



Jacqui Sinnott-Lacey
Chief Operating Officer

52 Derby Street
Ormskirk
West Lancashire
L39 2DF

Tuesday, 11 July 2023

TO: THE MAYOR AND COUNCILLORS

Dear Councillor,

You are summoned to a meeting of the **COUNCIL** to be held in the **COUNCIL CHAMBER, 52 DERBY STREET, ORMSKIRK L39 2DF** on **WEDNESDAY, 19 JULY 2023** at **7.30 PM** at which your attendance is requested.

Yours faithfully

A handwritten signature in black ink, appearing to be 'JS', written over a faint circular stamp.

Jacqui Sinnott-Lacey
Chief Operating Officer

AGENDA
(Open to the Public)

PAGE(S)

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.)

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| | | |
|------------|---|-----------|
| 4. | MINUTES To receive as a correct record, the minutes of the previous meeting held on 17 May 2023. | 3 - 10 |
| 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: | |
| a) | Licensing & Appeals Committee - Tuesday, 28 March 2023 | 11 - 12 |
| b) | Planning Committee - Thursday, 20 April 2023 | 13 - 16 |
| c) | Planning Committee - Thursday, 25 May 2023 | 17 - 18 |
| d) | Audit & Governance Committee - Tuesday, 30 May 2023 | 19 - 22 |
| e) | Licensing & Appeals Committee - Tuesday, 6 June 2023 | 23 - 26 |
| f) | Planning Committee - Thursday, 22 June 2023 | 27 - 28 |
| 8. | PROCUREMENT POLICY To consider the report of the Head of Finance, Procurement and Commercial Property. | 29 - 52 |
| 9. | COMMUNITY WEALTH BUILDING STRATEGY To consider the report of the Corporate Director of Transformation, Housing & Resources. | 53 - 122 |
| 10. | USE OF COMMUNITY INFRASTRUCTURE LEVY MONIES ON BURSCOUGH WELLBEING AND LEISURE HUB To consider the report of the Corporate Director of Transformation, Housing & Resources. | 123 - 136 |
| 11. | REVIEW OF POLITICAL BALANCE 2023/24 To consider the report of the Chief Operating Officer. | 137 - 140 |
| 12. | UK SHARED PROSPERITY FUND UPDATE To consider the report of the Corporate Director of Transformation, Housing & Resources. | 141 - 158 |
| 13. | GRA REVENUE OUT-TURN 22-23 To consider the report of the Head of Finance, Procurement & Commercial Services. | 159 - 166 |

14. **GRA CAPITAL OUT-TURN 2022-23**
To consider the report of the Head of Finance, Procurement & Commercial Services. 167 - 178
15. **HRA REVENUE & CAPITAL OUT-TURN**
To consider the report of the Head of Finance, Procurement & Commercial Services. 179 - 186
16. **TREASURY MANAGEMENT & PRUDENTIAL INDICATOR PERFORMANCE 22-23**
To consider the report of the Head of Finance, Procurement & Commercial Services. 187 - 196
17. **LINEAR PARKS UPDATE**
To consider the report of the Corporate Director of Transformation, Housing & Resources. 197 - 202
18. **EXCLUSION OF PRESS AND PUBLIC**
It is recommended that members of the press and public be excluded from the meeting during consideration of the following item of business in accordance with Section 100A(4) of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 (Financial/Business Affairs) of Part 1 of Schedule 12A to the Act and as, in all the circumstances of the case the public interest in maintaining the exemption under Schedule 12A outweighs the public interest in disclosing the information.

PART 2 - NOT OPEN TO THE PUBLIC

19. **TAWD VALLEY DEVELOPMENTS LIMITED - BUSINESS PLAN UPDATE**
To consider the report of the Chief Operating Officer. 203 - 262

PART 3 - OPEN TO THE PUBLIC

20. **MOTIONS**
To consider the following Motions included on the agenda at the request of the Members indicated:
- a) **Standing up for Responsible Tax Conduct - Motion from Councillor Adam Yates on behalf of the Labour Group**
Full Council notes that:
1. The pressure on organisations to pay their fair share of tax has never been stronger.
 2. Polling from the Institute for Business Ethics finds that “corporate tax avoidance” has, since 2013, been the clear number one concern of the British public when it comes to business conduct.
 3. Two thirds of people (66%) believe the Government and local

councils should at least consider a company's ethics and how they pay their tax, as well as value for money and quality of service provided, when awarding contracts to companies.

4. Around 17.5% of public contracts in the UK have been won by companies with links to tax havens.
5. It has been conservatively estimated that losses from multinational profit-shifting (just one form of tax avoidance) could be costing the UK some £17bn per annum in lost corporation tax revenues.
6. The Fair Tax Mark offers a means for business to demonstrate good tax conduct, and has been secured by a wide range of businesses across the UK, including FTSE-listed PLCs, co-operatives, social enterprises and large private businesses.

Full Council believes that:

1. Paying tax is often presented as a burden, but it shouldn't be.
2. Tax enables us to provide services from education, health and social care, to flood defence, roads, policing and defence. It also helps to counter financial inequalities and rebalance distorted economies.
3. As recipients of significant public funding, local authorities should take the lead in the promotion of exemplary tax conduct; be that by ensuring contractors are paying their proper share of tax, or by refusing to go along with offshore tax dodging when buying land and property.
4. Where councils hold substantive stakes in private enterprises, influence should be wielded to ensure that such businesses are exemplars of tax transparency and tax avoidance is shunned.
5. More action is needed, however, as current and proposed new UK procurement law significantly restricts councils' ability to either penalise poor tax conduct (as exclusion grounds are rarely triggered) or reward good tax conduct, when buying goods or services.
6. UK cities, boroughs, counties and towns can and should stand up for responsible tax conduct - doing what they can within existing frameworks and pledging to do more given the opportunity, as active supporters of international tax justice.

Full Council resolves to:

1. Approve the Councils for Fair Tax Declaration. (1)
2. Lead by example in West Lancashire and demonstrate good practice in our tax conduct, right across our activities.
3. Ensure IR35 is implemented robustly and contract workers pay a

fair share of employment taxes.

4. Not use offshore vehicles for the purchase of land and property, especially where this leads to reduced payments of stamp duty.
5. Undertake due diligence to ensure that not-for-profit structures are not being used inappropriately by suppliers as an artificial device to reduce the payment of tax and business rates.
6. Demand clarity on the ultimate beneficial ownership of suppliers UK and overseas and their consolidated profit & loss position, given lack of clarity could be strong indicators of poor financial probity and weak financial standing.
7. Promote Fair Tax Mark certification especially for any business in which we have a significant stake and where corporation tax is due.
8. Support Fair Tax Week events in West Lancashire, and celebrate the tax contribution made by responsible businesses are proud to promote responsible tax conduct and pay their fair share of corporation tax.
9. Support calls for urgent reform of UK procurement law to enable local authorities to better penalise poor tax conduct and reward good tax conduct through their procurement policies.

(1) <https://fairtaxmark.net/wp-content/uploads/2022/12/Councils-for-Fair-Tax-Declaration-ENG-CYM-2022.pdf>

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**.

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

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

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

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

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

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

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

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

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

'a connected person' means

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

'body exercising functions of a public nature' means

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

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

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

Agenda Item 4

COUNCIL

HELD: Wednesday, 17 May 2023

Start: 7.30 pm

Finish: 8.22 pm

PRESENT:

Councillors:

| | |
|-----------------------|-----------------|
| Mrs M Westley (Mayor) | T Aldridge |
| M Anderson | R Bailey |
| A Blundell | P Burnside |
| C Coughlan | V Cummins |
| D Daniels | T Devine |
| G Dowling | I Eccles |
| A Fennell | J Fillis |
| J Finch | A Fowler |
| T De Freitas | N Furey |
| Y Gagen | J Gordon |
| N Hennessy | P Hennessy |
| P Hesketh | P Hogan |
| J Howard | K Juckes |
| S Lawton | K Lloyd |
| Mrs J Marshall | R Molloy |
| M Nixon | G Owen |
| M Parlour | S Patel |
| E Pope | N Pryce-Roberts |
| J Rear | D West |
| D Westley | D Whittington |
| J Witter | A Yates |

Officers:

Jacqui Sinnott-Lacey, Chief Operating Officer
Chris Twomey, Corporate Director of Housing, Transformation & Resources
Lisa Windle, Head of Corporate and Customer Services
Kathryn Sephton, Head of Environmental Services
Paul Charlson, Head of Planning & Regulatory Services
Alan Leicester, Head of Housing Services
Kay Lovelady, Legal & Democratic Services Manager
Jacky Denning, Democratic Services Manager
Stephen Stephen, Mayor's Chauffeur/Civic Officer
Thomas Lynan, Electoral Services Manager
Chloe McNally, Democratic Services Officer

1 PRAYERS

The Mayor, Councillor Marilyn Westley, welcomed everyone to the Annual Meeting of the Council, particularly the new Members, Councillor Paul Hennessy, Sarah Lawton, Kerry Lloyd, Jayne Rear, Paul Hesketh, Thomas de Freitas and Melissa Parlour and welcomed back Councillors Terry Devine and Nikki Hennessy.

The Mayor's Chaplain for the evening, Venerable David Garnett, led Members and officers in prayer.

The Mayor thanked Venerable Garnett and presented him with a gift for being her Chaplain for the year.

2 APOLOGIES

There were no apologies for absence.

The Mayor paid tribute to David O'Toole, Damien Owen, Linda Gresty, Gordon Johnson, Adrian Owens, Kate Mitchell, Jane Thompson, Janice Monaghan and John Mee, who are no longer Members of the Council, following the local elections held on 4 May 2023, and thanked them for their service to the Council.

The Mayor advised that the election results were available to view on the Council's website.

3 DECLARATIONS OF INTEREST

There were no declarations of interests.

4 MINUTES

The minutes of the previous meeting held on Wednesday 5 April 2023, were received as a correct record and signed by the Mayor.

5 A. ELECTION OF MAYOR FOR ENSUING YEAR

The retiring Mayor, Councillor Marilyn Westley, thanked Council Members and staff, friends and family for their part in making her year of office so enjoyable and wished the incoming Mayor a successful year of office and invited nominations for the office of Mayor for the ensuing Municipal year 2023/24.

Councillor Maureen Nixon was nominated, which was moved and seconded.

Councillor Nixon accepted the nomination.

A vote was taken, which was CARRIED

Councillor Nixon indicated her acceptance of office.

RESOLVED: That Councillor Maureen Nixon be elected as Mayor for the ensuing Municipal Year.

(Note, during this item, the new Mayor, Councillor Maureen Nixon:

1. Was dressed in the Mayor's robes and invested in the Mayor's Chain and Badge of Office and made the statutory Declaration of Acceptance of Office, following which she assumed the Chair.
2. Expressed her thanks to the proposer and seconder, and to the Council for

the honour conferred upon her, in electing her as Mayor, before presenting Councillor Marilyn Westley, the retiring Mayor, with her Past Mayor's engraved Shield.

3. The outgoing Mayor presented the outgoing Mayoress, Doreen Stephenson, with flowers.
4. The new Mayor, Councillor Maureen Nixon, presented the New Mayor's Consort, Mr Laughton Wilkinson, with the Mayoress' Chain and Badge of Office.)

B. APPOINTMENT OF DEPUTY MAYOR FOR THE ENSUING YEAR

The Mayor invited nominations for the appointment of Deputy Mayor.

Councillor Julian Finch was nominated, which was moved and seconded.

Councillor Finch accepted the nomination.

A vote was taken, which was CARRIED

Councillor Finch signified his acceptance of office.

RESOLVED: That Councillor Julian Finch be appointed Deputy Mayor for the ensuing Municipal Year.

(Note, during this item, the new Deputy Mayor, Councillor Julian Finch:

1. Made the statutory Declaration of Acceptance of Office and assumed the Deputy Mayor's Chair.
2. Thanked the Council for the honour of allowing him to serve as Deputy Mayor.
3. Presented the Deputy Mayoress, Mrs Mary Finch, with some flowers and the Deputy Mayoress' Chain and Badge of Office.)

6 ANNOUNCEMENTS BY THE MAYOR AND/OR THE CHIEF OPERATING OFFICER

The New Mayor, Councillor Maureen Nixon announced:

1. That her theme for her Mayoral Year would be "Bringing the Young and the Old Together".
2. That her Chaplain for the year would be Father Godric Timney of St Anne's Church, Ormskirk.
3. Civic Sunday would be held in September at St Anne's RC Church, Ormskirk.
4. Fund raising activities would be for West Lancs ARK, Age UK (Ormskirk) and Skelmersdale Rainbows, Brownies & Guides and asked for the support of

7 **Members at the various fund raising events being held throughout the year.**
ELECTION OF THE LEADER, THE LEADER'S APPOINTMENT OF THE DEPUTY LEADER AND CABINET, AND 'PROPER OFFICER PROVISIONS AND SCHEMES OF DELEGATION'

Consideration was given to the report of the Chief Operating Officer, as contained on pages 5 to 8 of the Book of Reports, which sought to elect the Leader of the Council until the Annual Meeting in 2024, receive notification of the Leader's appointment of a Deputy Leader for the same term and Cabinet for the Municipal Year 2023/24 and to confirm the 'Proper Officer Provisions and Schemes of Delegation'.

The Mayor invited nominations for the appointment of Leader.

Councillor Yvonne Gagen was nominated, which was moved and seconded. Councillor Gagen accepted the nomination.

A vote was taken, which was CARRIED.

Councillor Yvonne Gagen indicated her acceptance to the position as Leader.

A Motion to move recommendations 2.2 to 2.4 in the report was moved and seconded.

A copy of the Labour nominations had been circulated prior to the meeting.

- RESOLVED: A. That Councillor Yvonne Gagen be elected as the Leader of the Council for a term of office expiring on the date of the Annual Meeting in 2024.
- B. That the Members appointed by the Leader as Deputy Leader for the same term of office, and the Members appointed by the Leader as Members of the Cabinet for 2023/24, with the Portfolios identified by the Leader, be noted as follows:

| | Position | Areas of Responsibility | Councillor |
|-----|---|---|-------------------|
| (1) | Leader | Legal & Democratic | Y Gagen |
| (2) | Deputy Leader & Portfolio Holder: | Planning & Community Safety | G Dowling |
| (3) | Deputy Leader (Non-Statutory) & Portfolio Holder: | Green Growth <i>(including Economic Regeneration)</i> | A Yates |
| (4) | Portfolio Holder: | Health & Wellbeing | V Cummins |
| (5) | Portfolio Holder: | Street Scene | N Furey |
| (6) | Portfolio Holder: | Communities | A Fennell |
| (7) | Portfolio Holder: | Finance | R Molloy |
| (8) | Portfolio Holder: | Housing | N Pryce-Roberts |
| (9) | Portfolio Holder: | Leisure | C Coughlan |

- C. That the 'Proper Officer Provisions and Scheme of Delegation to Chief Officers', insofar as they are Council functions be confirmed and insofar as they are Cabinet functions it be noted that the Leader has delegated these to the officers stated therein.
- D. That the Leader's Scheme of Delegation to Cabinet members, as updated to reflect the Portfolios/Portfolio Holders now appointed, be noted.

8 **TO NOTE THE APPOINTMENT OF THE LEADER AND DEPUTY LEADER OF THE CONSERVATIVE GROUP**

The Council noted that Councillor David Westley had been appointed Leader of the Conservative Group and that Councillor David Whittington had been appointed as the Deputy Leader of the Group. Details of the Shadow Cabinet and Spokesmen would be circulated after the meeting.

9 **APPOINTMENT OF COMMITTEES ETC 2023/24**

Consideration was given to the report of the Chief Operating Officer, as contained on pages 9 to 23 of the Book of Reports, which set out the appointment of Committees etc. and their terms of reference and allocation of seats thereon to the political groups for the Municipal Year 2023/24.

The political balance on Committees and the Labour nominations had been circulated prior to the meeting.

A Motion to approve recommendations 2.1 to 2.5 in the report was moved and seconded.

A vote was taken, which was CARRIED.

- RESOLVED:
- A. 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 Committees, Sub-Committees etc be appointed as detailed in the Labour Appendix circulated prior to the meeting and that the allocation of seats to the political groups be as indicated.
 - B. That the representatives of the political groups on the Committees etc now appointed shall be as indicated on the circulated Labour Appendix (Constitution 4.1A) and the appointment of the Independent Persons & the 2 Parish Council Representatives on the Standards Committee, be as detailed in the Labour proposals appendix and any changes or vacancies be notified to the Legal & Democratic Services Manager in

accordance with the wishes of the group.

- C. That the terms of reference for the Committees etc now appointed be agreed as set out in Constitution 4.1: Responsibility for Functions.
- D. That it be noted that the Leader has appointed Cabinet Working Groups as indicated on Appendix 1 to the report, with the terms of reference included in Constitution 4.1: Responsibility for Functions.
- E. That it be noted that the Chief Operating Officer, in consultation with the Leader and Deputy Leader, will appoint representatives to the Outside Bodies listed in Constitution 4.1C Cabinet and Council Appointments to Outside Bodies.

10 **APPOINTMENT OF CHAIRMEN AND VICE-CHAIRMEN OF COMMITTEES**

Nominations for the appointment of Chairmen and Vice-Chairmen of Committees for the ensuing year were submitted by the Labour Group as contained in the Labour Appendix 1 to the report, considered at agenda item 9, which were moved and seconded.

A further nomination for the appointment of the Chairman of Audit & Governance Committee, Councillor E Pope, from the Conservative Group, was moved and seconded.

An individual vote was taken on the appointment of the Chairman of Audit & Governance Committee, as it had received more than one nomination ie. Councillors Anderson and Pope. At the request of a Member, the vote was recorded as follows:

Councillor Anderson: Councillors Aldridge, Anderson, Burnside, Coughlan, Cummins, Devine, Dowling, Fennell, Fillis, Finch, Fowler, Furey, Gagen, N Hennessy, P Hennessy, Hogan, Lawson, Lloyd, Molloy, Nixon, Owen, Parlour, Patel, Pryce-Roberts, West and Yates (TWENTY SIX)

Councillor Pope: Councillors Bailey, Blundell, Daniels, Eccles, de Freitas, Gordon, Howard, Jukes, Marshall, Pope, Rear, D Westley, M Westley, Whittington and Witter (FIFTEEN)

Abstentions: Councillor Paul Hesketh (ONE)

Councillor Mark Anderson was appointed as Chairman of Audit & Governance Committee.

A vote was taken on the remaining appointments, which had only received one nomination, which was CARRIED.

RESOLVED: That Chairmen and Vice-Chairmen of Committees for 2023/24 be

appointed as follows:

- A. Executive Overview & Scrutiny Committee
Chairman: Councillor John Fillis
Vice Chairman: Councillor Terry Devine
- B. Corporate & Environment Overview & Scrutiny Committee
Chairman: Councillor Donna West
Vice Chairman: Councillor Paul Hogan
- C. Planning Committee
Chairman: Councillor Gaynar Owen
Vice Chairman: Councillor Andy Fowler
- D. Licensing & Appeals Committee
Chairman: Councillor Nikki Hennessy
Vice-Chairman: Councillor Terry Devine
- E. Licensing & Gambling Committee
Chairman: Councillor Patricia Burnside
Vice-Chairman: Councillor Gaynar Owen
- F. Standards Committee
Chairman: Councillor Yvonne Gagen
Vice Chairman: Councillor David Westley
- G. Investigating Committee
Chairman: Councillor Gaynar Owen
Vice-Chairman: Councillor Vicki Cummins
- H. Chief Officers Committee
Chairman: Councillor Yvonne Gagen
Vice-Chairman: Councillor John Fillis
- I. Audit & Governance Committee
Chairman: Councillor Mark Anderson
Vice Chairman: Councillor Mellissa Parlour
- J. Polling Districts & Polling Places Review Committee
Chairman: Councillor Gaynar Owen
Vice-Chairman: Councillor Gareth Dowling

K. Strategic Asset Purchasing Committee

Chairman: Councillor Rob Molly

Vice Chairman: Councillor Adam Yates

.....
THE MAYOR

DRAFT

LICENSING & APPEALS COMMITTEE

HELD: Tuesday, 28 March 2023

Start: 7.00 pm

Finish: 7.26 pm

PRESENT:

Councillor: G Johnson (Chairman)
J Mee (Vice Chairman)

Councillors: S Patel
I Eccles
J Gordon
J Monaghan
P O'Neill

T Aldridge
N Furey
L Gresty
M Nixon

Officers: Paul Charlson, Head of Planning & Regulatory Services
Samantha Jordan, Senior Licensing Officer
Kay Lovelady, Legal & Democratic Services Manager
Lyndsey Key, Environmental Health Manager
Chloe McNally, Democratic Services Officer

1 APOLOGIES

There were no apologies for absence 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 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 6 December 2022, be agreed 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/000277455

Members were asked to consider an application for a Private Hire Driver Licence, reference number WK/000277455, having regard to the content of the Statutory Declaration that accompanied the application form and any other relevant information.

RESOLVED: That the Application for a Private Hire Driver Licence, reference number WK/000277455 be GRANTED.

(Note: The Officers from Place & Community Services left the meeting whilst Members considered their decision)

.....
Chairman

PLANNING COMMITTEE

HELD: Thursday, 20 April 2023

Start: 7.00 p.m.,

Finish: 7.45 p.m.

PRESENT:

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

Councillors: A Blundell G Owen
A Fennell E Pope
A Fowler J Thompson
P Hogan Mrs J Witter
J Howard

Officers: Paul Charlson, Head of Planning and Regulatory Services
Kate Jones, Planning Services Team Leader
Nicola Cook, Principal Planning Officer
Judith Williams, Assistant Solicitor
Danielle Valenti, Planning Assistant Solicitor
Hollie Griffiths, Planning Assistant Solicitor
Chloe McNally, Democratic Services Officer

90 APOLOGIES

Apologies for absence were received on behalf of Councillor M Anderson, and Councillor G Johnson.

91 MEMBERSHIP OF THE COMMITTEE

There were no changes to the membership of the Committee.

92 URGENT BUSINESS, IF ANY INTRODUCED BY THE CHAIRMAN

There were no urgent items of business received.

93 DECLARATIONS OF INTEREST

There were no Declarations of Interest received.

94 DECLARATIONS OF PARTY WHIP

There were no Declarations of Party Whip.

95 MINUTES

RESOLVED: That the minutes of the meeting held on the 16 March 2023 be approved as a correct record and signed by the Chairman.

96 PLANNING APPLICATIONS

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 611 to 669 of the Book of Reports.

97 2023/0008/FUL - OLD GORE BARN, ALTCAR LANE, GREAT ALTCAR, LIVERPOOL

The Corporate Director of Place and Community submitted a report on planning application 2023/0008/FUL relating to Old Gore Barn, Altcar Lane, Great Altcar.

RESOLVED: That planning application 2023/0008/FUL relating to Old Gore Barn, Altcar Lane, Great Altcar be deferred to allow the applicant to be submitted for consideration.

98 2022/1324/FUL - LAND AT JUNCTION OF MOSS ROAD/BENTHAMS WAY, HALSALL

It was noted that planning application 2022/1324/FUL relating to Land at Junction of Moss Road/Benthams Way, Halsall had been withdrawn by the applicant and was not therefore considered.

99 2023/0039/FUL - LAND TO REAR OF 99 BLACKGATE LANE, TARLETON

The Corporate Director of Place and Community submitted a report on planning application 2023/0039/FUL relating to Land to rear of 99 Blackgate Lane, Tarleton.

RESOLVED: That planning application 2023/0039/FUL relating to Land to rear of 99 Blackgate Lane, Tarleton be refused for the reasons as set out on page 643 of the Book of Reports.

100 2022/1154/FUL - ELLAN VANNIN, LONG HEYS LANE, DALTON

The Corporate Director of Place and Community submitted a report on planning application 2022/1154/FUL relating to Ellan Vannin, Long Heys Lane, Dalton.

RESOLVED: That planning application 2022/1154/FUL relating to Ellan Vannin, Long Heys Lane, Dalton be approved subject to the reasons and conditions as set out on page 654 of the Book of Reports.

101 2022/1080/FUL - HOSCAR COTTAGE, HOSCAR MOSS ROAD, LATHOM

The Corporate Director of Place and Community submitted a report on planning application 2022/1080/FUL relating to Hoscar Cottage, Hoscar Moss Road, Lathom.

RESOLVED: That planning application 2022/1080/FUL relating to Hoscar Cottage, Hoscar Moss Road, Lathom be approved subject to the reasons and

conditions as set out on pages 666 to 667 of the Book of Reports and with an additional condition and reason as set out below:-

Additional Condition

The use of the cattery and hair salon hereby permitted shall be personal to Mrs Michelle Swindon and shall not ensure for the benefit of the land nor any other person or persons for the time being having an interest therein.

When the premises cease to be occupied by Mrs Michelle Swindon the use hereby permitted shall cease (and all materials and equipment brought on to the premises in connection with the use shall be removed).

Reason:

In granting this permission the Local Planning Authority has had regard to the special circumstances of the case and wishes to have the opportunity of exercising control over any subsequent use or involvement of multiple users in the event of the applicant ceasing the use hereby permitted.

102 **INCREASING PLANNING FEES AND PERFORMANCE: TECHNICAL CONSULTATION**

Consideration was given to the report of the Corporate Director of Place and Community as set out on pages 671 to 701 of the Book of Reports the purpose of which was to seek members agreement to the proposed responses on the consultations carried out in respect of increasing planning fees and also on the performance technical consultations.

RESOLVED: That Planning Committee endorse the report and comments as the Council's observations to the consultation in advance of it being sent to the Department of Levelling Up, Housing and Communities (DLUHC) on or before the 25 April 2023.

.....
Chairman

PLANNING COMMITTEE

HELD: Thursday, 25 May 2023

Start: 7.00 p.m.

Finish: 7.25 p.m.

PRESENT:

Councillors: G Owen (Chairman)
A Fowler (Vice-Chairman)

Councillors: M Anderson S Patel
A Blundell N Pryce-Roberts
P Hogan E Pope
J Howard J Witter

Officers: Kate Jones – Planning Services Team Leader
Judith Williams – Assistant Solicitor
Jill Ryan – Principal Democratic Services Officer
Debbie Walkley – Senior Planning Officer
Emma Bailey – Senior Planning Officer
Danielle Valenti – Planning Assistant Solicitor
Hollie Griffiths – Planning Assistant 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 Councillor A Fennell and the appointment of Councillor N Pryce Roberts for this meeting only, thereby giving effect to the wishes of the Political Groups.

3 URGENT BUSINESS, IF ANY INTRODUCED BY THE CHAIRMAN

There were no urgent items of business received.

4 DECLARATIONS OF INTEREST

Councillor N Pryce Roberts declared a non-pecuniary interest in relation to Planning Application 2022/0945/WL3 relating to 82-84 Tanfields, Skelmersdale as a Cabinet Member she held the position of Portfolio Holder for Housing.

5 DECLARATIONS OF PARTY WHIP

There were no Declarations of Party Whip.

6 MINUTES

RESOLVED: That the minutes of the meeting held on the 20 April 2023 be approved as a correct record and signed by the Chairman.

7 PLANNING APPLICATIONS

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 7 to 29 of the Book of Reports and on pages 31 to 34 of the Late Information Report.

8 2022/0945/WL3 - 82-84 TANFIELDS, SKELMERSDALE

The Corporate Director of Place and Community submitted a report relating to 82-84 Tanfields, Skelmersdale referenced 2022/0945/WL3.

RESOLVED: That planning application 2022/0945/WL3 relating to 82-84 Tanfields, Skelmersdale be approved subject to the conditions and reasons as set out on pages 11 to 14 of the Book of Reports.

9 2022/0955/FUL - 9-11 MOOR STREET, ORMSKIRK

The Corporate Director of Place and Community submitted a report on planning application 2022/0955/FUL relating to 9-11 Moor Street, Ormskirk.

RESOLVED: That planning application 2022/0955/FUL relating to 9-11 Moor Street, Ormskirk be approved subject to the conditions and reasons as set out on pages 26 to 27 of the Book of Reports and with an additional condition and reason as set out below:-

Additional Condition

Prior to any part of the development hereby permitted taking place a Construction Management Plan (CMP) or Construction Method Statement (CMS) shall be submitted to and approved in writing by the local planning authority. The approved plan / statement shall provide:

- 24 Hour emergency contact number.
- Details of the parking of vehicles of site operatives and visitors.
- Details of loading, unloading and storage of plant and materials.
- Measures to control the emission of dust and dirt during construction.
- Delivery and construction working hours.

Reason:

These details are required prior to the commencement of development in order to protect the amenity of neighbouring occupiers and to comply with the provisions of Policy GN3 in the adopted West Lancashire Local Plan 2012-2027 Development Plan Document

.....
Chairman

AUDIT & GOVERNANCE COMMITTEE

HELD: Tuesday, 30 May 2023

Start: 7.00 pm

Finish: 7.26 pm

PRESENT:

Councillor: M Anderson (Chair)

Councillors: M Parlour
J Gordon
E Pope
D Daniels
S Patel

In attendance: Georgia Jones, Director, Grant Thornton
Ben Stern, Grant Thornton (Observer)

Officers: Tony Furber, Corporate Finance Manager (Deputy S151 Officer)
Catherine Kirwan, Procurement Manager
Jennifer Lunn, Assistant Solicitor
Jacqueline Pendleton, Corporate Compliance & Governance
Manager
James Pierce, Head of Finance, Procurement and Commercial
Services Section 151 Officer
Stephanie Salmon, Procurement Officer
Duncan Jowitt, Democratic Services Officer
Chloe McNally, Democratic Services Officer

1 APOLOGIES

There were no apologies received.

2 MEMBERSHIP OF THE COMMITTEE

In accordance with Council Procedure Rule 4, the Committee noted the termination of Councillor Whittington, and the appointment of Councillor Gordon 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 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 MINUTES OF PREVIOUS MEETING

RESOLVED: That the Minutes of the meeting held on 31 January 2023 be received as a correct record and signed by the Chairman.

6 PUBLIC SPEAKING

There were no items under this heading.

7 GRANT THORNTON - AUDIT PROGRESS REPORT

Consideration was given to the Audit Progress Report and Sector Update year ending 31 March 2023 from our External Auditors Grant Thornton, which provided a summary of emerging national issues and relevant issues that the committee might wish to consider.

The Chairman welcomed and invited Georgia Jones, Director, Grant Thornton, to present the report to the Committee.

Georgia Jones confirmed that Grant Thornton are hopeful to be in a position to sign off the 20/21 accounts in July 23. Also, that no additional significant issues had been raised in the course of their recent work beyond those raised in the Interim Findings Report.

Councillors raised questions about the interim audit findings, the possibility of taking a report to Full Council and the Derby Street improvements.

Georgia Jones said that after all the work was completed, an interim report would be taken to the next meeting of the Committee.

The Committee considered the Audit Progress Report as contained on pages 543-560 of the Book of Reports, which had been presented to Members for approval.

RESOLVED: That the report be noted.

8 INTERNAL AUDIT CHARTER 2023/24

The Corporate Director of Transformation, Housing & Resources submitted a report advising Members of the outcome of the external assessment of internal audit's conformance to the Public Sector Internal Audit Standards (the review).

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

The Committee considered the Internal Audit Charter 2023/24 Report as contained on pages 561-581 of the Book of Reports, which had been presented to Members for approval.

RESOLVED: That officers be thanked for their work and the contents of the Internal Audit Charter 2023/24 at Appendix 1 of the report, be noted and approved to take effect from 31 May 2023.

9 EXTERNAL REVIEW OF INTERNAL AUDIT

The Corporate Director of Transformation, Housing & Resources submitted a report advising Members of the outcome of the external assessment of internal audit's

conformance to the Public Sector Internal Audit Standards (the review).

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

The Internal Audit Manager said that overall, the review had been a glowing report with just some minor advisories which were already being dealt with.

The Committee considered the External Review of Internal Audit Report as contained on pages 583-603 of the Book of Reports, which had been presented to Members for approval.

RESOLVED: That Members note the review's overall conclusion that West Lancashire Borough Council's Internal Audit Service generally conforms to the requirements of the Public Sector Internal Audit Standards and those of the Local Government Application Note.

10 **INTERNAL AUDIT STRATEGY AND ANNUAL PLAN 2023/24**

The Corporate Director of Transformation, Housing & Resources submitted a report to provide Members with the background to the preparation of the 2023/24 Internal Audit Strategy and Annual Plan and present it for approval.

The Chairman invited the Internal Audit Manager to present the report. She explained that the team was recruiting a temporary auditor as they were one auditor down and would review it at the next available meeting.

The Committee considered the Internal Audit Strategy and Annual Plan 2023/23 as contained on pages 605-615 of the Book of Reports, which had been presented to Members for approval.

RESOLVED: That the Internal Audit Strategy and Annual Plan 2023/24 at Appendix 1 of the report be approved to take effect from 1 April 2023.

11 **INTERNAL AUDIT ACTIVITIES - PROGRESS REPORT**

The Corporate Director of Transformation, Housing & Resources submitted a report to advise Members of progress against the 2022/23 Internal Audit Plan.

The Chairman invited the Corporate Compliance & Governance Manager to present the report. She explained that the work was now 98% completed and that weekly reports in relation to the implementation of audit recommendations were being submitted to the Chief Operating Officer and Director of Transformation, Housing & Resources.

