

Agenda

Audit and Governance Committee

Date:	Thursday, 28 September 2023 at 6:30 pm
Venue:	Town Hall, St Annes, FY8 1LW
Committee members:	Councillor Michael Withers (Chairman) Councillor Andrew Redfearn (Vice-Chairman) Councillors Peter Anthony, Liz Bickerstaffe, Ellie Gaunt, Joanne Gardner, Paul Hayhurst, John Kirkham, Ed Nash

	PROCEDURAL ITEMS:	PAGE
1	Declarations of Interest: Declarations of interest, and the responsibility for declaring the same, are matters for elected members. Members are able to obtain advice, in writing, in advance of meetings. This should only be sought via the Council's Monitoring Officer. However, it should be noted that no advice on interests sought less than one working day prior to any meeting will be provided.	1
2	Confirmation of Minutes: To confirm the minutes, as previously circulated, of the meeting held on 20 July 2023 as a correct record.	1
3	Substitute Members: Details of any substitute members notified in accordance with council procedure rule 23(c).	1
	DECISION ITEMS:	
4	External Audit – Position Statement 2021-22 and 2022-23	3 - 9
5	Internal Audit Service	10 - 13
6	Internal Audit Progress Report	14 - 32
7	Chief Executive Terms and Conditions: JNC Handbook	33 - 35
8	Independent Persons Allowances	36 - 52
9	Constitution Amendments	53 - 55

Contact: Democracy - Telephone: (01253) 658550 – Email: democracy@fylde.gov.uk

The code of conduct for members can be found in the council's constitution at
<http://fylde.cmis.uk.com/fylde/DocumentsandInformation/PublicDocumentsandInformation.aspx>

© Fylde Council copyright 2023

You may re-use this document/publication (not including logos) free of charge in any format or medium. You must re-use it accurately and not in a misleading context.

The material must be acknowledged as Fylde Council copyright and you must give the title of the source document/publication.

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

This document/publication is also available on our website at www.fylde.gov.uk

Any enquiries regarding this document/publication should be sent to us at the Town Hall, St Annes Road West, St Annes FY8 1LW, or to listening@fylde.gov.uk.

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
CHIEF FINANCIAL OFFICER	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	4
EXTERNAL AUDIT – POSITION STATEMENT 2021-22 AND 2022-23			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources (Councillor Ellie Gaunt).

PURPOSE OF THE REPORT

The purpose of this report is to provide the committee with a current position statement with regard to the overdue audit of the accounts for the year 2021/22 and the anticipated timescale for the audit work in respect of financial year 2022/23.

RECOVERABILITY

This decision is recoverable under section 7 of part 3 of the constitution.

RECOMMENDATION

1. The Committee is requested to note the audit timetable update provided by the Councils appointed external auditors, Deloitte LLP.

REPORT

1. The Council's Chief Financial Officer, in his capacity as the Authority's Section 151 Officer, is responsible for the preparation annually of the Authority's Statement of Accounts which are intended to present a true and fair view of the financial position of the Authority at the accounting date and its income and expenditure for the relevant financial year to 31st March.
2. The statutory Statement of Accounts are prepared in accordance with applicable laws and regulations and in line with the Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Local Authority Accounting in the United Kingdom (The Code) and within the timescale as prescribed within the appropriate Accounts and Audit Regulations.
3. The Councils appointed external auditors for the relevant financial year, currently Deloitte LLP, are then required to complete an audit of the accounts and present an opinion of the financial statements and accounts in a timely manner such as to allow for the Council to formally to approve and publish the Statement of Accounts as is required under the Accounts and Audit Regulations 2015.
4. In addition to the audit of the accounts, the external auditor is required to provide an annual Value For Money (VFM) assessment of the council by way of an annual commentary on arrangements to demonstrate that the

council “has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources”, published as part of the Auditor’s Annual Report.

5. The purpose of this report is to provide the committee with a current position statement with regard to the audit of the accounts for the year 2021/22 and the anticipated timescale for the audit work in respect of financial year 2022/23.

STATEMENT OF ACCOUNTS 2021/22

6. For the financial year 2021/22, the Council prepared and published the draft pre-audit Statement of Accounts on 31st July 2022 in line with the deadline.
7. The target date for the external audit of those accounts was 30th November 2022, but it has not been possible for Deloitte to meet that deadline and the Statement of Accounts for that year has yet to be formally approved by this committee. The delays are as a result of resourcing challenges at Deloitte and nationwide systemic problems which are summarised in the letter from DLUCH to Chief Executives / Chief Financial Officers / Local Audit Firm Partners regarding local audit delays which is included at Appendix 1 to this report.

STATEMENT OF ACCOUNTS 2022/23

8. For the financial year 2022/23, the Council prepared and published the draft pre-audit Statement of Accounts on 31st May 2023 in line with the deadline.
9. The target date for the external audit of those accounts is 30th September 2023.

POSITION UPDATE AND TIMETABLE

10. The Councils external auditors Deloitte LLP have provided an update on the audit work timetable for the financial years 2021/22 and 2022/23 as attached at appendix 2, which includes an update on the timescales for preparing the annual VFM assessments for those years.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

IMPLICATIONS	
Finance	There are no financial implications arising from the recommendations contained in this report.
Legal	The Council (delegated to Audit and Governance Committee) is required to approve the Statement of Accounts for 2021/22 in line with the appropriate Accounts and Audit Regulations.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report
Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

SUMMARY OF PREVIOUS DECISIONS
There have been no previous decisions relating to the audit of the Statement of Accounts for 2021/22 and 2022/23.

