



**Wyre Borough Council**  
**Date of Publication: 11 January 2017**  
**Please ask for : Roy Saunders**  
**Democratic Services and Scrutiny Manager**  
**Tel: 01253 887481**

Dear Councillor,

You are hereby summoned to attend a meeting of Wyre Borough Council to be held at the Civic Centre, Breck Road, Poulton-le-Fylde on **Thursday, 19 January 2017** commencing at 7.00 pm.

Yours sincerely,

A handwritten signature in black ink that reads "Garry Payne".

**Garry Payne**  
**Chief Executive**

### **COUNCIL AGENDA**

**1. Prayers**

The Mayor will invite Reverend Michael Payne to say prayers (In the absence of the Mayor's Chaplain, Rev Stephen Dunn who is unable to attend this meeting).

**2. Apologies for absence**

**3. Confirmation of minutes**

(Pages 1 - 6)

To approve as a correct record the Minutes of the meeting of the Council held on 1 December 2016.

**4. Declarations of Interest**

To receive any declarations of interest from any Member or Officer on any item on this agenda.

All Members are asked to submit any declarations in writing by 9.30am on Wednesday 18 January, 2017 if possible.

**5. Announcements**

To receive any announcements from the Mayor, Leader of the Council, Deputy Leader of the Council, Members of the Cabinet, a Chairman of a Committee or the Chief Executive.

**6. Public questions or statements**

(Pages 7 - 8)

To receive any questions or statements from members of the public under Procedure Rule 9.1.

Any questions or statements received by the specified deadline of noon on Friday 13 January 2017 will be published and circulated separately.

**7. Questions "On Notice" from councillors**

(Pages 9 - 10)

To receive any questions from Members of the Council to the Mayor, a member of the Cabinet or the Chairman of a Committee under Council Procedure Rule 12.1

Any questions received by the specified deadline of noon on Friday 13 January 2017 will be published and circulated separately.

**8. Executive reports**

To receive reports from Cabinet Members. (In accordance with Procedure Rule 11.3 Councillors will be able to ask questions or make comments).

- (a) Leader of the Council (Councillor Gibson) (Pages 11 - 12)
- (b) Resources Portfolio Holder (Councillor A Vincent) (Pages 13 - 14)
- (c) Street Scene, Parks and Open Spaces Portfolio Holder (Councillor Henderson) (Pages 15 - 16)
- (d) Planning and Economic Development Portfolio Holder (Councillor Murphy) (Pages 17 - 20)
- (e) Neighbourhood Services and Community Safety Portfolio Holder (Councillor Berry) (Pages 21 - 22)
- (f) Leisure and Culture Portfolio Holder (Councillor Bowen) (Pages 23 - 24)
- (g) Health and Community Engagement Portfolio Holder (Councillor V Taylor) (Pages 25 - 28)

9. **Lead Members Periodic Report: Young People** (Pages 29 - 32)  
Report of the Lead Member for Young People (Cllr Kay).
10. **Members' Allowances Scheme** (Pages 33 - 38)  
Report of the Service Director Performance and Innovation.
11. **Localised Council Tax Support** (Pages 39 - 44)  
Report of the Resources Portfolio Holder (Cllr A Vincent) and the Head of Contact Centre.
12. **Public Sector Audit Appointments from 2018/19** (Pages 45 - 64)  
Report of the Leader of the Council (Cllr Gibson) and the Head of Finance and Section 151 Officer.
13. **Notices of Motion**  
No Notices of Motion have been submitted under Procedure Rule 14.

If you have any enquiries on this agenda, please contact Roy Saunders, tel: 01253 887481, email: [roy.saunders@wyre.gov.uk](mailto:roy.saunders@wyre.gov.uk)

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## Council Minutes

Minutes of the Council meeting held at the Civic Centre, Poulton-le-Fylde on Thursday 1 December, 2016.

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### Councillors present:

The Mayor, Councillor Lees

The Deputy Mayor, Councillor E Anderton

Councillor I Amos

Councillor R Amos

Councillor M Anderton

Councillor Lady Atkins

Councillor Ballard

Councillor Balmain

Councillor Barrowclough

Councillor Beavers

Councillor Berry

Councillor B Birch MBE

Councillor C Birch

Councillor Bowen

Councillor Catterall

Councillor Collinson

Councillor I Duffy

Councillor R Duffy

Councillor Fail

Councillor Gibson

Councillor Greenhough

Councillor Henderson

Councillor Hodgkinson

Councillor Holden

Councillor Ibison

Councillor Jones

Councillor Kay

Councillor Moon

Councillor Murphy

Councillor Orme

Councillor Ormrod

Councillor Pimbley

Councillor Reeves

Councillor Robinson

Councillor Shewan

Councillor Smith

Councillor B Stephenson

Councillor E Stephenson

Councillor T Taylor

Councillor V Taylor

Councillor A Turner

Councillor S Turner

Councillor A Vincent

Councillor Matthew Vincent

Councillor Michael Vincent

Councillor Walmsley

Councillor Wilson

**Apologies:** Councillors Bridge, Ingham and, McKay.

### Officers present:

Garry Payne (Chief Executive)

Mark Billington (Service Director People and Places)

Mark Broadhurst (Service Director Health and Wellbeing)

Marianne Hesketh (Service Director Performance and Innovation)

Roy Saunders (Democratic Services and Scrutiny Manager)

Peter Foulsham (Democratic Services Officer).

**Also present:** Alderman Bannister and 4 members of the public.

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**COU.  
38**      **Confirmation of Minutes**

**RESOLVED** that the Minutes of the Council meeting held on 20 October 2016 be confirmed as a correct record, subject to paragraph 2 of Minute 32 (Announcements) being corrected to refer to the date of the forthcoming Mayoral Ball as 24 March 2017 (not 2016).

**COU.  
39**      **Declarations of Interest**

None.

**COU.  
40**      **Announcements**

1.      The Mayor said that it was with great sadness that he had learned of the recent tragic death of former Councillor John Traynor. He paid tribute to his role as a Councillor, within his local community and as a friend. Council observed a minute silence in his memory, following which the Mayor said that he would arrange for a commiseration card to be sent on behalf of the Council to his widow and for any messages submitted by individual Councillors to be sent with the card.
2.      The Mayor announced that The Northern Festival of Remembrance held at the Marine Hall on 9 November 2016 had raised £1,320 to be donated to The Royal British Legion Poppy Appeal. Proceeds from the raffle and other donations had totalled £773, which would be split between the Mayoral Charities. He said that it had been an excellent evening of song and commemoration for those who were currently serving the country and those who had served in the past. He thanked everyone who had attended.
3.      The Mayor said that he had also attended the Remembrance Day Service at Thornton on Sunday 13 November, where there had been a more formal opportunity for people to pay their respects to those who had served their country.
4.      The Mayor said that tickets for the Mayoral Charity Ball to be held on Friday 24 March 2017 would be on sale early in the New Year, priced at £32.50.
5.      The Mayor reported that the Deputy Mayor, Councillor Emma Anderton, had attended the NSPCC Ladies Luncheon last week. The NSPCC, which was one of the Mayor's charities for 2016/17, was currently selling 'little star' pin badges – specifically to raise money for the 30% increase in phone calls to the Childline phone numbers during the festive season. He urged Members to support this worthy cause.
6.      Finally, a Raffle at the Wyre Business Awards had raised £1,003 for the Mayoral Charities.

**COU.  
41**      **Public Questions, Statements or Petitions**

None.

**COU  
42**      **Questions “on notice” from Councillors**

None.

**COU.  
43**      **Executive Reports**

(a)      **Leader of the Council**

The Leader of the Council (Councillor Gibson) submitted a report.

Cllr Gibson responded to comments and questions from Cllrs R Duffy and Moon about the causes of Lancashire County Council’s financial problems and the impact on residents of Wyre.

**RESOLVED**: that the report be noted.

(b)      **Resources Portfolio Holder**

The Resources Portfolio Holder (Councillor A Vincent) submitted a report.

Cllr A Vincent responded to comments and questions from:

- Cllr M Anderton about the loss of Ministry of Defence jobs in Thornton;
- Cllrs Shewan, Beavers and R Duffy about the impact of Lancashire County Council’s funding shortfall on the provision of local services.

**RESOLVED** that the report be noted.

(c)      **Street Scene, Parks and Open Spaces Portfolio Holder**

The Street Scene, Parks and Open Spaces Portfolio Holder (Councillor Henderson) submitted a report.

Cllr Henderson said that he would pass on thanks expressed by Cllr Shewan for the way an out of hours duty officer and Street Scene employees had responded to a recent paint spillage at Bold Street in Fleetwood.

Cllr Henderson said he would also arrange for compliments made by Cllr Lady Atkins, Cllr B Stephenson and Cllr Fail respectively to be passed on to:

- the refuse collection team;
- the Council’s Tree Officer;
- Council staff and volunteers working at the Mount;
- Council staff and volunteers working at the Memorial Park.

Cllr Henderson also responded to comments by Cllr Michael Vincent about the maintenance of open spaces in Wyre.

**RESOLVED** that the report be noted.

(d) Planning and Economic Development Portfolio Holder

The Planning and Economic Development Portfolio Holder (Councillor Murphy) submitted a report.

Councillor Murphy responded to comments and questions from:

- Cllr Fail about the provision made for open space in Wyre;
- Cllr R Duffy about support for local business;
- Cllr Shewan about the potential scope for obtaining financial provision for highway improvements as part of the process for dealing with an anticipated planning application for a power station at the Hillhouse site;
- Cllr Barrowclough about bank branch closures in the Borough;
- Cllr Reeves about progress on an agreement with Fleetwood Town Football Club for community use of its new training facilities at Pool Foot Farm.

**RESOLVED** that the report be noted.

(e) Neighbourhood Services and Community Safety Portfolio Holder

The Neighbourhood Services and Community Safety Portfolio Holder (Councillor Berry) submitted a report.

Councillor Berry responded to comments and questions from:

- Councillor Smith about the membership of the Domestic Abuse Task Group;
- Cllr Hodgkinson about the support to the Council's activities provided by the Rossall Beach Residents Group and other similar voluntary community groups in the Borough;
- Cllrs B Stephenson and B Birch about grants made by the Police and Crime Commissioner to support projects in Wyre and other parts of Lancashire.