The Committee considered the progress against the 2022/23 Internal Audit Plan as contained on pages 617-628 of the Book of Reports, which had been presented to Members.

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

12 PROCUREMENT POLICY

The Head of Finance, Procurement and Commercial Property submitted a report asking Members to consider the proposed Procurement Policy.

The Chairman invited the Procurement Manager to present the report.

Members asked about who monitored the service and what penalties were built into tenders and contracts. The Procurement Manager explained that the Head of Finance, Procurement and Commercial Property was now her direct line manager and that they worked closely with Legal Services to build in robust rectification processes. Any exemptions had to be signed off by the Chief Operating Officer, who had the final say.

The Committee considered the Procurement Policy as contained on pages 629-645 of the Book of Reports, which had been presented to Members.

RESOLVED: That the Committee recommend the Procurement Policy to Council to be noted and approved.

13 REGULATION OF INVESTIGATORY POWERS ACT - ANNUAL SETTING OF THE POLICY

The Legal and Democratic Services Manager submitted a report on the Council's use of its powers under the Regulation of Investigatory Power's Act (RIPA) and to present the RIPA Policy document for approval.

The Committee considered the RIPA Activity and RIPA Policy as contained on pages 647-675 of the Book of Reports, which had been presented to Members.

RESOLVED: That the Council's RIPA activity and the RIPA Policy at Appendix 1, be noted.

14 WORK PROGRAMME

Consideration was given to the Committee's 2023/24 Work Programme as set out on page 677 of the Book of Reports.

Members asked about a possible joint presentation on the final accounts and the Head of Finance, Procurement and Commercial Services said that he would take this up but had been struggling to find a suitable date. Members suggested a presentation to all councillors might be valuable as training.

RESOLVED: That the Work Programme be noted.

.....
Chairman

LICENSING & APPEALS COMMITTEE

HELD: Tuesday, 6 June 2023

Start: 7.00 pm

Finish: 7.30 pm

PRESENT:

Councillor: N Hennessy (Chairman)
T Devine (Vice-Chair)

Councillors: I Eccles T Aldridge
N Furey J Finch
P Hesketh J Gordon
S Lawton J Howard
S Patel K Lloyd

Officers: Kay Lovelady, Legal & Democratic Services Manager
Paul Charlson, Head of Planning & Regulatory Services
Lyndsey Key, Environmental Health Manager
Michaela Murray, Senior Licensing Officer
Andrew Smith, Legal Assistant
Claire Kelly, Principal Solicitor and Deputy Monitoring Officer
Jill Ryan, Democratic Services Officer

1 **APOLOGIES**

There were no apologies for absence 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 **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 Tuesday, 28 March 2023, be agreed as a correct record and signed by the Chairman.

8 HACKNEY CARRIAGE FARES

Consideration was given to the report of the Head of Planning & Regulatory Services, as contained on pages 5-14 of the Book of Reports which sought consideration of a request from a Hackney Carriage proprietor, representing all Hackney Carriage trade, to increase the maximum chargeable fares payable by the travelling public for hackney carriage journeys.

The Senior Licensing Officer outlined the report and the purpose of the proposed amendments to the Members of the Committee.

- RESOLVED:
- A. That the proposed increase in hackney carriage fares detailed in Appendix 3 attached to the report be approved.
 - B. That delegated authority is granted to the Head of Planning & Regulatory Services to publish a Notice in one local newspaper circulating in the Borough detailing the proposed increase in fares.
 - C. That delegated authority is granted to the Head of Planning & Regulatory Services to grant the fare increase should no objections be received in response to the published Notice.

9 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.

10 APPLICATION FOR PRIVATE HIRE DRIVER LICENCE - WK/000277999

Members were asked to consider an application for a Private Hire Driver Licence, reference number WK/000277999, having regard to a non-declaration of a criminal offence as part of the application submitted.

RESOLVED: That the Application for a Private Hire Driver Licence, reference number WK/000277999 be GRANTED.

(Note: The Officers from Place & Community Services left the meeting whilst Members considered their decision)

.....
Chairman

PLANNING COMMITTEE

HELD: Thursday, 22 June 2023

Start: 7.00 p.m.

Finish: 7.25 p.m.

PRESENT:

Councillor: G Owen (Chairman)
A Fowler (Vice-Chairman)

Councillors: M Anderson J Howard
A Blundell S Patel
A Fennell E Pope
P Hogan J Witter

Officers: Steve Faulkner, Planning Services Manager
David Delaney, Legal Assistant (Planning)
Jill Ryan, Principal Democratic Services
Danielle Valenti, Planning Assistant Solicitor

1 APOLOGIES

There were no apologies for absence received.

2 MEMBERSHIP OF THE COMMITTEE

There were no changes to the membership of the Committee.

3 URGENT BUSINESS, IF ANY INTRODUCED BY THE CHAIRMAN

There were no urgent items of business received.

4 DECLARATIONS OF INTEREST

There were no Declarations of Interest received.

5 DECLARATIONS OF PARTY WHIP

There were no Declarations of Party Whip.

6 MINUTES

RESOLVED: That the minutes of the meeting held on the 25 May 2023 be approved as a correct record and signed by the Chairman.

7 PLANNING APPLICATIONS

Consideration was given to the report of the Corporate Director of Place and Community as contained on pages 39 to 49 of the Book of Reports and on pages 51 to 59 of the Late Information Report.

(Note:

The Planning Services Manager brought to the attention of Members the Planning Inspectorates decision on Planning Application 2022/0273/FUL relating to the Rear of 126-160 Ormskirk Road, Up Holland. Members were asked to note the appeal had been dismissed by the Planning Inspectorate which, fully endorsed the reasons given by the Planning Committee for their refusal of planning permission.)

8 2023/0031/FUL - THE ROYAL BRITISH LEGION, LORD STREET, BURSCOUGH, LANCASHIRE

The Corporate Director of Place and Community submitted a report on planning application 2023/0031/FUL relating to The Royal British Legion, Lord Street, Burscough.

RESOLVED: That planning application 2023/0031/FUL relating to The Royal British Legion, Lord Street, Burscough be approved subject to the conditions and reasons as set out on pages 44 to 46 of the Book of Reports and with an additional condition as set out on pages 51 and 52 of the Late Information Report and with the following amendment as set out below:-

Construction vehicle deliveries to the approved development shall only be accepted between the hours of 09:30 and 14:30 Monday - Friday.

Reason: To avoid peak traffic on the surrounding highway network in the interests of highway safety and Policy IF2 of the West Lancashire Local Plan 2012-2027.

.....
Chairman

Agenda Item 8



COUNCIL: 19th July 2023

CABINET: 27th June 2023

EXECUTIVE OVERVIEW &
SCRUTINY COMMITTEE: 15th June
2023

AUDIT & GOVERNANCE
COMMITTEE: 30th May 2023

Report of: Head of Finance, Procurement and Commercial Property

Relevant Portfolio Holder: Councillor R Molloy

Contact for further information: Name Catherine Kirwan (Extn. 3273)
(E-mail: catherine.kirwan@westlancs.gov.uk)

SUBJECT: Procurement Policy

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To set out details of the proposed Procurement Policy

2.0 RECOMMENDATIONS TO AUDIT AND GOVERNANCE

2.1 That they consider the Procurement Policy and recommend to Council that the Procurement Policy is noted and approved.

3.0 RECOMMENDATIONS TO EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE

3.1 That they consider the Procurement Policy and recommend to Council that the Procurement Policy is noted and approved.

4.0 RECOMMENDATIONS TO CABINET

4.1 That they consider the Procurement Policy and recommend to Council that the Procurement Policy is noted and approved.

4.0 RECOMMENDATIONS TO COUNCIL

4.1 That the Procurement Policy is noted and approved.

- 4.2 That authority is given to Head of Finance, Procurement and Commercial Property to make and approve changes to the Procurement Policy to reflect any changes to Law or Regulatory Guidance with no further reference to Council.
-
-

5.0 BACKGROUND

- 5.1 Following an Internal Audit Recommendation it was identified that the Procurement function would move to a centralised delivery model.
- 5.2 To support this move it is imperative that procedures and processes are reviewed. The proposed Procurement Policy will provide an overarching framework to promote compliance, to rules and regulations, principles of public procurement and councils visions and priorities.

6.0 CURRENT POSITION

- 6.1 The procurement service has historically been an advisory service and therefore previous policies and procedures need to be reviewed and updated to reflect the change to the service delivery model.
- 6.2 The Procurement Policy has been developed in line with the Community Wealth Building Strategy and will encompass the foundations of the strategy and the need to drive Value for Money in all Council expenditure.
- 6.3 The Procurement Policy will provide an overarching framework to enable officers to comply to the internal Contract Procedure Rules and relevant external rules and regulations, the principles of public procurement and the councils visions and priorities.
- 6.4 The relevant guidance and procedures will compliment the policy in enabling officers to comply with the policy whilst making it easy to update these documents in line with changes to the law, rules and regulations and the council's visions and priorities.
- 6.5 The introduction and implementation of the Policy and associated guidance will mitigate the risk of non-compliance to the relevant laws, statutory guidance, internal rules and regulations and ensure all procurement activity is done so whilst upholding the principles of public procurement.

7.0 SUSTAINABILITY IMPLICATIONS

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

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 There are no significant financial or resource implications arising from this report that existing budget provisions cannot accommodate.

9.0 RISK ASSESSMENT

9.1 This item is for information only and makes no recommendations. It therefore does not require a formal risk assessment and no changes have been made to risk registers.

10.0 HEALTH AND WELLBEING IMPLICATIONS

10.1 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 direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report

Appendices

1. Proposed Procurement Policy
2. Equality Impact Assessment
3. Minute - Audit & Governance Committee 30 May 2023
4. Minute – Executive Overview & Scrutiny Committee 15 June 2023
5. Minute – Cabinet 27 June 2023



Procurement Policy

May 2023

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1. Purpose and Context

1.1 Purpose

This document sets out the policy for Council officers to follow when purchasing works, goods and services on behalf of West Lancashire Borough Council. The policy should be followed alongside the associated guidance documents that form the Council's Contract Procedure Rules.

This policy is designed to ensure effective procurement processes are followed to ensure we achieve maximum value for money, social value and increased efficiencies in line with the Council's relevant Economic Strategy. We will adopt a transparent, competitive and fair approach to procurement whilst ensuring compliance to all statutory and regulatory requirements.

This policy is designed to ensure an appropriate and proportionate approach to procurements for all levels and types of spend. All officers involved in procurement activity are responsible for ensuring they are familiar with and adhere to this policy and associated guidance and procedures.

1.2 Objectives

The objectives of this policy and associated guidance and procedures are:

- To provide clear guidelines and methods by which West Lancashire Borough Council procures and contracts for services, goods and works.
- To establish a clear process for selection and award criteria for the appointment of contractors and suppliers
- To achieve the key procurement principles:
 - Delivering value for money;
 - Maximising public benefit;
 - Sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions;
 - Acting, and being seen to act, with integrity.

1.3 Legal Context

This policy has been developed to help West Lancashire Borough Council comply with a range of statutory and regulatory requirements. They include:

- Public Contract Regulations (2015)
- Utilities Contract Regulations (2016)
- Concessions Contract Regulations (2016)
- Public Procurement Regulations (2016)
- Equality Act (2010)
- Public Services (Social Value) Act (2012)
- Local Government Transparency Code (2015)
- The Procurement Bill (to be called Procurement Act 2023)

1.4 Code of Conduct

All West Lancashire Borough Council officers engaging in procurement activity shall be aware of this policy and associated legal Acts and Statutory requirements when undertaking any procurement activity.

2. Procurement Planning and Methods

2.1 Procurement Planning

It is essential to allow sufficient time to effectively procure services, goods and works to ensure:

- We achieve the right outcome;
- We achieve the best Value For Money for the Council;
- The correct and necessary authorities for the planned procurement are in place;
- A clear understanding of the available budget to deliver the service being tendered for.
- Meaningful and appropriate pre-tender market engagement;
- Development of well-considered, sufficiently detailed tender specifications and briefs;
- Adherence to legal requirements for all necessary notices and advertising;
- Consideration to identify relevant and appropriate social value requirements;
- Identification of key stakeholders and any impact the planned procurement may have on other services, departments and customers;
- Informed decisions regarding the route to market and appropriate procurement method to be utilised.

Typically, from the identification of the need to procure to contract award the process can take from 6-9 months for simple unmodified rebuy procurements to 18-24 months for a new, strategic and complex procurement.

2.2 Methods of Procurement

There are various ways in which West Lancashire Borough Council can procure goods, services and works from framework call-offs to competitive tenders. It is essential that officers engage at the earliest possible opportunity and work through the procurement team to identify the most appropriate route to ensure the key procurement principles are met and compliance adhered to for the relevant rules, regulations and legislation.

West Lancashire Borough Council have set requirements that must be met by suppliers. Demonstration that these criteria are met will be assessed when considering the inclusion of tender submissions to the evaluation process or where appropriate when considering bidders to be invited to provide a tender submission.

The requirements include adequate insurance, financial checks and ethical considerations consistent with our values and priorities as a commercially minded authority.

2.3 Pre-Tender Process

The steps carried out at the pre-tender stage are essential and they provide the foundation for successful procurement by helping officers make fully informed decisions whilst ensuring we achieve the right outcome, within the required timescales whilst ensuring we achieve Value for Money.

Early market engagement is when the Council engages with potential suppliers prior to buying goods, services or commissioning works offering opportunity to the suppliers to inform decisions on the Specification whilst warming the market up to the future opportunity.

This process of gathering market intelligence is 'best practice' and officers must consider this step as part of the preparation process for all Council spend.

The early engagement will enable officers the opportunity to ask suppliers questions on important decisions or aspects which will help to refine the Specification. The process helps to gain a better understanding from the suppliers about what is possible and the solutions that are available to the meet the requirements of the service.

2.4 Tender Process

All tenders will follow the recommended process outlined in the procurement procedure based on the value and likely interest of the contract. Current UK thresholds are outlined in the procedure.

Upon confirmation of authority and budget a member of the procurement team will be assigned to the project and will guide and assist the contract owner through the required process.

All tenders will be based on a standard specification to ensure consistency of returned information and will follow the required process as outlined in the tender guidance which details the number of tenderers required, reporting, scoring and evaluation.

Tenders will be advertised via the e-tendering portal when appropriate, scoring matrices will be provided to ensure a consistent and fair approach to evaluation. Results will be weighted against price and quality. Within the quality weighting it is a legislative requirement that for all tenders over £25,000 a minimum of 10% should reflect social value. West Lancashire Borough Council officers will be required to set a higher figure for social value on appropriate tenders, specifically where price is not the most essential outcome of the tender.

West Lancashire Borough Council will make use of external frameworks where it is considered to add value to the procurement process.

Tender reports will be produced identifying the preferred bidder in line with the tender scoring criteria and the best value in terms of cost and quality.

When considering a contract, officers should adopt the whole procurement lifecycle of the contract ensuring due consideration is given to each of the stages identified below in the CIPS Procurement Lifecycle

(Source: www.cips.org/en-gb/knowledge/procurement-cycle/. Copyright CIPS 2014)



2.5 Typical Tender Timeframes

Stages 1 – 5 Pre-Tender

Simple / Re-buy Procurements

Typically, 10-14 weeks dependent upon the level of pre-market engagement to be carried out.

Complex/New Procurements

Typically, 12-20 weeks dependent upon the level of pre-market engagement to be carried out.

Stages 6-8 Tender

Simple / Re-buy Procurements

Typically, 8-16 weeks for an Open Procedure or Request For Quotation

Complex/New Procurements

Typically, 12-24 weeks dependent upon the route to market and regulatory notification requirements based on the value of the contract.

Stages 9 Contract Award and Implementation

For all Contracts/Procurements

Can take between 6-12 weeks depending on complexity of contract and which form of contract is utilised.

Stages 10-13 Post Tender

For all Contracts/Procurements

To be reviewed throughout the lifetime of the contract.

3. Contracts and Agreements

3.1 Form of Contract

Officers should make themselves aware of the contracting requirements set out in the [Financial Regulations, Scheme of Delegation and Contract Procedure Rules](#). These documents set out;

- The requirement to set out contract terms in writing,
- The authorised officer and process for execution of contracts for different thresholds,
- The form of contract which should be adopted for different types of contracts.

Where a contract is made wholly in writing, it can be structured in one of two ways:

- As a simple contract (sometimes referred to as an agreement under hand) which has a 6 Year limitation period;
- As a deed executed in so-called 'solemn form' (Under seal where applicable) which has a 12 Year limitation period.

3.2 Contract Terms

Contract terms will normally comprise of service specific terms, and West Lancashire Borough Council standard terms appropriate for the type of service, goods or works being procured.

Contract schedules are required to protect West Lancashire Borough Council from associated risks, they include, but are not limited to:

- Liabilities and Indemnities;
- Sub-Contracting;
- Insurances;
- Confidentiality and Data Protection;
- Payment Terms;
- Performance Measures;
- Dispute Resolution;
- Termination.

3.3 Contract Performance Management

Officers should utilise the WLBC Contract Risk [Matrix](#) when considering the approach that will be taken to manage and monitor performance. Appropriate Key Performance Indicators (KPIs) should be considered and incorporated prior to entering any procurement activity or agreements alongside the approach and defined in the contract terms / supplier agreements.

4. Supporting the Delivery of Council's Priorities

In all procurements over £25,000 officers must ask bidders to demonstrate what they will do to support the Council achieving its strategic objectives. Bidders should be signposted to the website with a link to the relevant page: [Council Vision and Priorities - West Lancashire Borough Council \(westlancs.gov.uk\)](http://www.westlancs.gov.uk)

5. Commitment to Climate Change Strategy and Action Plan 2030

All tenders should make reference to and where appropriate request suppliers to demonstrate how they will contribute to the [Council's Climate Change and Strategy Plan 2030](#).

The seven key priorities for action which should be considered are:

- Delivering a Carbon Neutral Council
- Sustainable Procurement
- Transport and Travel
- Residential buildings
- Commercial activity
- Community Action
- The Natural Environment

6. Commitment to Social Value and Community Wealth Building

Social value will be considered in the procurement activities of West Lancashire Borough Council in the following ways:

- All procurement activity should include relevant and proportionate social value requirements linked to the procurement activity.
- Where purchasing goods or services, social value will be considered within the tender specification, with an absolute minimum weighting of 10%, in most cases the figure will be higher.
- When producing the specification there is an expectation that local contractors or suppliers are able to bid wherever possible. West Lancashire Borough Council will take a pro-active approach to engaging and enabling local contractors or suppliers to ensure they are able to bid for opportunities.

Through the inclusion of social value in procurement opportunities West Lancashire Borough Council expect businesses and other organisations to contribute towards and support the council to deliver upon the following Community Wealth Building principles and objectives:

- Chosen suppliers will bring benefits for the West Lancashire economy and its people and contribute towards addressing wider social and environmental challenges;
- Engaging with and supporting local communities to improve the levels of employment, skills, health and well-being;
- Think about their own direct workforce and where possible, supporting those residents from more deprived parts of West Lancashire into employment opportunities;
- Suppliers should think about their own supply chains for the delivery of the contract and demonstrate the extent to which their own suppliers and sub-contractors are based in West Lancashire;
- Suppliers should think about social value and demonstrate how in addition to the delivery of the contract they are going to deliver a range of other benefits for the West Lancashire economy and its people and in turn address social and environmental challenges.

7. Exemptions to Contract Procedure Rules

In exceptional circumstances, a waiver of certain [Contract Procedure Rules](#), Relevant Legislation or Regulatory Guidance may be required in order to achieve the Council's aims. All applications for waivers must be fully justified and advice must be sought from Procurement and Legal to assist in the decision making process.

Such special circumstances would include

- only one company makes the product which the Council wishes to purchase and no other product is a reasonable substitute
- a recent tender exercise has shown that one supplier/contractor provides significantly better value than anyone else for the product/work in question
- urgency, resulting from circumstances beyond the Council's control, means that there is insufficient time to obtain tenders in accordance with the procedures set out in Contracts Procedure Rules.

Officers are advised:

- No discussions should be held with suppliers until such advice has been sought.
- Exemptions cannot be granted retrospectively (after non-compliance to CPRs has occurred).

Offers requesting an exemption must complete the [Exemption Form](#) and send to the Procurement and Contracts Manager. Please allow 2 working days for Procurement to review the request.

8. Monitoring and review

All procurement exemptions authorised will be reported quarterly to the Audit and Governance Committee.

This policy will be reviewed every 3 years by the Procurement Team.

All budget holders should ensure that anyone given authority to spend is aware of and supported to ensure compliance with the procurement policy.

Equality Impact Assessment Form



| | |
|---|--|
| Corporate Services: Transformation Housing and Resources | Service: Finance, Procurement and Commercial Property |
| Completed by: C Kirwan | Date: 16th May 2023 |

Subject Title: Procurement Policy

1. DESCRIPTION

| | |
|--|--------------------------------------|
| Is a policy or strategy being produced or revised? | Yes |
| Is a service being designed, redesigned or cutback: | No |
| Is a commissioning plan or contract specification being developed? | No |
| Is a budget being set or funding allocated: | No |
| Is a programme or project being planned? | No |
| Are recommendations being presented to senior managers and/or Councillors: | Yes |
| Does the activity contribute to meeting our duties under the Equality Act 2010 and Public Sector Equality Duty (Eliminating unlawful discrimination/harassment, advancing equality of opportunity, fostering good relations)? | No |
| Details of the matter under consideration: | The approval of a Procurement Policy |

*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 to be carried out impact on service users, staff, or Councillors (stakeholders): | <i>*delete as appropriate</i> |
| If yes , provide details of how these 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)? | The policy potentially impacts on WLBC Contract Managers and Suppliers. |
| If the work being carried out, relates to a universal service, who needs or uses it most? (Is there any group affected more than others)? | See Above. |

| | |
|--|--|
| Which of the protected characteristics are most relevant to the work being carried out? | |
| Age | No |
| Gender | No |
| Disability | No |
| Race and Culture | No |
| Sexual Orientation | No |
| Religion or Belief | No |
| Gender Reassignment | No |
| Marriage and Civil Partnership | No |
| Pregnancy and Maternity | No |
| 4. DATA ANALYSIS | |
| In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why? | The policy will be applied to all procurement activity within the Council. |
| What will the impact of the work being carried out be on usage/the stakeholders? | The implementation of the policy is likely to enable the best outcome for Contract Managers whilst ensuring Value for Money. |
| 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? | N/A |
| 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? | N/A |
| If any further data/consultation is needed and is to be gathered, please specify: | N/A |
| 5. IMPACT OF DECISIONS | |
| In what way will the changes impact on people with protected characteristics (either positively or negatively or in terms of disproportionate impact)? | N/A |
| 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 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 EIA will be reviewed in line with the review of the Policy. |

MINUTE OF AUDIT & GOVERNANCE COMMITTEE - 30 MAY 2023

PROCUREMENT POLICY

The Head of Finance, Procurement and Commercial Property submitted a report asking Members to consider the proposed Procurement Policy.

The Chairman invited the Procurement Manager to present the report.

Members asked about who monitored the service and what penalties were built into tenders and contracts. The Procurement Manager explained that the Head of Finance, Procurement and Commercial Property was now her direct line manager and that they worked closely with Legal Services to build in robust rectification processes. Any exemptions had to be signed off by the Chief Operating Officer, who had the final say.

The Committee considered the Procurement Policy as contained on pages 629-645 of the Book of Reports, which had been presented to Members.

RESOLVED: That the Committee recommend the Procurement Policy to Council to be noted and approved.

MINUTE OF EXECUTIVE OVERVIEW & SCRUTINY COMMITTEE – 15 JUNE 2023

10 **PROCUREMENT POLICY**

Consideration was given to the report of the Head of Finance, Procurement and Commercial Property as contained on pages 35 to 54 of the Book of Reports which set out details of the proposed Procurement Policy.

The Procurement Manager outlined the report and responded to comments and questions raised by Members:

- Inclusion of question - requirements under Modern Slavery Act 2015
- Monitoring of budget setting process, financial and resource implications
- Savings tracker / Value for Money process

RESOLVED: That the Committee considered the Procurement Policy and recommend to Council that the Procurement Policy be noted and approved.

99 **PROCUREMENT POLICY**

Councillor Molloy introduced the report of the Corporate Director of Transformation, Housing & Resources, which set out details of the proposed Procurement Policy.

The minutes of the Audit & Governance and Executive Overview & Scrutiny Committees had been circulated prior to the meeting.

In reaching the decision below, Cabinet considered the report before it and the recommendations contained therein.

RESOLVED: That Council be recommended to approve the Procurement Policy.



CABINET: 27 JUNE 2023

COUNCIL: 19th JULY 2023

Report of: Corporate Director of Transformation, Housing & Resources

Relevant Portfolio Holder: Councillor R Molloy

Contact for further information: Chris Twomey (Chris.twomey@westlancs.gov.uk)

SUBJECT: COMMUNITY WEALTH BUILDING STRATEGY

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To approve the Council's first Community Wealth Building Strategy

2.0 RECOMMENDATIONS TO CABINET

2.1 That Cabinet approve the Community Wealth Building Strategy contained at Appendix A.

2.2 That the Director of Transformation, Housing and Resources be given delegated authority to make any minor or inconsequential amendments to the Strategy as deemed appropriate.

3.0 RECOMMENDATIONS TO COUNCIL

3.1 That Council approve the Community Wealth Building Strategy contained at Appendix A.

3.2 That the Director of Transformation, Housing and Resources be given delegated authority to make any minor or inconsequential amendments to the Strategy as deemed appropriate.

4.0 BACKGROUND

4.1 Community wealth building is an approach to economic development that changes the way that our economies function, retaining more wealth and opportunity for the benefit of local people. This is in contrast to the predominant economic model, whereby wealth is created by property ownership, regeneration

is based on speculative property development and large companies extract wealth for the benefit of distant shareholders.

- 4.2 CWB achieves its aims by harnessing the economic and social power of locally rooted institutions. These are commonly referred to as anchor institutions. Typically, this means local councils, health boards, universities, colleges and housing associations, and potentially, the private sector too. The Voluntary, Community and Social Enterprise (VCSE) sector also plays a fundamental role, by using its local intelligence and influence as a conduit for change and as an important part of the generative local economy.
- 4.3 CWB is an emerging agenda which is gathering momentum across the UK. It is seen as an opportunity to utilise the same resources differently to positively influence the growth and resilience of the local economy, create more opportunities and jobs, improve health & wellbeing outcomes and support the green agenda; it is therefore well aligned to the Council's current key priorities.
- 4.4 The Community Wealth Building Cabinet Working Group was established to undertake several key actions with a view to developing a CWB Strategy for the Council.
- 4.5 Research was undertaken to understand how other Council's had developed a CWB Strategy. In line with many other Council's, it was recognised that CWB is an emerging agenda and specialist knowledge would be required to support the development of a comprehensive strategy.
- 4.6 A decision was made by Cabinet in June 2021 to undertake a procurement exercise to identify the specialist support required to develop the strategy. In January 2022 the Centre for Local Economic Strategy (CLES) were appointed to support the Council. CLES are the UK's leading organisation around community wealth building and have designed numerous similar strategies.

5.0 CURRENT POSITION

- 5.1 Following a detailed desktop review of key Council strategies & policies, CLES have worked collaboratively with councillors, officers and key stakeholders in the development of the strategy presented in Appendix A.
- 5.2 Working through the Cabinet Working Group, CLES have developed a detailed understanding of the West Lancashire context and used their experience to develop a strategy. CLES have shared their knowledge of what works in different places and timeframes which are relevant to enable an iterative approach to implementation. The intention is also to create the behavioural change required to embed community wealth building as part of West Lancashire's wider transformation.
- 5.3 Having developed a baseline position it was agreed that the initial community wealth building strategy for West Lancashire should be a 5 year strategy, framed by the three core pillars of progressive procurement of goods and services, socially productive use of land and property, and plural ownership of the

economy. In this, three core aims and a series of 12 activities were identified as the focus for the strategy.

- 5.4 The strategy is complemented by an action plan for delivering the overarching aims. In this, activities have been prioritised, lead officers identified, and timeframes proposed. The action plan will be reviewed annually.
- 5.5 The draft strategy was shared with all Members in autumn 2022, feedback was reviewed by the Cabinet Working Group and a further draft strategy was developed. This was presented to the Cabinet Working Group on 29th March 2023. The Cabinet Working Group recommended the Community Wealth Building Strategy be presented to Cabinet and Council for approval.

6.0 SUSTAINABILITY IMPLICATIONS

- 6.1 Through the implementation of community wealth building, it is envisaged that a more sustainable economy will be created through the retention of the spend within West Lancashire and further investment in workforce development.
- 6.2 CWB can help to create a fairer economy and create new opportunities for local businesses and communities.
- 6.3 The identification of anchor institutions to be involved in the project will help to maximise the opportunities to re-circulate the West Lancashire pound (£) further.
- 6.4 As a focus of CWB is about accessing goods, services and employment at a local level, this provides a positive impact on associated carbon emissions created through a reduction in travel and logistics.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

- 7.1 The strategy and action plan recognise the financial pressures of the Council. Rather than seeking to identify additional resources the proposed approach recognises that CWB is fundamentally about adopting a different approach and working smarter. The action plan has been developed in line with current resources.

8.0 RISK ASSESSMENT

- 8.1 A greater focus on local procurement will be predicated on the alignment of existing and future skills to the requirements of the Council and other anchor institutions service requirements.
- 8.2. The wider success of CWB will be reliant on the engagement of anchor institutions and other key partners.
- 8.3 The strategy is developed within existing resources and will require some key officers to upskill some areas. CLES have offered ongoing support to help achieve this as part of their commission.

8.4 Some areas of the strategy such as the development of community energy infrastructure require a drive from within the community. Without community ownership it is unlikely these areas will progress. CLES have provided case studies of where this has been successful.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 The strategy will help enhance economic activity within the borough. Potentially creating more training, apprenticeship and job opportunities. Greater financial independence is closely linked to higher levels of individual and collective health and wellbeing.

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

An equality impact assessment is attached as Appendix B

Appendices

Appendix A – Community Wealth Building Strategy

Appendix B – Equality Impact Assessment

Appendix C – Minute of Cabinet 27 June 2023

Community Wealth Building Strategy 2023-28

West Lancashire



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Executive Summary

This report presents the first Community Wealth Building Strategy for West Lancashire Borough Council. The Borough Council recognises that the local economy, local people, and local communities face significant challenges whether that be access to fairly paid and good work, sustainability of local Small to Medium Sized Enterprises (SMEs), the risk of growing inequality, or the growing climate emergency.

Like many places in the UK, West Lancashire has recognised that the orthodox approach to Economic Development has not benefited everyone and there is a need to move to a new approach which is shaped by the needs of people, framed by relationships across the public, commercial and social sectors, driven by harnessing the spending power of Anchor Institutions and which delivers multiple local economic, social, and environmental outcomes. This new approach is called community wealth building.

This report and embedded community wealth building strategy has been developed by the Centre for Local Economic Strategies (CLES) in coordination with both Officers and Members through the Community Wealth Building Cabinet Working Group at West Lancashire Borough Council. CLES are the UK's leading organisation around community wealth building and have designed dozens of similar reports and strategies. This experience has enabled us to develop a report and strategy which is framed by knowledge of what works in different places and identify timeframes which are relevant to enable an iterative approach to implementation and which will lead to the behavioural change required to embed community wealth building as part of West Lancashire's wider transformation.

To develop the report and strategy, CLES has reviewed a whole raft of existing documentation from West Lancashire Borough Council, interviewed Officers with responsibility for different aspects of community wealth building, and reviewed overarching aims and specific actions with the Cabinet Working Group. This has enabled a report and strategy which consists of the following elements

Community wealth building in West Lancashire – Progress to date

Community wealth building is framed by five 'pillars' or themes of activity around: the progressive procurement of goods and services; fair employment and just labour markets; making financial power work for local places; socially productive use of land and property; and plural ownership of the economy.

Our initial review of documentation enabled us to understand in more detail which aspects of community wealth building West Lancashire Borough Council were already working upon, which aspects needed enhanced work as part of the

strategy, and which areas would lead to quicker transformation of the West Lancashire economy. It also enabled us to identify aspects of community wealth building for concentrating on immediately and others which were perhaps longer terms in their nature. We came to the conclusion that:

- For the **progressive procurement of goods and services pillar**, there is an opportunity to embed an approach to procurement that is framed by public and social value and this is something that given support and guidance can happen relatively quickly as part of the strategy.
- For the **fair employment and just labour markets pillar**, much work has already been done internally at West Lancashire Borough Council to ensure that Officers are paid a fair wage and have good quality terms and conditions. There is however an opportunity to influence wider Anchor Institutions through this strategy, particularly around where they recruit from.
- For the **making financial power work for local places pillar**, West Lancashire Borough Council already has in place a Financial Inclusion Strategy and is actively pursuing the formulation of Credit Unions. In addition, other aspects of this 'pillar' around harnessing pension funds for regeneration activity are recognised to be more effectively undertaken at a larger geographical level (Lancashire and Liverpool City Region).
- For the **socially productive use of land and property pillar**, this is a key area of opportunity for West Lancashire through the retrofitting of Council homes and wider Anchor Institution owned land and assets and moving towards more community owned energy systems. This would also enable the objectives of West Lancashire's Climate Change Action Plan to be met.
- For the **plural ownership of the economy pillar**, this is almost an overarching outcome which will be dependent upon the realisation of the activities of the previous four pillars. However, we do recognise that the formulation of more generative organisations in West Lancashire such as Worker Owned Cooperatives could be a key component of this strategy – however these are longer term aspirations than the timeframe of focus here.