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue Chief Financial Officer	01253 658566	Sept 2023

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		

Attached documents

Appendix 1 – Letter from DLUCH to Chief Executives / Chief Financial Officers / Local Audit Firm Partners regarding local audit delays

Appendix 2 – Update on external audit timetable by Deloitte LLP



Department for Levelling Up,
Housing & Communities

Catherine Frances
Director General, Local Government,
Resilience and Communities
**Department for Levelling Up, Housing
and Communities**

2 Marsham Street
London SW1P 4DF

To: Local Authority Chief Executives and
Chief Financial Officers in England and
Local Audit Firm Partners

14 March 2023

Dear Chief Executive / Chief Financial Officer / Local Audit Firm Partners

For 2020/21 only 12% of local government bodies audited accounts were published by the 30 November deadline. These delays affect the assurances that can be given to taxpayers and elected representatives; and impact on authorities' ability to plan and manage their services and finances effectively. This is a multifaceted and complex problem that requires all actors in the local audit system to play their part. Securing the capacity required for the next contracting period through the most recent procurement led by PSAA is reassuring and has resulted in two new entrants into the market; and there have been several technical solutions that have been put in place to reduce the burdens on auditors and local authorities so that auditors can focus on the backlogs. This letter is to update you on DLUHC's continued work to respond to Sir Tony Redmond's *Local Authority Financial Reporting and external audit: independent review* (the Redmond Review) and to reaffirm the Department's continued resolve to work with you and others across the sector to ensure a system wide approach to reducing the continued delays to local audit.

Local Audit System Leadership

First, I am pleased to let you know that we have recently published a Memorandum of Understanding (MoU) between DLUHC and the Financial Reporting Council (FRC), setting out the roles and responsibilities the FRC will assume as shadow system leader for local audit. A copy of the MoU can be found on the website of the Local Audit Liaison Committee [here](#).

The Redmond Review identified that the fragmented nature of the local audit system limited the ability of the system to respond to emerging challenges. DLUHC's vision for local audit focuses on the need for a system leader to enhance coordination and collaboration amongst stakeholders and establish clear accountability for the functioning of the system. The role of a system leader for local audit will therefore be vital to drive through the reforms necessary for a sustainable, effective local audit system.

The FRC appointed Neil Harris as Director of Local Audit in September 2022 and Neil has established a new local audit unit to spearhead the FRC's new role. We expect full shadow arrangements to start in the coming months, at which point the Department will issue a Remit Letter setting out our policy priorities. The shadow period will continue until the Audit, Reporting and Governance Authority (ARGA) is established through legislation.

Local Audit Delays

The recent National Audit Office's report (*Progress update: Timeliness of local auditor reporting on local government in England*) set out that the backlog of audit opinions remains considerable and pervasive and that the reasons for this are multifaceted. Addressing the existing backlog, alongside embedding sustainable, long-term culture change on timely and high-quality financial reporting and audit will be a key focus for the FRC in its new role.

We and the FRC will continue to engage all parts of the system to determine if further measures are needed in addition to activity underway as set out in our December 2021 publication *Measures to Improve Local Audit Delays*. For example, as you will be aware, the Government acted at the end of last year to lay a Statutory Instrument to provide a temporary solution to the issue concerning the audit of local authority infrastructure assets. These regulations are now in force and I would like to take this opportunity to stress that authorities affected by the issue should seek to close outstanding accounts as soon as possible.

Chief Executive Officers, Chief Financial Officers and your finance teams are critical to delivering high-quality financial reporting in the public interest. As you will be aware, this includes complying with the Chartered Institute of Public Finance and Accountancy's (CIPFA) financial reporting framework, professional accounting standards, being accountable with appropriate expert support for critical accounting judgements, estimates and ensuring through robust internal quality assurance that sufficient and appropriate evidence exists to support the primary statements and disclosure notes ahead of audit. This should involve submitting the annual auditor's report to the Audit Committee and then Full Council, accompanied by the response recommended by the audit committee to any significant issues raised in the report. It is also incumbent upon the Chief Financial Officer to report to the Chief Executive, Audit Committee and others if there are any concerns on the capacity, capability and ability to deliver high-quality draft financial statements by the statutory deadline.

Within audit firms, auditors and the Key Audit Partner also have a fundamental role in safeguarding high quality audits but also setting out to the Chief Executive, CFO and Audit Committee a realistic project and delivery plan for delayed audits and the critical dependencies. For example, this may involve (but is not limited to) obtaining sufficient and appropriate evidence from management on critical judgements, or securing the appropriate mix of skilled and specialist audit resource. Key Audit Partners also have a critical role to report as soon as practicable where they have identified any significant concerns and/or risks of significant weaknesses in Value for Money arrangements and what action should be taken by management, Audit Committee and full Council. It is just as important for this to happen if the delays are associated with concerns on the Local Authorities' financial reporting systems, process, capacity and capability.

The Department and FRC are now actively reviewing where lengthy backlogs of audits exist from both an auditor and local authority perspective. It is evident that in some cases an audit has not been completed in several years and this is clearly not in the interests of the council or the taxpayers. We expect audit firms and Local Authorities to work together to resolve this and I urge you to make every effort to collaboratively consider where historic issues are compounding delays unnecessarily and, where they are, to put in place an action plan and timetable to ensure these are swiftly resolved. I would also ask that, if you have not already done so, Local Authority CEOs and CFOs, and your respective audit partners each provide the Audit Committee with a written position statement. This should set out the outstanding matters, the impact this position could have on the audit opinion(s) and any reporting under statutory audit powers, the actions and timetable to resolve these from a local authority and auditor perspective, as well as a judgement from each of you on how realistic and achievable this is. This should be done as early as possible and would enable the Audit Committee to exercise its role to determine whether it has sufficient assurance on the action plans and if not

what additional information and explanations it requires to make a decision that balances a realistic and swift timetable for authorising the historic audited financial statements for issue. You should also consider whether this statement should also be submitted to full council.

It is clear that ensuring system wide timely delivery of local audits will require a continued, concerted effort from everyone across the system and I welcome your joint support in this undertaking.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C Frances', with a small dot at the end.