**RESOLVED** that the report be noted.

(f) Leisure and Culture Portfolio Holder Report

The Leisure and Culture Portfolio Holder (Councillor Bowen) submitted a report.

Cllr Bowen said, in response to a question from Cllr T Taylor, that she would ask the YMCA to provide vouchers to the groups of regular early morning users of Fleetwood swimming pool to compensate them for the occasions when they had been unable to swim because the water temperature had been too cold, during the recent period whilst problems with the heating system were being sorted out.

Cllr Bowen also said that she would pass on thanks expressed by Cllr M Anderton to staff involved in recent events at Marsh Mill.



**RESOLVED** that the report be noted.

(g) **Health and Community Engagement Portfolio Holder**

The Health and Community Engagement Portfolio Holder (Councillor V Taylor) submitted a report.

Cllr Taylor said when introducing her report that Stephanie Collinson, a Senior Communications Officer in the Council's Engagement Team, had won a national award for 'Best Communications and Digital Professional' for her work during and after the recent floods affecting our communities and said she would arrange for the Council's congratulations to be passed on to her.

Cllr Taylor responded to comments and questions from:

- Cllr Beavers about her attendance at Healthier Fleetwood group meetings;
- Cllr Michael Vincent about comments on the contribution made by immigrants to the local community which had recently been made by Cat Smith MP.

**RESOLVED** that the report be noted.

(h) **Comments and questions from Cabinet members**

The Leader responded to a further question from the Health and Community Engagement Portfolio Holder about the comments made by Cat Smith MP about the community involvement of recent immigrants to the area.

The Planning and Economic Development Portfolio Holder responded to a question by the Leader of the Council about support for local businesses.

**COU.** **Strategic Narrative – Our Vision and Goals**  
**44**

The Leader of the Council (Cllr Gibson) and the Service Director Performance and Innovation submitted a report on a proposed strategic narrative setting out a clear vision and goals for evolving the way the Council worked.

**RESOLVED** (unanimously) that the strategic narrative headed "Together we make a difference", set out in Appendix 1 of the report, be noted and supported.

**COU.** **Treasury Management Activity Report: April – September 2016**  
**45**

The Resources Portfolio Holder (Cllr A Vincent) and the Head of Finance submitted a report on treasury management for the first half of the year 2016/17.

**RESOLVED** (unanimously) that the Treasury Management Activity Report for the period April 2016 to September 2016 be approved.

**COU.**     **Notices of Motion**  
**46**

None received.

The meeting started at 7.00pm and finished at 8.35pm.

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**COUNCIL MEETING**  
**19 JANUARY 2017**

**AGENDA ITEM 6**

**PUBLIC QUESTIONS OR STATEMENTS**

No questions have been received from members of the public under Procedure Rule 9 by the deadline of 12.00 noon on Friday 13 January, 2017.

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Democratic Services  
Tel: 01253 887481

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**COUNCIL MEETING**  
**19 JANUARY 2017**

**AGENDA ITEM 7**

**QUESTIONS "ON NOTICE" FROM COUNCILLORS**

No questions have been received from Councillors under Procedure Rule 11.1 by the deadline of 12.00 noon on Friday 13 January, 2017.

Published 13 January, 2017  
Democratic Services  
Tel: 01253 887481

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Report of:	To:	Date	Item No.
Cllr. Peter Gibson, Leader of the Council	Council	19 January 2017	8(a)

<b>Executive Report: Leader of the Council</b>
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**1. Purpose of report**

1.1 To inform Council of progress on key objectives and the current position on a number of issues, as set out below.

**2. General Matters**

2.1 Firstly I would like to take this opportunity to wish fellow Members, Council officers, residents and partners a Happy New Year and if 2017 is as eventful and as fruitful as 2016 this year will be another year to remember.

2.2 At the end of 2016 we received our four Year Local Government Settlement and whilst the Deputy Leader and Resources Portfolio Holder Cllr Alan Vincent covers this subject in greater detail in his executive report I would like to take this opportunity to thank Members and officers for producing an Efficiency Plan and a Medium Term Financial Plan that puts us in a very strong financial position and enables us to continue to deliver exceptional services for our residents, businesses and visitors.

2.3 The Lancashire County Council Elections will be held in May this year and I would like to wish all candidates good luck.

2.4 The results of the bi-annual Life in Wyre Survey were received at the end of 2016 and Cllr Vivien Taylor will cover this matter in greater detail when she presents her executive update, but I am delighted that the survey has once again been extremely positive and credit must go to Members and officers for ensuring Wyre is a great place to live, work and visit.

**3. Lancashire District Leaders meeting**

3.1 On the 19 December 2016 I attended the Lancashire District Leaders meeting in Preston. We discussed various matters including devolution and the Combined Authority, an update on waste collection and disposal and the Local Government Settlement.

**3.2** It was clear at the meeting that there are a number of District Leaders who are becoming increasingly uncomfortable with both the pace of the progress to a Combined Authority and the fact that in order to secure a devolution deal of any worth there will need to be an elected Mayor for Lancashire. In my opinion Authorities in Lancashire could deliver the objectives set out in the shadow Combined Authority by simply working together or by working in clusters. In the next few months I will be bringing a paper to full Council that will set out options on how we can work with neighbouring authorities to deliver a range of services that will be for the better benefit for our residents, businesses and visitors. I have stated on numerous occasions that collaboration on a cluster footprint is an alternative mechanism to a Combined Authority, but collaboration does not require a Mayor or a detailed and convoluted Governance structure to deliver enhanced services.

#### **4. Comments and Questions**

**4.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.

arm/ex/cou/cr/17/1901 8(a)





Report of:	To:	Date	Item No.
Cllr Alan Vincent, Resources Portfolio Holder and Deputy Leader	Council	19 January 2017	8(b)

<b>Executive Report: Resources Portfolio Holder</b>
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**1. Purpose of report**

**1.1** To inform Council of progress on key objectives and the current position on issues within the Resources Portfolio, as set out below.

**2. Finance**

**2.1** An updated forecast showing our projected spending levels and the recommended council tax for 2017/18 will be presented at the Cabinet meeting on the 15 February. I can confirm that, as in previous years, Budget Briefings will be arranged for the benefit of the two political parties.

**2.2** The Council was notified of a provisional grant settlement of £4.1m for 2017/18 as part of the draft local government finance settlement announced 15 December. This represents a loss in grant of £656,000 or 13.8% from that received in 2016/17. The reduction is £2,000 less than that assumed in the most recent Medium Term Financial Plan. Indicative figures for subsequent years were also announced following the Council's acceptance of the four-year funding settlement to 2019/20.

**2.3** Members will also be aware that the Localism Act allows local residents to veto excessive council tax rises. The Secretary of State for Communities and Local Government (Sajid Javid MP) has confirmed that the core referendum threshold will remain at 2% or up to and including £5 on a council tax Band D equivalent property in 2017/18 with the approval of the local electorate being required for any council tax increase above this value.

**2.4** The long awaited response to the consultation on New Homes Bonus funding was also announced with the settlement and various changes have been applied to awards in 2017/18 and proposed from 2018/19 onwards. The main changes include a confirmed reduction in legacy payments from 2018/19 from 6 to 4 years and the introduction of a new baseline for assumed growth of 0.4%, below which we will not receive any New Homes Bonus. We also received confirmation of a new award in 2017/18 of £226,123 for 4 years and a transitional year 5 payment in

relation to 2013/14 of £341,192, neither of which were in the most recent Medium Term Financial Plan. Again, the report to Cabinet in February will provide further detail around the implications of all the recent announcements on the council's financial forecast.

### **3. Human Resources**

**3.1** The first meeting of a Cross Directorate Project Group tasked to review our performance appraisal system and our current values took place on 9 January 2017. This project group is made up of third tier managers who will be reviewing the appraisal process and core values so that they fit more harmoniously with the Councils vision for the future. This first meeting scoped out the project and assigned various tasks to members of the group. We intend to run a number of such project groups working on corporate matters. Different officers will be given the opportunity to take part to encourage much more cross directorate working and this will also provide learning and development opportunities.

### **4. Procurement**

**4.1** An OJEU procurement exercise is currently underway for the provision of a replacement ferry service between Fleetwood and Knott End. Tenders are being invited from contractors on the basis that the contract will be for a period of eight years commencing on 1 April 2017. The ferry vessel is currently owned by Lancashire County Council (LCC) who intend to transfer the ferry vessel to the successful Tenderer for the purpose of delivery of the Ferry service. LCC has withdrawn their subsidy from 31 March 2017 but we are offering a level of subsidy in the hope that the ferry service can be sustained. The tender process closes on 23 January 2017. Bids will then be evaluated and options reported to Cabinet.

### **5. Comments and questions**

**5.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.

arm/ex/cou/cr/17/1901 8(b)



Report of:	To:	Date	Item No.
Cllr David Henderson, Street Scene, Parks and Open Spaces Portfolio Holder	Council	19 January 2017	8(c)

**Executive Report: Street Scene, Parks and Open Spaces Portfolio Holder**

**1. Purpose of report**

**1.1** To inform Council of progress on key objectives and the current position on issues within the Street Scene, Parks and Open Spaces Portfolio, as set out below.

**2. Street cleansing**

**2.1** We continue to see an overall reduction in reports of dog fouling for the year to date. Although there can be a seasonal increase in reports in the winter months last November saw the lowest number of reports for the last four years. I recognise that the majority of dog owners are responsible but would encourage reports of dog fouling online at [wyre.gov.uk/reportdogfouling](http://wyre.gov.uk/reportdogfouling), providing as much information as possible.

**2.2** The street cleansing team supported various public events leading up to Christmas through the provision of additional cleansing visits and received complimentary comments regarding the service provided.

**3 Waste and recycling**

**3.1** We received the excellent news during December that we had won the Best performer Award at the recent National Association for Public Service Excellence (APSE) awards ceremony held in Blackpool.

**3.2** The subscription service for year two of the garden waste collection scheme is now live online and many customers have already taken the opportunity to renew in advance of the 1 May renewal date to ensure continuous service.

#### **4. Public conveniences**

**4.1** Once again the authorities' public toilets have achieved recognition in the annual Loo of the Year Awards held in early December. In conjunction with our partners Danfo we have retained our status as fourth in the country in the Premier league of public facilities. To have 20 facilities that have reached Gold or Platinum standard is a remarkable achievement when many authorities have or are looking to close public facilities.