Embedding a Community Wealth Building approach in West Lancashire

The above development of a baseline position led us to the conclusion that this initial and iterative community wealth building strategy for West Lancashire should be framed by the three core pillars of progressive procurement of goods and services, socially productive use of land and property, and plural ownership of the economy. In this, we then identified three core aims and a series of 12 activities as the focus for the community wealth building strategy.

Community Wealth Building Strategy aims & actions

Aim: To embed a community wealth building approach within West Lancashire Borough Council and across wider West Lancashire based Anchor Institutions:

- **Activity 1** - Embedding community wealth building as a driver of organisational transformation.
- **Activity 2** - Embedding community wealth building as a principle of council strategy.
- **Activity 3** - Building support and motivation for the community wealth building programme externally.

Aim: To build a more generative local economy:

- **Activity 4** - Developing an approach to progressive procurement with actions including:
 - Developing an understanding of West Lancashire Borough Council's existing supply chain;
 - Creating a social value policy and framework, including a bespoke approach to monitoring shaped by the National TOMs.
- **Activity 5** - Supporting and growing local enterprise with actions including:
 - Building supplier intelligence;
 - Developing an Anchor network procurement pipeline;
 - Removing barriers to public procurement.

Aim: To drive a just, low carbon transition. By retrofitting the built environment:

- **Activity 6** - Supporting the existing local retrofit sector.
- **Activity 7** - Growing the local retrofit sector.
- **Activity 8** - Developing a market for the local sector.
- **Activity 9** - Taking an Anchor network approach to low carbon transition.

And building a decentralised energy system:

- **Activity 10** - Engaging communities in energy transition.
- **Activity 11** - Support energy community infrastructure.
- **Activity 12** - Enable a community owned, decentralised energy system.

Community Wealth Building Action Plan

The final section of this report details an action plan for delivering the overarching aims of the strategy. In this, we look to prioritise the activities,

identify lead Officers and Members for their implementation, and provide suggested timeframes.

Introduction

This report for West Lancashire Borough Council marks the beginning of a journey to develop a more inclusive economy through a new approach to economic development - community wealth building. In so doing, the Council joins a progressive movement of UK local authorities and areas using this approach.

The mobilisation of a community wealth building approach requires political buy-in and leadership at the highest level. The Cabinet Working Group's commitment to this progressive programme of work is therefore an important first step. In the following introductory section, we outline why this work is important, what community wealth building is, and why West Lancashire Borough Council is seeking to embed a community wealth building approach.

Why this work is important

It is increasingly obvious that our current economic growth model is failing some locations and communities. Recent OECD data showed that the UK is the only developed economy in which wages fell while the economy was actually growing, albeit meagrely. The UK is an economy where one in eight workers live in poverty, and where 1.3 million people (including children) rely on food banks.

Nationally, these problems are not caused by a lack of wealth, but rather where wealth is going, who owns it and who benefits from it. Fuelling this inequality is the fact that the fruits of growth are too readily extracted by the already wealthy few, rather than increasing incomes for the majority. At a local level, the prevailing and orthodox model of economic development has failed to engage with these questions of wealth distribution, focusing instead on generating contributions to Gross Domestic Product (GDP).

What is Community Wealth Building?

Community wealth building is an approach to economic development that changes the way that our economies function, retaining more wealth and opportunity for the benefit of local people. This is in contrast to the predominant economic model, whereby wealth is created by property ownership, regeneration is based on speculative property development and large companies extract wealth for the benefit of distant shareholders.

Community wealth building achieves its aims by harnessing the economic and social power of locally rooted institutions. These are commonly referred to as anchor institutions. Typically, this means local councils, health boards, universities, colleges and housing associations, and potentially, the private sector too. The Voluntary, Community and Social Enterprise (VCSE) sector also plays a

fundamental role, by using its local intelligence and influence as a conduit for change and as an important part of the generative local economy in its own right.

Community wealth building is framed and shaped by five 'pillars' of activity:

- **Progressive procurement of goods and services** - Develop dense local supply chains of businesses likely to support local employment and retain wealth locally. These include SMEs, employee-owned businesses, social enterprises, co-operatives and community businesses.
- **Fair employment and just labour markets** - Anchor institutions have a defining effect on the prospects of local people. Recruitment from lower income areas, paying the Living Wage and building progression routes all improve local economies.
- **Making financial power work for local places** - Increase flows of investment within local economies by harnessing and recirculating the wealth that exists, as opposed to attracting capital. This includes redirecting local authority pension funds and supporting mutually owned banks.
- **Socially productive use of land and property** - Deepen the function and ownership of local assets held by anchor institutions, so that financial and social gain is harnessed by citizens. Develop and extend community use – public sector land and facilities as part of “the commons”.
- **Plural ownership of the economy** - Developing and growing small enterprises, community organisations, co-operatives and municipal ownership is important because they are more financially generative for the local economy – locking wealth in place.

Why Community Wealth Building in West Lancashire?

Like many places in the UK, West Lancashire has recognised that the orthodox approach to economic development as described earlier has not benefited everyone and there is a need to move to a new approach which is (amongst other things) shaped by the needs of people, framed by relationships across the public, commercial and social sectors, driven by harnessing the spending power of anchor institutions and which delivers multiple local economic, social, and environmental outcomes. This need for transformation and behaviour change is the core reason why West Lancashire Borough Council is shifting its approach towards community wealth building.

To assist with this transformation, West Lancashire Borough Council commissioned the Centre for Local Economic Strategies (CLES) to work in coordination with both Officers and Members (through the Community Wealth Building Cabinet Working Group) to develop this report and a first and iterative community wealth building strategy for West Lancashire.

CLES are the UK's leading organisation around community wealth building and have designed dozens of similar reports and strategies. This experience has enabled us to develop a report and strategy which is framed by knowledge of what works in different places and identify timeframes which are relevant to enable an iterative approach to implementation and which will lead to the behavioural change required to embed community wealth building as part of West Lancashire's wider transformation.

To develop the report and strategy, CLES has reviewed a whole raft of existing documentation from West Lancashire Borough Council, interviewed Officers with responsibility for different aspects of community wealth building, and reviewed the overarching aims and specific actions that will follow in subsequent sections.

Community Wealth Building in West Lancashire - progress to date

At the outset of any strategy formulation, it is important to review and acknowledge the activities that a local authority is already undertaking in relation to the theme of the strategy. Therefore, our initial review of documentation enabled us to understand in more detail which aspects of community wealth building West Lancashire Borough Council were already working upon, which aspects needed enhanced work as part of the strategy, and which areas would lead to quicker transformation of the West Lancashire economy. It also enabled us to identify aspects of community wealth building for concentrating on immediately and others which were perhaps longer term in their nature. The table below summarises the progress to date for each of the five pillars of community wealth building.

| Pillar of Community Wealth Building | Progress to date |
|---|---|
| Progressive procurement of goods and services | <p>An internal commitment to progressing the approach to procurement including a desire to develop a new policy</p> <p>Good relationships between the procurement and economic development teams and some signposting of suitable potential suppliers</p> <p>A 10% social value weighting in place across all procurement opportunities along with accompanying quantitative and qualitative evaluation criteria, shaped by the National TOMs</p> |
| Fair employment & just labour markets | <p>Payment of Living Wage to all direct Council employees</p> <p>Good direct employee terms and conditions in place</p> <p>Desire to transfer these principles to other anchor</p> |

| | |
|---|---|
| | institutions and suppliers |
| | Commitment to recruiting from West Lancashire's most deprived areas |
| Making financial power work for local places | Financial Inclusion Strategy in place |
| | Commitment to develop and sustain Credit Unions |
| | Recognition of role of pension funds in regeneration at larger geographical scale |
| Socially productive use of land and property. | Climate Change Action Plan in place |
| | Recognised opportunity around retrofitting and community energy |
| Plural ownership of the economy | Desire to support the creation of more generative organisations including Social Enterprise and Worker Owned Cooperatives |

Aim 1: Embedding a Community Wealth Building approach in West Lancashire

Community wealth building should be made central to the narrative and actions related to improving the economy of West Lancashire and, by extension, the lives and fortunes of West Lancashire residents. This report and strategy should not be viewed in isolation – instead it needs to be cross-departmental and linked to existing strategy and practice. Indeed, this report and strategy is framed by wider strategic documentation in West Lancashire including the overarching vision and priorities for the Council, together with an exploration of existing community wealth building activities as outlined in the table above.

The review of documentation and the above development of a baseline position led us to the conclusion that this initial and iterative community wealth building strategy for West Lancashire should be framed by the three core pillars of progressive procurement of goods and services, socially productive use of land and property, and plural ownership of the economy. In this, we then identified three core aims of focus and accompanying objectives for the community wealth building strategy framed and shaped by these pillars:

The following section of the report details the activities and accompanying actions to be undertaken through the community wealth building strategy for Aim 1 which is to **embed a community wealth building approach within West Lancashire and across wider West Lancashire based anchor institutions.**

Activity 1: Embed community wealth building as a driver of organisational transformation

Incorporate CWB into the political governance framework, identifying a designated CWB lead member

West Lancashire Borough Council has a community wealth building Cabinet Working Group with cross party membership that has been meeting since 2019. As the Council's new political governance arrangements are developed, it will be important that oversight of this strategy is driven by one of the new cross-party committees as a political priority.

Establish an officer working group/board

To support the practical delivery of this strategy we would propose developing an officer working group or board which brings together officers from across the council to collaborate on the delivery of the strategy actions presented here. Each overarching activity should have 'lead' individuals or departments as detailed in the action plan at the end of this report and whose role it is to drive activities and actions forward. We would also propose identifying an overarching officer to lead the implementation of a community wealth building agenda across the council, with this officer reporting to the relevant committee and into the senior management team.

Activity 2: Embed community wealth building as the guiding principle of council strategy

Incorporate CWB principles in the refresh of the local economic development strategy

The current Economic Development Strategy 2015-2025 is due a refresh, arguably sooner than 2025 given the significant changes to the external economic context. At the point of refresh, we would suggest community wealth building member and officer groups taking a key role in ensuring that community wealth building principles are built into the refreshed strategy and using the above three aims and accompanying objectives as the basis.

Review all council strategies upon refresh against community wealth building principles where appropriate

For a community wealth building approach to be effective it should feature as a golden thread through the strategic framework of the council, making connections across areas of the council's delivery with a focus on maximising the local economic, social and environmental benefit. Therefore, upon refresh, all relevant strategies should contain this golden thread and connect to community wealth building principles. The refresh of the council's procurement strategy, estates strategy, housing strategy and the local plan for example, should all consider how they will and how they can contribute to growing community wealth and utilising the three overarching aims and accompanying objectives as the basis.

Create capacity within the Council to take this work forward

Community wealth building should not be viewed as a standalone activity which needs dedicated resourcing, it should be viewed as a set of principles or a lens, through which we view the operation of the council. Making community wealth building a political priority and developing an officer working group will give it the required priority, but wider staff knowledge and understanding of community wealth building will need to be developed. We would propose developing a programme of training and support for all existing and all new council via e-

learning modules to support a building of awareness, knowledge and understanding.

Activity 3: Build support and motivation for the community wealth building programme externally

Develop a West Lancashire Anchor Network

The West Lancashire Partnership involves several key anchor institutions working together to improve the health, care and wellbeing of people living in West Lancashire. The partnership works together to deliver a common vision: 'A place where we help each other, ourselves and our communities to be the very best we can be'. While this is a health focused partnership, it has recognised the connectivity between housing conditions and health and acknowledges that healthcare contributes only around 10% to preventing early death.

We would propose that West Lancashire Borough Council, utilises its position on the partnership to prioritise a greater partnership focus on the local economy and economic approaches to improving health and wellbeing, adopting a community wealth building approach across the partnership and developing individual institutions understanding of the behaviours and practices of an anchor institution within a community wealth building frame. Indeed, this report and strategy should form the basis of the anchor network, using its principles and seeking to embed the three overarching aims and accompanying objectives into the activities of the other partnership members.

Aim 2: Building a more generative local economy

Introduction

As outlined earlier in the context to this report and strategy, economic development policy and practice has not always delivered local economic, social and environmental benefits for the people it should have done. Often, and despite significant inward investment and wealth landing in place, the beneficiaries of this investment have been distant shareholders as opposed to local people and communities.

The same logic can be applied to the process of procurement – as local authorities have strived for efficiency savings, services have been outsourced and procurement has been undertaken on the basis of cost. This has often meant large commercial operators with little affinity to place delivering vast swathes of goods, services and works contracts.

Community wealth building takes a different view of economic development and procurement and one where rather than extracting wealth from local economies, in fact wealth is retained, circulates and delivers multiple local economic, social and environmental outcomes that benefit local people and place. This is therefore effectively Aim 2 of this West Lancashire community wealth building strategy which is to **build a more generative local economy**, by which we mean:

- Spending more money with West Lancashire based businesses and other organisations.
- Using procurement as a lever to contribute towards addressing wider local economic, social and environmental challenges.
- Engaging with and supporting organisations which by their nature bring local economic and social benefits and including SMEs, Worker Owned Cooperatives, Social Enterprises and Voluntary and Community Sector Organisations.

The following section of the report details the two activities and accompanying actions to be undertaken through the community wealth building strategy to realise Aim 2 – **to build a more generative local economy**.

Activity 4 - Developing an approach to progressive procurement

A key component part of community wealth building is to progress the way in which local authorities and other anchor institutions undertake the process of procurement. By progression, we mean moving beyond an approach focused

upon price and legislation to one that also includes consideration of social value and subsequently delivers community wealth building outcomes. In this West Lancashire Community Wealth Building Strategy, we have the following aim for procurement processes at West Lancashire Borough Council (this has been framed by accompanying work we supported around the leisure services contract which is detailed in Appendix 1).

“As part of every procurement exercise that it undertakes, West Lancashire Borough Council seeks to realise the best possible price for the goods, services or works which they are looking to buy and ensure that the chosen supplier has suitable experience and history in providing good quality and similar goods, services or works. West Lancashire Borough Council also seeks to ensure that the chosen supplier will bring benefits for the West Lancashire economy and its people and contribute towards addressing wider social and environmental challenges.:

As part of every procurement, that the Borough Council undertakes in the future, there will be an expectation that both those designing goods, services and works contracts (commissioners) and those bidding for and delivering contracts (potential suppliers) think about the following key considerations and that link to the overarching aim of building a more generative local economy:

- For **Service Managers/Commissioners** to think about the geographical location of potential suppliers and where possible engage local West Lancashire based suppliers in bidding for procurement opportunities. For **potential suppliers** to demonstrate as part of their bid the extent to which their own suppliers and sub-contractors are based in West Lancashire and utilise West Lancashire labour in their workforces.
- For **potential suppliers** to think about their own direct workforce and demonstrate as part of their bid the extent to which they are from West Lancashire (and particular deprived neighbourhoods) and also showcase policies and practices they have in place around ethical employment (Living Wage) and workplace health and well-being.
- For **Service Managers/Commissioners** to think about social value as part of the design of individual goods, service and works contracts, and identify social value outcomes that are relevant to what they are looking to procure. These additional benefits could include: the creation of new jobs and apprenticeships, volunteering in the local community, improving the skills of the local future workforce, and reducing the distances goods travel. For **potential suppliers** to demonstrate as part of their bid how in addition to the delivery of the contract they are going to deliver upon relevant Social Value outcomes for benefit of the West Lancashire economy and its people, and in turn contribute towards addressing social and environmental challenges.
- For **Service Managers/Commissioners** to think about how the supply chain of the Council can potentially be diversified to include more

generative organisations including SMEs, Cooperatives and Social Enterprises, for example. And to make these organisations aware of relevant opportunities.

The realisation of the above shifts in behaviour of service managers/commissioners, procurers and suppliers, however require a number of actions to be undertaken as developing an approach to progressive procurement as follows.

Develop understanding of West Lancashire Borough Council supply chain

Undertake annual spend analysis

- West Lancashire Borough Council should undertake annual analysis (at the end of each financial year) of their procurement spend. This should look to identify:
 - How much has been spent in total procuring goods, services and works in that year.
 - The extent to which spend is with suppliers based in the geographical areas of West Lancashire, Lancashire and Merseyside, and North West England.
 - The extent to which spend is with SMEs and other generative suppliers (Cooperatives, Social Enterprises, Voluntary and Community Sector Organisations).
 - The extent to which spend is with suppliers in particular industrial sectors and subsequently for suppliers based outside of North West England the extent to which this spend can be potentially influenced in the future.

West Lancashire Borough Council should undertake the analysis for financial year 2021/22 in order to create a baseline and then identify areas such as increases in SME spend as key aspiration moving forwards.

Manchester City Council

CLES has been undertaking annual spend analysis on behalf of Manchester City Council since 2008/09. The initial analysis enabled Manchester City Council to develop a baseline position that 52% of their spend was with suppliers based in the Council boundary. Subsequently, the City Council has sought to adapt the way in which it engages with suppliers and undertakes procurement policy to not only increase levels of spend with local suppliers but also embed considerations of Social Value into procurement practice.

Share findings with West Lancashire Partnership

The findings of this spend analysis should be shared with the West Lancashire Partnership, in order to demonstrate the methodology and to also start the

process of encouraging them to think about their supply chains and the extent to which they are contributing towards building a more generative local economy.

Encourage development of detailed understanding of West Lancashire Partnership supply chains

As part of the sharing of West Lancashire Borough Council's spend analysis findings with other partners, they should also share the methodology and encourage the partners to undertake their own spend analysis and commencing in 2022/23 financial year. This will enable a universal approach to be adopted and a detailed understanding of procurement spend across West Lancashire's anchor institutions.

Spend Analysis Tool

CLES has been undertaking spend analysis activity for nearly 15 years and as part of this has created a tool and accompanying guide in which local authorities and other anchor institutions can input their procurement spend data and the tool will develop data around percentage of spend with local suppliers and percentage of spend with local SMEs, for example. The tool can be viewed here: <https://cles.org.uk/making-spend-matter/>

Create social value policy and framework

West Lancashire Borough Council should create an overarching Social Value Policy and accompanying Framework. The policy and framework will predominantly be for service managers/commissioners as they seek to identify the types of social value outcomes that are relevant for the goods, services or works that they are seeking to procure. The policy and framework will need to include:

- The Social Value **outcomes** which West Lancashire Borough Council are looking to realise through the procurement process – these will be aligned to the outcomes detailed in the West Lancashire Vision.
- The types of potential Social Value **activities** which suppliers could deliver through procurement contracts to contribute towards realising those outcomes.
- The types of **questions** that could be asked during a procurement exercise to enable suppliers to demonstrate the types of social value activities they will commit to during the delivery of the contract.
- Means through which service managers/commissioners and procurers can **evaluate** suppliers' responses to social value questions.
- A **monitoring tool** against which West Lancashire Borough Council can monitor the successful suppliers against in terms of their social value commitments. This could be framed by the National TOMs and made bespoke to West Lancashire

- A **matrix** which details the extent to which the different social value outcomes and activities are relevant for the different types of goods, services and works that West Lancashire Borough Council procures.

The action is therefore for West Lancashire Borough Council as part of the refresh of the existing procurement policy to go through the process of developing the Social Value Procurement Framework. This will require cross-departmental working and potentially the support of an organisation like CLES and will involve a number of sub-actions:

- Identification of outcomes for the framework.
- Research into types of social value activities.
- Development of set of core questions and techniques for evaluating them.
- Exploration of the outcomes which are relevant for different types of goods, services and works procurements
- Development of monitoring tool to demonstrate output, outcomes and impacts during delivery.

Darlington Borough Council

In 2019/20, CLES produced a similar Social Value Procurement Framework for Darlington Borough Council and developed the elements described above. The Framework was shaped by the outcomes of the Darlington Partnership meaning that it was designed not just to influence the procurement decisions of the Council but also those of wider anchor institutions. The Framework is used as part of the commissioning of all goods, services and works contracts at Darlington Borough Council as a way of identifying suitable Social Value outcomes and as a means of asking specific questions about those outcomes.

Provide training for officers and members

West Lancashire Borough Council should develop and implement two different types of training for Officers and Members. The first will be open to all Officers and Members and will focus upon 'what is procurement?' and 'what is social value and why is it important'. The second will be open specifically to service managers/commissioners and will provide a step-by-step approach to implementing the Social Value Policy and Framework as described above.

Cascade to West Lancashire Partnership

Once the Social Value Procurement Framework has been developed, this could be shared with the West Lancashire Partnership and a discussion opened about how a collective West Lancashire wide approach to social value could be developed, so that when businesses work with the public sector they know what to expect, and a clear message is sent to the market about what is required to benefit from public sector money in West Lancashire. Similarly, the training programmes

described above could be shared with other anchor institutions and wider partners.

Blackpool Council

For Blackpool Council it is important that Social Value is not just something that is thought about as part of the commissioning of a good, service or work, but something that cuts across the entirety of the procurement cycle and including the monitoring of Social Value outcomes and outputs. To enable this to happen, Blackpool Council recruited a dedicated Social Value Officer, whose job it is to liaise with suppliers on their Social Value commitments, and also to influence and provide training for other anchor institutions around Social

Activity 5 - Supporting and growing local enterprise

The section about activity 4 above has outlined how West Lancashire Borough Council and potentially other partners will adapt procurement processes and practices in order to build a more generative local economy, where local businesses and other organisations deliver procurement contracts and whereby successful suppliers deliver a range of local economic, social and environmental benefits.

This will be helpful in shifting the culture of service managers/commissioners and procurers within the Council and other partner organisations. However, to build a more generative economy, there is also a need for a shift in the behaviour of the market – in this case local businesses and other organisations and existing suppliers. These organisations need to know more about the types of procurement opportunities available to bid for, more about what is meant by social value, and more about how they contribute towards wider priorities in West Lancashire.

Build supplier intelligence

The first set of actions as part of activity 5 is about West Lancashire Borough Council and other anchor institutions building knowledge and intelligence of organisations based in West Lancashire which might be able to bid for and deliver procurement opportunities. This action should build on the already strong relationships between procurement and economic development teams and should consist of two aspects.

Develop local business database

West Lancashire Borough Council should build a database of local businesses that could potentially bid for and deliver procurement contracts in the future. The

database will be framed by the spend analysis and particularly the sectors where the greatest amount of procurement money is being spent outside the Northwest of England. The database will be broken down by sector and will enable commissioners and procurers to identify relevant potential suppliers and raise awareness of upcoming opportunities with them.

Preston City Council

As part of their wider approach to community wealth building, Preston City Council has developed a database of local businesses and other organisations that could potentially deliver procurement contracts. The database includes organisations in the sectors where there is the greatest amount of extraction from the North West economy in the City Council's existing supply chain. There is a specific focus on sectors such as catering, IT, and construction, for example. Commissioners of goods and services look at the database as part of the design of specifications and explore whether there is scope to raise awareness of the opportunity with those organisations.

Share intelligence on local suppliers

This database can be used to highlight businesses that have and have not been engaged in the West Lancashire Borough Council supply chain previously. Working with the West Lancashire Partnership, this resource could be further developed and shared with other partner organisations, providing a mechanism for sharing intelligence on local businesses that are interested in procurement opportunities and also businesses that undertake wider and positive local economic, social and environmental behaviour.

Develop Anchor network procurement pipeline

One of the key challenges posed by the market when it comes to procurement opportunities is that they are often unaware of the types and goods, services and works local authorities are looking to procure and that the bidding process is too short between issuing the tender and expecting a response. This is a particular challenge for SMEs. This action is therefore about developing plans of the types of procurement opportunities that are upcoming and raising awareness with local organisations and SMEs earlier in the process.

Publish West Lancashire Partnership procurement pipeline

West Lancashire Borough Council should engage with the West Lancashire Partnership to encourage the development of a shared approach to progressive procurement. All anchor institutions in the partnership should be tasked with collating their procurement pipeline (defined as next 12-18 months) contract opportunities in the same format, publishing this and developing local awareness of it among local business representative organisations and business support agencies.

The economic development function at West Lancashire Borough Council and business representative organisations such as the North Western Lancashire Chamber of Commerce have a key role in delivering on the aspiration of building a more generative local economy. They have the knowledge of who local businesses are and importantly the ability to influence the way in which

businesses behave through business support and training functions. West Lancashire Borough Council should encourage business support and representative organisations to share the information detailed in the procurement pipeline and more broadly embed social value as a theme in their business support offer.

To enable this, West Lancashire Borough Council and in cooperation with partners will develop webpages that showcase the suppliers they use, highlight upcoming opportunities and promote the 'Get Ready to Bid' seminars (as outlined below)

Removing barriers to public procurement

West Lancashire Borough Council and particularly the economic development team will utilise the spend analysis and database (as described above) to identify the sectors of the economy where there is the greatest amount of leakage out of the West Lancashire and wider regional economy. This stratification will subsequently identify businesses and other organisations to be targeted for bidding for future procurement opportunities on the basis of being based in West Lancashire and their wider community wealth building credentials. However, these organisations will face further barriers in bidding for procurement opportunities which can be addressed as follows.

Get Ready to Bid seminar series

West Lancashire Borough Council (led by the Economic Development Team) should work with the North Western Lancashire Chamber of Commerce and other business support providers to develop and deliver a 'get ready to bid' seminar series for organisations identified through the database. The seminar series would cover off the basics of what procurement is, together with modules on putting together successful bids, and responding to questions around social value. These Seminars will be promoted through the webpages (as described above).

Aim 3: Driving a just, low carbon transition

Introduction

The current cost of living crisis has highlighted the urgency with which we need to drive the transition to a low carbon economy. Fuel poverty data from 2020 (latest available and as detailed in Appendix 2) indicates that 13.1% of households (6,357) in West Lancashire were estimated to be in fuel poverty, however in certain LSOA's this was estimated to be as high as 24% (Tanhouse & Digmoor in Skelmersdale).¹

Following recent rounds of energy price increases and the associated inflation in the cost of living, especially in food and transport, by the end of 2022, Tanhouse & Digmoor in Skelmersdale may have over 47% of households in fuel poverty, while more rural outlying areas such as Bickerstaffe and Scarsbrick may have the fuel poverty levels of Tanhouse and Digmoor entered this year with (circa 25%). By the end of 2022, it is estimated that the number of households in fuel poverty will have almost doubled within a year, increasing from 6,357 to 12,396 households.

The West Lancashire retrofit programme for council owned buildings and council owned housing stock is informed by a long term (30 year) Asset Management Strategy. This programme will create significant economic activity, with private sector businesses providing the skills, know-how and capacity to deliver the required works. As our timeframe for reaching our carbon targets gets ever shorter, those with the skills, know-how and capacity will be in ever greater demand. A community wealth building approach to retrofit would advocate for a range of strategies to ensure the local market is able to meet this local demand over time.

Lancashire has 151 TrustMark² registered suppliers in a range of retrofit sectors (as detailed in Appendix 3), however only 11 of these are based in West Lancashire. While the TrustMark database indicates a small specified retrofit sector locally, exploring the West Lancashire business base, we have identified 722 West Lancashire businesses who operate in what you would identify as 'retrofit' sectors. These are overwhelmingly micro enterprises, with 93% of these businesses employing under 10 people and the remaining 7% of businesses employing between 10 and 49 people. There are no medium sized or large business in these 'retrofit' sectors based in West Lancashire. These construction

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1056777/annual-fuel-poverty-statistics-lilee-report-2022-2020-data.pdf

² TrustMark is a Government Endorsed Quality Scheme covering work a consumer chooses to have carried out in or around their home.

based firms may have the potential to develop retrofit specialisation and support deep retrofit activities locally.

The following section of the report details the two areas of activity to be undertaken through the community wealth building strategy to realise Aim 3 – **to drive a just low carbon transition.**

Retrofitting the built environment

Activity 6 - Support the existing local retrofit sector

Develop a detailed understanding of the local business base

We would suggest working with business representative organisations to further develop intelligence on the capability of the specialist retrofit businesses and the potential for firm diversification, understanding capacity for, and barriers to, engagement in public sector supply chains. North West Lancashire Chamber of Commerce maintain a local supplier list which could serve as the basis of a shared database.

Support the existing firm base to access local opportunities

Working alongside business representative organisations and the West Lancashire Partnership, routes to market for the procurement of retrofit works should be evaluated to understand the extent to which these opportunities are visible to local businesses. For example, the question could be asked of tender portals that advertise opportunities, what extent to which these are reaching local West Lancashire businesses. In terms of supplier engagement, utilising new intelligence (as above) would allow for more targeted engagement with this subsector.

Support the existing firm base to recruit locally

Many SME's in the retrofit sector are hesitant to grow given the constant uncertainty and flux in the UK governments support for the sector. Building intelligence about the capability of the sector will help to evidence firms looking to grow. Unpicking the challenges they face in recruitment and growth can support the development of the Constructing Low Carbon Lancashire programme as it grows from its current pilot status.

Given the sector is dominated by micro firms, a shared apprenticeship programme could support these firms, who are generally supportive of apprenticeships, but the practical considerations stop them from taking them on. A number of places have developed programmes which de-risk the process of taking on an apprentice and allow them to work part time or for fixed durations, with no commitment to take them on permanently.

Case Study: Y Prentis Shared apprenticeships

Y Prentis is supported by the Construction Industry Training Board CITB and Welsh Government. The scheme has been developed to offer the construction industry a flexible apprenticeship provision which assists in meeting corporate social responsibility targets within government contracts. The business model is based on the requirement on commissioners to consider early on, not only economic and environmental issues, but also the social benefit of their approaches to procurement. Part of the requirements to secure new work will often include Apprenticeship recruitment as a requirement of the tendering process. Employers that support apprentices can generally expect to get more invitations to tender.

The Y Prentis Shared Apprenticeship business model allows employers to enjoy all the benefits of an apprentice, without the direct employment responsibility as this is taken up by the Y Prentis. The scheme aims to provide a solution to employers involved in the procurement process so they can make a commitment to a young person, even though their contract on site may only be for a short period.

Procurement is pooled within a region and the apprentice rotated from one contractor to another, until they have completed their full Apprenticeship framework at Level 2 or 3. This means that employers can still play an important part in training as the scheme allows them to take on an apprentice, for as short a duration as three months, with no commitment to the apprentice at the end."

<https://www.yprentis.co.uk/>

Explore models of co-operation enabling micro firms to deliver larger contracts

From co-operation around apprenticeships, to co-operation around contract delivery. Given 93% of firms in the retrofit sector are micro firms, they are unlikely to be in the market for large public sector contracts on their own. However, if a platform to encourage co-operation could be developed then consortiums could be built that would enable local firms to come together and bid for the larger public sector contracts, supporting the decarbonisation of the public estate and social housing across West Lancashire.

Case Study: DigiConCoOp - Transforming Micro-Project Delivery through Digital Co-Operative Construction

Transforming Micro-Project Delivery through Digital Co-Operative Construction is the title of a research project led by Dr Fred Sherratt, previously of Anglia Ruskin University, funded by Transforming Construction Network Plus.

DigiConCo-Op is an alternative way of procuring construction, ideal for clients looking for different things from their projects, such as enhanced social and economic value. DigiConCo-Op will enable local trades (micro-SMEs and SMEs, here collectively termed MSMEs) to come together to plan the project before it starts and input to a digital platform, which then runs the job like a main contractor would. As all the trades are working to the common goal of project completion, rather than their own individual elements of the work, this will inherently improve time, cost and quality on the project. The trades are paid a fair wage for their time on the project and receive an agreed and fair share in the profit from the finished project on completion.

This removes the need for a main contractor and opens up opportunities for smaller projects to be built by local firms and sole traders in a way that rewards those who do the actual work, whilst also optimising the social and economic value of such projects to their local community.

CLES are currently working with Dr Fred Sherratt to explore how the concept of a DigiConCo-Op can be developed in the South of Scotland, working in conjunction with the Southern Uplands Partnership, a not-for-profit organisation with an environmental, rural regeneration and community focus operating in the Scottish Borders.

Activity 7 – Grow the local retrofit sector

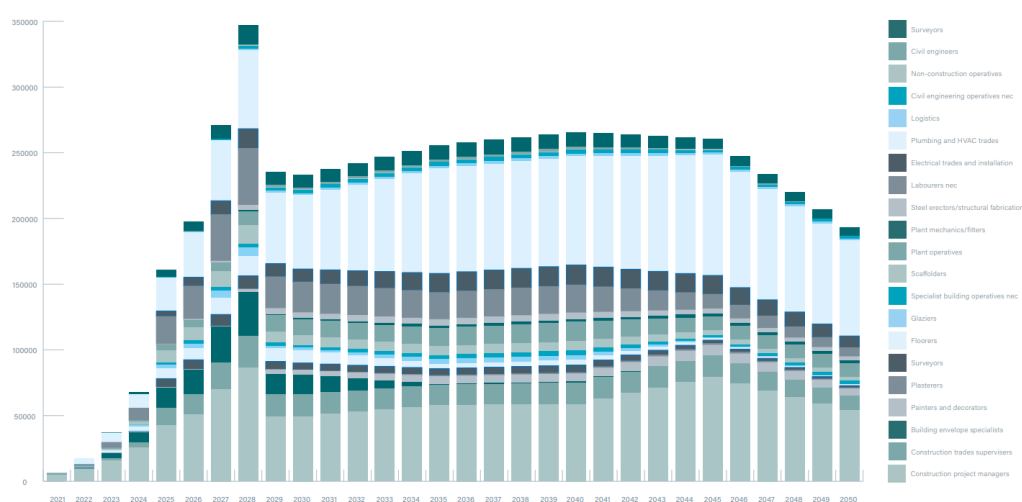
Develop a strategic view of new firm requirements

Having developed intelligence on the local retrofit sector, this should be mapped against West Lancashire's Asset Management Strategy to understand where there are gaps in the existing West Lancashire/Lancashire wide business base. This strategic view of new firm requirements can be fed through to business start-up services, inform developments in the Shared Prosperity funded activities and inform West Lancashire's economic development strategy.