CATHERINE FRANCES

The following update has been provided by Deloitte on 15th September 2023 in respect of the outstanding audits:

“For the audits the general plan is the following:

- 2021/22 – To have it signed by the end of the year.
- 2022/23 – Aim to get planning started before the end of the year and then we have staff booked March/April 2024 to complete the audit.”

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
CHIEF FINANCIAL OFFICER	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	5
INTERNAL AUDIT SERVICE			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources(Councillor Ellie Gaunt).

PURPOSE OF THE REPORT

The council's internal audit service is currently provided under contract by Mersey Internal Audit Agency (MIAA). This is based on a two-year agreement from 1st April 2022 to 31st March 2024. This report considers the effectiveness of this arrangement and proposes an extension of the agreement with MIAA for a further two-year period to 31st March 2026.

RECOVERABILITY

This decision is recoverable under section 7 of part 3 of the constitution.

RECOMMENDATIONS

The Committee is recommended:

To approve the re-appointment of MIAA, by a direct award under lot 2 of the NHS Business Services Procurement Framework, to provide internal audit services to the council from the end of the present contract until 31st March 2026.

REPORT

Need for and role of internal audit

1. The Public Sector Internal Audit Standards (PSIAS) define auditing as "*an independent, objective assurance and consulting activity designed to add value and improve an organisation's operation. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance procedures*".
2. There are also statutory obligations which require a local authority to maintain an internal audit service as follows:
 - Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for "*the proper administration of their financial affairs...*". It is the view of the Chartered Institute of Public Finance and Accountancy (CIPFA) that proper administration requires a wider consideration of all aspects of local authority financial management and should include compliance with statutory requirements for auditing and internal audit.

- Under the Accounts and Audit Regulations 2015 a relevant local authority must undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance¹.
3. In their statement of the role of the Chief Financial Officer, CIPFA sets out a number of key principles and responsibilities linked to the role including:

Ensuring that the authority has in place effective arrangements for internal audit of the control environment and systems of internal control as required by professional standards and in line with CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom.
 4. It can be seen from the aforementioned paragraphs that the council must ensure the provision of an effective internal audit function. However, the precise form this takes is for the Council to determine.

Background

5. Until 2017, the council's internal audit function was provided by a directly employed head of internal audit, supported by two other audit staff, one of whom was also a qualified and accredited auditor. Subsequently, the post of head of internal audit was shared on a fifty-fifty basis with Preston City Council, while the other audit staff continued to be directly employed by Fylde. That arrangement came to an end in January 2021 due to the departure from the council of audit team staff members.
6. As a temporary arrangement to ensure the continued provision of an internal audit service, a one-year contract was awarded to Mersey Internal Audit Agency ('MIAA') to provide internal audit services to 31st March 2022. The arrangement proved to be satisfactory both in terms of the quality of the service and in terms of value for money and in February 2022 the Audit and Standards Committee agreed to extend the arrangement for a further two-year contract period to 31st March 2024.
7. To ensure a continuation of the provision of an internal audit service it is now timely to consider how the service is to be delivered after March 2024.
8. The budgeted cost of the current arrangement with MIAA in the current financial year is £90,424, based on delivery of the internal audit plan approved by the Audit and Standards Committee at its meeting of 16th March 2023.
9. The arrangements with MIAA have been in place since April 2021 and have proved to be an efficient means of delivering a high-quality and cost-effective service. Members will be familiar with Louise Cobain and Fiona Hill, who have been the lead auditors assigned to Fylde. They have been supported by other qualified auditors employed by MIAA. Management Team and the Corporate Governance Group remain very satisfied with the thoroughness and professionalism of the service that has been provided. The Audit and Standards Committee report of February 2022 considered a number of alternative ways of delivering the internal audit service. The Committee determined that a continuation of the MIAA was preferable and discounted each of the available alternatives as each presented a risk to the resilience of the service that the MIAA arrangement secures and would not necessarily achieve improved value for money. A link to that report can be found here: [Audit Committee Report February 2022](#)

Procurement considerations

10. Procurement regulations would not require the service to be exposed to further competition as a direct award can be made under the [NHS Business Services framework](#), which is open to the wider public sector as well as NHS bodies. MIAA is one of fifteen providers who can be appointed under lot 2 (internal audit) of the framework. Using the framework would provide assurance that procurement requirements had been met and that all providers were appropriately qualified and resourced to provide the services.
11. A direct award would be based on the rates provided by the supplier for the purposes of the framework. Rates are provided for different grades of auditor, based on a standard length of day, together with a blended day rate for audit work.
12. The present arrangement with MIAA is on the basis of a blended day rate of £350 per audit day. The blended day rate of MIAA on the framework is £376². This is the third lowest among the fifteen suppliers in lot 2.

¹ See regulation 5

Officers consider that the blended day rate represents good value, and that any marginal saving that would be made by moving to another provider would not justify the dislocation that would be caused. On the working assumption that the internal audit plan for 2024/25 will require the same number of internal audit days to deliver as the current year, the framework rate of £376 per audit day would equate to £97,141 which is within the existing budget provision for delivery of an internal audit service. The net cost of the previous in-house internal audit provision was £107,597 during the last full year of its operation.

13. A direct award would be for 2 years commencing on 1 April 2024, on the rates, terms and conditions set out by the framework agreement. Making such an award to MIAA would allow the present well-regarded audit service to continue with no dislocation, at a satisfactory price and in compliance with the council's procurement rules and the Public Contracts Regulations 2015 ("PCR").