#### **5. Parks and open spaces**

**5.1** I was delighted to receive the excellent news that we had been awarded a development grant for The Mount Grounds from the Heritage Lottery Fund. The grant is to enable us to develop the project in preparation for a second round submission likely to be in March 2018. To prepare the application we will undertake further community consultation as we develop plans for the restoration work and programme of activities, events and volunteering.

**5.2** The Council has received £51,685 section 106 funding to improve open space in the vicinity of the former Ashdell Nurseries site. I attended a public consultation workshop on 15 December with local groups and residents to "shape the space" and gather people views of the land at King George's and Church Road Playing Fields and how they can be improved and developed.

#### **6. Comments and questions**

**6.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.

arm/ex/cou/cr/17/1901 8(c)



Report of:	To:	Date	Item No.
Cllr Peter Murphy, Planning and Economy Portfolio Holder	Council	19 January 2017	8(d)

<b>Executive Report: Planning and Economy Portfolio Holder</b>
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**1. Purpose of report**

1.1 To inform Council of progress on key objectives and the current position on issues within the Planning and Economy Development Portfolio, as set out below.

**2. Coastal Communities Fund (CCF) Scheme**

2.1 At the invitation of the Department for Communities and Local Government (DCLG) an application for funding to create a new Coastal Community Team for Cleveleys was submitted at the end of September based on improvements within Cleveleys town. An update will be given at the meeting.

**3. Coastal Revival Fund – Marine Hall Dome**

3.1 Final works including lighting, blinds and glass repairs were completed by the end of December in time for the January Indoor Ice Skating event under the Dome.

**4. Fleetwood Coastal Community Team**

4.1 We are continuing to support new and existing businesses and to date eleven town centre businesses have received funding towards shop front improvements. A business support advisor has advised a total of twenty businesses within Fleetwood Town Centre including Fleetwood Market as part of a short term project funded by Coastal Community Team funding.

**5. Hillhouse Enterprise Zone (EZ)**

5.1 The Memorandum of Understanding between Wyre Council and central government was signed by Andrew Percy MP, Parliamentary Under Secretary of State (Minister for the Northern Powerhouse) at the Department for Communities and Local Government, at an official ceremony on 9 November.

- 5.2** Business enquiries for the site are being received on a regular basis and Council officers have been able to assist with investment proposals and planning matters.
- 5.3** In addition there are major potential investment proposals at Hillhouse. A pre-application for a gas powered Power Station up to 900MW has been registered with the Planning Inspectorate by Wyre Power Ltd. Storr Power's planning application for a new small scale gas powered generation facility has been granted planning permission. It will supply the national grid at times when additional energy generation is required to match need, generating up to 20MW to supply the local area at peak times.
- 5.4** Council officers have submitted a bid to Government for 'Commercial Funding Support' for Hillhouse to assist in effective delivery. Funding will be used to develop a Master Plan and other elements. A decision is awaited and an update will be given at the meeting. The Master Plan will impact upon the finalisation of the draft five year Implementation Plan for DCLG the deadline for which is 31 March 2017.

## **6. Business support**

- 6.1** Wyred-Up membership is increasing steadily and currently stands at 68 (3 more since last quarter) and 23 more than our original target of 45 businesses.
- 6.2** The 3rd Annual Wyre Business Awards took place on Thursday 24 November. It was attended by over 250 people and, in addition to the business awards, Mrs D Lofthouse OBE, was awarded with Wyre Council's first ever Lifetime Achievement Award.

## **7. Local Economic Development Plan**

- 7.1** As part of the business plan refresh, the Local Growth Plan is now to be called the Local Economic Development Plan to avoid being confused with the Local Plan. Work is continuing, and a revised date for a 2017/20 draft plan is now Spring 2017, with the final document being proposed to be considered by Cabinet in May 2017. Outputs in the current plan have been successfully delivered under the six key strategic initiatives and a full output report on the delivery of these will be provided in Spring 2017. The refreshed plan will set out our economic objectives and aspirations for 2017 to 2020 and will be prepared in consultation with our business community.

## **8. Planning policy - Local Plan**

- 8.1** As previously reported, evidence in relation to the scale of constraints in relation to highways and flood risk is critical in determining what level of the Objectively Assessed Need (OAN) for housing can be delivered in the Local Plan. The Strategic Flood Risk Assessment Level 2 Report is

now complete and agreed with the Environment Agency. The Planning Policy Team is working with council Engineers to complete the Addendum which covers an assessment of individual sites and the mitigation required to support development.

- 8.2** Work with Lancashire County Council (LCC) is on-going to finalise evidence on the capacity of the local road network to support development with deliverable mitigation.
- 8.3** The highway evidence forms the justification why the Local Plan cannot deliver the OAN and therefore it is paramount that it is robust and will stand up to scrutiny by the Inspector, developers and adjoining authorities. The continuing delay on the evidence from LCC is causing the Local Plan to be delayed as other work cannot progress.
- 8.4** Attempts to meet with Natural England (NE) before Christmas were not successful in order to understand their position with regards to the impact of potential developments on the bird populations of the Morecambe Bay and Wyre Estuary Special Protection Area (SPA) and in particular linked feeding grounds for Pink Footed Geese. A meeting has been arranged for the 24 January to discuss bird data in relation to development sites. Further work may be necessary following the meeting with NE.
- 8.5** The published timetable indicates publication of the draft Plan for consultation in December 2016. This has not been possible due to the delay from external partners in supplying necessary evidence. It is estimated that the draft Plan will now be published Summer 2017. The timetable will be amended following the meeting with NE, when the Council will know whether additional work is necessary.

## **9. Comments and questions**

- 9.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.

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Report of:	To:	Date	Item no.
Cllr. Roger Berry, Neighbourhood Services and Community Safety Portfolio Holder	Council	19 January 2017	8(e)

**Executive Report: Neighbourhood Services and Community Safety Portfolio Holder**

**1. Purpose of report**

1.1 To inform council of progress on key objectives and the current position on issues within the Neighbourhood Services and Community Safety Portfolio as set out below.

**2. Homelessness Prevention Trailblazer Success**

2.1 I am very pleased to report that following a joint bid submission (from the Fylde Coast Authorities) to the Department for Communities and Local Government we have been awarded significant extra funding to implement innovative new approaches to prevent homelessness. We will be one of a number of Homelessness Prevention Trailblazer Areas to be established across England to fundamentally reform the response to homelessness.

2.2 The bid is worth £607k in total with some activity that will take place across the Fylde Coast, for example a Hospital Link Worker, and other activity focused specifically on each Local Authority area. In Wyre we will be commissioning services for those with complex needs and a rent bond scheme.

2.3 The work will focus on carrying out preventative action earlier in developing support to address the issues that lead to homelessness. We will be investing in raising awareness of the risk factors around homelessness and where clients are to go for help. Interventions will support Early Action, integrate with health and provide pathways to employment and training. This is very good news and will support a number of our Corporate Business Plan Priorities and Projects.

**3. Rough Sleeping Initiative**

3.1 The Community Safety Team, our CCTV volunteers, Street Scene Officers, the Police and Danfo have been assisting our Housing Options Team in the delivery of 'No Second Night Out' an initiative aimed at ensuring that any rough sleepers (particularly those new to rough

sleeping) are offered support to ensure they don't have to sleep on the street for a second night. This project is a further example of how we are working collaboratively with our partners on early action initiatives.

#### **4. Under Age Drinking Targeted**

**4.1** The Community Safety Team have been working with the Lancashire Constabulary Licensing Team to target under-age drinking in Poulton-le-Fylde and Fleetwood. Within these areas it is believed that under-age drinking has been contributing to local anti-social behaviour.

**4.2** CCTV has provided valuable intelligence and has guided Licensing Teams to target particular premises with test purchase operations. Fixed Penalty Notices have been served and premises warned that such behaviour will not be tolerated.

#### **5. Flooding Events Resilience**

**5.1** Applications for flood resilience grants have now closed. The grants have been used for a variety of resilience measures including flood doors, sump pumps and embankments. Over 85% of those flooded during the winter floods were awarded resilience grants. For the homes where works have been completed it is hoped that the risk of flood damage will be significantly reduced in the future.

#### **6. Comments and questions**

**6.1** In accordance with procedure rule 11.3 any member of council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with procedure rule 11.5.

arm/ex/cou/cr/17/1901 item 8(e)



Report of:	To:	Date	Item No.
Cllr. Lynne Bowen, Leisure & Culture Portfolio Holder	Council	19 January 2017	8(f)

<b>Executive Report: Leisure and Culture Portfolio Holder</b>
---

**1. Purpose of report**

**1.1** To inform Council of progress on key objectives and the current position on issues within the Leisure and Culture Portfolio, as set out below.

**2. Volunteering**

**2.1** We have entered into an exciting new partnership with Blackpool and Fylde College that will see the Council benefit from additional support across our sites and the students gaining valuable work experience.

**2.2** Officers from the Volunteer Service and Parks & Open Spaces Team recently visited the College and have established a partnership that will see students completing 20 hours of volunteering as part of their education and more hours may be offered in future.

**2.3** We will be identifying a number of our sites across the Borough, mainly parks, in need of additional maintenance. The college will then work with us and send students out to these areas and help on various projects. Students will be provided with materials and may also construct certain pieces of work within the college.

**3. Tourism and visitor services**

**3.1** The Garstang Victorian Festival took place in and around the streets and shops of Garstang on 12 and 13 December. The shops were open and there were over 50 stalls lining the streets with many events and activities taking place for the family. The Council took an active role with the John Gillmore Show being presented from the Visit Garstang Tourist Information Centre throughout the day promoting the Festival, events and activities in Wyre and the Borough itself for visitors. The Tourist Information Centre was very busy on both evenings – on Monday 12 December alone, between 5pm to 9pm, we received 700 visitors making it our busiest day of the year.

#### **4. Cemetery and bereavement services**

- 4.1** I am pleased to report that the cemetery service was once again a finalist in the Association of Public Service Excellence Awards (APSE). Although we didn't win we were scored as being within one of the top five services in the country - this is a fantastic achievement as 47 authorities entered the category.
- 4.2** The columbarium development at Fleetwood Cemetery is to receive its sixth unit in order to meet to demand. Each unit has sixteen niches with each niche having the ability to hold up to four ashes caskets. The ashes section has also been increased for the third time providing a further twenty plots.
- 4.3** Also at Fleetwood Cemetery, with support from the Co-Op Funeralcare and Brent Stevensons Memorials, we have installed a memorial for James Thompson, the first person to be buried in Fleetwood in 1846. Previously there had been no memorial in place and this is an important point of interest for a planned history trail on site. The history trail will take place in September as part of the National Heritage Open Days but groups will be able to book a trail on-line. We will be contacting local schools to identify any interest for tailor made trails.