Develop a detailed understanding of skills requirements in the sector

Lancashire Local Skills Improvement Plan (LSIP)³ has developed a root and branch review of the skills requirements needed by the business community across Lancashire, now and for the future. The Plan provides a range of recommendations based on employer feedback and highlights an apparent disconnect between employers and training providers.

CiTB's Building Skills for Net Zero report⁴ highlights the speed with which retrofit skills are going to be in demand, peaking by 2028. Plumbing and HVAC trades, labourers and construction project managers are going to be in huge demand. There will be a growing need for retrofit assessors, project coordinators, site supervision and management, with project management skills, rather than technical delivery skills being required. Areas where existing workers could be upskilled.



Work with local skills providers to develop skills pipeline

In July 2021, Lancashire was chosen by the Department of Education as one of eight Trailblazers to reshape the local technical skills system to better support the needs of the local labour market and the wider economy. A collaborative partnership has been created between employers, colleges, private sector providers, universities, trade associations and key stakeholders who have pledged to work together in shaping adult learning and apprenticeship programmes to satisfy the needs of industry.

West Lancashire College developed a £2.5m Construction, Engineering & Logistics Centre in 2019. Constructing Low Carbon Lancashire is a collaboration between

³

https://www.lancashirelsip.co.uk/downloads/LSIP_Report_31%20March%202022_Website_Publication.pdf

⁴ https://www.citb.co.uk/media/vnfoegub/b06414_net_zero_report_v12.pdf

eight core Further Education colleges across Lancashire with the Green Initiative Centre to be developed at West Lancashire College.

Local training providers beyond the traditional colleges are very flexible, as they are small they can be more responsive and flexible in delivery. SB Skills Solutions Ltd based in Skelmersdale and the Skills Construction Centre in Kirkham offer plenty of construction related skills courses, working collaboratively these providers should be viewed as assets in the development of the retrofit skills

Constructing Low Carbon Lancashire

Addressing a recognised industry need, in the context of the Lancashire region, the project aims to deliver the skills, qualifications and competences needed to support the meeting of ambitious targets in the Climate Change Committee's Net Zero Report, the Intergovernmental Plan on Climate Change (UK 2050 targets) and the Government's Ten-Point Green Industrial Revolution Plan, through positive and effective collaboration. This collaboration of colleges is committed to providing excellence in training, and a consistency of high quality provision, ensuring that large employers and their supply chains are able to effectively respond to emerging technologies in delivering against the greener homes agenda.

Collaboration between eight core Further Education colleges. The creation of Building Services Skills Zones at Preston College, a new Plumbing Technology Centre at Blackburn College, an Insulation Technologies Zone at Lancaster and Morecambe College, a Green Initiative Centre at West Lancashire College and the updating of curriculum resources and existing Building Services provision at Blackpool and Fylde and Burnley College, Lancashire-based employers will be supported as the Construction sector transitions to Air Source Heat Pumps, Ground Source Heat Pumps and associated Smart Technologies. Nelson and Colne College Group and Runshaw College are also engaged in supporting this exciting development.

<https://www.preston.ac.uk/preston-college-to-lead-ambitious-skills-drive-to-ensure-lancashires-construction-sector-is-ready-to-respond-to-the-low-carbon-agenda/>

West Lancashire will need.

Inspire younger people to pursue careers in retrofit

Attracting young people into the industries will be vital to sustain the growth of the sector and to meet demand. In this there is work to be done in changing perceptions and attitudes of both teachers and parents, in particular in highlighting the highly skilled and high paid roles within the sector and the growth of new specialisms and job roles around building energy management and modelling for example.

The LSIP highlights how priorities in schools need to change from academic attainment to a more mixed approach with vocational and technical skills (with strong employment outcomes) with recommendations to work with the careers service to develop way of better educating not only young people, but also

Retrofit Action for Tomorrow (RAFT)

RAFT provides education and retrofit advice to schools, local organisations and the wider community in a proactive response to the climate emergency. Today's children will confront the immense challenge of climate breakdown over the next few decades. RAFT's unique approach is to empower schools, children, their families and the wider community to improve thermal performance of the buildings they occupy, radically reduce their carbon emissions and inspire the next generation of young people to enter into built environment careers.

"My son...came back not only inspired to be an architect but also wanting to be a champion of change. He now wants us to get triple glazing and make our house energy efficient." — Year 6 parent



<https://www.retrofitaction.org.uk>

parents and teachers, of the opportunities that exist in these industries.

In the retrofit of school buildings, schools could be encouraged to engage the students in the process and build the school curriculum around the process. With the greater engagement of local firms in the supply chain, social value contributions could be harnessed to build on-going relationships between firms and local schools.

Activity 8 - Develop a market for the local sector

Programme the retrofit of the West Lancashire Borough Council public estate

Priority 1 of the Climate Change Strategy is to deliver a Carbon Neutral Council, focusing on reducing energy consumption as far as possible across the corporate estate. The West Lancashire Climate Strategy indicates a need to consider initiating a multi-year programme of insulation and other energy efficiency measures to the council's public estate. Developing this programme into works pipeline which could be shared with the local sector would grow the confidence of local firms to expand, take on apprentices and invest in skills development.

Programme the retrofit West Lancashire council owned housing

The Council housing stock of circa 5,880 properties (predominantly in Skelmersdale and Ormskirk) have had significant investment to improve their energy efficiency, but there is still far more to be done. The Housing Strategy, needs a renewed vision that is not only cognisant of the current energy crisis and the overall affordability of housing, but also the local economic opportunity of engaging with a local market to deliver retrofit programmes.

Review Asset Intelligence Model in light of energy crisis

The Stock Condition Survey in 2022 identified £230m of expenditure required over a 30-year period just to maintain the Council's housing stock at current standards. Improvement investments e.g. external wall cladding or solar photovoltaic panels) are however discretionary. For each property a Net Present Value (NPV) is calculated, which demonstrates its financial performance over a 30-year period. Consideration could be given to modelling NPV figures based on potential significant increases in rental defaults as more and more of tenant's income is consumed by energy bills and the increasing cost of living, with food and transport costs disproportionately impacting those on low incomes.

Harness social value commitments to further support and grow the sector

The Council's new 5-year Asset Management Strategy (AMS) provides greater scope to make connections between housing investment and increasing the social value of our contracts such as, increased training opportunities through the development of a social enterprise models which could potentially benefit the whole borough, developing/utilising local supply chains and utilising local educational institutions.

Activity 9 - Take an anchor network approach to asset decarbonisation

West Lancashire Borough Council along with the members of the West Lancashire Partnership are facing shared challenges in the decarbonisation of the public estate. There are clear opportunities for collaboration and shared resources.

West Lancashire Partnership Low Carbon Working group

While the West Lancashire Partnership is a health focused partnership, it has clearly acknowledged healthcare contributes only around 10% to preventing early death, and the meaningful employment and good jobs with good terms and conditions play a critical role in improving population health. There is an opportunity for West Lancashire Partnership members to work together to share experiences, learning and approaches to asset decarbonisation with a focus on how this can support the local economy and improve local population health.

West Lancashire Partnership Low Carbon shared team

Moving beyond a working group, the West Lancashire Partnership could pool resources to support a shared low carbon team which could provide significant benefits, supporting additional local employment and re-spend in a shorter and better co-ordinated timeframe, in addition to carbon reductions faster than currently anticipated under business as usual. All institutions will need to conduct similar activities, from carrying out energy reviews of buildings, to devising heating system replacement programmes, energy management systems, and renewable energy feasibility to identify the potential on-site renewable energy generation across assets (Inc. wind, solar PV, Solar Thermal).

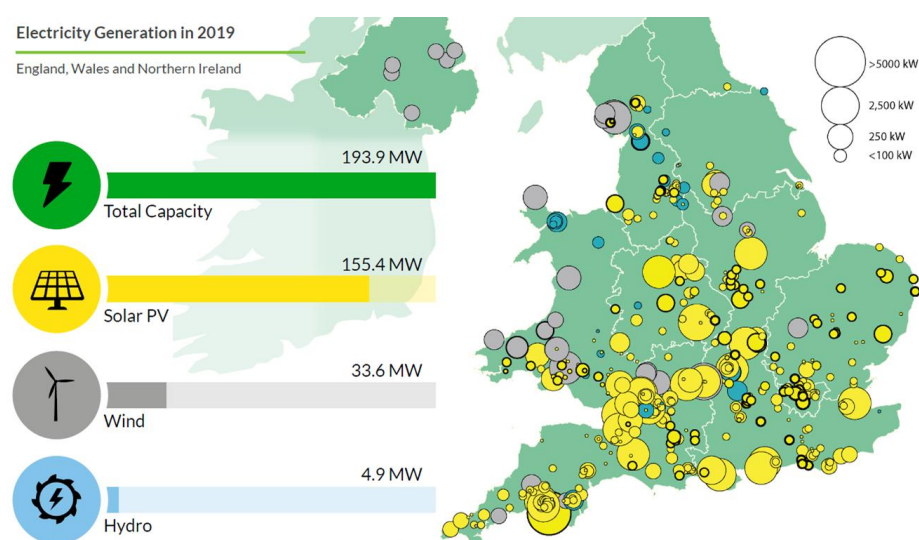
Develop place-based funding ask of government

There are immediate opportunities to secure funding to invest in low carbon infrastructure through the Public Sector Decarbonisation Scheme and other emerging funding streams announced in the Government's Net Zero Strategy. A shared asset decarbonisation team would provide the partners with the expertise and resource to bid for and access the capital investment needed to realise climate ambitions. Investment in carbon reducing infrastructure can also open up new revenue streams and commercial opportunities for the public sector in the long term. Any investment in a shared team should be considered with this in mind.

Building a decentralised energy system

In the UK, the energy system is predominantly centralised with centrally generated electricity and centrally distributed gas. Market rules, institutional arrangements, business models and social norms have made our energy system difficult to change, making the twin policy challenges of climate change and energy security more difficult to address.

A decentralised energy system would however offer a wealth of advantages, taking energy supplies away from major utilities and into the remit of local authorities and local communities. A decentralised energy system generates energy closer to the site of consumption, lowering carbon emissions, reducing transmission losses and building wealth in communities.



In 2018 the Council approved a 6-hectare ground mounted solar farm to the North West of Skelmersdale, providing electricity to the NSG Technical Centre. In this case, whilst the scheme was considered inappropriate development in the Green Belt and would involve the loss of high-grade agricultural land, on balance the benefits were considered to outweigh the harm, demonstrating the 'planning balance' that needs to be achieved. West Lancashire has a number of examples of district heating, with examples in sheltered housing schemes. A Combined Heat and Power (CHP) system serves a sheltered housing scheme of 40 dwellings also receives payments from the non-domestic RHI scheme. Air Source Heat Pump's (ASHP) have been installed in over 150 properties, and a feasibility study has been commissioned for a residential ambient heat loop.

Beyond these encouraging small scale examples, there has not been significant take-up of renewable and low carbon energy and a number of planning applications that have been brought forward have been refused. Green Belt, high grade agricultural land as well as ecological and landscape designations have been significant factors in reasons for refusals.

The NSG Technical Centre approval was able to demonstrate the use of the generated energy, supporting the sustainability of the scheme and its role in supporting a local institution. In achieving this 'planning balance', renewable and

low carbon energy projects need to demonstrate the benefits they provide to the local community and local businesses. One of the most direct way of doing this is to facilitate community ownership of projects so that the 'balance the benefits' clearly weigh in favour of development.

Activity 10 - Engage communities in energy transition

Given that among the most important factors influencing whether renewable and low carbon energy projects can come forward in West Lancashire, are the views of the local community (i.e., residents, businesses and other stakeholders), we would propose a range of strategies to engage local communities and empower them to take a lead role in the energy transition.

Empower local communities to engage in the agenda

The Skelmersdale Community Energy Association is nascent in its development trajectory, but has successfully applied for funds to undertake a feasibility study into potential for powering the town with renewable sources of energy. West Lancashire Borough Council should explore how it can support Skelmersdale Community Energy Association to build greater community buy in, and to start to stimulate the development of approaches in other parts of the borough.

West Lancashire Borough Council, working with VCSE sector partners and the local community should begin an open conversation about how the energy transition can be achieved while also building wealth in local communities. Working with the VCSE sector, made up of primarily small voluntary organisations, an assessment can be taken of where the energy and enthusiasm for the development of a community energy sector may lie.

While Skelmersdale is the largest urban area in the district, the communities of Ormskirk and Burscough can be supported to come together to explore how they can take control of the energy transition, as can the rural villages across the west and north of the district. West Lancashire Borough Council could support such a process by convening events alongside community partners, which bring together examples of good practice from the community energy sector, stimulating ideas and enthusiasm and demonstrating the art of the possible.

As a landlord, West Lancashire Borough Council should be seeking to empower its residents to understand the underlying issues with our centralised energy system and why the costs of energy are rising so fast and what alternative models could be developed. Oldham Energy Futures is an example of a project CLES has supported which has helped two deprived neighbourhoods to make key recommendations that will put their community on track for a low carbon future, one in which local people benefit from the solutions created.

Oldham Energy Futures

In Oldham Energy Futures Carbon Coop is supporting two neighbourhoods, Sholver and Westwood, to discover, shape, test and own plans & projects designed to transform their neighbourhood. The project seeks to engage local people to improve the power, heat and transport systems that serve them whilst also benefiting their neighbourhood. Putting citizens at the front and centre of decision making and planning in their local area is the key to kick starting a more democratic energy transition. The project is funded by ICLEI as part of Action Fund.

A group of 12 local representatives in each neighbourhood have come together alongside energy professionals and planners to share their local knowledge and expertise and develop a Local Energy Action Plans. The programme has provided a structured learning about energy issues and supported local people to make key recommendations that will put their community on track for a low carbon future, one in which local people benefit from the solutions created.

Oldham Energy Futures aims to empower Oldham communities to shape their future energy system, develop bespoke energy action plans, model how developing local energy systems can provide economic, environmental and social benefit for Oldham by locking in community ownership of new energy infrastructure, policy and practices. CLES are supporting the development of an Oldham Energy Futures toolkit to provide a model for neighbourhood energy action planning that places people at the centre of decision making, a toolkit that will be ready to be rolled out by local authorities, communities and wider anchor organisations.

Develop a focal point for an energy community

The energy transition is something all sectors of the community will need to engage with, residential homes, businesses and institutions will all need to be supported in the process. Having opened a conversation with these stakeholders we would propose developing focal points for this 'energy community'. Working with the VCSE sector, the library service and West Lancashire community centres, we would propose having a number of resource centres where residents and business owners can access information and support to reduce their own energy use/generate their own energy, but also get involved with their local community in developing collective solutions to the energy transition.. The development of the Skelmersdale Community Improvement District (CID) certainly aligns with this as a concept.

Energy Communities – European Commission definition

Energy communities organise collective and citizen-driven energy actions that help pave the way for a clean energy transition, while moving citizens to the fore. They contribute to increasing public acceptance of renewable energy projects and make it easier to attract private investments in the clean energy transition. At the same time, they have the potential to provide direct benefits to citizens by increasing energy efficiency, lowering their electricity bills and creating local job opportunities.

By supporting citizen participation, energy communities can help providing flexibility to the electricity system through demand-response and storage.

Energy communities offer a means to re-structure our energy systems by harnessing energy and allowing citizens to participate actively in the energy transition and thereby enjoy greater benefits.

Energy communities can take any form of legal entity, for instance that of an association, a cooperative, a partnership, a non-profit organisation or a small/medium-sized enterprise. It makes it easier for its citizens, together with other market players, to team up and jointly invest in energy assets. This in turn, helps contribute to a more decarbonised and flexible energy system, as the energy communities can act as one entity and access all suitable energy markets, on a level-playing field with other market actors.

https://energy.ec.europa.eu/topics/markets-and-consumers/energy-communities_en

Skelmsdale Community Improvement District (CID)

A post war new town, Skelmersdale in Lancashire was largely developed in the 1960s & 1970s and is served by the Concourse, a privately-owned, two-level shopping mall built in the 70s, and other smaller shopping areas serving different estates; the main focus will be Westgate, a single row of shops, and Digmoor Parade to the east of the town, both of them owned by the borough council. The pilot will see the community, the borough council and private owners working together to explore greater community ownership of businesses alongside community investment funding – the raising of non-transactional ‘community’ shares as a key source of funding for new businesses with explicit social objectives, and for existing businesses wanting to explore social ownership as a route to resilience and growth.

Reinvigorate neighbourhood planning as an approach

Empowering local communities and building engagement in energy communities will ultimately bring citizens into an engagement process with the local planning system. Navigating this system can be complex and frustrating for lay people to engage with. Neighbourhood planning, introduced by the Localism Act seeks “to hand power back to local communities” and as a tool to give people “the power to shape the future of their local area”. However, we know that neighbourhood planning has proved difficult for communities and has not been as successful in more urban, more deprived and more marginalized communities, those suffering most in the current energy crisis.

So far, West Lancashire Borough Council have received just one application for a neighbourhood plan, from Burscough Parish Council. An ‘energy community’ should be made aware of the ability to shape the local plan process through neighbourhood planning, and the planning team should track the development of the ‘Simpler Approach to Neighbourhood Planning’ pilots. This could be achieved through designating a neighbourhood planning champion who should work closely with the low carbon team.

Simpler Approach to Neighbourhood Planning pilot

The ‘Simpler Approach to Neighbourhood Planning’ pilot, overseen by the Department for Levelling Up, Housing and Communities, will support local councils to explore innovative ways to get even more people involved in community-led planning. Despite the benefits of creating a Neighbourhood Plan, currently less than 7% of existing plans are in the most deprived areas and only 5% are in urban areas.

<https://www.gov.uk/government/news/areas-selected-for-planning-pilots-for-deprived-communities>

Neighbourhood planning in a climate emergency

This guide to community engagement for low-carbon neighbourhood plans was written by the Centre for Sustainable Energy with funding from The Esmée Fairbairn Foundation and the endorsement of the Town & Country Planning Association. The publication, on its 3rd edition, explores the huge potential of neighbourhood plans to plan for and build a positive future for local communities, through addressing and responding to this, the most challenging issue of our times, climate change.

<https://www.cse.org.uk/downloads/reports-and-publications/policy/planning/renewables/neighbourhood-planning-in-a-climate-emergency-feb-2020.pdf>

Activity 11 - Support energy community infrastructure

Build internal capacity around the community energy sector

West Lancashire Borough Council, in developing a supportive platform for the growth of a community energy sector should first empower itself with the tools and resources to support the sector. Membership of Community Energy England,⁵ which is free, provides access to a range of resources, toolkits, case studies and networks to identify community energy projects and groups that could be learnt from closer to home.

Running between 2018 and 2022, mPOWER, a Horizon 2020 project facilitated a peer-to-peer learning programme among more than a hundred European local public authorities. They have produced an extensive set of guides which captured the knowledge and experience of the officers participating in the programme. The Building Energy Communities guide can provide some inspiration for establishing democratically owned and financed energy projects.⁶

‘When it comes to managing the energy transition the need for municipal level innovation has never been clearer’ - mPOWER

In building the councils Low Carbon team, to support the delivery of community energy ambitions, resources need to be made available to build internal skills and capacity to support the growth of a community energy sector, in partnership with local institutions (WLP), local businesses and local communities.

Take an active role in supporting Skelmersdale Community Energy Association

Skelmersdale Community Energy Association is in the early stage of its development and will be an important template for the borough as it grows further energy communities. The success or otherwise of the Skelmersdale Community Energy Association will be dependant on the support and advice it receives in this formative period. We would suggest that Skelmersdale Community Energy Association should be supported by West Lancashire Borough Council with officer support to enable it to grow and develop a sustainable ownership model.

⁵ <https://communityenergyengland.org/pages/local-authorities>

⁶ <https://municipalpower.org/best-practice-guides/>

Plymouth Energy Community (PEC)¹

PEC, established in 2014, empower the community to create a fair, affordable, zero carbon energy system with local people at its heart. They are a charity and a social enterprise, with a cooperative ethos. Plymouth Council had a distinct interest in the success of the project and provided seed funding to support its establishment and transition to a Community Benefit Society.

The company was structured in a way that allowed it to offer energy advice and energy efficiency work alongside its sister company, 'PEC Renewables', which was set up for asset ownership to deliver renewables projects.

PEC built the Ernesettle Community Solar farm in 2016 on council land that could not be developed or farmed. The land was transferred to the Four Greens Community Trust (FGCT) to develop a solar array. PEC generate income from the energy generation (with surplus helping to fund fuel poverty work) and pay FGCT an annual rent for the land (£18k in year one, then index linked in following years).

The combination of PEC and FGCT were crucial in obtaining local support for the solar array, and the two have continued to build trust in the local community. This relationship means that the council can now work with PEC and FGCT to deliver further projects, with a focus on supporting Plymouth's efforts to decarbonise the local transport system.

PEC has grown significantly since its establishment and is working with the council to make local renewable energy generation work for local people and businesses. They are exploring the potential of a private wire to provide electricity to a Southwest Water treatment works and have developed a local authority toolkit on synthetic Power Purchase Agreements, which helps councils to purchase energy directly from renewable energy generators (such as community energy projects).

Provide a supportive platform to grow the community energy sector

In building local energy communities, the council (and other public sector institutions) need to consider how they can provide a supportive platform to sustain and grow the community energy sector.

A West Lancashire Partnership wide recyclable community energy fund would help local initiatives get off the ground, with feasibility stages often the most difficult to fund. This could be viewed as an investment in securing future clean energy sources for institutions at current rates, providing greater certainty on future supply costs.

A clear policy which provides a route to market for community-owned generation should be developed, with a meaningful commitment to buy community-owned energy that is generated in West Lancashire, agreeing a price for the energy at an early stage before the infrastructure is built, limiting financial risks.

As the tools for a decentralised energy system develop over the coming years, West Lancashire Borough Council should ensure that community energy is placed at the heart of the agenda, from the digitalisation and the roll-out of Smart Local Energy Systems and Local Area Energy Planning,

Bristol City Council (BCC)

BCC winner of the Community Energy Local Authority Awards in 2019, has positioned itself as a facilitator when it comes to community energy and was recognised in the It does its best to support projects through to fruition; whether through investment in a community energy opportunity (as demonstrated at the Lawrence Weston Solar Farm), by helping groups navigate the council's decision pathways or getting community voices heard.

In 2018, BCC was the first UK council to declare a climate emergency. It has developed strong links with many different organisations across the city which in turn has provided additional connections and relationships with many of these members. BCC has also supported the Bristol Energy Cooperative, having worked with them to deliver solar projects on BCC assets over a number of years.

The Bristol City Council Energy Service is creating a clean energy strategy to benefit local communities, helping over 2,000 private and council-owned homes to become warmer, delivering a multimillion-pound solar investment programme on corporate and community buildings and establishing the best-practice recyclable Bristol Community Energy Fund, to support local community groups with sustainability and energy efficiency projects.

<https://www.bristol.gov.uk/policies-plans-strategies/the-energy-service>

Activity 12 - Enable a community owned decentralised energy system

Give clear support to community owned or led energy projects in the local plan

As the new Local Plan is developed and adopted, it should provide a policy which supports and encourages community energy schemes to come forward. The West Lancashire Low Carbon & Renewable Energy Study⁷ identified the need to develop community buy-in which would be addressed by building energy communities (as detailed above).

The study recommends a policy which supports and encourages 'locally connected' renewable and low carbon energy schemes, which provides a 'positive hook for potential energy developers looking to bring forward locally connected schemes that will benefit the community'. Evidencing the clear benefits to the community through ownership models that put wealth back into communities

Cornwall Local Plan - Policy 14

Support will be given to renewable and low carbon energy generation developments that:

- a. are '*led by*', or '*meet the needs of*' local communities; and
- b. create opportunities for colocation of energy producers with energy users, in particular heat, and facilitate renewable and low carbon energy innovation.

When considering such proposals, regard will be given to the wider benefits of providing energy from renewable sources, as well as the potential effects on the local environment; including any cumulative impact of these proposals.

'Led by' local communities

The proposed development has community involvement at the heart of the project's development process. Examples include:

- Proposals which are conceived in partnership between a community organisation and a developer (commercial or non-profit), or another party;
- Proposals which are supported, or promoted by a community at the planning or pre-planning stage.

'Meets the needs' of local communities

The proposal is capable of producing social, economic or environmental benefits which are inclusive and accessible to all within the local community over the lifetime of the project.

Examples of such benefits include:

- Community ownership and control over renewable energy assets (and their energy and financial outputs);
- The generation of surpluses which can be spent by the local community;
- Cheaper and more secure local energy supply (which could be achieved through measures such as deployment of smart energy management technologies, energy storage and through community controlled energy supply);
- Benefits to the local environment which are identified and desired by the local community.

⁷ <https://www.westlancs.gov.uk/media/545133/20190522-final-lcre-study.pdf>

can support a tipping of the 'planning balance' in favour of development.

Identify a pipeline of renewable energy sites

The West Lancashire Low Carbon & Renewable Energy Study indicates a need to develop a pipeline of suitable areas for wind and ground mounted solar schemes. West Lancashire Borough Council is currently investigating the suitability of council owned land for a solar farm development. Initial investigations indicate an identified area of Council land could accommodate a 7MW solar PV installation which would have the potential to generate over 6.1million KWh of renewable electricity per year, giving annual savings of 1,462 tonnes of CO₂e, however it is unclear to what extent the community may benefit from this proposed development and the wealth it will build.

A number of sites (4) have been identified as least constrained opportunity areas for wind turbine schemes. In the current planning context, community wind farms present an advantage over commercially developed projects because they have more scope to comply with the 2015 ministerial statement, which states: 'A proposed wind energy development involving one or more turbines should not be considered acceptable unless it is in an area identified as suitable for wind energy development in the development plan; and, following consultation, it can be demonstrated that the planning impacts identified by the affected local community have been fully addressed and the proposal has their backing.'

West Lancashire Borough Council, through its role in the West Lancashire Anchor Network (suggested above) should collate an understanding of renewable energy potential on partners land and property, which can then be connected to the emerging community energy sector to deliver on. In opening a conversation with the community about energy transition, a call for sites can be opened up to identify community owned buildings, churches and private buildings that would

PowerPaired

A new, free online platform which provides a matchmaking service to bring together community energy groups and the owners of sites with potential for renewable energy generation. Created by sustainability NGO Forum for the Future, over 100 assets are already on offer from organisations such as the National Grid alongside churches, schools, offices and other sites across the UK that could potentially host a community-owned renewable energy project.

<https://www.powerpaired.org>

be willing to host a community-owned renewable energy project.

Develop a renewable energy funding approach

In delivering the ambitions of the Climate Strategy while building a community energy sector which builds community wealth, a detailed and continuous assessment of the funding landscape will need to be developed. There are a series of large-scale funds coming through to local authorities to support national goals in local regeneration, the retrofit of public buildings, and fuel poverty alleviation, and we would anticipate these growing over time as the timeframe for meaningful action shrinks and our climate targets get ever closer.

West Lancashire Borough Council can take advantage of the added benefits offered by community energy partnerships, while delivering on needed goals of reaching net zero and supporting local jobs and businesses. The Shared Prosperity Fund, Levelling Up Funding, the Public Sector Decarbonisation Scheme III, the Rural Community Energy Fund (RCEF), the Social Housing Decarbonisation Scheme and the Home Upgrades Scheme all need to be understood in the context of West Lancashire, understanding who is eligible for what and under what conditions.

In addition to central government funds, many local authorities are now looking to raise their own finance through innovative financial instruments such as Community Municipal Investments (CMIs), essentially climate bonds that allow retail investors to make a positive impact on the climate crisis. CMI's offer a powerful tool to allow councils all over the UK to accelerate their net zero plans. As well as offering a competitive alternative source of funding, they can also create real engagement with citizens and build the 'energy community' described above. The Bauman Institute at Leeds University has produced a useful 'Financing For Society Local Authority Guide',⁸ which assesses the suitability of crowdfunding for the public sector.

Community owned energy companies can also employ crowd funding mechanisms to raise the capital for renewable energy projects. Community share offers have become an important method also.

Abundance CMI case study - Camden

The Camden Climate Investment is looking to invest in directly fund local climate projects, including the installation of 80 further electric vehicle charging points to encourage residents to switch to electric vehicles, replacement of the Council's fleet of diesel and petrol vehicles with green alternatives, installing solar panels on public buildings to reduce carbon emissions and the cost of electricity.

The investment gives people the opportunity to get involved in and support projects in the Climate Action Plan. The investment offers a return of 1.75% interest per year fixed, before tax with the original investment back after five years.

Community Wealth Building Action Plan

Aim 1: Embedding a CWB approach in West Lancashire

| | Lead | Timeframe (indicative start) |
|--|---|------------------------------|
| Activity 1 - Embed community wealth building as a driver of organisational transformation | | |
| Steer CWB strategy document through council approval processes | Director of Transformation, Housing & Resources | Spring 2023 |
| Identifying a designated CWB lead member | Director of Transformation, Housing & Resources | Spring 2023 |
| Formalise oversight of CWB within the new political governance framework | Director of Transformation, Housing & Resources | July 2024 |
| Establish an officer working group/board | Economic Development & Regeneration Manager | Spring 2023 |
| Activity 2 - Embed community wealth building as the guiding principle of council strategy | | |
| Incorporate CWB principles in the refresh of the local economic development strategy | Head of Wellbeing & Place | Ongoing |
| Review all council strategies upon refresh against CWB principles where appropriate | CMT | Ongoing |
| Create capacity within the Council to take this work forward | CMT | Ongoing |

Activity 3 - Build support and motivation for the CWB programme externally

Develop a West Lancashire Anchor Network

Economic Development &
Regeneration Manager

October 2023

Aim 2: Building a more generative local economy

| | Lead | Timeframe |
|---|---|---|
| Activity 4 - Developing an approach to progressive procurement | | |
| Develop understanding of West Lancashire Borough Council supply chain | Procurement Manager | December 2023 |
| Create social value policy and framework, including bespoke local monitoring approach | Procurement Manager | August 2023 |
| Activity 5 - Supporting & growing local enterprise | | |
| Build supplier intelligence | Procurement Manager | Commencing April 2023 |
| Develop anchor network procurement pipeline | Procurement Manager | Once Anchor Network formulated (Activity 3) |
| Removing barriers to public procurement | North West Lancashire Chamber of Commerce | Upon completion of supplier intelligence raising (Activity 4) |

Aim 3: Driving a just, low carbon transition

| | Lead | Timeframe |
|---|---|--------------------------------|
| Retrofitting the built environment | | |
| Support the existing local retrofit sector | | |
| Develop a detailed understanding of the local business base | Economic Development & Regeneration Manager | Ongoing |
| Support existing firm base to access local opportunities | Procurement Manager | |
| Support the existing firm base to recruit locally | More Positive Together Team | |
| Explore models of co-operation | Procurement Manager | Initiate November 2023 |
| Grow the local retrofit sector | | |
| Develop a strategic view of new firm requirements | Officer working group | Autumn 2023 |
| Develop a detailed understanding of the skills gaps | | Spring 2024 |
| Work with local skills providers to develop skills pipelines | | Ongoing |
| Inspire younger people to pursue careers in retrofit | | |
| Develop a market for the local sector | | |
| Programme the retrofit of West Lancashire Borough Council's public estate | Head of Housing Services | Autumn 2023 |
| Programme the retrofit of West Lancashire council owned housing | | Autumn/Winter 2023 |
| Review Asset Intelligence Model in light of energy crisis | | Ongoing |
| Harness social value commitments to further support and grow the sector | | |
| Take an anchor network approach to asset decarbonisation | | |
| Establish a West Lancashire Partnership Low Carbon Working Group | Environmental Sustainability Manager | Once Anchor Network formulated |

| | | |
|--|--|--|
| Explore the potential of setting up a West Lancashire Partnership Low Carbon shared team | | |
| Explore the potential of developing place-based funding ask of government | | |

| | Lead | Timeframe |
|--|--------------------------------------|------------------------|
| Building a decentralised energy system | | |
| Engage communities in energy transition | | |
| Empower local communities to engage in the agenda | Environmental Sustainability Manager | Ongoing |
| Explore the potential of developing a focal point for an energy community | | |
| Reinvigorate neighbourhood planning as an approach | Planning Services Manager | Track government pilot |
| Build an energy community support infrastructure | | |
| Build internal capacity to support the community energy sector | Environmental Sustainability Manager | Spring 2024 |
| Take an active role in supporting Skelmersdale Community Energy Association | | Ongoing |
| Provide a supportive platform to grow the community energy sector | | |
| Build a community owned, decentralised energy system | | |
| Give clear support to community owned or led energy projects in the local plan | Planning Services Manager | By 2024 |
| Identify a pipeline of renewable energy sites | | |

| | | |
|--|--------------------------------------|--------------|
| Review the potential of developing a renewable energy funding approach | Environmental Sustainability Manager | To be agreed |
|--|--------------------------------------|--------------|

Appendix 1: Community Wealth Building Narrative for Leisure Services Contract

Introduction

West Lancashire Borough Council are currently in the process of procuring their Leisure Services Contract for the next ten years. As well as seeking a supplier that will deliver an effective and efficient service, they are also seeking one which will deliver wider benefits for the West Lancashire economy and its people and contribute towards addressing wider social and environmental challenges. Running parallel to the procurement, the Centre for Local Economic Strategies (CLES) are also working with West Lancashire Borough Council to produce a Community Wealth Building Strategy – a mechanism through which economic development can be shifted to bring more cooperation between local institutions and bring maximum benefit for the West Lancashire economy and its people.