Recommendation

14. Officers are satisfied that the services offered by MIAA during the contract period have been robust, responsive, professional and proficient. The assigned auditors have become familiar with and familiar to officers and to members of the committee. Relationships of trust and respect have been established. An audit plan has been put in place and has, subject to adjustments agreed with the auditors, formed the basis of a methodical and thorough risk-based programme of assurance. MIAA has a broad range of auditors available and are able to utilise particular personnel to undertake more specialist work, drawing upon its staffing base.
15. As such, it is therefore unlikely that there would be scope for a change in provider to lead to a significantly better service and the renewal of the contract with MIAA for a further two-year term is recommended.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	
Environment – To deliver services customers expect	
Efficiency – By spending money in the most efficient way	√
Tourism – To create a great place to live and visit	

IMPLICATIONS	
Finance	If approved, the cost of the recommendation as detailed within this report can be met from existing budget provision for the delivery of an internal audit service.
Legal	Commissioning the service from an external provider would engage the legislation and internal rules about procurement. However, these could be satisfied by awarding a contract under an applicable framework. It may also be possible to structure a shared service to avoid procurement controls being engaged.
Community Safety	None arising
Human Rights and Equalities	None arising
Sustainability and Environmental Impact	None arising
Health & Safety and Risk Management	None arising

SUMMARY OF PREVIOUS DECISIONS
<u>Audit and Standards Committee, 18 March 2021:</u>

² The blended day rates in the framework range from £310 per day (CW Audit Services) to £1,028 per day (Deloitte).

1. To note the awarding of a contract, under the exempt contract procedure rules, by the Director of Resources to the Mersey Internal Audit Agency until the 31 March 2022 for a partial internal audit service including the role of Head of Internal Audit.
2. To seek an options appraisal report from the Head of Governance as soon as practicable to consider how the internal audit service can be delivered from 1 April 2022 onwards with resilience built into future arrangements.

Audit and Standards Committee, 23 February 2022:

1. To appoint Mersey Internal Audit Agency (MIAA), by a direct award under lot 2 of the NHS Business Services Framework, to provide internal audit services to the council from the end of their present contract until 31 March 2024.

BACKGROUND PAPERS REVELANT TO THIS ITEM

Name of document	Date	Where available for inspection

LEAD AUTHOR	CONTACT DETAILS	DATE
Paul O'Donoghue	paul.o'donoghue@fylde.gov.uk	September 2023

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
MIAA	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	6
INTERNAL AUDIT PROGRESS REPORT			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources (Councillor Ellie Gaunt).

PURPOSE OF THE REPORT

This report provides an update to the Audit & Governance Committee in respect of the progress made in against the Internal Audit Plan for 2022/23 and 2023/24 and draws attention to matters relevant to members responsibilities.

RECOVERABILITY

This decision is not recoverable because it relates to:

A recommendation to the council or to any other committee or sub-committee of the council

RECOMMENDATION

1. To receive, consider and comment on the Internal Audit Progress Report which is attached to this covering report.

REPORT

1. The attached report has been prepared by the Council's internal auditors, MIAA. It provides an update to the Audit and Governance Committee in respect of the assurances, key issues and progress against the Internal Audit Plans 2022/23 and 2023/24. Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request.
2. MIAA will present the report to the meeting.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	

IMPLICATIONS	
Finance	No implications
Legal	No implications
Community Safety	No implications
Human Rights and Equalities	No implications
Sustainability and Environmental Impact	No implications
Health & Safety and Risk Management	No implications

SUMMARY OF PREVIOUS DECISIONS
Internal Audit Plan 2022/23 approved by the Audit and Standards Committee on 17 March 2022. Internal Audit Plan 2023/24 approved by the Audit and Standards Committee on 16 March 2023

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
None		

LEAD AUTHOR	CONTACT DETAILS	DATE
Louise Cobain	louise.cobain@miaa.nhs.uk	September 2023

Attached documents
Appendix 1 – Internal Audit Progress Report

Internal Audit Progress Report

Audit and Governance Committee (29th September 2023)

Fylde Borough Council

Contents

1 Introduction

2 Key Messages for Audit and Governance Committee Attention

Appendix A: Contract Performance

Appendix B: Performance Indicators

Appendix C: Key Areas and Actions to be Delivered

Appendix D: Follow-up of Previous Audit Actions

Appendix E: Assurance Definitions and Risk Classifications

Public Sector Internal Audit Standards

Our work was completed in accordance with Public Sector Internal Audit Standards and conforms with the International Standards for the Professional Practice of Internal Auditing.

Executive Summary

This report provides an update to the Audit and Governance Committee in respect of the progress made in against the Internal Audit Plans for 2022/23 and 2023/24 and brings to your attention matters relevant to your responsibilities as members of the Audit and Governance Committee.

This progress report provides a summary of Internal Audit activity and complies with the requirements of the Public Sector Internal Audit Standards.

Comprehensive reports detailing findings, recommendations and agreed actions are provided to the organisation, and are available to Committee Members on request. In addition a consolidated follow up position is reported on a periodic basis to the Audit and Governance Committee.

This progress report covers the period 7 July 2023 – 14 September 2023.

3 Executive Summary

Since the last meeting of the Audit and Governance Committee, there has been the focus on the following areas:

2022/23 Audit Reviews

The following reviews have been finalised:

- Recruitment (substantial assurance level)
- Mastergov Planning System Review (limited assurance level)

Refer to Appendix C for details of Key Areas and Actions to be Delivered

The reviews below are currently at draft report stage or are in progress:

- Freedom of Information and Subject Access Requests (draft report)
- Kirkham Regeneration (audit work concluding)
- Payroll – Blackpool Controls (fieldwork)
- Externally Managed Events (fieldwork)

2023/24 Audit Reviews

The reviews below are currently in progress:

Beach Safety (fieldwork)

Stock – Fleet Consumables (fieldwork)

Financial Controls - Cash (fieldwork)

Housing Inspections (fieldwork)

Temporary Accommodation (fieldwork)

Follow Ups

A summary of the current status of all follow-up activity is included at Appendix D, however, we would draw the committee's attention to the following:

Progress has been made on the outstanding actions raised by the previous in house audit team, with four remaining which are either not due or are in progress.

