <p>d) All personal data collected during receipt and investigation of a concern raised under this policy will be processed fairly and lawfully in accordance with UK GDPR and the Data Protection Act 2018. From the information gathered, the retention and processing of personal data will be restricted to what is necessary for the purpose of investigating and responding to the concern raised. Personal data may need to be shared with relevant third parties in the course of investigating or responding to a concern raised; this will only happen where it is fair, lawful and necessary (to the extent such steps are required by applicable data protection laws) for the proper investigation and resolution of the matter. Where it is necessary to share information with third parties, this will be restricted to information which is needed for the investigation and WLBC will redact or anonymise personal data where it is possible to do so without compromising the purpose of the investigation.</p> <p>e) Personal data gathered will be kept until the end of the investigation or any subsequent legal, regulatory or disciplinary proceedings and any necessary data will be retained securely for seven years after the close of the case or in accordance with WLBC's Records Retention Schedule. After the retention period has lapsed any personal data will be securely destroyed in accordance with the councils Records Management Policy.</p> <p>f) The Monitoring Officer and Internal Audit Manager will ensure that a data protection impact assessment (DPIA) is carried out before the processing of personal data when the processing is likely to result in a high risk to the rights and freedoms of individuals.</p> <p>I trust this feedback is useful...</p>	
<p>RESPONSE 2</p> <p>AUGHTON PARISH COUNCIL</p>	<p>Revised Whistleblowing Code - members noted the policy aims, scope and purpose and the Whistleblowing Flowchart was most helpful. We have no comments to raise on the revised Code.</p>	<p>No action required</p>

<p>RESPONSE 3 Member of Staff</p>	<p>My feedback relates to the flow, if I follow the route of No – I don't believe a wrongdoing has happened, is happening or is likely to happen, what are the reasons I would be referring to my line manager? Is it because:</p> <ol style="list-style-type: none"> 1. I am not sure if my concerns are a case of whistle blowing or 2. I have a concern that would be managed via a different route? <p>I think it is the latter as 3.4 quotes: If you are uncertain whether your concern amounts to a whistleblowing concern, you should seek advice from the Monitoring Officer on the details below or alternatively, you may seek advice externally from Protect the independent whistleblowing charity, who offer a confidential helpline. Protect's contact details can be found at Annex 1.</p> <p>If I was being lazy and not reading the policy and solely looking at the flow, I am not sure I would know what to do, if I was not sure if it was a whistle blowing issue.</p>	<p>Amendments have been made to the Whistleblowing Flowchart to clarify the situation.</p> <p>In the example given if the activity doesn't fall under this code it doesn't mean that it is not something that should still be looked at hence the request to refer the issue to their line manager to consider other appropriate lines of enquiry.</p> <p>If they are unsure as to whether the issue falls under the Code they can consult the Monitoring Officer or Protect the independent whistleblowing charity.</p>
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COUNCIL: 23 February 2022

Report of: Chief Operating Officer

Relevant Portfolio Holder: Councillor I Moran

Contact for further information: Mrs J Denning (Extn. 5384)
(E-mail: jacky.denning@westlancs.gov.uk)

SUBJECT: APPOINTMENT OF COMMITTEES 2021/22

Borough wide interest

1.0 PURPOSE OF REPORT

1.1 To consider the allocation of seats on Committees to the political groups for the remainder of the Municipal Year 2021/22.

2.0 RECOMMENDATIONS

2.1 That, for the period ending with the next Annual Meeting of the Council, or such lesser period should the political balance or allocation to political groups change during the year requiring a review under the provisions of the Local Government and Housing Act 1989, the allocation of seats to the political groups on Committees be as detailed in the attached Appendix be as indicated.

2.2 That the representatives of the political groups on the Committees shall be as indicated on the attached Appendix.

3.0 APPOINTMENT OF COMMITTEES, SUB-COMMITTEES etc

3.1 At its Annual Meeting, the Council is under an obligation, under Section 15(1) of the Local Government and Housing Act 1989, to review the representation of the Political Groups on Committees and Sub-Committees. Under the Act, the numbers of seats on ordinary Committees have to be aggregated and allocated to the proportion that each political group bears to the total members of the Council, in so far as reasonably practicable. In view of the recent changes to the political balance ie. a reduction in the number of members in the Labour Group, a vacancy and 2 additional Independent Members, a request has been received to review the political group representation on Committees. The current elected membership of the Council is 53 (with one vacancy). The Labour Group has 23 members –43.4% of the total membership, the Conservative Group has 20 members – 37.74% of the

total membership, 'Our West Lancashire' has 7 members 13.21 (%) of the total membership and 3 Independent members (1.89% each) of the total membership, which do not constitute a Political Group.

- 3.2 Of the seats available in Committees, these will be allocated to the Labour Group, the Conservative Group and Our West Lancashire, in line with the above. The allocation of remaining seats not allocated to any Political Group will fall to be made by the Council in its discretion. The regulations provide that the Council must only appoint from Members who belong to no Political Group. The remaining seats must therefore be allocated to the 3 Independent Members who do not belong to a Political Group.
- 3.3 There is no legal requirement under the 1989 Act to aggregate the number of seats on ordinary sub-committees. The Act simply requires the seats on such sub-committees to be allocated to the political groups in the same proportion as each group bears to the whole Council. Political balance rules do not apply to Working Groups or Commissions.
- 3.4 The revised entitlement to seats under the Council's Political Management Structure is set out in the attached Appendix 1.

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

6.0 RISK ASSESSMENT

- 6.1 Reviewing the political balance on committees ensures that the Council is complying with its obligation, under Section 15(1) of the Local Government and Housing Act 1989.

7.0 HEALTH AND WELLBEING IMPLICATIONS

- 7.1 There are no health and wellbeing implications arising from this report.

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

Allocation of seats to the political groups on Committees (To follow)



COUNCIL: 23 February 2022

Report of: Legal & Democratic Services Manager

Relevant Portfolio Holder: Councillor I Moran

Contact for further information: Mrs J Denning (Extn. 5384)
(E-mail: jacky.denning@westlancs.gov.uk)

SUBJECT: APPOINTMENT OF VICE CHAIRMAN OF AUDIT & GOVERNANCE COMMITTEE

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To appoint the Vice-Chairman of the Audit & Governance Committee.

2.0 RECOMMENDATION

2.1 That a Councillor who is a Member of the Audit & Governance Committee, be appointed Vice-Chairman of the Committee for the remainder of the 2021/22 Municipal Year.

3.0 BACKGROUND AND CURRENT POSITION

3.1 Council Procedure Rule 1.1(x) provides that the Annual Meeting will appoint Chairmen and Vice-Chairmen of Committees for the ensuing Municipal Year.

3.2 At the Annual Meeting of the Council on 19 May 2021, Councillor O'Neill was appointed Vice-Chairman of the Audit & Governance Committee. The position has become vacant, as he is no longer appointed to that Committee.

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

6.0 RISK ASSESSMENT

6.1 This report meets the requirements set out in the Council's Constitution.

7.0 HEALTH AND WELLBEING IMPLICATIONS

7.1 There are no health and wellbeing implications arising from this report.

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.

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

Document is Restricted

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