This short document therefore seeks to align the Leisure Services procurement and the emerging Community Wealth Building Strategy by developing a narrative about Community Wealth Building that can be included in the tender documentation and potentially utilised in future procurements at the Council and other Anchor Institutions. It also details some common considerations for West Lancashire Borough Council when evaluating responses to questions in procurement around Community Wealth Building/Social Value.

The Draft Narrative

As part of every procurement exercise that it undertakes, West Lancashire Borough Council seeks to realise the best possible price for the goods, services or works which they are looking to buy and ensure that the chosen supplier has suitable experience and history in providing good quality and similar goods, services or works. West Lancashire Borough Council also seeks to ensure that the chosen supplier will bring benefits for the West Lancashire economy and its people and contribute towards addressing wider social and environmental challenges.

We call this approach to delivering wider benefits Community Wealth Building and it applies as much to our internal behaviour as a Council as it does to our expectations of suppliers delivering contracts on our behalf. Community Wealth Building seeks to ensure that everything we do as a Council brings maximum economic, social and environmental benefit for our residents. So, this means:

- Engaging with and supporting local West Lancashire businesses to develop and grow and improve levels of employment, skills and health and well-being.
- Where possible, supporting those residents from more deprived parts of West Lancashire into employment opportunities at the Council and other key local Institutions.

- Having procurement processes which enable suppliers to demonstrate how they will contribute towards our Community Wealth Building objectives and in turn deliver Social Value in the delivery of contracts.
- Managing our land and Council owned assets in a way that enables use by local Voluntary, Community and Social Enterprise Sector organisations.
- Using our finances in a way that benefits West Lancashire people and not in a way where wealth is extracted for the benefit of distant shareholders.
- Supporting more generative businesses (such as Cooperatives and Social Enterprises) to develop and shift the ownership model of our economy.
- Through our procurement processes and our weighting around Social Value of 10%, we also expect businesses and other organisations to contribute towards and support the Council to deliver upon these Community Wealth Building principles and objectives. So, we expect suppliers to:
 - Think about their own supply chains for the delivery of the contract and demonstrate the extent to which their own suppliers and sub-contractors are based in West Lancashire and utilise West Lancashire labour in their workforces.
 - Think about their own direct workforce and demonstrate the extent to which they are from West Lancashire (and particular deprived neighbourhoods) and also showcase policies and practices they have in place around ethical employment (Living Wage) and workplace health and well-being.
 - Think about Social Value and demonstrate how in addition to the delivery of the contract they are going to deliver a range of other benefits for the West Lancashire economy and its people and in turn address social and environmental challenges. These additional benefits could include: the creation of new jobs and apprenticeships, volunteering in the local community, improving the skills of the local future workforce, and reducing the distances goods travel.
 - Think about their own land and assets and demonstrate how they can be utilised for community activity during the delivery of the contract.
 - Think about their own supply chains and the demonstrate the extent to which they work with Small to Medium Sized Enterprises (SMEs), Cooperatives and Social Enterprises, for example.

As part of this procurement opportunity around {ADD NAME OF CONTRACT}, we would anticipate that potential suppliers respond to the following questions around Social Value:

{ADD QUESTION}

{ADD QUESTION}

{ADD QUESTION}

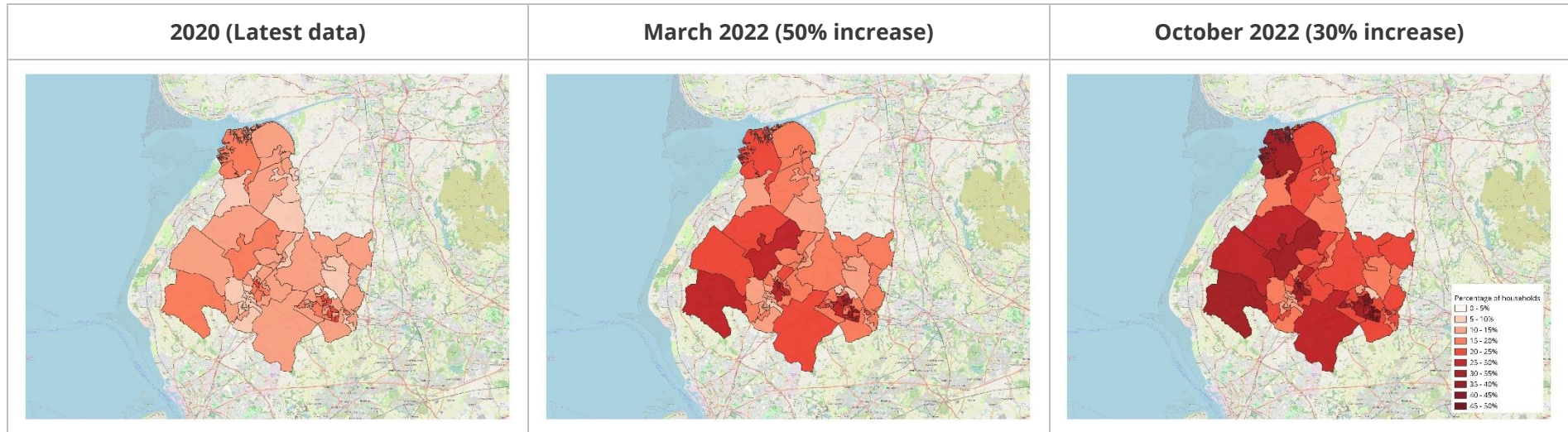
Common considerations when evaluating for Social Value

Local authorities are increasingly weighting procurements with a specific Social Value weighting (often upwards of 10%). However, they often face challenges in evaluating responses, as responses from potential suppliers can be subjective, and can often look very similar. The

following therefore sets out some key consideration for service managers/commissioners and procurers when designing and evaluating Social Value questions and responses:

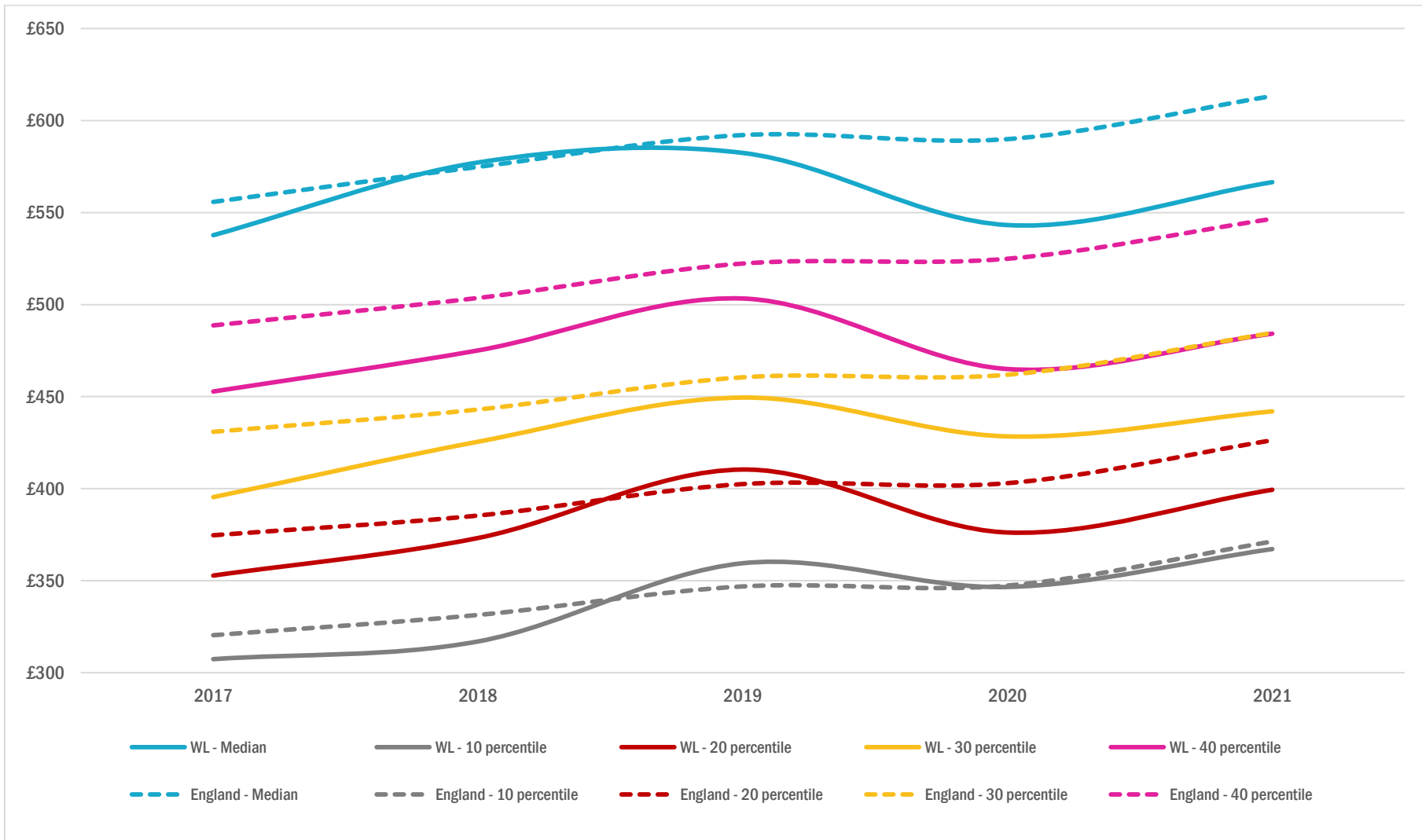
- Make sure the outcomes are clear – the first consideration is to make sure you are clear as a Council exactly what you want to achieve around Social Value. This means having a clear and well defined set of outcomes that you want to achieve and a robust Social Value Procurement Policy and Framework.
- Make sure the questions you ask are specific – the second consideration is to make sure that you ask specific questions around Social Value and that link directly back to the outcomes detailed in the first consideration. DO NOT ask ‘what Social Value are you going to create as part of this contract’. DO ask ‘how many jobs are you going to create’, ‘how long will these jobs be for’, ‘what opportunities will there be for progression’, ‘where are you going to recruit from for these jobs’.
- Make sure you don’t evaluate what a potential supplier is doing already – the whole point of Social Value is that suppliers deliver additional economic, social and environmental benefits for your place. Whilst it is good to understand the Social Value activities they are already undertaking, for the purposes of evaluation it has to be relevant to the good, service or work you are procuring and it has to be additional to what a supplier would be doing anyway.
- 1 Apprenticeship may be better than 5 – evaluation cannot just be done on a purely quantitative basis with potential suppliers offering 5 apprenticeships scoring more than those offering 1. The quality and timeframe of these apprenticeships need to be explored in more depth as part of the evaluation process which is why you need to ask specific questions.
- The Social Value offer needs to be measurable – a Social Value response, much like timeframe and budget responses should be binding in the contract with the successful supplier and should be contract managed during delivery. This means that during evaluation you need to explore whether the Social Value offer by each supplier is measurable – will the supplier be able to monitor outputs, outcomes, and impacts.

Appendix 2: Fuel poverty in West Lancashire



Weekly earnings (full time) - West Lancashire vs England

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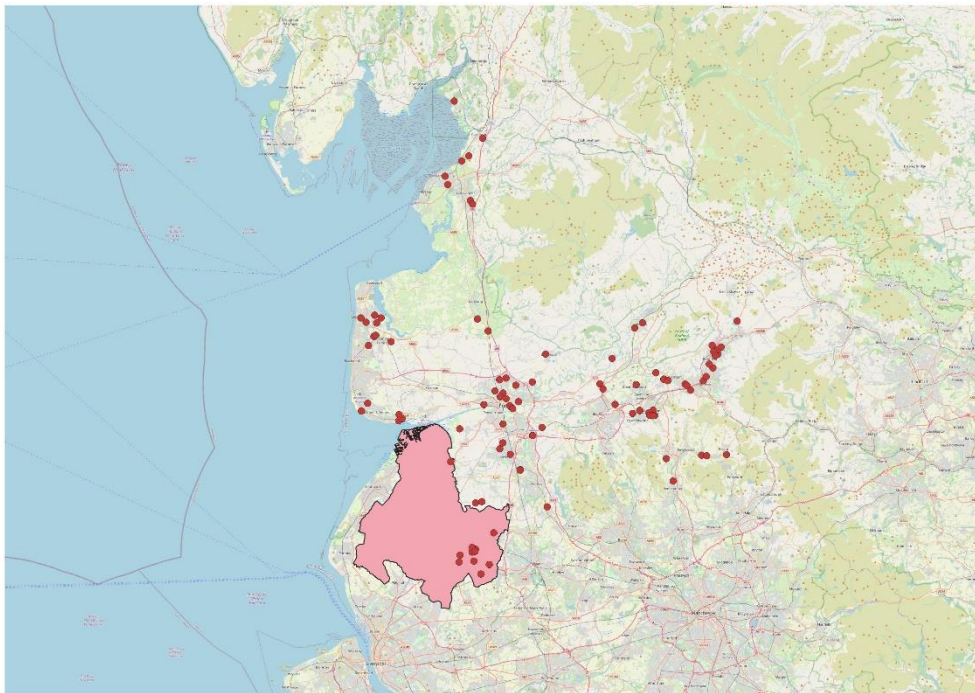


Source: Annual survey of hours and earnings - resident analysis

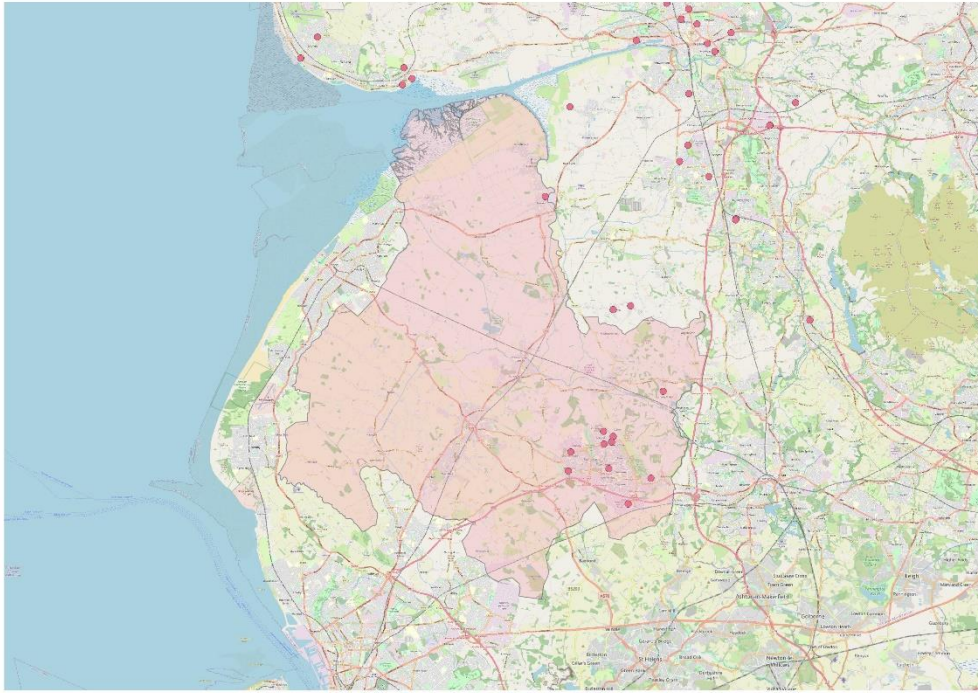
Appendix 3: Local retrofit sector

Lancashire has 151 TrustMark⁹ registered suppliers in a range of retrofit sectors, however only 11 of these are based in West Lancashire.

| Lancashire based TrustMark accredited suppliers | No. |
|---|-----|
| Retrofit Assessor/Co-ordinator | 73 |
| Insulation (Wall/Roof/Floor) | 26 |
| Heating Engineers | 19 |
| Air Source Heat Pump Installers | 10 |
| Ground Source Heat Pump Installers | 7 |
| Solar Panel Installers (PV) | 6 |
| Solar Panel Installers (Thermal) [MCS] | 4 |
| Energy Efficient Glazing and Doors | 3 |
| Draught Proofing | 1 |
| Wind Turbine Installers [MCS] | 1 |
| Biomass Boiler Installers [MCS] | 1 |

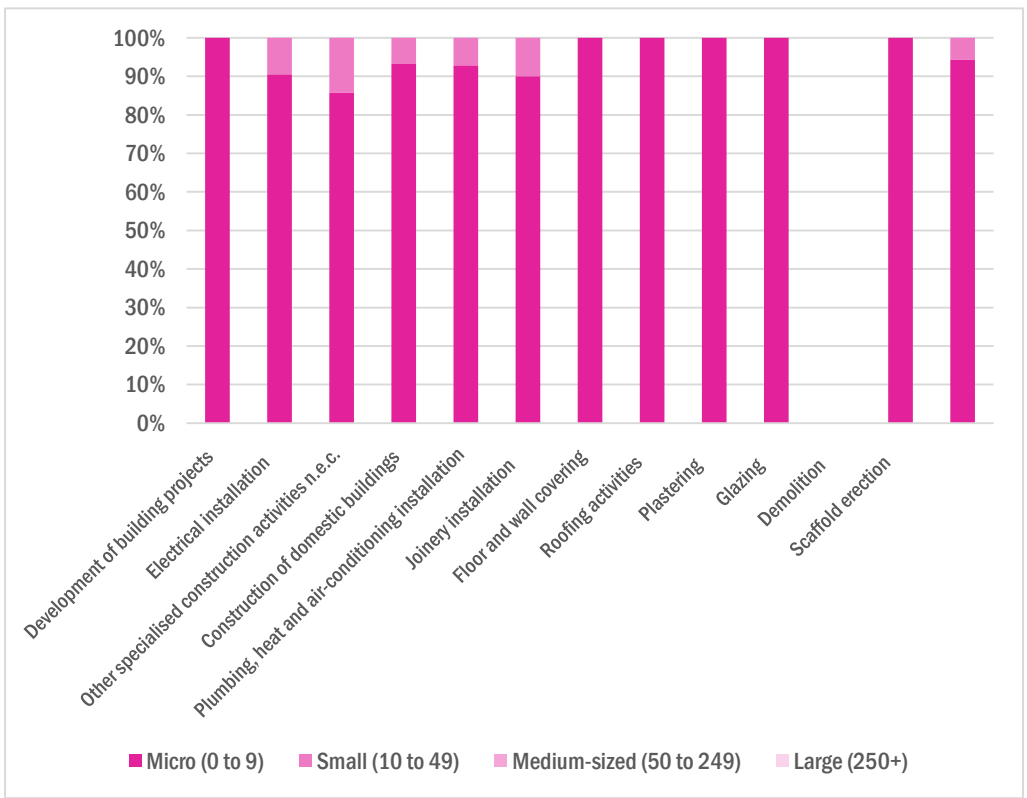
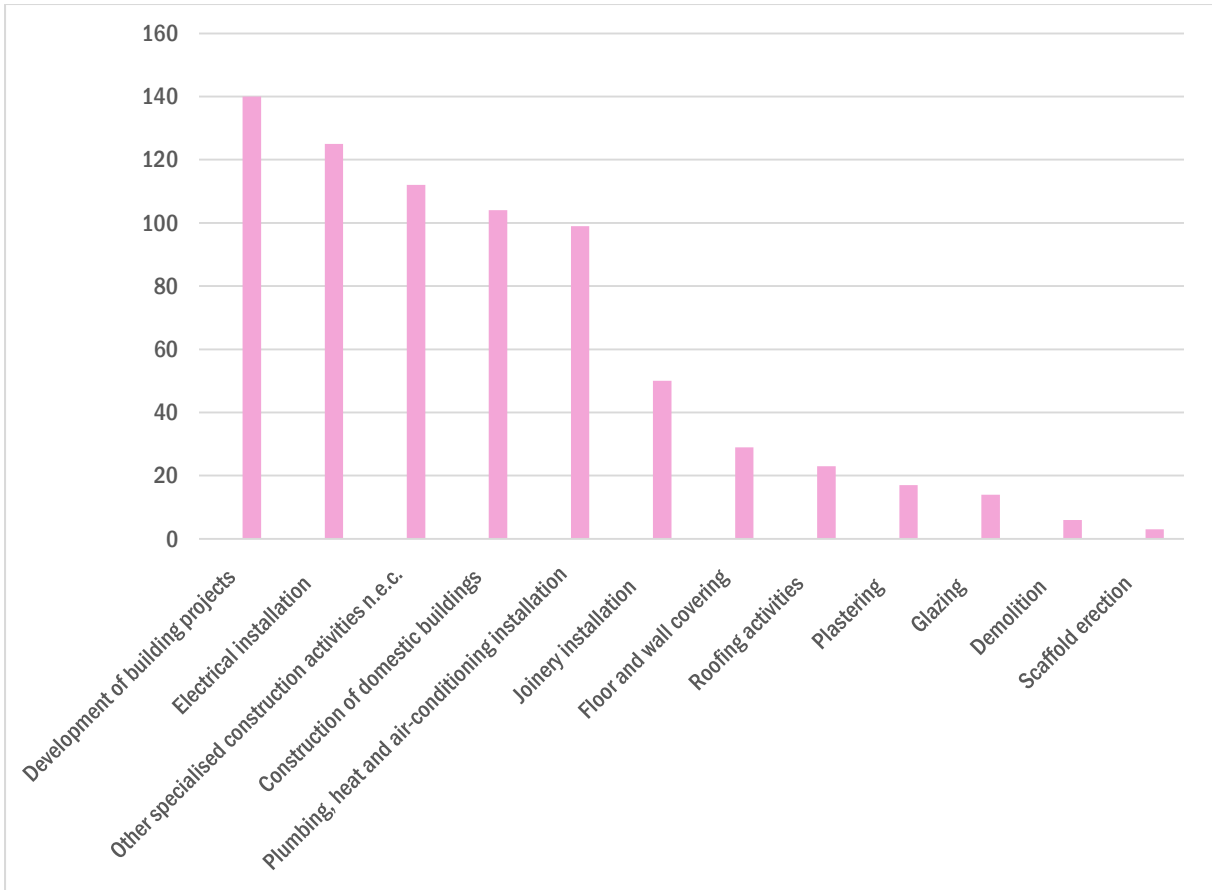


⁹ TrustMark is a Government Endorsed Quality Scheme covering work a consumer chooses to have carried out in or around their home.



| | Air Source Heat Pump Installers | Ground Source Heat Pump Installers | Heating Engineers | Retrofit Assessor/Co-ordinator | Solar Panel Installers (PV) | Solar Panel Installers (Thermal) |
|-----------------------------------|---------------------------------|------------------------------------|-------------------|--------------------------------|-----------------------------|----------------------------------|
| Amy Mansfield | | | | Y | | |
| Benjamin Burke | | | | Y | | |
| David Goodier | | | | Y | | |
| David Jones | | | | Y | | |
| GE National | Y | | Y | | Y | |
| Huyton Plumbing & Heating Limited | Y | | | | Y | Y |
| Kevin Cassidy | | | | Y | | |
| Laura Sallery | | | | Y | | |
| Michael Penman | | | | Y | | |
| Plum-UK Limited | Y | Y | | | | |
| Stephen Edwards | | | | Y | | |

While the TrustMark database indicates a small specified retrofit sector locally, exploring the West Lancashire business base, we have identified 722 West Lancashire businesses who operate in what you would identify as 'retrofit' sectors. These are overwhelmingly micro enterprises, with 93% of these businesses employing under 10 people and the remaining 7% of businesses employing between 10 and 49 people. There are no medium sized or large business in these 'retrofit' sectors based in West Lancashire. These construction based firms may have the potential to develop retrofit specialisation and support deep retrofit activities locally.





Centre for Local Economic Strategies

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Manchester, United Kingdom, M4 5JA
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@CLEStinkdo | #clestinkdo
0161 832 7871

Equality Impact Assessment Form



| | |
|--|--|
| Corporate Services: Transformation Housing and Resources | Service: Economic Regeneration |
| Completed by: C Twomey | Date: 20th March 2023 |
| Subject Title: Community Wealth Building Strategy | |
| 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? | Yes |
| 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: | The approval a community wealth building strategy |
| <i>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</i> | |
| 2. RELEVANCE | |
| Does the work to be carried out impact on service users, staff, or Councillors (stakeholders): | <i>*delete as appropriate</i> |
| If yes , provide details of how these 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)? | The strategy potentially positively impacts on economically active/those about to become economically active within West Lancashire and beyond. The recipients of services from WLBC |
| If the work being carried out, relates to a | See Above. |

| | |
|--|--|
| universal service, who needs or uses it most? (Is there any group affected more than others)? | |
| 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>*delete as appropriate</i> Yes Yes Yes Yes Yes Yes Yes Yes Yes |
| 4. DATA ANALYSIS | |
| In relation to the work being carried out, and the service/function in question, who is actually or currently using the service and why? | It is considered that this impacts on the whole range of protected characteristic. The greatest impact is likely to be on those in training, education and of working age |
| What will the impact of the work being carried out be on usage/the stakeholders? | The implementation of the strategy is likely to create economic growth within West Lancashire which will lead to training opportunities and job creation for people of working age. |
| What are people's views about the services? Are some customers more satisfied than others, and if so, what are the reasons? Can these be affected by the proposals? | The strategy outlines the framework for achieving community wealth building. Some elements of the strategy directly impact citizens, community engagement will form a key part of developing these areas. |
| What sources of data including consultation results have you used to analyse the impact of the work being carried out on users/stakeholders with protected characteristics? | Census Data Council strategies and policies The strategy outlines a number of data sources identified by the Centre for Local Economic Strategy |
| If any further data/consultation is needed and is to be gathered, please specify: | Consultation will be undertaken prior to the development of key elements of the strategy |
| 5. IMPACT OF DECISIONS | |
| In what way will the changes impact on people with protected characteristics (either positively or negatively or in terms of disproportionate | The strategy will focus on creating a more generative economy in West Lancashire. As |

| | |
|--|--|
| impact)? | such, people who are of an economically active age or about to become economically active will be positively impacted through an increase in opportunities |
| 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 EIA will be reviewed in line with the review of the strategy. |

96 **COMMUNITY WEALTH BUILDING STRATEGY**

Councillor Molloy introduced the report of the Corporate Director of Transformation, Housing & Resources, which sought to approve the Council's first Community Wealth Building Strategy

In reaching the decision below, Cabinet considered the report and the recommendations contained therein.

- RESOLVED: A. That the Community Wealth Building Strategy contained at Appendix A be approved.
- B. That the Director of Transformation, Housing and Resources be given delegated authority to make any minor or inconsequential amendments to the Strategy as deemed appropriate.

(Note: The report will also be considered by full Council on 19 July 2023.)



Cabinet 27th June 2023

Council 19th July 2023

Report of: Corporate Director of Transformation, Housing & Resources

Relevant Portfolio Holder: Councillor Carl Coughlan

Contact for further information: Name Rebecca Connick
(E-mail: rebecca.connick@westlancs.gov.uk)

SUBJECT: Use of Community Infrastructure Levy monies on Burscough Wellbeing and Leisure Hub

Wards affected: Borough-wide

1.0 PURPOSE OF THE REPORT

1.1 To authorise the allocation and expenditure of up to £320,000 of Community Infrastructure Levy monies towards the refurbishment of Burscough Racquets and Fitness Centre.

2.0 RECOMMENDATIONS TO CABINET

2.1 The sum of £320,000 be taken from the Community Infrastructure Levy (CIL) to be used towards the refurbishment of Burscough Racquets and Fitness Centre.

2.2 That the Director of Transformation, Housing and Resources and/or the Head of Finance, Procurement and Commercial Services, in consultation with the Portfolio Holder for Human Resources and Leisure and the Portfolio Holder for Resources and Transformation be granted delegated authority to utilise funding allocated CIL Funding to take all steps (including the appointment and payment to Alliance Leisure) to undertake the works set out in Section 5 below.

3.0 RECOMMENDATIONS TO COUNCIL

3.1 That the decision of Cabinet held on 27th June 2023 be endorsed

4.0 BACKGROUND

- 4.1 Members will be aware that the Council are taking steps to improve facilities at Burscough Racquets and Fitness Centre.
- 4.2 The public consultation exercise in relation to the Invest to Save scheme at Burscough Racquets and Fitness Centre has been completed and Officers have analysed the results. The appointment of Alliance Leisure as development partner specifically for Burscough Wellbeing and Leisure Hub will provide an opportunity for Officers to work with Alliance Leisure to progress this project to a completed RIBA stage 4.
- 4.2 The current funding package for the Invest to Save scheme was approved by Members at Cabinet on the 2nd November 2021 and endorsed at Council on the 15th December 2021 as part of the 2019/2020 financial year Capital approvals and totals £386,000. This amount is broken down as £326,000 from WLBC along with contributions from West Lancashire Community Leisure Trust (WLCLT). The Council received £60,000 from WLCLT in December 2022.
- 4.3 Council will recall that the Trustees of WLCLT decided to dissolve the Trust with effect from 12th December 2022. WLCLT have already paid the Council the sum of £60,000 on the condition that it is held by the Council to be used specifically for future enhancement and development work at Burscough Racquets and Fitness Centre.
- 4.4 At the current stage of development planning for Burscough Racquets and Fitness Centre, Officers would like to investigate the opportunity to be able to carry out a more ambitious investment scheme at the Centre that would allow more improvements to be made. It is the view of Officers that any investment into Burscough needs to ensure that the facility remains viable for at least a period of 10 to 15 years. While the sum of £386,000 would enable some improvements to be made there is some concern from Officers as to whether this amount of funding would provide the level of change necessary to make the facility sustainable for the next 10 years.
- 4.5 Alliance Leisure have provided WLBC with an initial cost of approximately £320,000 to progress the projects to a position that would be a completed RIBA stage 4. This process will allow a detailed information pack to be developed in relation to proposed designs, site conditions and surveys.
- 4.6 It is important that Council authorises the allocation and expenditure of this amount now as otherwise this approval would be delayed until late September 2023 which would further delay the critical timelines to present a comprehensive Leisure Transformation report to Members later this year, which will include Ormskirk, Skelmersdale and Burscough Wellbeing and Leisure Hub.
- 4.7 Section 5.0 of this report details the option of funding fees to cover these costs. It is estimated that professional fees of up to a maximum of £320,000 will be incurred.

5.0 FUNDING OPTIONS FOR THE DEVELOPMENT PHASE OF THE WELLBEING AND LEISURE HUBS

- 5.1 Previous feasibility reports to Members for the development of the Wellbeing and Leisure Hubs have always included a proposed funding mix for the projects that has comprised of Prudential Borrowing, Community Infrastructure Levy (CIL) funding, Sport England funding and Levelling Up funding. Delegation has, however, never been sought from Members to formally allocate and spend CIL funding on the Burscough Wellbeing and Leisure Hub.
- 5.2 The development of the Ormskirk and Skelmersdale Wellbeing and Leisure Hubs is now at a critical stage, and it is important that funding is available to allow the refurbishment of Burscough Racquets and Fitness Centre to become Burscough Wellbeing and Leisure Hub to be progressed.
- 5.3 Advice was sought from Planning Services colleagues through the initial development of the proposal and more recently through the Head of Planning and Regulatory Services as to whether CIL funding can be used to fund the development stages of a project. The original advice is provided below, which remains correct:

CIL must be used to fund infrastructure required to support new development, and the provision of new leisure centres would fall under an infrastructure type eligible for CIL funding, and which is listed in the Council's Infrastructure Funding Statement. Therefore, in principle, CIL monies could be used as match funding against capital monies (for the Wellbeing and Leisure Hubs), subject to sufficient funds being available and subject to political support.

However, whilst CIL can be used to fund feasibility and design works, these must form part of the wider implementation of the proposed infrastructure project. Where initial design works are then followed by the abandonment of a project, any CIL funding spent on the earlier design works would need to be returned to the CIL pot as that wider project would no longer be deliverable. This risk means that it would be prudent for the Council to ensure there were sufficient funds in the Council reserves to cover such an eventuality.

- 5.4 The use of CIL funding would enable the Council to use funding that was already in place to progress the projects. The element of risk in using CIL would be the potential requirement to repay the funding to the CIL pot if the projects do not progress. It should be noted that the use of the RIBA design process will allow the Council to review potential costs for the scheme and to value engineer the project as necessary at each RIBA stage. However, there is the possibility that a significant loss could be incurred in terms of abortive professional fees if the schemes do not proceed.
- 5.5 Given the assessment of the options outlined it is recommended to Cabinet and Council that £320,000 of CIL funding should be formally allocated to this project to fund the development phase. The CIL funding is already in place and costs will be continually assessed and value engineered through the RIBA stages. The ability to continually value engineer will reduce the risk of the projects not progressing and the CIL funding having to be repaid.