From the recommendations raised by MIAA all have either been completed or are in progress.

Audit Plan Changes

Audit Committee approval will be requested for any amendments to the original plan and highlighted separately below to facilitate the monitoring process.

The Changing Places Grant Award requires assurance from Internal Audit; therefore we propose to use time from the Contingency budget to complete this work.

Added Value






Events


[Understanding Anxiety in the workplace \(18th October 2023\)](#)






Appendix A: Contract Performance

The Public Sector Internal Audit Standards (PSIAS) state that ‘The chief audit executive must deliver an annual internal audit opinion and report that can be used by the organisation to inform its governance statement.’

Below sets out the overview of delivery for your Head of Internal Audit Opinion for 23/24:

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Core Assurances				
Risk Management		Scheduled to commence Qtr 4		
Risk Based Assurances				
Beach Safety		Fieldwork		
Stock Consumables		Fieldwork		
Homelessness Budget Efficiency		Fieldwork		
Financial Controls (Deep Dive)		Fieldwork		
Housing Inspections		Fieldwork		
Cyber Security		Scheduled to commence Qtr 3		

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Food Safety		Scheduled to commence Qtr 3		
Business Continuity		Scheduled to commence Qtr 3		
Heritage Assets		Scheduled to commence Qtr 3		
Performance Management		Scheduled to commence Qtr 3		
Asset Management		Scheduled to commence Qtr 4		
Qtr 1	N/A	Complete	N/A	July 2023
Qtr 2	N/A	Complete	N/A	September 2023
Qtr 3	N/A	Scheduled to commence Qtr 3		
Qtr 4	N/A	Scheduled to commence Qtr 4		
Added Value / Support & Guidance				
Changing Places Grant Award Assurance	N/A	Fieldwork		
2022/23 Audit Plan				
MasterGov Planning System		Complete	Limited	September 2023

HOIA Opinion Area	TOR Agreed	Status	Assurance Level	Audit Committee Reporting
Recruitment*		Complete	Substantial	September 2023
Payroll Controls – Blackpool*		Fieldwork		
Kirkham Regeneration*		Fieldwork		
Freedom of Information and Subject Access Requests*		Draft Report		
Externally Managed Events*		Fieldwork		

If due to circumstances beyond our control we are unable to achieve sufficient depth or coverage, we may need to caveat opinions and explain the impact of this and what will be done to retrieve the position in future.

*These reviews were delivered during 2023/24 as requested by the Council, and as such will be included in the 2023/24 Head of Internal Audit Opinion.

Appendix B: Performance Indicators

The primary measure of your internal auditor's performance is the outputs deriving from work undertaken. The following provides performance indicator information to support the Committee in assessing the performance of Internal Audit.

Element	Reporting Regularity	Status	Summary
Delivery of the Head of Internal Audit Opinion (Progress against Plan)	Each Audit Committee	Green	There is ongoing engagement and communications regarding delivery of key reviews to support the Head of Internal Audit Opinion.
Percentage of recommendations raised which are agreed	Each Audit Committee	Green	All recommendations have been agreed.
Percentage of recommendations which are implemented	Quarterly	Green	All recommendations due are either in progress or have been completed.
Qualified Staff	Annual	Green	MIAA have a highly qualified and diverse workforce which includes 75% qualified staff. The Senior Team delivering the Internal Audit Service to the Council are CCAB/IIA qualified.
Quality	Annual	Green	MIAA operate systems to ISO Quality Standards. The External Quality Assessment, undertaken by CIPFA, provides assurance of MIAA's compliance with the Public Sector Internal Audit Standards. MIAA conforms with the Public Sector Internal Audit Code of Ethics.

Appendix C: Key Areas from our Work and Actions to be Delivered

Report Title	Recruitment			
Executive Sponsor	Head of Corporate Services			
Objective	To provide assurance on the systems and controls that the Council has in place for recruitment are appropriate and in line with policy and national standards.			
Recommendations	0 x Critical	0 x High	2 x Medium	0 x Low
Summary	<p>Overall, the review identified that there were good systems of internal control in place, with some areas for improvement to enhance the control environment.</p> <p>The Council has a number of Recruitment Policies and a Recruitment Guidebook in place which identify key responsibilities and are appropriately disseminated to staff and management. The policies are supported by the iRecruit and HR Selima IT systems to process vacancies and pre-employment compliance checking. These are overseen by Blackpool Council, as part of a Shared Service Agreement.</p> <p>The review identified that the Fylde Council Recruitment Policy was issued in September 2013, and requires reviewing and updating with future review dates included. It was confirmed that the policy had been communicated to all staff via the intranet.</p> <p>The Council has several different ways for staff to refresh their knowledge of recruitment processes through groups and team meetings. There is also training available to those council officers with recruitment responsibilities on the iPool IT system, with training completion rates being monitored regularly.</p> <p>We sampled 25 new starters, and tested pre-employment checks, which identified some minor instances of inconsistent compliance with required processes.</p>			

Report Title	MasterGov Planning System Review			
Executive Sponsor	Head of Corporate Services and Head of Planning			
Objective	To provide an assessment of the effectiveness of the control framework exercised by management over MasterGov and to highlight improvements where appropriate.			
Recommendations	0 x Critical	2 x High	1 x Medium	0 x Low
Summary	<p>Whilst areas of good practice were identified and there were examples of controls in place and operating effectively, there are areas of weakness that would benefit from immediate remediation.</p> <p>The ability to recover the MasterGov system and underlying data to a backup location within acceptable timeframes following an event that results in service disruption is unproven and is partly based on a plan that was produced over a decade ago. Further, the current approach to business continuity did not involve consultation of the MasterGov Information Asset Owner and seems not to have considered the requirement to maintain permanent records of some MasterGov data. This could be linked to the lack of clarity over key roles and responsibilities in the area of MasterGov information governance.</p> <p>Additionally, the environment in which the servers hosting MasterGov is located does not incorporate some of the commonly encountered server-room controls, such as automatic fire suppression, effective air conditioning, removal of flood risk and the presence of a generator. Overall, the lack of these controls increases the risk of an event that could disrupt service provision.</p> <p>These weaknesses could have a significant impact upon the ability to continue service provision and to meet statutory requirements in the event of business disruption and as such are considered High risk.</p> <p>There has been a commitment from the respective teams to act on the high risk recommendations to negate any potential for business disruption going forward.</p>			

Appendix D: Follow up of previous internal audit recommendations

The status of the actions is as at September 2023.