#### **5. Sports development**

- 5.1** At the recent Lancashire Sports Awards, Wyre's Simon Ardron won the Coach of the Year Award. As a club coach to a number of local tennis clubs Simon gets no funding from the clubs but uses the facilities to promote the sport and encourage children into clubs to play tennis. In particular he has been very involved in improving and expanding the membership of St. Michaels on Wyre Tennis Club and Thornton Tennis Club where links have been developed with local schools and tennis tournaments organised in the area.

#### **6. Marine Hall**

- 6.1** The Marine Hall was very busy in the run up to Christmas. The festivities started with the popular Christmas market. The market attracted 55 stalls and over 3,000 visitors. The venue also hosted Gerry Cross the Mersey, the ever popular Pantomime and The Rat Pack. This year's panto also included local children in one of the performances. Other notable events were the Wyre Business Awards, Fleetwood and District Choral Society Christmas Concert, Old Time Dance, Lancashire Fire and Rescue Princes Trust Charity, the Sure Start Christmas Party and the Scouts celebration of 100 years of scouting.

#### **7. Comments and questions**

- 7.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.



Report of:	To:	Date	Item No.
Cllr. Vivien Taylor, Health and Community Engagement Portfolio Holder	Council	19 January 2017	8(g)

<b>Executive Report: Health and Community Engagement Portfolio Holder</b>
---

## 1. Purpose of Report

**1.1** To inform Council of progress on key objectives and the current position on issues within the Health and Community Engagement Portfolio, as set out below.

## 2. Community Engagement

**2.1** Our latest Life in Wyre survey has now been analysed and I'm pleased to report that 82% of our residents are very satisfied or satisfied with where they live. We had 1,429 responses to our survey which equates to a fantastic 41% response rate. The full results will be presented to Cabinet but here are some of the highlights:-

- 63% of residents feel very or fairly well informed by the council and Wyre Voice is the preferred method of communication particularly amongst older residents
- Satisfaction with our services is highest for parks and open spaces (76%), promenade and beach maintenance (74%) and keeping public land /streets clear of litter, rubbish and fly-tipping (70%)
- 88% of residents access the internet at least weekly and use of smartphones to access the internet is higher than use of computers or laptops
- Conditions of roads and pavements continues to be the issue most in need of improvement
- Dog Fouling is again considered the biggest anti-social behaviour issue.

**2.2** As part of our Together We Make a Difference Network initiative, we have commissioned training for elected members around developing effective Community Engagement skills which I would encourage you all to attend. The training will take place on Wednesday 1 February 2017 starting at 5.30pm in the Members Lounge.

The training will include:

- Organising effective community meetings and events - preparation, participatory ways to run meetings and events where people get actively involved
- How to help groups develop community initiatives and projects - translating ideas into action - planning tools, action planning, follow up
- Practical ways to help local groups to be better organised and more active - facilitation methods, building links between groups
- How people can develop their skills as active residents and community leaders.

**2.3** The Cottam Hall Pavilion consultation finished on 4 November 2016 and a total of 191 responses were received. Local volunteers and elected members worked tirelessly to gather all these responses which included a consultation event at the pavilion. The main findings of the consultation were:

- The vast majority of respondents know the pavilion is in use all year round and watch both cricket and football there.
- There was a strong interest in using the pavilion for more sporting activities and community events.
- The appearance and condition of the pavilion was one of the main concerns including the changing facilities and toilets

A development plan will now be produced based on the findings to make improvements to the pavilion. External funding will be sought to help make the much needed changes.

### **3. Development of a Multispeciality Community Provider**

**3.1** Officers have recently met with Fylde and Wyre Clinical Commissioning Group to discuss the development of a Multispeciality Community Provider (MCP) for our area. Discussions focused on the needs of our population and health and care challenges, the development of new models of care to meet these challenges and regarding plans to develop an integrated out of hospital provider to enable support and the delivery of these new models.

**3.2** A number of workshops will be taking place over the next few months to co-produce: a collaborative purpose, service scope and phasing, provider and commissioning functions, leadership, governance and legal arrangements and importantly how partners will practically work together to provide integrated care.

**3.3** An example of the better integration of services includes new work between our Care and Repair Service and staff from the new NHS Fylde and Wyre CCG Extensive Care Team (now co-located in the Civic Centre), who now regularly refer prescriptions for minor aids such as grab rails and key safes directly to Care and Repair for installation by the Handyperson Service. Further support is provided by Care and Repair to provide their patients with support in completing Attendance Allowance claim forms and the provision of essential cold weather /

winter related support for those who need it.

#### **4. Fylde Coast Self-Care Strategy Development**

**4.1** Our officers are engaging in the development of a Fylde Coast Self-Care Strategy. As part of the Fylde Coast vanguard programme this strategy will set out how the partner organisations will support individuals and communities across the Fylde Coast to embrace the self-care agenda and put in place measures which empower people to take greater control of their own health and wellbeing.

**4.2** The strategy must reflect the needs and views of local residents and partners and so patient, public and partner engagement activities are underway to help inform the approach of the strategy. This has included a stakeholder launch event at the Winter Gardens in Blackpool and the launch of a public survey.

#### **5. Food Safety Audit**

**5.1** An audit of our Food Safety Section has recently been completed that measured our delivery against the Food Standard Agency Framework Agreement. The peer led audit was completed by officers from Blackpool and Lancaster Councils and served to demonstrate that we are providing a quality food safety service that deals with food businesses across the Borough appropriately and consistently.

#### **6. Environmental Health Technical Group Contributions**

**6.1** Environmental Health is an increasingly technical discipline that requires up to date scientific and legal knowledge about a variety of subject areas that include licensing, food safety, health and safety, environmental protection, pest control and anti-social behaviour.

**6.2** Lancashire Authorities work collaboratively to ensure that legislation is applied consistently across the County and do this via a number of Technical Groups that work with stakeholders such as Public Health England, Health and Safety Executive, Food Standard Agency and Trading Standards. Over the last three years the Western Lancashire Districts have coordinated this important work with Wyre Officers acting as Chair or Secretary on a number of groups. As is the practice these roles will now be passing to colleagues in the East for the next three years. The Wyre contribution over the last three years was recently recognised by Lancashire colleagues. This work has helped to ensure that our services treat individuals and businesses they come into contact with in a fair and consistent way.

#### **7. Comments and Questions**

**7.1** In accordance with procedure rule 11.3 any member of Council will be able to ask me a question or make a comment on the contents of my report or on any issue, which falls within my area of responsibility. I will respond to any such questions or comments in accordance with Procedure Rule 11.5.

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Report of:	Meeting	Date	Item no.
Cllr Andrea Kay, Lead Member for Young People	Council	19 January 2017	9

<b>Lead Member Report: Young People</b>
---

## 1. Purpose of report

1.1 To update the Council on some of the activities I have been involved in over the last year as lead member for young people.

## 2. Current and Future Issues

2.1 A summary of activity is included in Appendix 1 relating to the following issues:

- Fylde, Lancaster and Wyre Children's Partnership Board
- Summer Activities
- Youth Mayor/Youth Council
- Wyre Skate Night

## 3. Questions and Comments

3.1 I will respond to any questions or comments on the contents of my report or on any other issues relating to young people in Wyre.

report author	telephone no.	email	date
Cllr A Kay	07909001436	andrea.kay@wyre.gov.uk	15/12/2016

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### Lead Member for Young People: Progress Update – January 2017

There has been a variety of activity taking place for children and young people since the last report in January 2016. The following highlights key areas of work:

#### Fylde, Lancaster and Wyre Children's Partnership Board

This year the Fylde, Lancaster and Wyre Children's Partnership Board Action Plan has focussed on:

- Safeguarding
  - Child Sexual Exploitation
  - Prevent
  - Online Safety
- Emotional Health and Wellbeing
  - Participation
  - Substance Misuse
  - Partnerships
  - Mental Health
- Wellbeing, Prevention and Early Help
  - Early Action
  - Support for Children of Prisoners
  - Troubled Families

Fylde, Lancaster and Wyre Children Partnership Board in partnership with Lancashire Safeguarding Children Board hosted an Online Safeguarding event on 1<sup>st</sup> December 2016. The event was open to frontline workers across Fylde, Lancaster and Wyre localities who work with Children and Young People. The two hour session was led by Graham Lowe from Lancashire Safeguarding Children Board. Graham provided an overview of current risk areas across the Online Safeguarding agenda including Information Privacy, Online grooming, Bullying, Sexting, Radicalisation and Social Media. The session provided opportunities for discussion along with practical advice and recommended supporting resources. The event was very well attended and received.

Young Addaction introduced their new service model for Substance Misuse to the board. This new service for 11-25 year olds has been commissioned for seven years across Lancashire and includes a multi-agency approach which includes:

- Early Intervention and Prevention
- Therapeutic and Medical Provision
- Participation and Community Engagement

Work with our health partners is continuing to take place on the Transforming Children and Young People Emotional Health and Wellbeing and Mental Health transformation plan.

#### Summer Activities

Wyre Council again produced *Summer Stuff 2016*, a co-ordinated programme of summer activities. The guide provided children and families with a single point of information on all the activities taking place across Wyre for children and young

people and was widely distributed to schools, children centres and local groups. The guide was particularly targeted at encouraging those children and young people who might not otherwise attend these activities.

#### Youth Mayor/Youth Council

I continue to work closely with the Youth Mayor and Youth Council to support initiatives for our Children and Young people. We have a wonderful Youth Mayor and I will continue to support her in her role as an ambassador for young people across Wyre.

#### Wyre Skate Night

In partnership with the YMCA we have relaunched the Wyre Skate night at the Air Skate Park, (Thornton Sports Centre). The aim being to get as many young people as possible into the park enjoying themselves participating in a sport they enjoy within a safe environment.

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Report of:	Meeting	Date	Item No.
Marianne Hesketh, Service Director Performance and Innovation	Council	19 January 2017	10

<b>Members' Allowances Scheme</b>
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## 1. Purpose of report

- 1.1 To inform Council of the outcome of the interim review of the Members' Allowances Scheme undertaken by the Independent Remuneration Panel.