6.0 SUMMARY POSITION

6.1 The summary of the position outlined in Section 5.0 is as follows:

- To progress the refurbishment of Burscough Wellbeing and Leisure Hub, the professional design team needs to be engaged now. The appointment of Alliance Leisure using the UK Leisure Framework represents the most efficient and compliant route through which this can be achieved.
- To fund the progression through RIBA stages prior to construction it is recommended that authority be given to use part of what has already been allocated from for the Leisure Transformation to the sum of £320,000 in CIL should be allocated to the projects now.
- It should be noted that the cost of the project will be reviewed at each RIBA stage and the projects value-engineered to ensure it continues to be in the affordability envelope for the project.
- The agreement signed with the UK Leisure Framework and Alliance Leisure will also provide the Council with the option to exit the process at any point if the projects are no longer felt to be viable.

7.0 SUSTAINABILITY IMPLICATIONS

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

8.0 FINANCIAL AND RESOURCE IMPLICATIONS

8.1 None. The expenditure proposed at paragraph 5.5 will be met from existing CIL budgets and has been assessed in line with CIL spending requirements.

9.0 RISK ASSESSMENT

9.1 The Leisure Procurement strategy is detailed within the corporate risk register of the Council. As part of the Project Management approach for the schemes a detailed Risk Register is in place.

10.0 HEALTH AND WELLBEING IMPLICATIONS

10.1 The continued development of the Councils Leisure Procurement Strategy will:

- Promote good health and wellbeing and enable people to flourish
- Prevent and tackle the causes of ill health;
- Empower people in vulnerable, deprived and disadvantaged communities to realise their full health potential;
- Develop and support effective and high quality health and wellbeing services;

- Encourage and enable all people to take a role in identifying and addressing barriers to improve health and wellbeing;
 - Increase people's independence throughout their life course and ability to lead full active lives
 - By refurbishing Burscough we will not only increase the opportunities for residents to access health, physical activity, but also a range of life course services in one facility; the buildings will raise the aspirations of local people through education, training employment and skills.
-
-

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 direct impact on members of the public, employees, elected members and / or stakeholders, therefore an Equality Impact Assessment is required. A formal equality impact assessment is attached as an Appendix to this report, the results of which have been taken into account in the Recommendations contained within this report

Appendices

1. Equality Impact Assessment
2. Project Timeline

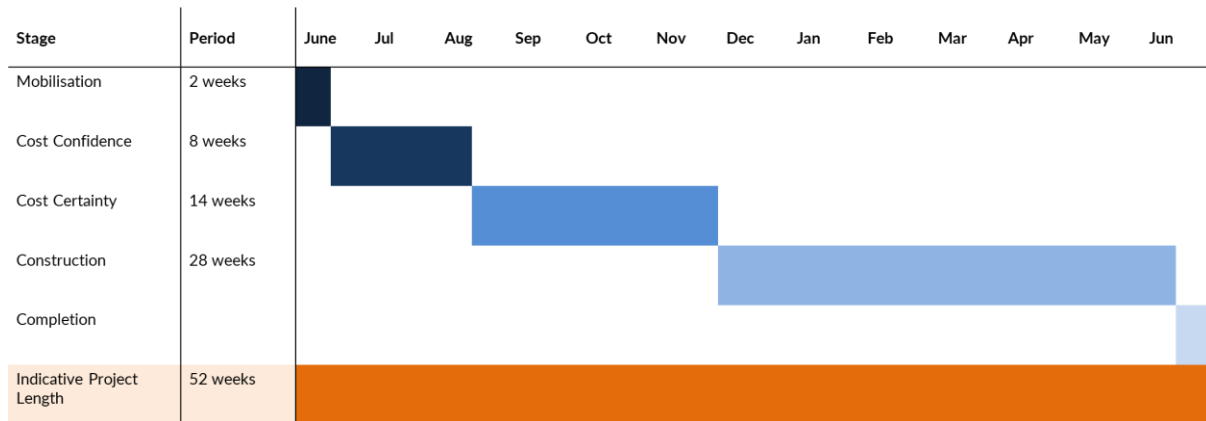
Equality Impact Assessment Form



| | |
|--|---|
| Directorate: Transformation, Housing and Resources | Service: Leisure |
| Completed by: Rebecca Connick | Date: 15.6.23 |
| Subject Title: | |
| 1. DESCRIPTION | |
| Is a policy or strategy being produced or revised: | No <i>*delete as appropriate</i> |
| Is a service being designed, redesigned or cutback: | No |
| Is a commissioning plan or contract specification being developed: | Yes |
| Is a budget being set or funding allocated: | Yes |
| Is a programme or project being planned: | Yes |
| 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: | To consider a report from officers in relation to Use of Community Infrastructure Levy monies on Burscough Wellbeing and Leisure Hub. |
| <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): | <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> | |
| 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)? | Burscough Racquets and Fitness Centre. |
| 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)? | Not Applicable |

| | |
|---|--|
| Which of the protected characteristics are most relevant to the work being carried out? | <i>*delete as appropriate</i> |
| Age | Yes |
| Gender | Yes |
| Disability | Yes |
| Race and Culture | No |
| Sexual Orientation | No |
| Religion or Belief | No |
| Gender Reassignment | No |
| Marriage and Civil Partnership | No |
| Pregnancy and Maternity | No |
| 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? | Individuals, schools, colleges, community groups and families who use the existing facilities. |
| What will the impact of the work being carried out be on usage/the stakeholders? | None. The facility will not be closed during this work. |
| 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? | Wider public consultation has evidenced that residents have a strong desire to see improved infrastructure at Burscough Racquet and Leisure centre, |
| 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? | Consultation data. |
| If any further data/consultation is needed and is to be gathered, please specify: | None at this point in time |
| 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 aim of the exercise is to develop a broader range of opportunities at our facilities, to be more inclusive to the population of West Lancashire and provide an improved financial position to the council. |
| 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.). | The results of this report will be communicated in an open and transparent manner with all members of the community and current operational partner. |
| What actions do you plan to take to address any other issues above? | No action <i>If no actions are planned state no actions</i> |
| 7. MONITORING AND REVIEWING | |
| When will this assessment be reviewed and who will review it? | Ongoing review by Leisure Officers. |

Appendix 2 Project Timeline



103 **USE OF COMMUNITY INFRASTRUCTURE LEVY MONIES ON
BURSCOUGH WELLBEING AND LEISURE HUB**

Councillor Carl Coughlan introduced the report of the Corporate Director of Transformation, Housing & Resources, which sought approval to authorise the allocation and expenditure of up to £320,000 of Community Infrastructure Levy monies towards the refurbishment of Burscough Racquets and Fitness Centre.

In reaching the decision below, Cabinet considered the report before it and the recommendations contained therein.

RESOLVED: That Council be recommended:

- A. The sum of £320,000 be taken from the Community Infrastructure Levy (CIL) to be used towards the refurbishment of Burscough Racquets and Fitness Centre.

- B. That the Director of Transformation, Housing and Resources and/or the Head of Finance, Procurement and Commercial Services, in consultation with the Portfolio Holder for Human Resources and Leisure and the Portfolio Holder for Resources and Transformation be granted delegated authority to utilise funding allocated CIL Funding to take all steps (including the appointment and payment to Alliance Leisure) to undertake the works set out in Section 5 of the report.



COUNCIL: 19 July 2023

Report of: The Chief Operating Officer

Relevant Portfolio Holder: Councillor Yvonne Gagen

Contact for further information: Mrs J Denning (Extn. 5384)
(E-mail: jacky.denning@westlancs.gov.uk)

SUBJECT: REVIEW OF POLITICAL BALANCE 2023/24

Borough wide interest

1.0 PURPOSE OF REPORT

1.1 To review the allocation of seats on Committees to Political Groups, as a result of the Countermanded Election held on 22 June 2023 and the re-establishment of the Our West Lancashire (OWL) Group.

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 be as agreed at the Annual Meeting of the Council on 17 May 2023, subject to:

- (i) Executive Overview & Scrutiny Committee – less 1 Conservative, plus 1 OWL
- (ii) Corporate & Environmental Overview & Scrutiny Committee – less 1 Conservative, plus 1 OWL
- (iii) Planning Committee – less 1 Conservative, plus 1 OWL
- (iv) Licensing & Appeals Committee – less 1 Labour, plus 1 Conservative, plus 1 OWL
- (v) Licensing & Gambling Committee – plus 1 Conservative
- (v) Standards Committee – plus 1 OWL
- (vi) Audit & Governance Committee – plus 1 OWL

In addition to the above, the Conservative Group are required to reduce 1 seat on the Committees overall, which should be allocated to OWL. This will be reported at the meeting.

2.2 That the Leaders of each Political Group advise the Head of Legal & Democratic Services in relation to the names of the Councillors in respect of 2.1 above and Section 4.1A of the Council's Constitution be updated accordingly.

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. This was undertaken at the Annual meeting in May 2023 when the composition of the Council was Labour 26 members, Conservative 15 members, 'Our West Lancashire' 1 member, which did not at that time constitute a Political Group and 3 vacancies.
- 3.2 Of the seats available in Committees, these were allocated to the Labour Group and the Conservative Group, in line with the composition above. The allocation of remaining seats not allocated to any Political Group (two) were allocated to the Member who did not belong to a Political Group at the Council's discretion and in accordance with the regulations.
- 3.3 Following the Countermanded Election held on 22 June 2023, the Chief Operating Officer received notification to re-establish a group 'Our West Lancashire' and subsequently a review of the representation of different political groups on Committees has taken place. The Labour Group continues to have 26 Members – 57.8% of the total membership, the Conservative Group has 15 members – 33.3% of the total membership and 'Our West Lancashire' has 4 members (8.9%) of the total membership
- 3.4 Of the seats available on the Committees, based on the calculations, recommendations from the Leader for the change in allocation of seats are listed in paragraph 2.1.
- 3.5 There is no legal requirement under the 1989 Act to aggregate the number of seats on ordinary sub-committees. The Act simply requires that seats on such sub-committees 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.

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

None.



COUNCIL: 19 July 2023

Report of: Corporate Director of Transformation, Housing & Resources

Relevant Portfolio Holder: Councillor Rob Molloy

Contact for further information: Chris Twomey / Kathryn Moffitt
(Email: chris.twomey@westlancs.gov.uk)

SUBJECT: UK Shared Prosperity and Rural England Prosperity Fund

Wards affected: Whole Borough

1.0 PURPOSE OF THE REPORT

1.1 To seek approval for the Council's proposed delivery of the UK Shared Prosperity Fund ('UKSPF') and Rural England Prosperity Fund ('REPF') investment programme

2.0 RECOMMENDATIONS TO COUNCIL

2.1 That the spending and investment proposals and all other associated work(s) required to deliver, award, manage and monitor both the UK Shared Prosperity Fund (£4.25m) and Rural England Prosperity Fund (£441,630) set out in this Report and Appendices be approved.

2.2 Thereafter, the Corporate Director of Transformation, Housing and Resources, in consultation with the portfolio holder be granted delegated authority to amend the investment proposals/plan as deemed appropriate

2.3 That the Corporate Director of Transformation, Housing and Resources be given delegated authority to procure specialist support and advice, to ensure the programmes of work can be implemented and meet the UKSPF framework and timescales. The cost of which will be taken from the over-all administration and management fees allocation.

2.4 That West Lancashire Partnership Board are appointed to act as the Independent Local Partnership Board. The role of the Board will be to provide guidance and advice on the strategic fit and deliverability of the activities funded by UK Shared Prosperity Fund.

- 2.5 That the Corporate Director of Transformation, Housing and Resources in consultation with the Portfolio Holder be granted delegated authority to make alternative arrangements for the provision of an Independent Partnership Board if at any time the West Lancashire Partnership Board are either unwilling or unable to carry out that function.

3.0 BACKGROUND - UK Shared Prosperity Fund

- 3.1 UK Shared Prosperity Fund (UKSPF) was launched in April 2022 and forms part of the Government's levelling up approach, succeeding the European Union structural funds.
- 3.2 It is the Government's intention that UKSPF enables investment in domestic priorities with a specific focus on: building pride in place, supporting high quality skills training, supporting pay, employment, and productivity growth, and increasing people's life chances.
- 3.3 In September 2022 the Council was required to submit an Investment Plan for UKSPF to the Department of Levelling Up Housing & Communities (DLUHC). Due to shortened timescales officers consulted with the Leader and opposition group Leaders and gained consent to submit on outline Investment Plan for West Lancashire.
- 3.4 West Lancashire's investment plan was approved in January 23, and the Council was successful in securing £4.256 million of UKSPF in March 23. Members are asked to note that with the agreement of DLUHC a proportion of this funding can be used to pay for the administrative costs of delivering the programme of work which includes the appointment of staff to carry out the required works. In addition, there is a cap of 36% spend against capital works in year one and 64% in year two.
- 3.5 The Council's UKSPF investment plan is required to deliver against the three priority areas set by Government of:
- Communities and Place
 - Supporting Local Business
 - People & Skills

A summary of the investment plan is presented in section 8 with a more detailed overview outlined in appendix B.

- 3.6 Under each priority are a set of pre-defined interventions that will inform what the Council aims to deliver and sets out measurable outcomes to reflect local needs and opportunities. The interventions the Council intends to focus on are as follows:

Communities & Place

- E1: Improvements to Town Centres & High Streets

- E2: Community & Neighbourhood infrastructure projects
- E3: Creation of and Improvements to local green spaces
- E6: Local Arts, Cultural, Heritage & Creative Activities
- E7: Support for active travel enhancements in local area
- E9: Impactful volunteering and/or social action projects
- E10: Local sports facilities, tournaments, teams & leagues
- E11: Capacity building & infrastructure support local groups
- E13: Community measures to reduce the cost of living
- E14: Relevant feasibility studies

Supporting Local Businesses

- E17: Development & promotion of visitor economy
- E21: Development of innovation infrastructure at a local level
- E23: Strengthening local entrepreneurial ecosystems
- E29: Supporting decarbonisation & improving the natural environment
- E30: Business support measures to drive employment growth
- E24: Training hubs, business support offers, incubators & accelerators
- E26: Growing the local social economy

People & Skills

- E33: Employment support for economically inactive people
- E34: Courses including basic, life & career skills
- E35: Enrichment & volunteering activities
- E36: Increase levels of digital inclusion, essential digital skills
- E37: Tailored support for the employed to access courses
- E38: Local areas to fund local skills needs
- E39: Green skills courses

3.7 Flexibility needs to be maintained in respect of the ongoing spend priorities within the three priority areas. Authority is therefore sought to allow the Corporate Director of Transformation, Housing and Resources to make on going amendments to the pre-defined interventions within the agreed spending profiles set out at Section 8 below.

3.8 The programme runs until 31 March 2025. Should UKSPF funds remain unspent on 31 March 2025, current guidance states that underspends will be returned to DLUHC.

3.9 It is intended that a further report will be taken to Corporate Overview & Scrutiny Committee every 6 months In order to keep Members appraised of progress regarding the delivery of both the UKSP and REPF.

4.0 Rural England Prosperity Fund

4.1 Rural England Prosperity Fund (REPF) was launched in September 22 and is a top up to the UKSPF. This fund is available to eligible local authorities across England. It succeeds European Union funding from LEADER and the Growth Programme which were part of the Rural Development Programme for England.

- 4.2 The purpose of REPF twofold, firstly to support new and improved community infrastructure, providing essential community services and assets for local people and businesses. Secondly, to support new and existing rural businesses to develop new products and facilities that will be of wider benefit to the local economy. As such the REPF objectives sit within two of the UKSPF investment priorities, these being:
- Communities and Place
 - Supporting Local Business
- 4.3 West Lancashire's REPF addendum application was submitted in November 22 and was successful in securing £441,630 of REPF in April 23.
- 4.4 The interventions the Council intends to focus on are:
- E23 - strengthening local entrepreneurial ecosystems
 - E17 - Funding (capital grants) for the development and promotion (both trade and consumer) of the visitor economy
- 4.5 Both UKSPF and REPF funding will be aligned for reporting purposes as is required through the national government reporting framework.
- 5.5 REPF must be used to fund capital projects for small businesses and community infrastructure and will help to improve productivity and strengthen the rural economy and rural communities.
- 5.6 The allocation of £441,630 will cover the financial years 2023/24 and 2024/25. It is expected that 25% of the allocation will be provided for the financial year 2023/24, with the remainder being made available for 2024/25.
- 5.8 Current guidance states any underspend at the end of each financial year will need to be returned to Central Government.

6.0 UKSPF & REPF administration and management

- 6.1 The Council have agreed in principle with DLUHC an outline staffing structure to support the implementation and management of the funding. This structure equates to circa 8.8% of the UKSPF funding allocation (not REPF). The structure comprises four posts that will focus on project management & support, business and third sector engagement, procurement & contract management, monitoring & evaluation.
- 6.2 To date the Council has appointed to one of the roles, following approval from Council the additional 3 roles will be recruited to in due course.

7.0 Delivery, Monitoring and Evaluation

- 7.1 The Director of Transformation, Housing & Resources will have overall responsibility for the delivery, monitoring and evaluation of the programme. A

programme team of internal officers has been established who will manage and deliver UKPSF & REPF projects on a day-to-day basis. This team is supported by specialist council services such as legal, procurement and communications.

- 7.2 Quarterly returns are required to be submitted to DLUHC as part of the overall monitoring of this programme.
- 7.3 As stated above the Corporate and Environmental Overview and Scrutiny will be informed on UKSPF / REPF progress and performance on a six-monthly basis.
- 7.4 As part of the UKSPF Governance procedures, the Council is required to have an Independent Local Partnership Board established that is fully represented by communities, private / public & third sector, with terms of reference that will oversee and meet UKSPF/REPF needs.
- 7.5 It is therefore the intention of the Council to invite the West Lancashire Partnership Board to undertake this function. The role of the Board will be to provide guidance and advice on the strategic fit and deliverability of the activities funded by UK Shared Prosperity Fund. Authority is sought for the Corporate Director of Transformation, Housing and Resources in consultation with the Portfolio Holder to make alternative arrangements in the event that either the invitation to West Lancashire Partnership Board is either not accepted or if at any time in the future they are unable or unwilling to undertake this work,

8.0 Total funds allocated to the Council

- 8.1 Through a process of consultation with the Corporate Director of Transformation, Housing and Resources and oversight from the Head of Finance, Procurement and Commercial Services, Officers have reprofiled the Year 1 underspend to the value of £516,591.00 into Year 2 with the following levels of investment against each priority:

Table 1

| Stream | Total Allocation Year 2 | Total Allocation Year 3 | Total |
|-----------------------|----------------------------|----------------------------|-------------------|
| Communities and Place | £1,055,778 | £1,290,777 | £2,346,555 |
| Local Business | £ 516,500 | £ 799,067 | £1,315,567 |
| People and Skills | £0 | £594,587 | £594,587 |
| Total | £1,572,278 | £2,684,431 | £4,256,709 |

Table 2

| Stream | Total Allocation Year 2 | Total Allocation Year 3 | Total |
|--------|----------------------------|----------------------------|-----------------|
| REPF | £110,408 | £331,222 | £441,630 |

8.2 Building on the details provided in Table 1 & 2 a list of interventions (set by DLUHC) and proposed projects of work and budget allocation can be found in Appendix B.

8.3 Table 1 highlights a total of £2,346m has been allocated against communities and place initiatives, £710k of which will be available as grant allocation to the community and voluntary sector. This increased level of funding will supersede the Community Voluntary Grants funding which has previously been provided by the Council. £936k of the funding for local businesses will be used to support valuable existing business support services. The people and skills funding will enable to continuation of the Council's highly successful More Positive Together project supporting people into employment.

9.0 Next Steps

9.1 The UKSPF/REPF programme team have developed a project plan in readiness to invest the funding outlined in section 8 of this report.

9.2 Pending approval, the following key actions will be progressed within the outlined indicative timescales:

July/August 2023

| |
|---|
| <ul style="list-style-type: none">• Initiate recruitment dedicated UKSPF/REPF officer team |
| <ul style="list-style-type: none">• Commence procurement |
| <ul style="list-style-type: none">• Commence delivery and implementation of Yr2 in house projects where appropriate |
| <ul style="list-style-type: none">• Deliver community workshops to promote grant funding opportunities |
| <ul style="list-style-type: none">• Receive UKSPF Funds for Yr2 |

September/October 2023

| |
|--|
| <ul style="list-style-type: none">• Open funds/application process for Community Grants |
| <ul style="list-style-type: none">• Award/procure Business strand projects to enable start of delivery |

November / December 2023

| |
|--|
| <ul style="list-style-type: none">• Award Community Grants |
|--|

January, February, March 2024

| |
|--|
| <ul style="list-style-type: none">• Begin delivery of People and Skills Programmes |
| <ul style="list-style-type: none">• Prepare to launch year 3 funds |

*Timescales may vary due to the month in which the Council receives the Year 2 funding allocation from DLUHC.

10.0 FINANCIAL AND RESOURCE IMPLICATIONS

10.1 The Council will ensure that proper arrangements are in place to monitor, record and report upon the progress and spending against each individual scheme. Robust controls will be put in place to ensure that monies are used in accordance with the agreed plan and that agreed outcomes are monitored effectively.

10.2 The Section 151 Officer will sign off all returns to DHLUC, to confirm approval of spend against agreed criteria.

11.0 RISK ASSESSMENT

11.1 A programme risk log is being developed as part of the designing of the programme controls. The most prominent risks associated with UKSPF and REPF funding are identified below.

11.2 Risk - Failure to spend all UKSPF funding by 31st March 2025/failure to spend annual allocation of REPF funding, resulting in funds being returned to central government.

- Impact:
 - Adverse impact on outcomes experienced by residents, communities, and businesses.
 - Adverse impact of cost-of-living crisis on communities and businesses to be more acute.
 - Risks to the sustainability of third sector organisations and businesses.
 - Reduced ability of the Council to take active steps to meet net zero - commitments.
 - Reputational risk to Council.
- Mitigations
 - Development of UKSPF/REPF investment programme.
 - Development of UKSPF credible plan for 2022/23 underspends.
 - Delivery resourced appropriately
 - A commitment to allocate to capital projects identified in the plan by end of March 2025
 - Council to take steps to ensure readiness to implement investment programme from July 2023.

11.3 Risk - Cost inflation (capital, staff costs etc.) rising at levels higher than anticipated within Investment Plan and Addendum.

- Impact:
 - Intended projects are unable to be delivered within indicative funding envelopes.
 - The level of outputs and outcomes identified within the bid cannot be achieved.
- Mitigations:
 - A reasonable expectation for level of inflation has been built into project financials.
 - Ongoing market engagement to ensure that budgets and expectations are achievable.

11.4 Risk - Insufficient demand for services/support/grants funded through UKSPF and REPF. Communities, businesses and local partners do not require access to the services delivered or procured by the Council.

- Impact:
 - The Council is unable to achieve the intended level of benefits (outputs and outcomes) identified within the Investment Plan and Addendum.
 - The Council is required to return underspends to central government, due to a lack of activity across the projects/investment programme.
- Mitigations:
 - Prioritise the Council's ability to implement each project by July 2023.
 - Prioritise awareness raising across intended recipient groups (communities, third sector organisations, businesses).

11.5 Risk – Insufficient staff capacity to provide appropriate levels of contract management.

- Impact:

The Council may be unable to effectively monitor and evaluate the impact of the awards and funds.

- Inability to provide sufficient evidence against UKSPF Outcomes and Outputs
- Staff welfare and impact on the ability to continue to deliver other Council priorities.

- Mitigations

- Utilise specialist support opportunities within the administrative allocation
- Appointment of additional officer resource to support the delivery, monitoring and reporting of UKSPF.
- Embed a robust monitoring and evaluation process within the procured contracts/services
- Utilise the Councils social return on investment platform to collate evidence.

12.0 SUSTAINABILITY IMPLICATIONS

12.1 Through the implementation of this funding, it is envisaged that more environmentally sustainable communities and the economy will be created through the investment in green infrastructure, community initiatives and operating practices.

12.2 Key areas of focus for this investment are developing people and skills within the borough to meet emerging employment needs and address the underlying causes of worklessness.

6.3 The focus on promoting volunteering and financially supporting the third sector promote local empowerment and community ownership which has the potential to deliver greater long-term outcomes.

6.4 Support for local business to grow and thrive in an environmentally friendly way is a key focus of elements of this funding.

13.0 HEALTH AND WELLBEING IMPLICATIONS

- 13.1 The proposal will have health and wellbeing benefits across all wards of the authority as it promotes and supports businesses, people and communities to access opportunities meet local priorities.

Appendix A – Equality Impact Assessment
Appendix B – UKSPF & REPF Investment Plan

Equality Impact Assessment Form



| | |
|---|--|
| Directorate: Wellbeing and Place | Service: Wellbeing and Economic Dev |
| Completed by: Kathryn Moffitt | Date: 19/06/23 |
| Subject Title: UKSPF and REPF | |

1. DESCRIPTION

| | |
|--|--|
| Is a policy or strategy being produced or revised: | No* <i>*delete as appropriate</i> |
| Is a service being designed, redesigned or cutback: | Yes – Employment training and skills team |
| Is a commissioning plan or contract specification being developed: | Yes – multiply service specifications for any procured services via the UKSPF grant |
| Is a budget being set or funding allocated: | Yes |
| Is a programme or project being planned: | Yes – Multiple projects under three strands -Community and Place, Business, People and Skills. |
| 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: | |

*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> | UKSPF will build on West Lancs's strengths and needs at a local level, focusing on building pride in place and increasing life chances, and delivered through 3 investment priorities: communities and place, local businesses and people and skills. |

| | |
|---|---|
| | <p>Staff – Creation of opportunities, further employment, training and skills</p> <p>Service users – Supporting Business to start, grow and become more sustainable. Offering the VCFSE opportunities to provide sustainable services to meet the needs and local priorities within communities.</p> <p>People and skills – providing services and support to residents to gain training skills and employment.</p> |
| <p>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></p> | |
| <p>3. EVIDENCE COLLECTION</p> | |
| <p>Who does the work being carried out impact on, i.e. who is/are the stakeholder(s)?</p> | <p>Residents, communities, businesses workforces across West Lancashire.</p> |
| <p>If the work being carried out relates to a universal service, who needs or uses it most? (Is there any particular group affected more than others)?</p> | <p>No universal services being delivered.</p> |
| <p>Which of the protected characteristics are most relevant to the work being carried out?</p> <p>Age Gender Disability Race and Culture Sexual Orientation Religion or Belief Gender Reassignment Marriage and Civil Partnership Pregnancy and Maternity</p> | <p><i>*delete as appropriate</i></p> <p>Yes Yes Yes Yes Yes Yes Yes Yes Yes</p> |
| <p>4. DATA ANALYSIS</p> | |
| <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>UKSPF funding will be allocated across three strands and over a number of projects. Multiple service users (varied) depending on the project.</p> |

| | |
|---|--|
| | |
| What will the impact of the work being carried out be on usage/the stakeholders? | Increases in job opportunities, economic activity, number of residents in training and or employment, reductions in health inequalities, improvements to local infrastructures, upskilling workforces, access to green space, increased visitor economy. |
| 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? | Monitoring and evaluation will gather this insight once the projects are launched. |
| 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? | Evidence gathered prior to the programmes being developed include: Health inequalities data, community consultations with residents and service users, skills and employment data, STEAM data to analyse visitor economy and external business support. |
| If any further data/consultation is needed and is to be gathered, please specify: | |
| 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)? | Increased opportunities for training, volunteering, employment, access to services, money advice, business support, increase life expectancy, reduce health inequalities, improve pride in place. |
| 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.). | Opportunities to review throughout the programmes of work, robust monitoring and evaluation over the duration of the programme March 25. Increases in capacity to programme manage and build strength in relationships with partners and communities. |

| | |
|---|---|
| | |
| What actions do you plan to take to address any other issues above? | Utilise the support of the Corporate Management Team, full governance structure and wider external Partnership Board to mitigate any issues. <i>If no actions are planned state no actions</i> |
| 7. MONITORING AND REVIEWING | |
| When will this assessment be reviewed and who will review it? | The HIA will be reviewed every 6 months by the Programme Lead. |

Appendix A

Table 1: Communities and Place, proposed projects and allocated spend set against Interventions (E numbers defined by DLUHC)

| Interventions Communities & Place | Projects | Total |
|--|--|--------------------|
| E1: Improvements to town centres & high streets | Enhance Markets, high street regeneration | £ 446,555 |
| E2: Community & neighbourhood infrastructure projects | Beacon uplift, renewable energy initiative, green space access | £ 465,000 |
| E3: Creation of and improvements to local green spaces | Green space development - footpaths, bridge and infrastructure improvements | £ 275,000 |
| E6: Local arts, cultural, heritage & creative activities | Event budget to deliver cultural events across borough | £ 75,000 |
| E7: Support for active travel enhancements in local area | Cycle path improvements connecting assets/storage/Linear Parks | £ 100,000 |
| E9: Impactful volunteering and/or social action projects | Community Grant: Participatory budgeting / social action/ volunteering across the Borough | £ 60,000 |
| E10: Local sports facilities, tournaments, teams & leagues | Community Grant: to Improve access and quality of sport and leisure facilities | £ 250,000 |
| E11: Capacity building & infrastructure support local groups | Community Grant: VCFSE to determine the scope of projects - meet local needs and priorities | £ 150,000 |
| E13: Community measures to reduce the cost of living | Community Grant for VCFSE to determine the scope of projects - meet local needs and priorities | £ 250,000 |
| E14: Relevant feasibility studies | Beacon country park, town centre regeneration, renewable energy initiatives | £ 275,000 |
| Total | | £ 2,346,555 |

Table2: Local Business – Proposed programmes of work set to Interventions.

| Interventions Supporting Local Businesses | Projects | Totals |
|--|-------------------------|--------------------|
| E17: Development & promotion of visitor economy | Marketing Lancashire | £ 11,000 |
| E21: Development of innovation infrastructure at a local level | Innovation Programme | £ 300,000 |
| E23: Strengthening local entrepreneurial ecosystems | Boost | £ 200,000 |
| E23: Strengthening local entrepreneurial ecosystems | Rural Support Programme | £ 100,000 |
| E23: Strengthening local entrepreneurial ecosystems | Import & Export | £ 40,000 |
| E29: Supporting decarbonisation & improvements natural environment | Low Carbon | £ 85,000 |
| E30: Business support measures to drive employment growth | UpSkilling Lancashire | £ 200,000 |
| E24: Training hubs, business support offers, incubators & accelerators | WL Bus Partnership | £ 344,567 |
| E26: Growing the local social economy | Green Tourism | £ 35,000 |
| Total | | £ 1,315,567 |

Table 3: People & Skills Proposed programmes of work set to Interventions.

| Interventions People & Skills | Projects | Totals |
|---|------------------------------|---------------|
| E33: Employment support for economically inactive people E34: Courses including basic, life & career skills E35: Enrichment & volunteering activities E36: Increase levels of digital inclusion, essential digital skills E37: Tailored support for the employed to access courses E38: Local areas to fund local skills needs | More Positive Together/STEPS | £ 594,587 |

E39: Green skills courses

Table 4 REPF – Proposed programmes of work set to Interventions

| REPF | Project | Totals |
|---|--|------------------|
| E23: Strengthening local entrepreneurial ecosystems | REPF - Rural Grant Scheme | £ 326,000 |
| E17: Development & promotion of visitor economy | | |
| E17: Development & promotion of visitor economy | REPF - Changing Places Toilets (Beacon/Ormskirk) | £ 115,630 |
| E23: Strengthening local entrepreneurial ecosystems | | |
| Total | | £ 441,630 |

Agenda Item



COUNCIL: 19 July 2023

Report of: Head of Finance, Procurement and Commercial Services

Relevant Portfolio Holder: Councillor Rob Molloy

**Contact for further information: Tony Furber
Peter Quick (Ext 5203)**

**(E-mail: tony.furber@westlancs.gov.uk
peter.quick@westlancs.gov.uk)**

SUBJECT: GRA Revenue Outturn Position 2022-23

Wards affected: Borough wide

1.0 PURPOSE OF REPORT

1.1 To provide a summary of the revenue outturn position on the General Revenue Account (GRA) for the 2022/23 financial year, noting movements in the Council's reserves and balance.

2.0 RECOMMENDATIONS

- 2.1 That the revenue outturn position be noted.
- 2.2 That the use of reserves required was £234k less than was budgeted be noted.

3.0 BACKGROUND

- 3.1 The GRA budget set in February 2022 for the 2022-23 financial year provided for the use of £1.341m reserves to ensure that it was balanced.
- 3.2 The budget in February 2023 for 2023/24 includes a corresponding use of reserves of £1.780m. The continued use of reserves can of course only be a short- to medium term measure and the medium-term financial forecast approved at that same meeting shows it being reduced to £595k in 2024/25 and ceasing altogether by 2025/26.
- 3.3 In common with all local authorities, the Council continues to face a very challenging financial environment.
- 3.4 Perhaps the most obvious of these are the continuing high rates of inflation. In the corresponding report to this one for 2021/22, it was noted that: 'exceptionally high inflation, expected to peak in 2022/23 at over 10%, is likely to have an adverse effect on the financial position and/or delivery of services without mitigating action being taken'. This did of course happen, with CPI reaching a peak of 11.1% in October 2022, with the overall rate of inflation for 2022/23 being 10.1%. This was well in excess of the levels allowed for in setting the Council's budget for the year (which were themselves based on forecasts by the Office For Budget Responsibility).
- 3.5 Another, more specific to local authorities, but again across the whole of local government and not specific to West Lancashire, is the continuing national skills shortages across a range of services and professions. The Council has been successful in covering roles with temporary staff and so protecting service levels, but this does of course create a pressure on staffing budgets.