Previous Fylde Borough Council Audit Team Recommendations from Limited or Moderate Rated Reports. No risk ratings were assigned to recommendations.

AUDIT TITLE (YEAR)	NO OF RECS MADE	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				COMMENTS
			✓/S	P	X	Not due	
2019/20							
Commercial Property	9	Limited	6	-	-	3	Remaining actions relate to the creation of an Asset Management Group and Plan. These are not expected to be completed until 2024, due to changes in Committee and departmental structures and emerging priorities. Agreed at Audit and Standards Committee to extend the deadlines for completion.
VAT	3	Moderate	2	1	-	-	Remaining action in progress. Still outstanding due to Civica input required.
TOTALS	12		8	1	-	3	

MIAA Internal Audit Recommendations

AUDIT TITLE (YEAR)	NO OF RECS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due	C	H	M	L	
2021/22											
Project Management	1	Moderate	-	1	-	-	-	1	-	-	There is a lack of resource, as recruitment was unsuccessful and projects workload has increased.
Health & Safety	6	Moderate	6	-	-	-	-	-	-	-	All actions are complete.
Treasury Management	2	High	1	-	1	-	-	-	-	1	Remaining action expected to be completed by 31 st December 2023.
S106	8	Moderate	5	-	-	3	-	1	2	-	Remaining actions not yet due.
Property Repairs and Maintenance	8	Limited	5	-	-	3	-	2	1	-	Remaining actions not yet due.
2022/23											
Homelessness	7	Moderate	5	-	-	2	-	-	2	-	Remaining actions not yet due.
Data Sharing Agreements	4	Limited	1	-	-	3	-	2	1	-	Remaining actions not yet due.

AUDIT TITLE (YEAR)	NO OF RECS	ASSURANCE LEVEL	PROGRESS ON IMPLEMENTATION				OUTSTANDING RECOMMENDATIONS				COMMENTS
			✓/S	P	X	Not due	C	H	M	L	
Cyber Security & Mobile Devices			Confidential								
Conflicts of Interest	10	Substantial	8	-	-	2	-	-	-	2	Remaining actions not yet due.
Budgetary Control	2	High	-	-	2	-	-	-	-	2	Actions expected to be completed by 31 st December 2023.
Apprenticeship	9	Moderate	5	2	-	2	-	-	2	2	Remaining actions in progress or not yet due.
Risk Management	4	Moderate	1	1	-	2	-	1	2	-	Remaining actions in progress or not yet due.
Key Financial Controls	2	Substantial	1	-	-	1	-	-	1	-	Remaining action not yet due.
Recruitment	2	Substantial	-	-	-	2	-	-	2	-	Actions not yet due.
Mastergov Planning	3	Limited	1	1		1	-	2	-	-	Remaining actions in progress or not yet due.
TOTALS	68		39	5	3	21	-	9	12	7	

Key to recommendations:

✓/S	Implemented or Superseded	C	Critical priority recommendation	L	Low priority recommendation
P	Partially implemented/recommendation in progress	H	High priority recommendation		
X	Recommendation not implemented/awaiting update	M	Medium priority recommendation		

Appendix E: Assurance Definitions and Risk Classifications

Level of Assurance	Description
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.
Moderate	There is an adequate system of internal control, however, in some areas weaknesses in design and/or inconsistent application of controls puts the achievement of some aspects of the system objectives at risk.
Limited	There is a compromised system of internal control as weaknesses in the design and/or inconsistent application of controls puts the achievement of the system objectives at risk.
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.

Risk Rating	Assessment Rationale
Critical	Control weakness that could have a significant impact upon, not only the system, function or process objectives but also the achievement of the organisation's objectives in relation to: <ul style="list-style-type: none"> the efficient and effective use of resources the safeguarding of assets the preparation of reliable financial and operational information compliance with laws and regulations.
High	Control weakness that has or is likely to have a significant impact upon the achievement of key system, function or process objectives. This weakness, whilst high impact for the system, function or process does not have a significant impact on the achievement of the overall organisation objectives.
Medium	Control weakness that: <ul style="list-style-type: none"> has a low impact on the achievement of the key system, function or process objectives; has exposed the system, function or process to a key risk, however the likelihood of this risk occurring is low.
Low	Control weakness that does not impact upon the achievement of key system, function or process objectives; however implementation of the recommendation would improve overall control.

Limitations

The matters raised in this report are only those which came to our attention during our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required. Whilst every care has been taken to ensure that the information in this report is as accurate as possible, based on the information provided and documentation reviewed, no complete guarantee or warranty can be given with regards to the advice and information contained herein. Our work does not provide absolute assurance that material errors, loss or fraud do not exist.

Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Reports prepared by MIAA are prepared for your sole use and no responsibility is taken by MIAA or the auditors to any director or officer in their individual capacity. No responsibility to any third party is accepted as the report has not been prepared for, and is not intended for, any other purpose and a person who is not a party to the agreement for the provision of Internal Audit and shall not have any rights under the Contracts (Rights of Third Parties) Act 1999.