## 2. Outcomes

- 2.1 A Scheme of Members' Allowances which appropriately reflects members' current roles, duties, responsibilities and commitments under the Council's Constitution.

## 3. Recommendations

- 3.1 That the implementation from 11 May 2017 of the previously agreed 1% increase in the Basic Allowance paid to all Councillors, be noted.
- 3.2 That no changes be made to any of the Special Responsibility Allowances (SRA's) prior to the next full review of the Scheme to be undertaken in the Autumn of 2017.
- 3.3 That two additional conditions for the payment of Carer's and Dependents Carers' Allowances, set out in 5.5 of this report be approved.

## 4. Background

- 4.1 The Council is required to appoint an Independent Remuneration Panel (IRP) to review periodically its scheme of allowances for Councillors. The current members of the Panel are Mr Ron Matthews (Chairman), Mr Michael Collins and Mr David Blight.

- 4.2** The last comprehensive review was undertaken in the autumn of 2014, with recommended changes approved at the Council meeting on 22 January 2015. No significant changes were made following an interim report last year. A full review will be undertaken by the Panel next year with recommendations being reported to Council in January 2018 which, if approved, will be implemented from May 2018.
- 4.3** The Panel has again conducted a “light-touch” interim review this year and has met collectively on just one occasion (22 November 2016), although members of the Panel have also considered and commented individually on documents sent to them by Council officers.
- 4.4** The Panel has considered:
- updated comparative information on allowances paid by a “family group” of similar authorities;
  - the impact of changes made to Wyre’s allowances in January 2015 and January 2016;
  - the actual payments made to each Wyre Councillor in 2015/16;
  - information about carers and dependent carers allowances paid by other councils in Lancashire.
- 4.5** All Councillors were invited to submit comments or suggestions for consideration. Only one response was received, relating to a particular Special Responsibility Allowance, which the Panel decided to consider when it reviews all SRA’s as part of its full review next year.

## **5. Key issues and proposals**

### Basic Allowances

- 5.1** In January 2015 the Council approved the recommendation of the IRP that the Basic Allowance be increased by 1% from 11 May 2016 and by a further 1% from 11 May 2017. The latest benchmarking information, collected in November 2016, has shown that Wyre’s Basic Allowance of £4,098 plus an IT allowance of £180 remains close to the average payment for the family group of similar authorities. The Panel considers that the planned further 1% increase from May 2017 remains appropriate and that no other changes are needed to the Basic Allowance this year.

### Special Responsibility Allowances

- 5.2** The Panel has previously noted that the SRA’s paid to the Leader of the Council and members of the Cabinet in Wyre are at the higher end of the rank order for the family group of sixteen similar authorities. As stated in its report last year the Panel will consider these allowances (and all other SRA’s) in detail as part of the next fundamental review of the Scheme, which is to be undertaken in the autumn of 2017. No changes are recommended at this stage.

## Carers' and Dependent Carer's Allowance

- 5.3** The Panel has been advised that information collated for a Lancashire democratic services network meeting has revealed that, although all Councils had similar provisions in their schemes for carer's and dependent carers' allowances, some councils have more prescriptive arrangements in place for approving such payments than are currently in place at Wyre. Wyre's current provisions, as set out in paragraph 7 of the Scheme, are attached as Appendix 1.
- 5.4** No Carer's or Dependent Carers allowances were paid in Wyre prior to 2015. Since then, one Councillor has received payments for 29.5 hours childcare costs incurred whilst attending 12 meetings, in accordance with the provisions of the Scheme.
- 5.5** The Panel has concluded that that the levels of payments at Wyre and the purposes for which they are paid are straightforward and reasonable and is not recommending any changes to those elements. However, the Panel considers that it would be helpful to any Members submitting future claims for these allowances and to the officers processing such claims, if the conditions attached to the eligibility for payments were set out more explicitly in the Scheme. This would also have the benefit of improving accountability and transparency. Two new conditions are therefore proposed, to reflect what is considered to be the best practice arrangements in other Council's in Lancashire, namely that :
- receipts for the care costs incurred must be provided;
  - allowances cannot be claimed for care provided by an immediate family member or a member of the Councillors household.

<b>Financial and legal implications</b>	
Finance	The cost of the proposed 1% increase in allowances for 2017/18 will be £3,080 and will be reflected in the draft revenue estimates due to be considered by the Cabinet at its meeting on 15 February and which are subject to approval by the Council on 2 March.
Legal	The Council has a duty under regulation 19 the Local Authorities (Members' Allowances) (England) Regulations 2003 to have regard to the recommendations of the Panel when considering any changes to the Scheme. The Council is also required, under regulation 22 of the regulations, to publicise receipt of the report and the main features of the Panel's recommendations.

### **Other risks/implications: checklist**

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

<b>implications</b>	<b>✓ / x</b>
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

<b>risks/implications</b>	<b>✓ / x</b>
asset management	x
climate change	x
data protection	x

<b>report authors</b>	<b>telephone no.</b>	<b>email</b>	<b>date</b>
Roy Saunders	01253 887481	<a href="mailto:roy.saunders@wyre.gov.uk">roy.saunders@wyre.gov.uk</a>	15/12/16

<b>List of background papers:</b>		
<b>name of document</b>	<b>date</b>	<b>where available for inspection</b>
None	-	-

### **List of appendices**

Appendix 1: Current Carer's and Dependent Carers' Allowance.

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Carer's and Dependent Carers' Allowance

Extract from Part 6.01 of the Constitution

**7. Carer's and Dependants Carers Allowance**

Payments will be made for expenses that are actually and necessarily incurred by Members in the conduct of approved duties as defined in Section B. Care relates to dependant relatives living with the Member or co-optee, as follows:

- (i) children aged 14 or under;
- (ii) elderly relatives requiring full-time care; and
- (iii) relatives with disabilities who require full-time care.

The current rate is shown at Appendix A.

This rate will be amended as necessary in order to reflect the national minimum wage.

Extract from Appendix A in Part 6.02

**Dependants Carers Allowance**

Amount per hour, calculated from time leaving home to time returning home, paid in accordance with the national minimum wage.

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Report of:	Meeting	Date	Item No.
Cllr Alan Vincent, Resources Portfolio Holder and Peter Mason, Head of Contact Centre	Council	19 January 2017	11

<b>Localised Council Tax Support</b>
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## 1. Purpose of report

- 1.1 To confirm the continuation of the current Localised Council Tax Support Scheme, originally implemented 1 April 2013, for the 2017/18 financial year.

## 2. Outcomes

- 2.1 Improved incentives to work, ensuring resources are used more effectively, so reducing worklessness and ending a culture of benefit dependency.
- 2.2 Compliance with the Welfare Reform Act 2012 and specifically its provisions for the abolition of Council Tax benefit and replacement with new localised schemes.

## 3. Recommendations

- 3.1 That the current Localised Council Tax Support Scheme be continued into the 2017/18 financial year with the additional maximum percentage contribution from working age claimants being no more than 8.5%.
- 3.2 That the original policy be confirmed, recognising that it includes a number of specified amounts used to calculate entitlement which may change in line with upratings published by the DWP, that there may also be minor adjustments to the scheme should further guidance be received from the DCLG and that the roll out of Universal Credit will ultimately replace existing benefits.

## 4. Background

- 4.1 As part of the 2012 Welfare Reform Act the national Council Tax Benefit (CTB) scheme was abolished and in accordance with the Local Government Finance Act 2012 local authorities were required to introduce Localised Council Tax Support (LCTS) schemes from April 2013.

- 4.2** Support for Council Tax is now offered as reductions within the Council Tax system with claimants of state pension credit age receiving a discount of 100% thereby ensuring that they experience no reduction in support as a direct result of the reform.
- 4.3** Localisation provided local authorities the flexibility to design Council Tax Support schemes for working age claimants taking into account the needs of vulnerable groups and the importance of supporting work incentives. Following a consultation exercise, the Council agreed at their meeting of 29 November 2012 to adopt a scheme which qualified for transitional grant for one year ensuring that:
- Those who would be entitled to 100% support under current Council Tax benefit arrangements pay between zero and no more than 8.5% of their net Council Tax liability;
  - The taper does not increase above 25%;
  - There is no sharp reduction in support for those entering work – for claimants currently entitled to less than 100% support, the taper will be applied to an amount at least equal to their maximum eligible award.

## **5. Key issues and proposals**

- 5.1** Paragraph 5 of Schedule 1A to the Local Government Finance Act 1992 requires the authority to consider whether for each financial year the scheme is to be revised or replaced. The authority must make any revision to its scheme, or any replacement scheme, no later than the 31 January in the financial year preceding that for which the revision or replacement scheme is to have effect. Where this is the case then the procedural requirements in paragraph 3 of that schedule will apply, namely that the authority must:
- Consult any major precepting authority;
  - Publish a draft scheme; and
  - Consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 5.2** As at the end of November 2016, the number of working age claimants eligible for council tax support was 4,836 and the number of pensioners eligible for council tax support was 4,856.
- 5.3** The value of the benefit awarded as at the end of November 2016 is £8,253,565 compared to £8,257,363 last year, a reduction of £3,798, with the reduction being attributable to the ongoing review of LCTS cases and changes to Pension Credits that subsequently impact on some pensioners LCTS entitlement.
- 5.4** The collection rate for 2015/16 was 97.89%, a reduction of 0.10% when compared to the 2014/15 rate of 97.99%. It should be noted, however, that on the introduction of LCTS, the assumed collection rate was reduced from 98.5% to 98%. The reduction is also attributable in part to the Governments introduction of an optional 12 monthly instalments scheme.