4.0 GRA 2022/23 OUTTURN

4.1 A summary of the draft GRA revenue outturn is set out in the table below.

| | Outturn | Revised Budget | Variance | Comments (variance greater than £150k) |
|--|----------------|----------------|------------|--|
| | £'000 | £'000 | £'000 | |
| Corporate & Customer Services | 3,812 | 5,725 | 1,913 | Vacancies and overtime. ICT costs below budget. Ctax rebate new burdens grant and some year end adjustments on ctax/NNDR/benefits. Several smaller variances cummulatively. |
| Environmental Services | 6,962 | 6,595 | -367 | Staff and agency cost pressure |
| Finance, Procurement and Commercial Services | -1,164 | -1,206 | -42 | |
| Housing | 495 | 839 | 344 | Grant allocated in year rather than rolled forward |
| Legal and Democratic Services | 1,177 | 1,178 | 1 | |
| Planning and Regulatory | 2,101 | 1,810 | -291 | £106k staffing costs Planning income below budget |
| Wellbeing and Place | 1,976 | 1,735 | -241 | Skelmersdale master plan costs pending agreement of grant funding |
| Corporate Budgets | 800 | 754 | -46 | |
| Staff Vacancy Factor | 0 | -1,014 | -1,014 | Budget is held centrally, but offsets against savings on individual service lines |
| Total Net Service Budgets | 16,159 | 16,416 | 257 | |
| Interest Receivable | -405 | -435 | -30 | |
| Minimum Revenue Provision | 314 | 314 | 0 | |
| Contribution to/(from) Reserves | -1,107 | -1,341 | -234 | |
| Total Net Budget | 14,961 | 14,954 | -7 | |
| Council Tax | -8,226 | -8,226 | 0 | |
| Business Rates (NNDR) | -2,793 | -2,793 | 0 | |
| Business Rates Reliefs Grants | -2,850 | -2,850 | 0 | |
| Other Government Grants & Contributions | -1,092 | -1,085 | 7 | |
| Total Funding | -14,961 | -14,954 | 7 | |
| Net Amount For Year | 0 | 0 | 0 | |

4.2 The key line is that highlighted light blue in the table. This shows that, in order to balance the outturn position for 2022/23, the Council needs to make use of £1.107m of reserves, compared to a budgeted figure of £1.341m, a reduction of £234k. Given the serious pressures on budgets faced during the year, this is a highly positive outcome and one that helps to strengthen the base financial position in dealing with continuing cost pressures in 2023/24 and in the preparation of the updated MTFs for 2024/25 onwards.

4.2 There were also some minor movements against service specific reserves and more detail of this is set out at paragraph 4.12-15 below and in Appendix A.

- 4.3 Should any further adjustments be identified as the content of the Statement of Accounts is finalised, then these will be matched by a corresponding amendment to the amount transferred from reserves, so that the overall position remains in balance.

Comparison to Quarter 3 Forecast

- 4.4 The following table shows the changes in the draft outturn variances against budget, compared to those forecast at the end of Quarter 3 (as reported to Budget/Council Plan Committee on 28 February 2023).

| | Draft Outturn Variance £'000 | Q3 Forecast Variance £'000 | Movement Since Q3 £'000 | Comments (movements greater than £150k) |
|--|---------------------------------------|-------------------------------------|-------------------------------|---|
| Corporate & Customer Services | 1,913 | 750 | 1,163 | Overtime and some ongoing approved budget issues not utilised. ICT costs even less than forecast. Ctax rebate new burdens grant and some year end adjustments on ctax/NNDR/benefits. Several smaller favourable variances cumulatively. |
| Environmental Services | -367 | -130 | -237 | Increased activity on Clean & Green works in Q4 and agency costs |
| Finance, Procurement and Commercial Services | -42 | 0 | -42 | |
| Housing | 344 | 250 | 94 | |
| Legal and Democratic Services | 1 | 25 | -24 | |
| Planning and Regulatory | -291 | -300 | 9 | |
| Wellbeing and Place | -241 | 150 | -391 | Skelmersdale master plan costs pending agreement of grant funding. Leisure contract expenditure more than forecast |
| Corporate Budgets | -46 | 150 | -196 | Net change from Q3 forecast due to pension and other year-end accounting transactions, plus audit fees |
| Staff Vacancy Factor | -1,014 | -1014 | 0 | |
| Total Net Service Budgets | 257 | -119 | 376 | |
| Interest Receivable | -30 | -135 | 105 | |
| Minimum Revenue Provision | 0 | 0 | 0 | |
| Contribution to/(from) Reserves | -234 | 254 | -488 | |
| Total Net Budget | -7 | 0 | -7 | |
| Council Tax | 0 | 0 | 0 | |
| Business Rates (NNDR) | 0 | 0 | 0 | |
| Business Rates Reliefs Grants | 0 | 0 | 0 | |
| Other Government Grants & Contributions | 7 | 0 | 7 | |
| Total Funding | 7 | 0 | 7 | |
| Net Amount For Year | 0 | 0 | 0 | |

- 4.5 Forecasting can only ever be an estimate of expected income and expenditure to come, based largely on operational activity and expectations. This needs to balance prudence, (not promising funds that are not actually available), with

realism. There were a number of specific factors - both favourable and adverse - that affected the overall positive movement of £488k, (3.2%), from Q3 forecast to final outturn, detailed in the table above.

- 4.6 Other positive factors during Q4 included the CMT decision to limit non-essential expenditure. This cannot be directly quantified but it is likely to have had some favourable benefit.
- 4.7 Year end accounting transactions can be very difficult to forecast since they depend upon looking at aspects of the accounts in the whole and are not operational in nature. Accounting at 31 March 2023 around Council Tax, NNDR, pensions and benefits had an overall favourable impact. In particular the effect in CCS of £669k.
- 4.8 Rising interest rates also played a favourable role by increasing the amount of interest income received by WLBC later in the year. The Treasury Management Outturn report, elsewhere on this agenda, provides further detail in respect of the amount of interest receivable for the year.

Reserves

- 4.9 Overall movements in reserves during 2022/23 are set out in the table below, together with a comparison of the actual movements against those forecast and the time of the preparation of the MTFS for 2023/24 onwards in February 2023.

| | Balance at 1 April 2022 | Movement During Year | Balance at 31 March 2023 | Balance at 31 March 2023 - February 2023 Forecast | Difference between Outturn and Forecast Closing Balance |
|---------------------------------|-------------------------------|----------------------------|--------------------------------|--|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Earmarked Reserves | | | | | |
| Corporate Reserves | -12,985 | 3,230 | -9,755 | -8,996 | -759 |
| Insurance Reserve | -1,006 | 68 | -938 | -1,006 | 68 |
| Ring-Fenced Reserves | -1,897 | -40 | -1,937 | -1,897 | -40 |
| Earmarked Reserves Total | -15,888 | 3,258 | -12,630 | -11,899 | -731 |
| General Reserve | -960 | 0 | -960 | -960 | 0 |
| TOTAL | -16,848 | 3,258 | -13,590 | -12,859 | -731 |

4.10 These movements can be analysed as follows:

| | Balance at 1 April 2022 | Movement During Year | Balance at 31 March 2023 | Balance at 31 March 2023 - February 2023 Forecast | Difference between Outturn and Forecast Closing Balance |
|---------------------------------------|-------------------------------|----------------------------|--------------------------------|--|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Earmarked Reserves | | | | | |
| Budget And Efficiency Savings Reserve | -3,949 | 1,107 | -2,842 | -2,608 | -234 |
| Business Rates Equalisation Reserve | -4,769 | 1,993 | -2,776 | -2,314 | -462 |
| Other Earmarked Reserves | -7,170 | 158 | -7,012 | -6,977 | -35 |
| TOTAL | -15,888 | 3,258 | -12,630 | -11,899 | -731 |

4.11 From this it can be seen that the bulk of the change from the forecast position relates to two reserves.

- The reduced use of the Budget And Efficiency Savings Reserve of £234k described in paragraph 4.2 above.
- A reduction of £462k in the use made of the Business Rates Equalisation Reserve. This arises from additional S31 Grants for Business Rates Reliefs and the need to set these aside to fund future year deficits on the Collection Fund. It therefore does not represent a real increase in the resources available to the Council for the funding of services.

Movement against other reserves is largely in line with budgeted amounts and overall totals just £35k. Therefore, after allowing for the £234k referred to above, the draft outturn position is in line with that presented as part of the MTFs in February 2023.

4.12 A full listing of Earmarked Reserves is shown at Appendix A below.

5.0 SUSTAINABILITY IMPLICATIONS

5.1 It is a legal requirement for the Council to set and operate within a balanced budget. The sustainability of the Council in the long run allows it to provide services that the public require.

6.0 RISK ASSESSMENT

6.1 The formal reporting of performance on the General Revenue Account 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.

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 majority of the budget issues set out in this report have been the subject of previous reports to committees and consequently an Equality Impact Assessment has already been prepared for them where relevant.

APPENDIX A

EARMARKED RESERVES: DRAFT OUTTURN 2022/23 AND COMPARISON TO FORECAST POSITION AT FEBRUARY 2023

| | Balance at 1 April 2022 | Movement During Year | Balance at 31 March 2023 | Balance at 31 March 2023 - February 2023 Forecast | Difference between Outturn and Forecast Closing Balance |
|---|-------------------------------|----------------------------|--------------------------------|--|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Earmarked Reserves | | | | | |
| Corporate Reserves | | | | | |
| Sorp / Policy Options Reserve | -172 | 0 | -172 | -172 | 0 |
| Budget And Efficiency Savings Reserve | -3,949 | 1,107 | -2,842 | -2,608 | -234 |
| Benefits Equalisation Reserve | -908 | 0 | -908 | -908 | 0 |
| Planning Income Equalisation Reserve | -125 | 0 | -125 | -125 | 0 |
| Business Rates Equalisation Reserve | -4,769 | 1,993 | -2,776 | -2,314 | -462 |
| Major Projects Reserve | -399 | 0 | -399 | -330 | -69 |
| Strategic Invest / Finance Svs Reserves | -613 | 0 | -613 | -613 | 0 |
| Environmental Health Lancashire | -10 | 0 | -10 | -10 | 0 |
| Customer Services | -315 | 46 | -269 | -261 | -8 |
| Elections Reserve | -146 | 0 | -146 | -146 | 0 |
| Legal Reserve | 0 | 0 | 0 | 0 | 0 |
| Internal Provisions | -20 | 0 | -20 | -20 | 0 |
| Recycling Reserve | 0 | 0 | 0 | 0 | 0 |
| Finance Service Reserve | -990 | 0 | -990 | -990 | 0 |
| Hsg Gra - General Reserve | 0 | 0 | 0 | 3 | -3 |
| H.R. Reserve | -18 | -2 | -20 | -20 | 0 |
| Leisure Reserve | -177 | 86 | -91 | -132 | 41 |
| Planning Policy & Engineers | -332 | 0 | -332 | -308 | -24 |
| R & P Reserve | -42 | 0 | -42 | -42 | 0 |
| Corporate Reserves Total | -12,985 | 3,230 | -9,755 | -8,996 | -759 |
| Insurance Reserve | | | | | |
| Adj Re Hra Insurance Fund | 331 | 21 | 352 | 0 | 352 |
| Provision For Insurance Claims | -1,337 | 47 | -1,290 | -1,006 | -284 |
| Insurance Reserve Total | -1,006 | 68 | -938 | -1,006 | 68 |
| Ring-Fenced Reserves | | | | | |
| P&D Machine Replacement Fund | -29 | 0 | -29 | -29 | 0 |
| Solar Pv Income Reserve | -261 | -40 | -301 | -261 | -40 |
| Cra -R & R Fund | -222 | 0 | -222 | -222 | 0 |
| Ind.Portfolio - Fund | -996 | 0 | -996 | -996 | 0 |
| Investment Centre Utility Reserve | -30 | 0 | -30 | -30 | 0 |
| Investment Centre Reserve | -359 | 0 | -359 | -359 | 0 |
| Ring-Fenced Reserves Total | -1,897 | -40 | -1,937 | -1,897 | -40 |
| EARMARKED RESERVES TOTAL | -15,888 | 3,258 | -12,630 | -11,899 | -731 |



Report of: Head of Finance, Procurement and Commercial Property

Relevant Portfolio Holder: Councillor R. Molloy

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SUBJECT: CAPITAL PROGRAMME OUTTURN

Wards Affected: Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To provide a summary of the capital outturn position on the General Revenue Account (GRA) for the 2022/2023 financial year.

2.0 RECOMMENDATIONS

- 2.1 That the Capital outturn position be noted and the proposed Capital allocation set out in Appendix 1 be approved.
- 2.2 That the Capital programme and Re-profiling in Appendix 1 be noted and approved.

3.0 BACKGROUND

- 3.1 The Capital Programme is set on a three-year rolling basis and the Programmes for 2022/2023, 2023/24 and 2024/25 were approved by Council in February 2022. Most of the unused funding from the previous year has been transferred into the current year.
- 3.2 In accordance with best practice, the Capital Programme is subject to revision during the year to ensure that it is based on the latest available information and to make monitoring of the Programme more meaningful. It enables Managers to review their schemes with the most up to date information and to review the resources available. It also provides a base upon which to build future Capital Programmes.
- 3.3 It should be noted that the final accounts for the 2022/2023 year are subject to audit and the figures contained in this report are, potentially, subject to change.

Members will be informed in due course of any significant matters arising from the Audit.

4.0 CAPITAL PROGRAMME OUTTURN

4.1 Expenditure on the GRA Capital Programme in the year was £7.709m against a budget of £17.984m), and a breakdown is provided in Appendix 1

Table 1

| Service | 2022/23 Outturn | 2022/23 Budget | 2022/23 Variance | Expenditure |
|---|--------------------|-------------------|---------------------|-------------|
| | £'000 | £'000 | £'000 | % |
| Corporate and Customer Services | 384 | 1,781 | 1,397 | 22% |
| Environmental Services | 319 | 344 | 25 | 93% |
| Finance Procurement and Commercial Services | 20 | 697 | 677 | 3% |
| Housing Services | 2,146 | 2,005 | -141 | 107% |
| Planning and Regulatory Services | 189 | 346 | 157 | 55% |
| Wellbeing and Place Services | 4,652 | 12,811 | 8,160 | 36% |
| Total | 7,709 | 17,984 | 10,275 | 43% |

4.2 The expenditure level was 43% of the total budget. The largest capital schemes were the Skelmersdale Town Centre Development which has a budget of £5.22M for 2022/23 and actual expenditure of £1.962M which is funded by borrowing and the Leisure Facilities Project, which had a budget of £4m and actual expenditure of £1.218m, which is funded by CIL (Community Infrastructure Levy) monies.

5.0 RE-PROFILING OF EXPENDITURE APPROVALS

5.1 100% spend against the Budget is never anticipated due mainly to reasons beyond the Council's control. For example, some schemes are reliant on a significant amount of match funding and external contributions, and others are demand led or dependent upon decisions made by partners.

5.2 Schemes that are not completed within the financial year for which they are scheduled are carried forward into the following financial year along with their unused expenditure and resource approvals.

In line with our normal practice it is expected that the majority of the budget variance will be transferred into the 2023-2024 financial year to enable capital schemes to be completed. This is analysed in Appendix 1 – Capital programme.

6.0 SIGNIFICANT VARIANCES

6.1 Variances between the original estimated cost of a capital scheme and its final position are normal and the Council has established budgetary management and control procedures in place to minimise such variances. In total expenditure was £10.493m below budget, which is a variance of 58%. An analysis of significant variances by scheme is provided below with a full detailed analysis of all schemes provided in Appendix 1.

| SCHEME | 2022/2023 Variance | Notes |
|-------------------------------|-----------------------|--|
| Skelmersdale Town Centre | £3,258 | Phase 1 of the scheme is now complete. The bulk of the underspend relates to the later phase of the scheme, which at 31 March 2023 had not commenced. A balance of £980k relates to Phase 1, with the full budget having been rolled forward from previous years until the final costs were known. It is proposed that £200k of this will be rolled forward, to allow for residual retentions. |
| Leisure Facilities Project | £2,782 | This project remained in consultation at 31 March 2023. This, together with the necessary detailed consideration of the scope and content of the project, which then formed the basis of that consultation, has resulted in works having to be rescheduled to 2023/24. (Consultation was completed on 7 April 2023.) |
| Cycle Trail at Cheshire Lines | £428 | Only preliminary expenditure incurred in 2022/23. Project profile is being revisited because of marked inflationary increases in costs since it was first costed. Funding profile will be finalised once updated costings have been completed. |

| | | |
|--|------|--|
| ICT Development Programme | £423 | No expenditure in 2022/23, pending finalisation of negotiations with Lancashire County Council, which remain ongoing. |
| Burscough Sports Centre | £396 | Commencement of project deferred, pending outcomes from main leisure facilities programme as above. |
| Capitalise revenue transformation costs. | £300 | These schemes are to be identified as part of 2023/24 budget setting and the exploration of the use of flexible capital receipts in line with guidance |
| Affordable Housing | £247 | No site has been identified as of yet, spend to go through Tawd Valley Developments. Expect it will be 2023/2024 but cannot be confirmed |
| WL Play Strategy Improvements | £348 | delays due to resource capacity, procurement and delivery delays |
| Digital Transformation - Implementation of IT Strategy | £218 | Delayed as dependant on Lancashire County Council Negotiations |
| Website development | £170 | Delayed as dependant on Lancashire County Council Negotiations |
| Civica Financials | £163 | Delayed as dependant on Lancashire County Council Negotiations |
| Resurfacing of Blaguegate Lane | £160 | The council still holds the 160k capital contribution from the CCG, however due to the CCG's disbanding discussions are still ongoing on the funding |
| Restructuring Costs | £152 | These schemes are to be identified as part of 2023/24 budget setting and the exploration of the use of flexible |

| | | |
|---|---------------|---|
| | | capital receipts in line with guidance |
| Corporate Property Investment Programme | £110 | 26 Gorseley Place is due for a renovation and plans have been drawn and has this is out for tender at present and some work at Robert Hodge is also being considered. |
| Ginnells | £107 | No expenditure in 2022/23, pending finalisation of funding profile. Funding currently expected to be confirmed as coming from UK Shared Prosperity Fund. |
| Moor Street (Phase 1) St Helen's Rd Ruff Lane | £104 | The expenditure incurred on this scheme is being reviewed by officers and a report will be presented to members on completion of this work explaining the findings |
| I C T Infrastructure | £100 | No expenditure in 2022/23, pending finalisation of negotiations with Lancashire County Council, which remain ongoing. |
| | £9,466 | |

6.2 For those elements of the capital programme that have incurred additional expenditure they have been financed through matched funding (applying surplus cash balances in the Council to avoid external borrowing), within the context of the managed three year capital programme process.

7.0 CAPITAL RESOURCES

7.1 The main area of the capital resources budget that is subject to variation is in relation to capital receipts. These are the useable proceeds from the sale of

Council assets (mainly houses under Right to Buy sales) that are available to fund capital expenditure. These receipts can vary significantly depending on the number and value of assets sold.

7.2 68 Right to Buy Council House sales were generated against the forecast of 50 for the financial year.

| Description | Estimate £000 | Actual £000 | % Received Against Budget |
|--------------------|------------------|----------------|------------------------------------|
| Right To buy Sales | 349 | 1161 | 333% |
| Total | 349 | 1161 | 333% |

7.3 The reason for the favourable variance is due to the fact that in 2022/23 and 2023/24 the council have been allowed to keep all of the receipts rather than pay 70% over to Government.

7.4 In addition to the Usable Capital Receipt figures shown above, the Council is also able to retain a proportion of the proceeds generated by Council House sales for specific purposes. In this respect, by the end of the financial year £0.667m had been generated for “One for One Replacement Funding”

8.0 SUSTAINABILITY IMPLICATIONS

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

9.0 RISK ASSESSMENT

9.1 Capital assets shape the way services are delivered for the long term and, as a result, create financial commitments. The formal reporting of performance against the Capital Programme is part of the overall budgetary management and control framework that is designed to minimise the financial risks facing the Council. Schemes within the Programme that are reliant on external contributions and/or decisions are not started until funding is secured. Other resources that are subject to fluctuations are monitored closely to ensure availability. The Capital receipts position is scrutinised on a regular basis and managed over the medium term to mitigate the risk of unfunded capital expenditure.

10.0 HEALTH AND WELLBEING IMPLICATIONS

10.1 Some of the Capital Schemes will enhance the Health and Wellbeing of residents and the management of the delivery is ensured via the reporting mechanism.

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 budget proposals contained in this report have either been the subject of previous reports to Committee, are currently at a high level where more detailed work is required, or would not have an adverse impact on the public, employees, elected members and / or stakeholders. Consequently, no equality impact assessments have been produced for these proposals at this time.

Appendices

Appendix 1 – GRA Capital Programme

APPENDIX 1

| | 2022/23 | 2022/23 | 2022/23 |
|--|---------|---------|----------|
| | Outturn | Budget | Variance |
| | £'000 | £'000 | £'000 |
| <u>Corporate and Customer Services</u> | | | |
| Etarmis System | 0 | 17 | 17 |
| I C T Infrastructure | 0 | 100 | 100 |
| ICT Development Programme | 0 | 423 | 423 |
| Website | 0 | 20 | 20 |
| CRM System | 0 | 67 | 67 |
| Right Kit Right Role Right Refresh - support agile working | 32 | 128 | 96 |
| Microsoft Enterprise Site Licence | 4 | 70 | 66 |
| Corporate wifi upgrade | 0 | 85 | 85 |
| Website development | 0 | 170 | 170 |
| Communication devices | 0 | 40 | 40 |
| Invest to Save Digital Services | 0 | 59 | 59 |
| Egress Secure Email & File Transfer | 0 | 0 | 0 |
| Digital Transformation - Implementation of IT Strategy | 166 | 384 | 218 |
| Less HRA funding for Strategy | 0 | -200 | -200 |
| Hybrid, Remote and Streaming Council Meetings | 0 | 92 | 92 |
| Mastercard Gateway Upgrade | 33 | 40 | 7 |
| Microsoft M365 Phase 3 | 150 | 150 | 0 |
| Digital innovation and the continued development of ServiceNow | 0 | 80 | 80 |
| Shop Front Improvement Fund | 0 | 50 | 50 |
| Digital Transformation | 0 | 6 | 6 |
| <u>Environmental Services</u> | | | |
| Culvert Debris Screens | 0 | 2 | 2 |
| Purchase of Vehicles | 0 | 2 | 2 |
| Purchase of Wheelie Bins | 0 | 0 | 0 |
| Expand In Cab System | 0 | 1 | 1 |
| Waste Collection Projects | 0 | 2 | 2 |
| Litter Bin Policy Review (Cabinet November 2019) | 66 | 73 | 7 |
| Street Cleansing Tools | 0 | 0 | 0 |
| Liverpool Road Cemetry | 0 | 1 | 1 |
| Waste Management Service | 0 | 35 | 35 |
| Glutton Vaccuum Cleaner | 22 | 20 | -2 |
| Beaconsall Closed Church Yard | 0 | 30 | 30 |
| Tree Management | 0 | 50 | 50 |
| Culvert Management | 0 | 50 | 50 |
| Replace faulty domestic bins | 1 | 10 | 9 |

| | | | |
|---|-------|-------|-------|
| 5 additional mobile CCTV bundles to address flytipping | 6 | 6 | 0 |
| Littering T&F 23/24 | 0 | 0 | 0 |
| Street Recycling Bins 23/24 | 0 | 0 | 0 |
| Free Trees | 3 | 20 | 17 |
| Conservation Area Enhancement | 2 | 14 | 12 |
| Abbey Lake Quarry | 0 | 20 | 20 |
| Mill Dam Lane | 1 | 3 | 2 |
| Alder Lane | 0 | 5 | 5 |
| Electric Vehicle Charging point | 218 | 0 | -218 |
| <u>Finance Procurement and Commercial Services</u> | | 0 | 0 |
| Parish Capital Schemes | 20 | 42 | 22 |
| Restructuring Costs | 0 | 152 | 152 |
| Capitalise revenue transformation costs. | 0 | 300 | 300 |
| Building Compliance on Commercial Property | 0 | 40 | 40 |
| Gorsey Place Rebuild | 0 | 0 | 0 |
| Fixed Asset Register 23/24 | 0 | 0 | 0 |
| Capital works 23/24 | 0 | 0 | 0 |
| Civica Financials | 0 | 163 | 163 |
| <u>Housing Services</u> | | | |
| Robert Hodge Centre - external site improvements relating to Health and Safety Traffic Flow | 0 | 16 | 16 |
| Affordable Housing | 0 | 247 | 247 |
| Corporate Property Investment Programme | 129 | 239 | 110 |
| Housing Renewal Grants | 24 | 0 | -24 |
| Disabled Facilities Grants | 1,955 | 1,444 | -511 |
| Burscough Sports Centre - roofing upgrades | 0 | 20 | 20 |
| Safer Streets | 38 | 39 | 1 |
| <u>Planning and Regulatory Services</u> | 0 | 0 | 0 |
| Preservation of Buildings at Risk | 0 | 1 | 1 |
| M3PP System Replacement | 0 | 90 | 90 |
| CCTV | 179 | 212 | 33 |
| CCTV monitoring 23/24 | 0 | 0 | 0 |
| IDOX ERDM System | 10 | 43 | 33 |
| Planning/building control and land charges system | 0 | 0 | 0 |
| <u>Wellbeing and Place Services</u> | | | |
| Skelmersdale Town Centre | 1,962 | 5,220 | 3,258 |
| WL Play Strategy Improvements (Receipts) | 124 | 354 | 230 |
| WL Play Strategy Improvements (S106) | 40 | 102 | 62 |
| Burscough Sports Centre (receipts) | 0 | 321 | 321 |
| Burscough Sports Centre (grant) | 0 | 75 | 75 |
| Allotment Improvements | 0 | 4 | 4 |
| WL Play Strategy Improvements (cil) | 225 | 234 | 9 |
| WL Play Strategy Improvements (grant) | 0 | 47 | 47 |
| Tawd Valley (S106) | 29 | 48 | 19 |

| | | | |
|--|--------------|---------------|---------------|
| Chapel Gallery phase 3 | 0 | 1 | 1 |
| Chapel Gallery - Repair works | 38 | 48 | 10 |
| Tawd Valley (CIL) | 0 | 10 | 10 |
| Hesketh Avenue | 0 | 40 | 40 |
| Nye Bevan Pool Building Works | 0 | 9 | 9 |
| Park Pool Building works | 0 | 10 | 10 |
| Banks Leisure Centre | 0 | 0 | -0 |
| Hunters Hill | 0 | 0 | 0 |
| Bowling Greens | 0 | 11 | 11 |
| Whittle Drive | 0 | 60 | 60 |
| Abbey Lakes | 0 | 11 | 11 |
| Cycle Trail at Cheshire Lines | 14 | 442 | 428 |
| Resurfacing of Blaguegate Lane | 0 | 160 | 160 |
| Leisure Facilities Project | 1,218 | 4,000 | 2,782 |
| Community environmental improvements | 0 | 6 | 6 |
| Christmas trees & decorations for Skelmersdale | 0 | 25 | 25 |
| Moor Street Phase 2 (receipts) | 110 | 177 | 67 |
| Moor Street Phase 2 (grant) | 565 | 565 | -0 |
| Moor Street/St Helens Road | 276 | 276 | 0 |
| Moor Street (Phase 1) St Helen's Rd Ruff Lane | 0 | 104 | 104 |
| Ormskirk Cycle and Pedestrian improvements | 0 | 95 | 95 |
| Skelmersdale Vision | 0 | 11 | 11 |
| Wheatsheaf Walks | 5 | 1 | -4 |
| Economic Regeneration | 0 | 5 | 5 |
| Skelmersdale Gateway Improvements | 0 | 50 | 50 |
| Cycle Path (S106) | 0 | 10 | 10 |
| Ormskirk Town Centre (CIL) | 0 | 0 | 0 |
| Changing Places Facility | 0 | 60 | 60 |
| UK Shared Prosperity Fund | 0 | 63 | 63 |
| Ginnells | 0 | 107 | 107 |
| Elmers Clough Improvements | 45 | 50 | 5 |
| | | | |
| | 7,709 | 17,984 | 10,275 |
| | | | |
| FUNDING: | | | |
| Capital Receipts | 1,304 | 4,554 | 3,250 |
| GRA Contributions | 0 | 0 | 0 |
| Prudential Borrowing | 2,000 | 5,438 | 3,438 |
| CIL | 1,488 | 4,294 | 2,806 |
| s106 | 345 | 757 | 412 |
| Other Grant Funding | 2,573 | 2,942 | 369 |
| HCA (Homes England) | 0 | 0 | 0 |
| | | | |
| | 7,709 | 17,984 | 10,275 |



AGENDA ITEM:

COUNCIL: 19 July 2023

Report of: Head of Finance, Procurement and Commercial Services

Relevant Portfolio Holder: Councillor N. Pryce-Roberts

Contact for further information: Peter Quick (Extn. 5203)
(peter.quick@westlancs.gov.uk)

SUBJECT: HOUSING ACCOUNT – REVENUE AND CAPITAL OUTTURN

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To provide a summary of the Housing Revenue Account (HRA) revenue and capital outturn positions for the 2022/23 financial year.

2.0 RECOMMENDATIONS

2.1 That the draft financial outturn position of the 2022/23 HRA and Capital Investment Programme be noted and that the use of HRA reserves be noted.

2.2 That the switching of funding from HRA borrowing to HRA revenue contributions in paragraph 5.4 be noted.

2.3 That capital slippage identified in appendix one be noted.

3.0 BACKGROUND

3.1 The cost of living crisis has impacted both the HRA and housing capital budgets, as well as our residents. The effect on district heating scheme residents of energy price rises was reported in year, as was the effect of contract inflation on the repairs contract.

3.2 This is expected to continue in 2023/24, with April 2023 CPI at 8.7% and tenant rents for the year limited to 7%. This means additional budget pressure is likely. In addition, the 2023/24 local Government pay offer is greater than the amount

budgeted, and is still subject to negotiation and agreement, so may increase further.

4.0 HOUSING REVENUE ACCOUNT – REVENUE OUTTURN

4.1 A summary of the draft HRA revenue outturn is set out in the table below. This shows that an adverse budget variance of £0.188m was achieved at the year end, which represents 0.7% of the total budget. Given the challenges during the year presented by the cost of living crisis, greater than anticipated pay settlement and increased use of agency staff to fill key vacant posts, this represents good financial performance.

| Budget Area | 2022/23 Latest Budget £000 | Outturn Variance £000 | Comment |
|--|----------------------------|-----------------------|--|
| Employee Expenses | 3,884 | 136 | Pay settlement more than budgeted and use of agency staff to cover vacant posts. Unbudgeted work on review of Property Services structure funded from contingency. |
| Void repairs and response repairs | 4,504 | 194 | 2022/23 contract variation. |
| Other premises costs | 3,708 | 141 | £370k District Heating scheme, overall shortfall – debtor used to balance to zero at year end. See para 4.6 below. Pressure from other energy costs, disrepair costs and electrical testing. |
| Transport costs | 162 | 18 | Vehicle recharges. |
| Budget contingency | 390 | -50 | Most contingency used. |
| Supplies and Services | 1,254 | 179 | Stock condition costs after use of £238k contingency |
| Support Services and internal income (net) | 2,627 | -75 | Partly due to variable recharges |
| Loan interest & Contribution towards Repayment | 3,419 | 10 | |
| Contributions to capital | 7,485 | -51 | Contribution to general fund scheme not utilised |
| Dwelling rents | -24,300 | -74 | TVD stock increases during year. 68 Right to Buy (RTB) sales. |
| Other external income | -3,133 | -240 | Furnished lettings service, Interest on balances due to rising interest rates, 68 RTB admin fee income, contribution to hardship payments. |
| Total | 0 | 188 | 0.7% of total budget |

- 4.2 The main budget pressures in 2022/23 were:
- Pay settlement larger than budgeted by around £100k.
 - Use of agency staff to fill key vacant posts.
 - Rising energy costs.
 - Higher Contract inflation, particularly on the key repairs contract.

4.3 These were partially offset by a favourable position on:

- Rents from additional affordable rent properties, built by TVDL and brought on-line in 2022/23
- Continued increased need for furnished tenancies in the tenant furnishing service generating income. This is partially offset by additional expenditure on growing the service
- Planned maintenance revenue budgets were largely unused pending development of the new programme.