Louise Cobain

Title: Engagement Lead

Tel: 07795 564916

Email: Louise.Cobain@miaa.nhs.uk

Fiona Hill

Title: Engagement Manager

Tel: 07825 592842

Email: Fiona.Hill@miaa.nhs.uk

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF GOVERNANCE	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	7
CHIEF EXECUTIVE TERMS AND CONDITIONS: JNC HANDBOOK			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of the lead member for finance and resources (Councillor Gaunt).

PURPOSE OF THE REPORT

The council is a member of the Joint Negotiating Committee for Chief Executives of Local Authorities (JNC), which is responsible for agreeing on terms and conditions for local authority chief executives. Last year, the JNC introduced an updated model procedure for disciplinary proceedings involving chief executives, which applies to all member local authorities.

The procedure requires local authorities to have three committees: an independent disciplinary committee, an appeals committee, and an independent panel comprising only independent persons. The report recommends the existing Chief Officer Employment Committee to fulfil the role of the independent disciplinary committee, the Public Protection Committee to take on the function of the appeals committee, and a new committee to be established to become the independent panel.

RECOVERABILITY

This decision is not recoverable because it relates to a recommendation to the council.

RECOMMENDATIONS

Recommend to council to:-

1. Add the wording set out in paragraph 3 of the report to the terms of reference of the Chief Officer Employment Committee, and amend its membership by omitting the independent persons;
2. Add the wording set out in paragraph 4 of the report to the terms of reference of the Public Protection Committee; and
3. Establish a new committee, known as the JNC (Chief Executives) Independent Panel, with the terms of reference and membership set out in paragraph 5 of the report.

REPORT

1. The council is a member of the Joint Negotiating Committee for Chief Executives of Local Authorities ('the JNC'). The JNC is comprised of representatives of local authorities and trades unions. It agrees the terms and conditions for local authority chief executives. The terms and conditions were amended last year. The changes included an updated model procedure for disciplinary proceedings involving chief executives. The changes apply to all local authorities who are members of the JNC.
2. The updated model procedure requires local authorities to have the following committees:
 - An **independent disciplinary committee**.
 - An **appeals committee**
 - An **independent panel**, which must comprise at least two of the council's independent persons appointed under the Localism Act 2011.
3. It is recommended that the existing Chief Officer Employment Committee should fulfil the role of the independent disciplinary committee. It should have an additional term of reference as follows: "*to fulfil the functions of the Independent Disciplinary Committee as set out in model disciplinary procedure which forms part of the National Salary Framework & Conditions of Service Handbook published by the Joint Negotiating Committee for Local Authority Chief Executives*". The independent persons should no longer be members.
4. It is also recommended that the Public Protection Committee should fulfil the role of the appeals committee. The model procedure suggests that the appeals committee should have no more than five members. The Public Protection Committee has twelve members, but it sits as a panel of three, selected at random, when it hears disciplinary appeals. Therefore, it would follow that in the instance of an appeal, that a panel of five of its members would be selected at random to undertake this role. There would need to be an extra element to its terms of reference, which would be: "*to fulfil the functions of the Appeals Committee as set out in model disciplinary procedure which forms part of the National Salary Framework & Conditions of Service Handbook published by the Joint Negotiating Committee for Local Authority Chief Executives*".
5. Finally, it is recommended that there should be a new committee to carry out the functions of the independent panel. It should be called the JNC (Chief Executives) Independent Panel. Its terms of reference would be: "*to fulfil the functions of the Independent Panel as set out in model disciplinary procedure which forms part of the National Salary Framework & Conditions of Service Handbook published by the Joint Negotiating Committee for Local Authority Chief Executives*". The panel members would be the council's three independent persons.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	
Environment – To deliver services customers expect	
Efficiency – By spending money in the most efficient way	√
Tourism – To create a great place to live and visit	

IMPLICATIONS	
Finance	There are no financial implications arising from this report
Legal	The new structure needs to be put in place to ensure that the council is compliant with the terms and conditions as agreed on its behalf by the JNC. Should the disciplinary procedure ever be invoked, it would be important for the council to be compliant.
Community Safety	None relating to this report
Human Rights and Equalities	None relating to this report
Sustainability and Environmental Impact	None relating to this report
Health & Safety and Risk Management	None relating to this report

SUMMARY OF PREVIOUS DECISIONS
None

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
Joint Negotiating Committee for Local Authority Chief Executives National Salary Framework & Conditions of Service Handbook	September 2022	Town Hall, Lytham St Annes

LEAD AUTHOR	CONTACT DETAILS	DATE
Ian Curtis	Email & Tel 01253 658506	28 July 2023

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
HEAD OF GOVERNANCE	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	8
INDEPENDENT PERSONS ALLOWANCES			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources (Councillor Ellie Gaunt).

PURPOSE OF THE REPORT

A joint meeting of the Fylde and Blackpool Independent Remuneration Panels was held earlier in the year, to consider the allowances of the Standards Independent Persons. The three Independent Persons (IP's) serve both Fylde and Blackpool Council with respect to standards matters and the handling of allegations of elected member misconduct.

RECOVERABILITY

This decision is not recoverable because it relates to a recommendation to the council or to any other committee or sub-committee of the council.

RECOMMENDATION

Recommend to Council that the allowance for the Independent Persons be set at £1,000 per annum, backdated from 1 June 2023, with an annual uplift applied thereafter in line with the Retail Price Index (RPI), as agreed in 2021.