- 5.5** The Council continues to be involved in recovery work with 13,827 reminders issued in 2015/16 compared with 13,483 in the previous year and 6,029 summonses issued for non-payment compared with 6,288 for the previous year.
- 5.6** The County Council's Cabinet response to Wyre's proposed scheme in November 2012, and especially the adoption of a scheme limiting the contribution from working age claimants to be no more than 8.5%, was as follows:
- 'You are aware that the grant offered by the government will not cover the cost of the scheme as proposed by the Secretary of State. Our initial estimates are that if all the Districts across Lancashire accepted the grant, the additional cost to the County Council could be in the range of £2.5m - £3m in 2013/14, potentially rising to over £5m in 2014/15 (depending on what assumptions are made regarding the number of claimants, and collection levels). Clearly, there would be a financial impact on your Council as well. The County Council is very concerned as to the potential impact that the further reductions required to fund this would have on services to the most vulnerable members of our communities across Lancashire, and does not support the implementation of a scheme which leaves such significant costs to fall on the County Council's revenue budget. The resolution of the County Council's Cabinet is set out below, and I ask that this be taken into account when your Council considers its council tax support scheme.' "The County Treasurer be requested to urge all District Councils to carefully consider their response to the Government's announcement of £100m one-off funding for those authorities who implement a council tax support scheme which ensures that claimants currently on 100% support would not pay more than 8.5% of their net council tax liability and the impact on both their own services and the services provided by the County Council to the most vulnerable people in Lancashire."
- 5.7** There was a similar response from the Fire Authority who went on to say that 'As such the Authority does not support amending the scheme to qualify for the one off grant unless the additional cost is offset by amendments to the level of council tax discounts and exemptions that are currently provided in both 2013/14 and 2014/15.'
- 5.8** It should be noted that Wyre did introduce amendments to the level of discounts and exemptions awarded with effect from 1 April 2013, with further amendments effective 1 April 2014, and still further amendments from 1 April 2016.
- 5.9** An equality impact assessment was completed prior to the original Localised Council Tax Support Scheme being implemented in April 2013.
- 5.10** As the current scheme has now been in operation since 1 April 2013 and recognising that collection rates are in accordance with the estimate, it is proposed that the existing scheme be continued. This ensures that Wyre will continue to protect the most vulnerable in our society by limiting the maximum contribution to the localised council tax support scheme for those on full benefit to 8.5% when our neighbouring Councils of Blackpool and Fylde already ask their residents to pay 27.11% and 22.7%.

## Financial and legal implications

Finance	<p>The Council was previously reimbursed by the DWP for expenditure in relation to correctly awarded CTB but as part of the welfare reforms, expenditure on Localised Council Tax Support was reduced by 10%. The Local Government Finance Settlement included £8,077,777 for Council Tax Support in 2013/14 and of this, £963,119 was retained by Wyre.</p> <p>The Government claim that the total level of localised council tax support funding has remained unchanged in cash terms in 2014/15 although there is no separately identifiable amount for localised council tax support at local authority level since it was subsumed within the Revenue Support Grant and Baseline Funding. It is also worth remembering that the Council suffered a reduction in grant funding of £1.022m or 13.6% in 2014/15.</p> <p>Inflating the 2016/17 anticipated expenditure on LCTS of £8,270,000 by 3.56%, Wyre's average council tax increase in 2016/17, indicates that the estimated cost of the scheme for 2017/18 would be approximately £8,564,412. Applying the indicative start-up funding allocation of £8,077,777 leaves an unfunded gap of approximately £486,635 to be met by each precepting body as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;">%</th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td>Wyre</td> <td style="text-align: right;">11.4</td> <td style="text-align: right;">55,476</td> </tr> <tr> <td>Parish/Town Councils*</td> <td style="text-align: right;">1.1</td> <td style="text-align: right;">5,353</td> </tr> <tr> <td>Combined Fire Authority</td> <td style="text-align: right;">4.1</td> <td style="text-align: right;">19,952</td> </tr> <tr> <td>Lancashire Police Authority</td> <td style="text-align: right;">10.1</td> <td style="text-align: right;">49,150</td> </tr> <tr> <td>LCC</td> <td style="text-align: right;">73.3</td> <td style="text-align: right;">356,704</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">486,635</td> </tr> </tbody> </table> <p>*This is an average cost and will not necessarily be incurred by individual Parish/Town Councils</p>		%	£	Wyre	11.4	55,476	Parish/Town Councils*	1.1	5,353	Combined Fire Authority	4.1	19,952	Lancashire Police Authority	10.1	49,150	LCC	73.3	356,704			486,635
	%	£																				
Wyre	11.4	55,476																				
Parish/Town Councils*	1.1	5,353																				
Combined Fire Authority	4.1	19,952																				
Lancashire Police Authority	10.1	49,150																				
LCC	73.3	356,704																				
		486,635																				
Legal	<p>The Council must be able to demonstrate that it has complied with the statutory guidance surrounding the implementation of any revised or replacement scheme.</p> <p>A High Court judgement against Sandwell Metropolitan Borough Council has found that the practice of withholding council tax support from anyone who had not lived in the area for two years or more, regardless of their inability to pay, was unlawful.</p>																					

### **Other risks/implications: checklist**

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

<b>implications</b>	<b>✓ / x</b>
community safety	x
equality and diversity	✓
sustainability	x
health and safety	x

<b>risks/implications</b>	<b>✓ / x</b>
asset management	x
climate change	x
data protection	x

report author	telephone no.	email	date
Peter Mason	887530	<a href="mailto:peter.mason@wyre.gov.uk">peter.mason@wyre.gov.uk</a>	19 December 2016

<b>List of background papers:</b>		
name of document	date	where available for inspection

### **List of appendices**

None

arm/ex/cou/cr/17/1901pm1

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Report of:	Meeting	Date	Item no.
Cllr Peter Gibson, Leader of the Council and Clare James, Head of Finance	Council	19 January 2017	12

<b>Public Sector Audit Appointments from 2018/19</b>
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**1. Purpose of report**

1.1 To consider the arrangements for appointing External Auditors from 2018/19.

**2. Outcomes**

2.1 External Auditor appointments are made via the Public Sector Audit Appointments (PSAA) Scheme.

**3. Recommendation/s**

3.1 That approval is given to opt into the PSAA arrangements for the appointment of External Auditors from 2018/19.

**4. Background**

4.1 Under previous legislation, the Audit Commission was responsible for the appointment of our External Auditors. Following the dissolution of the Audit Commission, existing arrangements were extended pending the determination of a new appointment process.

4.2 The PSAA currently manages the audit contracts originally set up by the Audit Commission and in July 2016, the Secretary of State for Communities and Local Government confirmed that the PSAA had been specified as an appointing person under the provisions of the Local Audit (Appointing Persons) Regulations 2015.

4.3 This allows the PSAA to make auditor appointments to local authorities that chose to opt into the national appointment arrangements and their aim is to do so by June 2017 to allow time for consultation prior to the deadline of 31 December 2017.

- 4.4 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in must be made by Full Council (authority meeting as a whole).
- 4.5 The deadline by which authorities will need to opt in to the appointing person arrangements is 5pm on the 9<sup>th</sup> March 2017. It is important that this issue is considered by Council at the January meeting in order to meet the deadline.

## 5. Key issues and proposals

- 5.1 Local authorities can choose to make their own arrangements independent of the PSAA either individually or in conjunction with other bodies. However, to do so would mean that significant economies of scale would be lost and substantial procedural and administrative bureaucracy, to ensure compliance with the regulations, would fall to the council along with any associated cost. There are no plans for a Lancashire wide procurement exercise and with the possible exception of one Lancashire district, all are expected to follow the national route thereby limiting opportunities for a smaller regional procurement option.
- 5.2 It is likely that a sector wide procurement conducted by PSAA will produce better outcomes for the Council than any procurement we undertook by ourselves or with a limited number of partners. Use of the PSAA will also be less resource intensive than establishing an auditor panel and conducting our own procurement.
- 5.3 The success of any contract is tied to the management of that contract and having established good working relationships with our current external auditors we are confident that we can replicate this approach with a different firm if a change occurs as a result of the national approach.
- 5.4 The main advantages of using PSAA are set out in its prospectus and are copied below; these can also be viewed as the disadvantages if the Council was to decide to undertake its own procurement.
- \* Assure timely auditor appointments
  - \* Manage independence of auditors
  - \* Secure highly competitive prices
  - \* Save on procurement costs
  - \* Save time and effort needed on auditor panels
  - \* Focus on audit quality
  - \* Operate on a not for profit basis and distribute any surplus funds to scheme members.

<b>Financial and legal implications</b>	
Finance	The current External Audit arrangements expire after 2017/18 and the appointment of External Auditors beyond this period must be agreed by 31 December 2017. It is anticipated that savings may be generated by opting into an arrangement with national scope. However, at this time the estimates will continue to reflect current audit costs with any reduction being reflected during the normal budget setting process.
Legal	The legal considerations are outlined in the body of this report.

### **Other risks/implications: checklist**

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

<b>risks/implications</b>	<b>✓ / x</b>
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

<b>risks/implications</b>	<b>✓ / x</b>
asset management	x
climate change	x
data protection	x

report author	telephone no.	email	date
Clare James	01253 887308	<a href="mailto:Clare.james@wyre.gov.uk">Clare.james@wyre.gov.uk</a>	05.10.2016

<b>List of background papers:</b>		
name of document	date	where available for inspection

### **List of appendices**

Appendix 1 - PSAA Prospectus

Appendix 2 - PSAA – Appointing Person – Frequently Asked Questions

arm/ex/cou/cr/17/1901cj1



# Developing the option of a national scheme for local auditor appointments

[www.psa.co.uk](http://www.psa.co.uk)

“The LGA has worked hard to secure the option for local government to appoint auditors through a dedicated sector-led national procurement body. I am sure that this will deliver significant financial benefits to those who opt in.”

– Lord Porter CBE, Chairman,  
Local Government Association

Over the next few months all principal authorities will need to decide how their auditors will be appointed in the future. They may make the appointment themselves, or in conjunction with other bodies. Or they can take advantage of a national collective scheme which is designed to offer them a further choice. Choosing the national scheme should pay dividends in quality, in cost, in responsiveness and in convenience.

Public Sector Audit Appointments Ltd (PSAA) is leading the development of this national option. PSAA is a not-for-profit company which already administers the current audit contracts. It aims to be designated by the Department for Communities & Local Government (DCLG) to operate a collective scheme for auditor appointments for principal authorities (other than NHS bodies) in England. It is currently designing the scheme to reflect the sector's needs and views.

The Local Government Association (LGA) is strongly supportive of this ambition, and 200+ authorities have already signalled their positive interest. This is an opportunity for local government, fire, police and other bodies to act in their own and their communities' best interests.

We hope you will be interested in the national scheme and its development. We would be happy to engage with you to hear your views – please contact us at [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk)

You will also find some questions at the end of this booklet which cover areas in which we would particularly welcome your feedback.