4.4 The table below shows how outturn compares to in-year estimates of outturn.

| Budget Area | 2022/23 Latest Budget £000 | Q1 Var. £000 | Q2 Var. £000 | Q3 Var. £000 | Outturn Variance £000 |
|--|----------------------------|--------------|--------------|--------------|-----------------------|
| Employee Expenses | 3,884 | -230 | -100 | 150 | 136 |
| Void repairs and response repairs | 4,504 | 0 | 250 | 250 | 194 |
| Other premises costs | 3,708 | 550 | 0 | 100 | 141 |
| Transport costs | 162 | 0 | 0 | 10 | 18 |
| Budget contingency | 390 | -100 | -80 | -50 | -50 |
| Supplies and Services | 1,254 | -100 | -50 | -50 | 179 |
| Support Services and internal income (net) | 2,627 | 0 | 0 | 0 | -75 |
| Loan interest & Contribution towards Repayment | 3,419 | 0 | 0 | 0 | 10 |
| Contributions to capital | 7,485 | 0 | 0 | 0 | -51 |
| Dwelling rents | -24,300 | -100 | -50 | -50 | -74 |
| Other external income | -3,133 | -20 | -50 | -100 | -240 |
| Total | 0 | 0 | -80 | 260 | 188 |

4.5 The shortfall of around £188k will be funded from the Transformation & Efficiency reserve. If final outturn varies from this draft outturn position then the amount

moved to/from the Transformation & Efficiency reserve will be amended accordingly to ensure that the HRA balances back to zero.

- 4.6 Throughout 2022/23 the particular energy cost pressures on the District Heating Account have been reported. Tenant heating charges were increased at mid-year and the entire heating reserve was utilised in 2022/23, as reported previously. As anticipated there remained a shortfall at the end of 2022/23 of around £370k. In order to ensure the scheme is ringfenced, a debtor was raised at the end of the year and this will need to be recovered from tenants and leaseholders in the scheme during 2023/24, and beyond if necessary. The average amount to be recovered from each resident in the district heating scheme is around £500, though the exact amount per resident will vary according to useage and individual balances prior to 2022/23,

5.0 CAPITAL INVESTMENT PROGRAMME

- 5.1 A summary of the draft Housing Capital Investment Programme outturn is shown in Appendix One. Total expenditure, excluding costs for the building of new Council homes through TVDL, was £7.043m. This represents around 66% of the revised budget of £10.716m.
- 5.2 It is standard practice at year-end that capital budgets that have not been fully utilised are reviewed before being transferred into the following year to allow for completion of the existing programme. If the review identifies elements of the capital budget that will not be required in the following year they may be removed.
- 5.3 It is proposed that the variance of £3.673m (£10.716m budget less £7.043m expenditure) is treated as follows:
- £3.647m is transferred into 2023/24 to allow completion of programmes
 - That budget 'unders and overs' will be contained within 2022/23
 - £0.026m will be released to free up funding for other things.
- 5.4 Total expenditure on the regular capital programme was slightly less than the revenue contributions available, so the difference will be switched to part-fund WLBC purchase of new housing stock from TVDL in 2022/23, thus slightly reducing the amount of borrowing otherwise required in 2022/23.
- 5.5 In addition to the capital programme, £6.052m has been invested by the HRA in building brand new Council Homes through TVDL. The updated TVDL business plan was approved by Council in February 2023 and HRA expenditure in 2022/23 is part of that budget envelope.

6 SUSTAINABILITY IMPLICATIONS

- 6.1 Careful monitoring the budget position helps ensure that the HRA remains able to deliver services and is financially sustainable in the medium term. This supports the aim that local people should receive good quality homes for a fair and appropriate rent

7 RISK ASSESSMENT

- 7.4 The formal reporting of performance on the Housing Revenue Account 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.

8.0 HEALTH AND WELLBEING IMPLICATIONS

- 8.1 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 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 One – Capital Investment Programme Outturn

Appendix One – Capital Investment Programme Outturn

| Scheme | 2022/23 Revised Budget £000's | Outturn 2022-23 £000's | Var. £000's | Slippage £000's | Transfer/Release Funding £000's | Comments |
|--|-------------------------------|------------------------|---------------|-----------------|---------------------------------|---|
| Roofing | 2,105 | 1,976 | -129 | 129 | | Balance into 23/24 |
| External Works | 1,396 | 870 | -526 | 280 | 246 | Slippage considered adequate for outstanding works |
| Windows & Doors | 873 | 249 | -624 | 275 | 349 | Slippage considered adequate for outstanding works |
| Heating | 851 | 1,555 | 704 | | -704 | Largely response maintenance heating replacement – demand led. Contained within 'Housing Capital Investment Plan' section |
| Kitchens | 740 | 9 | -731 | 731 | | Programme still to be delivered |
| Bathrooms | 478 | 14 | -464 | 464 | | Programme still to be delivered |
| Communal Services | 325 | 221 | -104 | 45 | 59 | |
| Fire Safety Works | 177 | 142 | -35 | 35 | | |
| Walls | 60 | 0 | -60 | | 60 | |
| Housing Capital Investment Plan | 7,005 | 5,036 | -1,969 | 1,959 | 10 | 72% of programme |
| Carbon Neutral Dwellings | | | | | | Vired Feb 2023 budget setting to part-fund wave 2.1 decarbonisation retrofitting budget issue. |
| Digmoor Regeneration | 1,000 | 0 | -1,000 | 1,000 | | Redevelopment planned 23/24 |

| | | | | | | |
|--|---------------|---------------|---------------|--------------|------------|--|
| Change in Standard for Smoke Detection | 629 | 771 | 142 | | -142 | Contract and demand pressures contained within 'Other Housing Schemes' section |
| Salary costs & Professional Fees | 600 | 533 | -67 | | 67 | |
| Disabled Adaptations | 400 | 321 | -79 | 64 | 15 | |
| Contingency | 300 | 258 | -42 | | 42 | |
| Sheltered Housing Upgrades | 280 | 46 | -234 | 234 | | Refurbishment planned |
| Environmental Programme | 275 | 12 | -263 | 263 | | Ongoing works |
| Lifts | 140 | 25 | -115 | 115 | | Work still to be undertaken |
| Purchase Service Charge Software | 39 | 5 | -34 | | 34 | |
| Abritas upgrade | 36 | 36 | 0 | | | |
| Digital Schemes Sheltered | 12 | 0 | -12 | 12 | | |
| | | | | | | |
| Other Housing Schemes | 3,711 | 2,007 | -1,704 | 1,688 | 16 | 54% of programme |
| | | | | | | |
| Capital Expenditure | 10,716 | 7,043 | -3,673 | 3,647 | 26 | 66% of programme |
| | | | | | | |
| TVDL Expenditure | 9,781 | 6,052 | -3,729 | 3,542 | 187 | Fairlie balance slippage per Feb 2023 approval. |
| | | | | | | |
| Total Expenditure | 20,497 | 13,095 | -7,402 | 7,189 | 213 | |

Notes:

1. Total capital programme expenditure of £7,043k has been funded entirely from HRA revenue contributions/MRR.
2. Remaining budgeted revenue contributions of around £391k have been switched in-year to part-fund TVDL expenditure, thus reducing the borrowing requirement in 2022/23.
3. £3,647k of borrowing commitment will be slipped into 2023/24 to fund the capital programme slippage.
4. £3,042k of borrowing commitment will be slipped into 2023/24 to fund TVDL expenditure slippage (Fairlie)
5. £500k budgeted contribution from Homes England Grants will be slipped into 2023/24 to part fund TVDL slippage (Fairlie)

6. Expenditure in 2022/23 of £6,052k on new Council homes from TVDL has therefore been funded with £2,795k of Homes England grant received during 2022/23; £391k of revenue contributions; with the balance of £2,866k being funded from borrowing.

| Funded by | 2022/23 Revised Budget £000's | Outturn 2022-23 £000's | Var. £000's | Slippage. £000's | Transfer/ Release Funding £000's | Comments |
|---------------------------|-------------------------------|------------------------|---------------|------------------|----------------------------------|---|
| Revenue contributions/MRR | 7,434 | 7,434 | 0 | | | |
| Borrowing | 9,953 | 2,866 | -7,087 | 6,689 | 398 | |
| HE Grants | 3,110 | 2,795 | -315 | 500 | -185 | Fairlie budgeted grant still to come - slippage. 'Release' more grant successfully received than originally budgeted. |
| Total Funding | 20,497 | 13,095 | -7,402 | 7,189 | 213 | |



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

Contact for further information: Mr J Smith (Extn.5093)

SUBJECT: TREASURY MANAGEMENT AND PRUDENTIAL INDICATOR PERFORMANCE 2022-23

Borough wide interest

1.0 PURPOSE OF THE REPORT

1.1 To inform Members of the Treasury Management performance and Prudential Indicators for the year ended 31 March 2023.

2.0 RECOMMENDATION

2.1 That the performance for the 2022-23 financial year be noted.

3.0 BACKGROUND

3.1 Treasury Management covers the management of the Council's cash flows, banking, investments and borrowing. Given the large sums of money involved it is an important area of the Council's finances and is subject to a specific set of rules and regulations.

3.2 The Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management, which has been adopted by the Council, requires a number of reports to be made to Council on Treasury Management activities. This includes details of performance during the year and the exercise of powers delegated to the Head of Finance, Procurement and Commercial Property.

3.3 The introduction of the Prudential Code for Capital Finance has allowed Councils to determine their own level of borrowing, taking account of a set of prudential indicators. The general principle is that borrowing is to be affordable, prudent and by conclusion sustainable.

4.0 INVESTMENT PERFORMANCE

- 4.1 Investment returns picked up throughout the course of 2022/23 as central banks, including the Bank of England, realised that inflationary pressures were not transitory, and that tighter monetary policy was called for. Starting April at 0.75%, Bank Rate moved up in stepped increases of either 0.25% or 0.5%, reaching 4.25% by the end of the financial year, with the potential for a further one or two increases in 2023/24.
- 4.2 Our treasury advisors Link now expect the MPC will further increase Bank Rate during the second half of 2023 to combat on-going inflationary and wage pressures. They do not think that the MPC will increase Bank Rate above 5.5%, but it is possible. The current economic climate will obviously improve returns on investments during 2023-24.

| Bank Rate | Jun-23 | Sep-23 | Dec-23 | Mar-24 | Jun-24 | Sep-24 | Dec-24 | Mar-25 | Jun-25 | Sep-25 | Dec-25 | Mar-26 | Jun-26 |
|-----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 26.06.23 | 5.00 | 5.50 | 5.50 | 5.50 | 5.25 | 4.75 | 4.25 | 3.75 | 3.25 | 2.75 | 2.75 | 2.50 | 2.50 |
| 25.05.23 | 4.75 | 5.00 | 5.00 | 4.75 | 4.50 | 4.00 | 3.50 | 3.25 | 2.75 | 2.50 | 2.50 | 2.50 | 2.50 |
| Change | 0.25 | 0.50 | 0.50 | 0.75 | 0.75 | 0.75 | 0.75 | 0.50 | 0.50 | 0.25 | 0.25 | 0.00 | 0.00 |

- 4.3 The Council's treasury management investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities. Procedures and controls to achieve these objectives are well established both through member reporting detailed in the summary, and through officer activity detailed in the Council's Treasury Management Practices. At the end of 2022/23 the Council's investment position was as follows:

| INVESTMENT PORTFOLIO | 31.3.22 Actual £000 | 31.3.22 Actual % | 31.3.23 Actual £000 | 31.3.23 Actual % |
|-----------------------------------|------------------------------------|---------------------------------|------------------------------------|---------------------------------|
| Treasury investments | | | | |
| Banks | 11,500 | 41% | 5,000 | 45% |
| Building Societies - rated | 11,500 | 41% | 1,000 | 9% |
| Building Societies – unrated | | 0% | | 0% |
| Local authorities | <u>5,000</u> | 18% | <u>5,000</u> | 45% |
| DMADF (H M Treasury) | | 0% | | 0% |
| etc | | | | |
| Total managed in house | 28,000 | 100% | 11,000 | 100% |
| Bond funds | | | | |
| Property funds | | | | |
| Cash fund managers | | | | |
| Total managed externally | 0 | 0% | 0 | 0% |
| TOTAL TREASURY INVESTMENTS | 28,000 | 100% | 11,000 | 100% |

| | | | | |
|---------------------------------------|--------------|-------------|--------------|-------------|
| Non Treasury investments | | | | |
| Third party loans | | | | |
| Subsidiaries | 1,575 | 100% | 1,300 | 100% |
| Companies | | | | |
| Property | | | | |
| etc | | | | |
| TOTAL NON TREASURY INVESTMENTS | 1,575 | 100% | 1,300 | 100% |

| | | | | |
|---------------------------------|---------------|-------------|---------------|-------------|
| Treasury investments | 28,000 | 95% | 11,000 | 89% |
| Non Treasury investments | 1,575 | 5% | 1,300 | 11% |
| TOTAL OF ALL INVESTMENTS | 29,575 | 100% | 12,300 | 100% |

The maturity structure of the investment portfolio was as follows:

| | 31.3.22 Actual £000 | 31.3.23 Actual £000 |
|--------------------|---------------------------|---------------------------|
| Investments | | |
| Longer than 1 year | | |
| Up to 1 year | 29,575 | 12,300 |
| Total | 29,575 | 12,300 |

The gross interest earned was as follows:

| | 31.3.22 Actual £0 | 31.3.23 Actual £0 |
|-----------------------|-------------------------|-------------------------|
| Gross interest earned | 133,472 | 476,111 |

- 4.4 As part of the ongoing exercise to achieve best value in treasury management we continue to monitor performance of the Council's investment activities against a benchmark, 3-month average SONIA (Sterling Overnight Index Average). The average interest rate earned by the Council on its investments was 2.691%, which was less than the benchmark rate of 2.7434%.
- 4.5 At its meeting in February 2020 the Council approved the use of Property Funds, Corporate Bonds, Infrastructure investments and longer term borrowing with local authorities and UK based banks and building societies with high credit ratings. However, given the reduction in funds available for investment and current market conditions, and the lack of in-house expertise investments of this type have not been pursued to date.
- 4.6 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 |

5.0 COUNCIL BORROWING

- 5.1 At the start of the financial year the Council had outstanding long-term borrowing of £88.212m, from the Public Works Loan Board which was related to HRA self-financing.
- 5.2 By the end of the financial year the position had remained unchanged. Total interest payments of £3.06m were made in 2022-23 to service the HRA self-financing debt.
- 5.3 During 2022/23, the Council maintained an under-borrowed position. This meant that the capital borrowing need, (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Council's reserves, balances and cash flow was used as an interim measure. This strategy was prudent as investment returns were initially low and minimising counterparty risk on placing investments also needed to be considered. However, several large capital projects such as the Skelmersdale Town Centre redevelopment, the proposed construction of new leisure centres and the HRA business plan will require external borrowing

to be taken out and this position has been reflected in the budgets previously agreed by Council.

- 5.4 Interest rate forecasts were initially suggesting only gradual rises in short, medium and longer-term fixed borrowing rates during 2022/23 but by August it had become clear that inflation was moving up towards 40-year highs, and the Bank of England engaged in monetary policy tightening at every Monetary Policy Committee meeting during 2022, and into 2023, either by increasing Bank Rate by 0.25% or 0.5% each time. Currently the CPI measure of inflation is still above 10% in the UK but is expected to fall back towards 4% by year end. Nonetheless, there remain significant risks to that central forecast.
- 5.5 Link's long-term (beyond 10 years) forecast for Bank Rate stands at 2.5%. As all PWLB certainty rates are currently significantly above this level, borrowing strategies will need to be reviewed in that context. Overall, better value can generally be obtained at the shorter end of the curve and short-dated fixed LA to LA monies should be considered. Temporary borrowing rates will remain elevated for some time to come but may prove the best option whilst the market continues to wait for inflation, and therein gilt yields, to drop back later in 2023 and 2024.

6.0 EXERCISE OF DELEGATED POWERS

- 6.1 The current counterparties list is set out in 4.6 above. This shows the types of organisations that have been approved for investment purposes, and the maximum amount and loan period for investing with a single organisation. This is in accord with the previously agreed treasury management protocol which has been reported to Members.
- 6.2 The Head of Finance, Procurement and Commercial Property Services has delegated powers to take out new debt and repay existing debt. These powers ensure that the Council can obtain the best possible deals in a market where conditions can change rapidly. However, this facility was not utilised during the year.

7.0 PRUDENTIAL CODE PERFORMANCE

- 7.1 The actual Prudential Indicators for the financial year 2022-23. The overall information conveys a healthy financial position and this confirms that the Council has a good financial standing.

| 1. PRUDENTIAL INDICATORS | 2021/22 | 2022/23 | 2022/23 |
|--|----------------|-----------------|----------------|
| Extract from budget and rent setting report | actual | original | actual |
| | £'000 | £'000 | £'000 |
| Capital Expenditure (note 1 & 5) | | | |
| Non - HRA | 9,348 | 11,156 | 7,709 |
| HRA (applies only to housing authorities) | 16,611 | 14,431 | 13,097 |
| TOTAL | 25,959 | 25,587 | 20,806 |
| Ratio of financing costs to net revenue stream (note 2) | | | |
| Non - HRA | 1.15% | -1.08% | -0.61% |
| HRA (applies only to housing authorities) | 12.91% | 10.88% | 12.02% |
| Gross borrowing requirement General Fund | | | |
| in year borrowing requirement | 1,405 | 5,438 | 2,563 |
| Gross borrowing requirement HRA (where relevant) | | | |
| in year borrowing requirement | 7,052 | 6,997 | 3,230 |
| Gross debt | 88,212 | 88,212 | 88,212 |
| CFR (note 3 & 5) | | | |
| Non – HRA | 23,263 | 18,048 | 25,512 |
| HRA (applies only to housing authorities) | 88,429 | 125,023 | 91,297 |
| TOTAL | 111,692 | 143,071 | 116,809 |
| Annual change in Cap. Financing Requirement | | | |
| Non – HRA | 893 | 4,906 | 2,249 |
| HRA (applies only to housing authorities) | 6,529 | 10,692 | 2,868 |
| TOTAL | 7,422 | 15,598 | 5,117 |
| | | | |
| | | | |
| 2. TREASURY MANAGEMENT INDICATORS | 2021/22 | 2022/23 | 2022/23 |
| | actual | original | actual |
| | £'000 | £'000 | £'000 |
| Authorised Limit for external debt (note 4)- | | | |
| borrowing | 88,212 | 153,071 | 88,212 |
| other long term liabilities | 0 | 500 | 0 |
| TOTAL | 88,212 | 153,571 | 88,212 |
| Operational Boundary for external debt - | | | |
| borrowing | 88,212 | 143,071 | 88,212 |
| other long term liabilities | 0 | 0 | 0 |
| TOTAL | 88,212 | 143,071 | 88,212 |
| Actual external debt | 88,212 | 88,212 | 88,212 |

| Maturity analysis of loans | Average Rate | Interest Payable | 2022/2023 | 2021/2022 |
|----------------------------|--------------|------------------|---------------|---------------|
| | % | £'000 | £'000 | £'000 |
| Between 5 and 10 years | 3.01 | 132.76 | 8,821 | 4,411 |
| Between 10 and 15 years | 3.30 | 145.55 | 8,821 | 4,411 |
| Between 15 and 20 years | 3.44 | 303.45 | 8,821 | 8,821 |
| Between 20 and 25 years | 3.50 | 308.74 | 8,821 | 8,821 |
| Between 25 and 30 years | 3.53 | 621.89 | 17,642 | 17,642 |
| Between 30 and 35 years | 3.52 | 620.13 | 17,642 | 17,642 |
| Between 35 and 40 years | 3.50 | 617.48 | 17,642 | 17,642 |
| Between 40 and 45 years | 3.48 | 306.98 | | 8,822 |
| Total | 3.47 | 3,056.99 | 88,212 | 88,212 |

Notes

1. This Indicator demonstrates that there is effective control of the capital programme and that expenditure is incurred in line with resources approved.
2. This is a measure of the interest paid on borrowing / debt taking account of the interest earned on investments as a percentage of the overall Council tax or HRA expenditure requirement.
3. The capital financing requirement measures the Authority's underlying need to borrow in order to fund its capital programme.
4. The Head of Finance, Procurement and Commercial Property has delegated authority to borrow up to the limits detailed above and to affect movement to these figures for borrowing and other long term liabilities. Such changes will be reported to Council at the meeting following the change. The Council undertook borrowing of £88.212m on 28th March 2012 and had no other long term liabilities at the end of financial year 2021-22. Hence, the Authority is comfortably within the parameters detailed.
5. The capital outturn and capital financing figures may be subject to small variations as the year end accounts have not been completed at the time of writing.

- 7.2 The purpose of the indicators is to ensure that financing costs associated with capital activities are managed in a prudent, affordable and by definition, sustainable manner.
- 7.3 The Council aims to achieve this objective by undertaking a robust annual budget setting cycle. During this process, Budget Holders detail the revenue implications of any capital decisions, while the capital process identifies the resources available to fund the capital programme. This ensures that strategic resource planning and option appraisal of bids are fully reviewed prior to setting the programme.
- 7.4 The HRA net revenue position is at the level detailed primarily due to the interest payments of £3.057m on the self-financing debt. However, it must be borne in mind that the Council does not now have to pay housing subsidy to the Government, which was some £6m p.a. and consequently is in a much better financial position.
- 7.5 As a result of the self-financing payment, there is another relevant indicator that requires reporting the maturity structure of borrowing. This details the differing amounts of debt, the dates of maturity and the associated interest costs relating to the payment of £88.212m. By structuring the debt on a long-term basis that the Council benefitted from the low interest charges that were available at the time.

This enables the HRA to develop a business plan with the backdrop of a clear financial picture relating to its debt.

8.0 SUSTAINABILITY IMPLICATIONS

8.1 There are no significant sustainability implications associated with this report and in particular no significant impact on Crime and Disorder.

9.0 RISK ASSESSMENT

9.1 The formal reporting to Council of Treasury Management performance and Prudential Indicators for Capital Finance is part of the overall framework set out in the Code of Practice to ensure that the risks associated with this activity are effectively controlled.

Background Documents

The following background documents (as defined in Section 100D (5) of the Local Government Act 1972) have been relied on to a material extent in preparing this Report.

| <u>Date</u> | <u>Document</u> | <u>File Ref</u> |
|-------------|--|--------------------|
| 2017 | CIPFA Updated Prudential Code for Capital Finance in Local Authorities | Accountancy Office |
| 2017 | CIPFA Updated Treasury Management Code of Practice | Accountancy Office |

Equality Impact assessment

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

Appendices

None



COUNCIL: 19 July 2023

Report of: Corporate Director of Transformation, Housing & Resources

Relevant Portfolio Holder: Councillor Rob Molloy

Contact for further information: Suzanne Hill (Extn. 5111)
(E-mail: suzanne.hill@westlancs.gov.uk)

SUBJECT: LINEAR PARKS UPDATE

Wards affected: Borough wide

1.0 PURPOSE OF THE REPORT

1.1 To provide an update in relation to progress of the proposed linear parks between Ormskirk – Burscough and Tarleton - Hesketh Bank.

2.0 RECOMMENDATION

2.1 That the update be noted.

3.0 BACKGROUND

3.1 Following consideration of a Motion included on the agenda for the meeting held on 5 April 2023, Council resolved:

"A. That it be noted that further progress has been made on the Ormskirk-Burscough linear park with the completion of the new High Grove Park housing estate

B. That the linear park will ultimately provide a positive benefit encouraging walking and cycling in a safer environment while providing a wildlife corridor. However, Council acknowledges the delay in delivery by the developer of its section of the Ormskirk - Burscough linear park between

Abbey Lane in Burscough and Ormskirk, meaning the whole route remains incomplete, and looks forward to its completion.

- C. That Cabinet bring a report to the July 2023 council meeting updating councillors on:
- (i) the Ormskirk – Burscough Linear Park, both the whole project and, in particular at this stage of the project, the steps taken to complete the section between Ormskirk and Abbey Lane in Burscough.
 - (ii) the progress made so far on the Tarleton – Hesketh Bank Linear Park and an updated action plan to complete the whole project."

3.2 The Linear Park projects were identified in the West Lancashire Borough Council Green Infrastructure and Cycling Strategy 2017. The linear park projects were approved by Cabinet on 12th September 2017. The work is currently assigned to the Economic Development and Regeneration Team.

3.3 The Ormskirk to Burscough linear park is an area of land which runs alongside the railway line between Ormskirk and Burscough. This 'strip' connects neighbourhoods and creates green space for activities such as walking and cycling. The area will also add to biodiversity by creating a wildlife corridor.

The remaining area outstanding for completion is approximately three hundred and fifty metres in length and connects from the existing pathway (recently created by the developer) in Ormskirk to Abbey Lane in Burscough.

3.4 The Tarleton to Hesketh Bank linear park project includes an area of land running parallel with the River Douglas. This project delivers additional provision of a network of multi functional green space. This network will facilitate active lifestyles by providing the leisure space necessary within walking distance of peoples homes, schools and work.

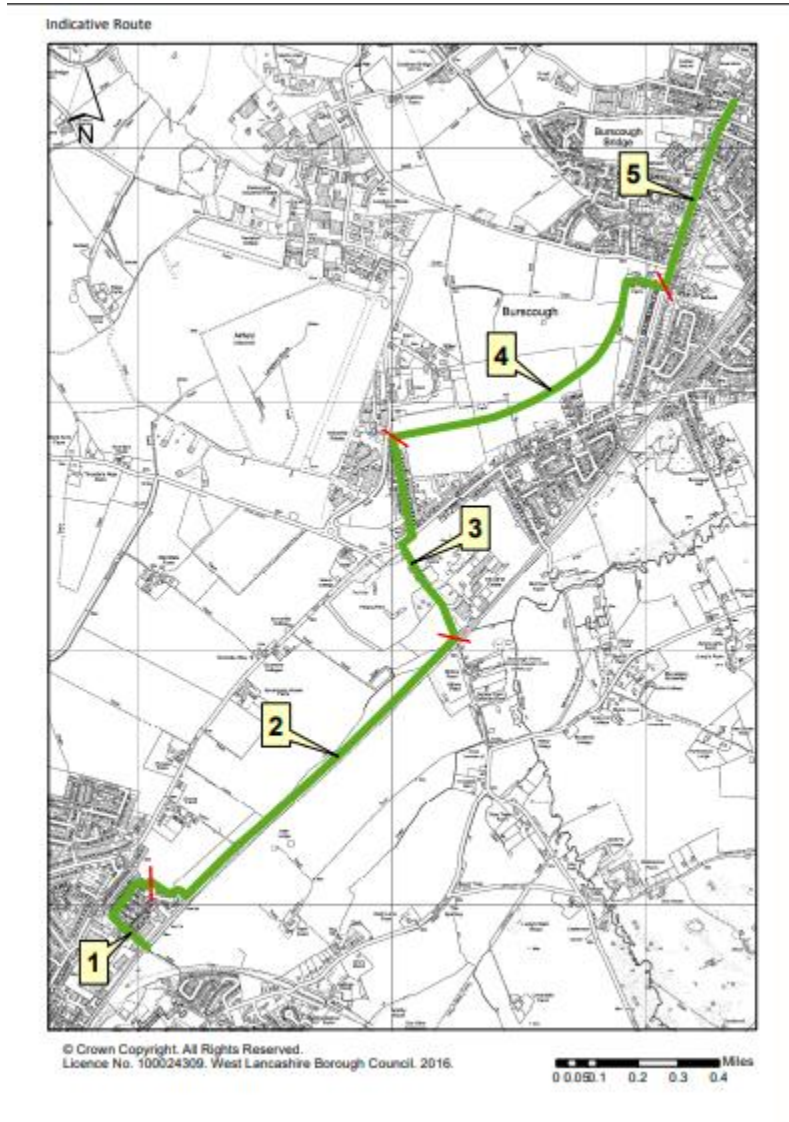
3.5 The Green infrastructure and Cycling Strategy 2017 (as previously commissioned by the Council) raised a number of issues with regard to a shortage of cycling provision in West Lancashire which offer safe, attractive cycle routes offering seamless connectivity. The work to both linear parks attempts to address this issue.

4.0 CURRENT POSITION

4.1 A section of the linear park route from Ormskirk to Burscough was completed by Taylor Wimpey in 2022. This has provided a cycling and walking route in a green space area. Officers estimate that walking at a reasonable pace, this route would allow for approximately a twenty-minute walk – in a safe environment. This route is of hard standing finish and is suitable for use by cyclists.

4.2 A feasibility study was undertaken, and budget costs prepared for the work. As costs have increased since the project was originally scoped, an application for CIL funding of £104k has been submitted to meet the shortfall with decision expected September- November 2023.

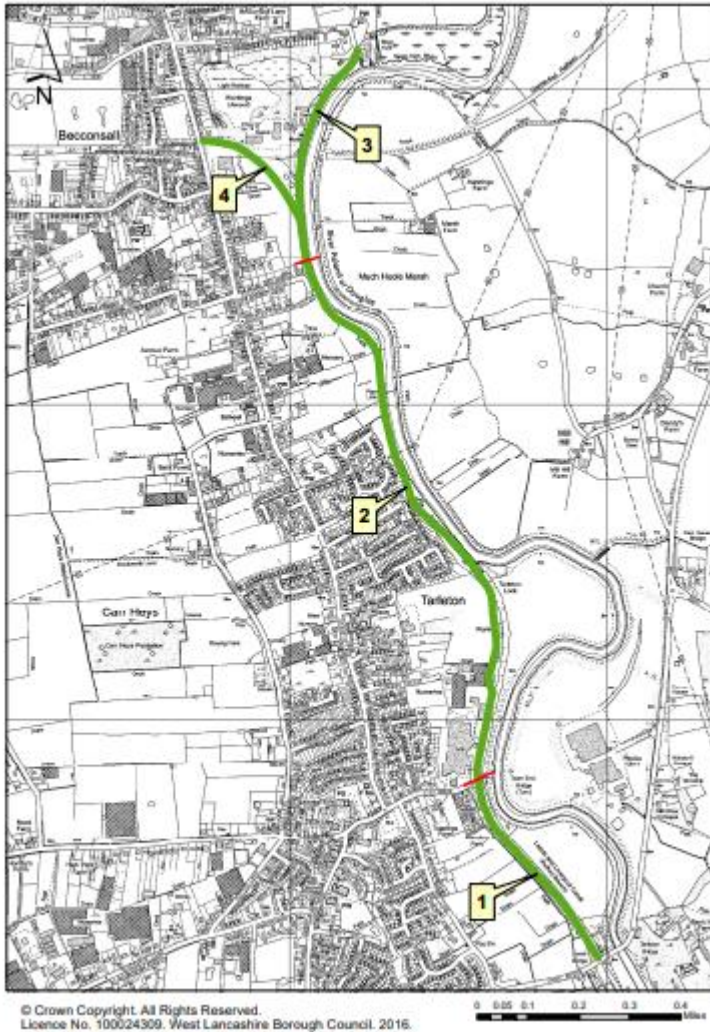
Officers are currently working on the next stage of developing the Ormskirk to Burscough route from Grove Farm to Abbey Lane (half of section 3 in map below) and with County Council to complete the link to Lordsgate Drive (remainder of section 3).



- 4.3 The first phase of the Tarleton to Hesketh Bank linear park route has been delivered by Hesketh with Beconsall Parish Council. Stretches associated with this route are – Bank Bridge to Plox Brow, Plox Brow to Fulwood Avenue, Fulwood Avenue to Beconsall Lane and Alty's Brickworks Site. The plan below indicates the route.

The work to extend the linear park pathway has some limitations which may impact on its delivery such as the need to cross the River Douglas. Officers are working with partner agencies and the Parish Council to explore solutions to these issues.

Indicative Route



5.0 NEXT STEPS

- 5.1 **ORMSKIRK – BURSCOUGH** Officers are contacting landowners to confirm the position in relation to permissions and access that had previously been agreed in principle. Correspondence indicates that landowners are willing to co-operate and is happy with the proposal. The council will need to enter into legal agreements with the landowners to protect the path in perpetuity and maintain access for the farmer.
- 5.2 **TARLETON – HESKETH BANK** Officers have arranged a meeting, to be held on 14th July 2023 with representatives attending from Lancashire County Council, West Lancashire Borough Council, Sustrans, Natural England, Chorley and South Ribble Councils, as all partners aspire to provide this active travel link. Officers will take the work forward as a priority and will work closely with Parish Councils and Members.
- 5.3 Officers have ambitions to ensure work associated with the Ormskirk to Burscough project will be completed by end of March 2024. Work to the Tarleton to Hesketh Bank project will become clearer following the 14 July meeting with partners. The role of partners is still to be clarified and as such officers are keen to explore opportunities to maximise their input.

6.0 SUSTAINABILITY IMPLICATIONS

6.1 This project links to the council's ambitions to improve access to active travel and open spaces. It also assists to fulfil the council's ambition to increase biodiversity and respond to the climate crisis.

7.0 FINANCIAL AND RESOURCE IMPLICATIONS

7.1 Officers have made an application for CIL funding for £104,483.00 with outcome of decision expected September – November this year. This funding is in addition to the S106 money (£259k) that has already been allocated to the Ormskirk – Burscough project and £170k for Tarleton to Hesketh Bank.

8.0 RISK ASSESSMENT

8.1 The risk associated with this work relates to CIL funding applications being unsuccessful. Should CIL funding be approved, the associated risks include potential to return CIL funding in the event of works not being completed.

9.0 HEALTH AND WELLBEING IMPLICATIONS

9.1 The proposal will promote health and wellbeing by providing an opportunity to increase active travel, which is proven to improve mental and physical health. The new linear park routes would allow safe alternatives of walking/cycling within the borough. It will increase the diversity of participants choosing active travel as hostile traffic routes currently act as a barrier to disadvantaged users. Environmental improvements such as tree planting could include fruit trees to address food insecurity as well as increasing biodiversity and would provide shade for users during hot weather.

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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