# Audit does matter

High quality independent audit is one of the cornerstones of public accountability. It gives assurance that taxpayers' money has been well managed and properly expended. It helps to inspire trust and confidence in the organisations and people responsible for managing public money.

Imminent changes to the arrangements for appointing the auditors of local public bodies are therefore very important. Following the abolition of the Audit Commission, local bodies will soon begin to make their own decisions about how and by whom their auditors are appointed. A list of the local government bodies affected can be found at the end of this booklet.

The Local Government Association (LGA) has played a leadership role in anticipating these changes and influencing the range of options available to local bodies. In particular, it has lobbied to ensure that, irrespective of size, scale, responsibilities or location, principal local government bodies can, if they wish, subscribe to a specially authorised national scheme which will take full responsibility for local auditor appointments which offer a high quality professional service and value for money.

The LGA is supporting PSAA in its application to the Department for Communities & Local Government (DCLG) to be appointed to deliver and manage this scheme.

# PSAA is well placed to award and manage audit contracts, and appoint local auditors under a national scheme

PSAA is an independent, not-for-profit company limited by guarantee and established by the LGA. It already carries out a number of functions in relation to auditor appointments under powers delegated by the Secretary of State for Communities & Local Government. However, those powers are time-limited and will cease when current contracts with audit firms expire with the completion of the 2017/18 audits for local government bodies, and the completion of the 2016/17 audits for NHS bodies and smaller bodies.

The expiry of contracts will also mark the end of the current mandatory regime for auditor appointments. Thereafter, local bodies will exercise choice about whether they opt in to the authorised national scheme, or whether they make other arrangements to appoint their own auditors.

PSAA wishes to be selected to be the trusted operator of the national scheme, formally specified to undertake this important role by the Secretary of State. The company is staffed by a team with significant experience in appointing auditors, managing contracts with audit firms and setting and determining audit fees. We intend to put in place an advisory group, drawn from the sector, to give us ready access to your views on the design and operation of the scheme. We are confident that we can create a scheme which delivers quality-assured audit services to every participating local body at a price which represents outstanding value for money.

“Many district councils will be very aware of the resource implications of making their own appointment. Joining a well-designed national scheme has significant attractions.”

– Norma Atlay, President,  
Society of District Council Treasurers

“Police bodies have expressed very strong interest in a national scheme led by PSAA. Appointing the same auditor to both the PCC and the Chief Constable in any area must be the best way to maximise efficiency.”

– Sean Nolan, President,  
Police and Crime Commissioners  
Treasurers’ Society (PACCTS)

## The national scheme can work for you

We believe that the national scheme can be an excellent option for all local bodies. Early indications are that many bodies agree - in a recent LGA survey more than 200 have expressed an interest in joining the scheme.

We plan to run the scheme in a way that will save time and resources for local bodies - time and resources which can be deployed to address other pressing priorities. Bodies can avoid the necessity to establish an auditor panel (required by the Local Audit & Accountability Act, 2014) and the need to manage their own auditor procurement. The scheme will take away those headaches and, assuming a high level of participation, be able to attract the best audit suppliers and command highly competitive prices.

The scope of public audit is wider than for private sector organisations. For example, it involves forming a conclusion on the body’s arrangements for securing value for money, dealing with electors’ enquiries and objections, and in some circumstances issuing public interest reports. PSAA will ensure that the auditors which it appoints are the most competent to carry out these functions.

Auditors must be independent of the bodies they audit, to enable them to them to carry out their work with objectivity and credibility, and in a way that commands public confidence. PSAA plans to take great care to ensure that every auditor appointment passes this test. It will also monitor any significant proposals, above an agreed threshold, for auditors to carry out consultancy or other non-audit work to ensure that these do not undermine independence and public confidence.

The scheme will also endeavour to appoint the same auditors to bodies which are involved in formal collaboration/joint working initiatives or within combined authority areas, if the parties consider that a common auditor will enhance efficiency and value for money.

## PSAA will ensure high quality audits

We will only contract with firms which have a proven track record in undertaking public audit work. In accordance with the 2014 Act, firms must be registered with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of their work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC). Current indications are that fewer than ten large firms will register meaning that small local firms will not be eligible to be appointed to local public audit roles.

PSAA will ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any concerns are detected at an early stage and addressed effectively in the new regime. The company will take a close interest in feedback from audited bodies and in the rigour and effectiveness of firms' own quality assurance arrangements, recognising that these represent some of the earliest and most important safety nets for identifying and remedying any problems arising. We will liaise with the National Audit Office (NAO) to help ensure that guidance to auditors is updated when necessary.

We will include obligations in relation to maintaining and continuously improving quality in our contract terms and quality criteria in our tender evaluation method.

## PSAA will secure highly competitive prices

A top priority must be to seek to obtain the best possible prices for local audit services. PSAA's objective will be to make independent auditor appointments at the most competitive aggregate rate achievable.

Our current thinking is that the best prices will be obtained by letting three year contracts, with an option to extend to five years, to a relatively small number of appropriately registered firms in two or three large contract areas nationally. The value of each contract will depend on the prices bid, with the firms offering the best prices being awarded larger amounts of work. By having contracts with a number of firms we will be able to ensure independence and avoid dominance of the market by one or two firms.

Correspondingly, at this stage our thinking is to invite bodies to opt into the scheme for an initial term of three to five years, subject, of course, to the terms of specification by DCLG.

The procurement strategy will need to prioritise the importance of demonstrably independent appointments, in terms of both the audit firm appointed to each audited body and the procurement and appointment processes used. This will require specific safeguards in the design of the procurement and appointment arrangements.



“Early audit planning is a vital element of a timely audit. We need the auditors to be available and ready to go right away at the critical points in the final accounts process.”

– Steven Mair, City Treasurer,  
Westminster City Council

“In forming a view on VFM arrangements it is essential that auditors have an awareness of the significant challenges and changes which the service is grappling with.”

– Charles Kerr, Chair,  
Fire Finance Network

## PSAA will establish a fair scale of fees

Audit fees must ultimately be met by individual audited bodies. PSAA will ensure that fee levels are carefully managed by securing competitive prices from firms and by minimising PSAA's own costs. The changes to our role and functions will enable us to run the new scheme with a smaller team of staff. PSAA is a not-for-profit company and any surplus funds will be returned to scheme members.

PSAA will pool scheme costs and charge fees to audited bodies in accordance with a fair scale of fees which has regard to size, complexity and audit risk. Pooling means that everyone within the scheme will benefit from the most competitive prices. Current scale fees are set on this basis. Responses from audited bodies to recent fee consultations have been positive.

PSAA will continue to consult bodies in connection with any proposals to establish or vary the scale of fees. However, we will not be able to consult on our proposed scale of fees until the initial major procurement has been completed and contracts with audit firms have been let. Fees will also reflect the number of scheme participants - the greater the level of participation, the better the value represented by our scale of fees. We will be looking for principal bodies to give firm commitments to join the scheme during Autumn 2016.

# The scheme offers multiple benefits for participating bodies

We believe that PSAA can deliver a national scheme which offers multiple benefits to the bodies which take up the opportunity to collaborate across the sector by opting into scheme membership.

Benefits include:

- assured appointment of a qualified, registered, independent auditor
- appointment, if possible, of the same auditors to bodies involved in significant collaboration/joint working initiatives or combined authorities, if the parties believe that it will enhance efficiency and value for money
- on-going management of independence issues
- securing highly competitive prices from audit firms
- minimising scheme overhead costs
- savings from one major procurement as opposed to a multiplicity of small procurements
- distribution of surpluses to participating bodies
- a scale of fees which reflects size, complexity and audit risk
- a strong focus on audit quality to help develop and maintain the market for the sector
- avoiding the necessity for individual bodies to establish an auditor panel and to undertake an auditor procurement
- enabling time and resources to be deployed on other pressing priorities
- setting the benchmark standard for audit arrangements for the whole of the sector

We understand the balance required between ensuring independence and being responsive, and will continually engage with stakeholders to ensure we achieve it.

# How can you help?

We are keen to receive feedback from local bodies concerning our plans for the future. Please let us have your views and let us know if a national scheme operated by PSAA would be right for your organisation.

In particular we would welcome your views on the following questions:

1. Is PSAA right to place emphasis on both quality and price as the essential pre-requisites for successful auditor appointments?
2. Is three to five years an appropriate term for initial contracts and for bodies to sign up to scheme membership?
3. Are PSAA's plans for a scale of fees which pools scheme costs and reflects size, complexity and audit risk appropriate? Are there any alternative approaches which would be likely to command the support of the sector?
4. Are the benefits of joining the national scheme, as outlined here, sufficiently attractive? Which specific benefits are most valuable to local bodies? Are there others you would like included?
5. What are the key issues which will influence your decisions about scheme membership?
6. What is the best way of us continuing our engagement with you on these issues?

Please reply to: [generalenquiries@psaa.co.uk](mailto:generalenquiries@psaa.co.uk)

The following bodies will be eligible to join the proposed national scheme for appointment of auditors to local bodies:

- county councils in England
- district councils
- London borough councils
- combined authorities
- passenger transport executives
- police and crime commissioners for a police area in England
- chief constables for an area in England
- national park authorities for a national park in England
- conservation boards
- fire and rescue authorities in England
- waste authorities
- the Greater London Authority and its functional bodies.

#### **BOARD MEMBERS**

Steve Freer (Chairman), former Chief Executive CIPFA

Caroline Gardner, Auditor General Scotland

Clive Grace, former Deputy Auditor General Wales

Stephen Sellers, Solicitor, Gowling WLG (UK) LLP

#### **CHIEF OFFICER**

Jon Hayes, former Audit Commission Associate Controller

“Maintaining audit quality is critically important. We need experienced audit teams who really understand our issues.”

– Andrew Burns, Director of Finance and Resources,  
Staffordshire County Council

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[www.psaa.co.uk](http://www.psaa.co.uk)

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Public Sector  
Audit Appointments

### Appointing person: Frequently asked questions

Question	Response
1. What is an appointing person?	<p>Public Sector Audit Appointments Limited (PSAA) has been specified as an appointing person under the Local Audit (Appointing Person) Regulations 2015 and has the power to make auditor appointments for audits of the accounts from 2018/19 on behalf of principal local government bodies that opt in, in accordance with the Regulations. Eligible bodies are principal local government bodies listed in schedule 2 of the Local Audit and Accountability Act 2014. This includes county councils, district councils, London Borough councils, unitary authorities, metropolitan councils, police bodies, fire and rescue authorities, joint authorities, combined authorities, national park authorities, conservation boards, PTEs, waste authorities, and the GLA and its functional bodies.</p> <p>The 'appointing person' is sometimes referred to as the sector-led body.</p> <p>PSAA is a company owned by the LGA's Improvement and Development Agency (IDeA) and was established to operate the transitional arrangements following closure of the Audit Commission.</p>
2. When will invitations to opt in be issued?	<p>The date by which principal authorities will need to opt into the appointing person arrangement is not yet finalised. The aim is to award contracts to audit firms by June 2017, giving six months to consult with authorities on appointments before the 31 December 2017 deadline. We anticipate that invitations to opt in will be issued before December 2016 at the latest.</p>

Question	Response
	<p>Authorities will have a minimum period of eight weeks to respond to the invitation.</p> <p>In order to maximise the potential economies of scale from agreeing large contracts with firms, and to manage any auditor independence issues, PSAA needs as much certainty as possible about the volume and location of work it is able to offer to firms. Our provisional timetable suggests that we will need to start preparing tender documentation early in 2017, so we will need to know by then which authorities want to be included.</p>
<p>3. Who can accept the invitation to opt in?</p>	<p>In accordance with Regulation 19 of the Local Audit (Appointing Person) Regulations 2015, a principal authority will need to make the decision to opt in at full council (authority meeting as a whole), except where the authority is a corporation sole (such as a police and crime commissioner), in which case the function must be exercised by the holder of the office.</p>
<p>4. Can we join after it has been set up or do we have to join at the beginning?</p>	<p>The Regulations require that once the invitations to opt in have been issued, there will be a minimum period of eight weeks for you to indicate acceptance of the invitation. One of the main benefits of a an appointing person approach is the ability to achieve economies of scale as a result of being able to offer larger volumes of work. The greater the number of participants we have signed up at the outset, the better the economies of scale we are likely to achieve. This will not prevent authorities from joining the sector-led arrangements in later years, but they will need to make their own arrangements to appoint an auditor in the interim. In order to be in the best position we would encourage as many authorities as possible to commit by accepting the invitation within the specified timeframe.</p>

Question	Response
5. Will membership be free for existing members of the LGA?	The option to join the appointing person scheme will be open to all principal local government authorities listed under Schedule 2 of the Local Audit and Accountability Act 2014. There will not be a fee to join the sector-led arrangements. The audit fees that opted-in bodies will be charged will cover the costs to PSAA of appointing auditors and managing the arrangements. We believe that audit fees achieved through large contracts will be lower than the costs that individual authorities will be able to negotiate. In addition, by opting into the PSAA offer, authorities will avoid the costs of their own procurement and the requirement to set up an auditor panel with independent members.
6. How will we be able to influence the development of the appointing person scheme and associated contracts with audit firms?	We have not yet finalised the governance arrangements and we are considering the options, including how best to obtain stakeholder input. We are considering establishing a stakeholder engagement panel or advisory panel which can comment on our proposals. PSAA continues to work in partnership with the LGA in setting up the appointing person scheme and you can feed in comments and observations to PSAA by emailing <a href="mailto:generalenquiries@psaa.co.uk">generalenquiries@psaa.co.uk</a> and via the LGA and their Principal Advisors.
7. Will there be standard contract terms and conditions?	The audit contracts between PSAA and the audit firms will require firms to deliver audits compliant with the National Audit Office (NAO) Code of Audit Practice. We are aware that authorities would like to understand how performance and delivery will be monitored and managed. This is one of the issues that could be discussed with the stakeholder advisory panel (see Q6).
8. What will be the length of the contracts?	The optimal length of contract between PSAA and firms has not been decided. We would welcome views on what the sector

Question	Response
	considers the optimal length of audit contract. We anticipate that somewhere between three and five years would be appropriate.
9. In addition to the Code of Audit Practice requirements set out by the NAO, will the contract be flexible to enable authorities to include the audit of wholly owned companies and group accounts?	<p>Local authority group accounts are part of the accounts produced under the CIPFA SORP and are subject to audit in line with the NAO Code of Audit Practice. They will continue to be part of the statutory audit.</p> <p>Company audits are subject to the provisions of the Companies Act 2006 and are not covered by the Local Audit (Appointing Person) Regulations 2015. Local authority companies will be able to appoint the same audit firm as PSAA appoints to undertake the principal body audit, should they so wish.</p>
10. Will bodies that opt in be able to seek information from potential suppliers and undertake some form of evaluation to choose a supplier?	PSAA will run the tendering exercise, and will evaluate bids and award contracts. PSAA will consult authorities on individual auditor appointments. The appointment of an auditor independently of the body to be audited is an important feature of the appointing person arrangements and will continue to underpin strong corporate governance in the public sector.
11. Will the price be fixed or will there be a range of prices?	The fee for the audit of a body that opts in will reflect the size, audit risk and complexity of the work required. PSAA will establish a system for setting the fee which is fair to all opted-in authorities. As a not-for-profit organisation, PSAA will be able to return any surpluses to participating authorities after all costs have been met.
12. We have shared service arrangements with our neighbouring bodies and we are looking to ensure that we share the same auditor. Will the appointing person scheme allow for this?	PSAA will be able to make appointments to all principal local government bodies listed in Schedule 2 of the Local Audit and Accountability Act 2014 that are 'relevant authorities' and not excluded as a result of being smaller authorities, for example parish councils.



Question	Response
	<p>In setting up the new arrangements, one of our aims is to make auditor appointments that take account of joint working and shared service arrangements. Requests for the same auditor as other authorities will need to be balanced with auditor independence considerations. As we have set out in our prospectus, auditors must be independent of the bodies they audit. PSAA will have an obligation under the provisions of the Local Audit and Accountability Act 2014 and in compliance with the Ethical Standards issued by the Financial Reporting Council to ensure that every auditor appointment it makes passes this test. We will need information from opted-in authorities on potential independence considerations and joint working arrangements, and will also need information on independence issues from the audit firms. Risks to auditor independence include, for example, an audit firm having previously been engaged to advise on a major procurement which could, of course, later be subject to audit.</p>
<p>13. We have a joint committee which no longer has a statutory requirement to have an external auditor but has agreed in the interests of all parties to continue to engage one. Is it possible to use this process as an option to procure the external auditor for the joint committee?</p>	<p>The requirement for joint committees to produce statutory accounts ceased after production of the 2014/15 accounts and they are therefore not listed in Schedule 2. Joint committees that have opted to produce accounts voluntarily and obtain non-statutory assurance on them will need to make their own local arrangements.</p>
<p>14. How will the appointing person scheme ensure audit firms are not over-stretched and that the competition in the market place is increased?</p>	<p>The number of firms eligible to undertake local public audit will be regulated through the Financial Reporting Council and the recognised Supervisory Bodies (RSBs). Only appropriately accredited firms will be able to bid for appointments whether that is through PSAA or an auditor panel. The seven firms appointed by PSAA and the Audit Commission generally</p>

Question	Response
	<p>maintain a dedicated public sector practice with staff trained and experienced in public sector work.</p> <p>One of the advantages of the appointing person option is to make appointments that help to ensure that each successful firm has a sufficient quantum of work to make it possible for them to invest in public sector specific training, maintain a centre of excellence or hub that will mean:</p> <ul style="list-style-type: none"> <li>• firms have a regional presence;</li> <li>• greater continuity of staff input; and</li> <li>• a better understanding the local political, economic and social environment.</li> </ul>
<p>15. Will the appointing person scheme contract with a number of different audit firms and how will they be allocated to authorities?</p>	<p>PSAA will organise the contracts so that there is a minimum number of firms appointed nationally. The minimum is probably four or five (depending on the number of bodies that opt in). This is required, not just to ensure competition and capacity, but because each firm is required to comply with the FRC's ethical standards. This means that an individual firm may not be appointable for 'independence' reasons, for example, because they have undertaken consultancy work at an audited body. PSAA will consult on appointments that allow each firm a balanced portfolio of work subject to independence considerations.</p>
<p>16. What will be the process to feed in opinions from customers of current auditors if there are issues?</p>	<p>PSAA will seek feedback on its auditors as part of its engagement with the sector. PSAA will continue to have a clear complaints process and will also undertake contract monitoring of the firms it appoints.</p>
<p>17. What is the timetable for set up and key decisions?</p>	<p>We expect the key points in the timetable to be broadly:</p>

Question	Response
	<ul style="list-style-type: none"> <li>• establish an overall strategy for procurement - by 31 October 2016;</li> <li>• achieve 'sign-up' of scheme members - by early January 2017;</li> <li>• invite tenders from audit firms - by 31 March 2017;</li> <li>• award contracts - by 30 June 2017;</li> <li>• consult on and make final auditor appointments - by 31 December 2017; and</li> <li>• consult on, propose audit fees and publish fees - by 31 March 2018.</li> </ul>
18. What are the terms of reference of the appointing person?	PSAA is wholly owned by the IDeA (the IDeA is wholly owned by the LGA). PSAA will continue to operate as an independent company, although there will be changes to its governance arrangements and its founding documents to reflect the fact that it will be an appointing person rather than a transitional body.
19. Will the appointing person take on all audit panel roles and therefore mitigate the need for there to be one in each individual authority?	Opting into the appointing person scheme will remove the need to set up an auditor panel. This is set out in the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015.

Question	Response
<p>20. What will be the arrangements for overseeing the quality of audit work undertaken by the audit firms appointed by the appointing person?</p>	<p>PSAA will only contract with firms which have a proven track record in undertaking public audit work. In accordance with the 2014 Act, firms must be registered with one of the chartered accountancy institutes acting in the capacity of a Recognised Supervisory Body (RSB). The quality of their work will be subject to scrutiny by both the RSB and the Financial Reporting Council (FRC). Current indications are that fewer than ten large firms will register meaning that small local firms will not be eligible to be appointed to local public audit roles.</p> <p>PSAA will ensure that firms maintain the appropriate registration and will liaise closely with RSBs and the FRC to ensure that any concerns are detected at an early stage and addressed effectively in the new regime. The company will take a close interest in feedback from audited bodies and in the rigour and effectiveness of firms' own quality assurance arrangements, recognising that these represent some of the earliest and most important safety nets for identifying and remedying any problems arising. We will liaise with the NAO to help ensure that guidance to auditors is updated when necessary.</p>