REPORT

1. Fylde Borough Council and Blackpool Council have shared arrangements in relation to the standards framework and have adopted substantially the same Code of Conduct for Members and arrangements for dealing with complaints of member misconduct. As part of these shared arrangements there is a shared pool of three Independent Persons.
2. At the joint meeting of the Independent Remuneration Panel, the Panel heard how the respective roles of the independent persons worked at Blackpool and Fylde. The Panel also heard examples of recent meetings including hearings the independent persons had been involved with. The last review had taken place in September and a revised figure of £950 per annum was agreed with an annual uplift in line with the allowance scheme.
3. The current remuneration for this position was £966.62 per year with payment made per council on a 50/50 basis. After deliberations and an acknowledgement that remuneration for this position should reflect the time and responsibility needed and to recognise that there had been no cost of living rise last year for the role, it

was considered appropriate that an uplift should be given. The Joint Panel agreed to recommend to both Blackpool and Fylde Borough Council that the remuneration for Blackpool and Fylde Independent Persons should be £1,000 per year, backdated to 1st June 2023.

4. Blackpool Council considered this matter at its meeting of full Council on Wednesday 28 June and agreed to the recommendation.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	
Environment – To deliver services customers expect	
Efficiency – By spending money in the most efficient way	√
Tourism – To create a great place to live and visit	

IMPLICATIONS	
Finance	The recommendations in this report would result in an increase of £90 for Fylde’s proportion of the increased allowance for 2023/24, with the cost rising by RPI annually thereafter. These costs can be met from existing revenue budget provision.
Legal	Each council must have an Independent Remuneration Panel which examines allowances and members must consider its recommendations
Community Safety	NA
Human Rights and Equalities	NA
Sustainability and Environmental Impact	NA
Health & Safety and Risk Management	NA

SUMMARY OF PREVIOUS DECISIONS
The allowance for the Independent Persons was last reviewed in October 2021

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
none		

LEAD AUTHOR	CONTACT DETAILS	DATE
Tracy Manning	Email tracy.manning@fyde.gov.uk & Tel 01253 658521	July 2023

Attached Documents

Report of The Independent Remuneration Panel to Blackpool Council on Wednesday 28 June 2023

Report of: The Independent Remuneration Panel
To: Blackpool Council on Wednesday 28 June 2023

Review of the Members' Allowances Scheme

1.0 Introduction

- 1.1 The Council has appointed an Independent Remuneration Panel to advise on the adoption of a scheme of members' allowances.
- 1.2 This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (IRP) for Blackpool Council to advise the Council on its Members' Allowances scheme. The IRP was convened under The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021) ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory Independent Remuneration Panel to review and provide advice on Members' allowances on a periodic basis. All Councils are required to convene their IRP and seek its advice before they make any changes or amendments to their members' allowances scheme. They must 'pay regard' to their IRPs recommendations before setting a new or amended Members' Allowances Scheme (2003 Regulations paragraph 19).
- 1.3 We undertake a full review once every four years and have met on eight occasions since January 2023 to undertake this review of the Members' Allowances Scheme and have met with both Cllr Lynn Williams, Leader of the Council, Cllr Paul Galley, Leader of the Principal Opposition Group and Mr Antony Lockley, the Council's Assistant Chief Executive and Director of Strategy.
- 1.4 We also held a joint meeting with Tracy Manning the Monitoring Officer from Fylde Borough Council and the Fylde Borough Council Independent Remuneration Panel, together with Mark Towers as Blackpool Council's Monitoring Officer (and Deputy Monitoring Officer at Fylde Borough Council).
- 1.5 We were reminded that Blackpool Council and Fylde Borough Council have shared arrangements in relation to the Standards Framework and have adopted the same Code of Conduct for elected and co-opted members and arrangements for dealing with complaints of member misconduct. As part of these shared arrangements there is a shared pool of three Independent Persons who input into that process. These positions have an allowance which is paid for on a 50/50 basis between the two Councils.

2.0 Methodology

2.1 We were supplied with the following information to assist us in our work:

- The Government's Guidance on Consolidated Regulations for Local Authority Allowances published in July 2003
- The Council's current Members' Allowances Scheme
- A chart outlining the Council's political management structure (both pre-election and post-election 2023)
- A copy of the Annual Council meeting agenda for May 2023 detailing the appointment of Committees and the schedule of meetings for the forthcoming municipal year.
- Research on comparator levels of allowances from single tier Councils in the North of England and in the former Audit Commission Group of Councils (mainly seaside towns)
- Details of Executive responsibilities of the Cabinet Members (pre and post-election).
- Follow up review by North West Employers of the scrutiny function undertaken in late 2022/ early 2023.
- Details of a Members Survey carried out in 2022 regarding the level of time spent on various activities for both council and wholly owned company work
- Numerous role descriptions of council appointed elected member positions and role descriptions for the positions of the wholly owned company Boards
- An information document detailing the size, background, numbers of staff and activities of each of the Council's wholly owned companies
- Information submitted regarding how the role of a councillor in Blackpool had changed between the two local government boundary reviews (2002 and 2022) which had been submitted to the Local Government Boundary Commission for England in 2022
- Arm's-Length Management Organisations Board Member Remuneration Survey 2022
- Statistics for number of civic events over the last 6 years

2.2 We also met with the Leader of the Council and the Leader of the Principal Opposition Group to seek their views on the level of allowances and other factors including the operation of the scrutiny arrangements.

2.3 In arriving at its recommendations, the IRP is expected to take into account the following:

- Allowances paid in comparable councils, namely comparable single tier Councils in the North of England and in the former Audit Commission Group of Councils (mainly seaside towns)
- Views of the senior elected members interviewed
- Any other consideration that the Council obliges the IRP to consider
- The economic climate

2.4 Across the eight meetings, the Panel was supported at various times by the Director of Governance and Partnerships, the Head of Democratic Governance and the Scrutiny Manager.

3.0 Basic principles – the overall Allowances Scheme

3.1 In undertaking the review of the Scheme, we were aware of, and had regard to, the following:

- (a) That following the Local Elections in May 2023, although there had been an influx of new councillors, overall there had been minimal change to the type of positions within the Council's Executive and committee structures, with minor alterations to responsibilities in the Executive, additional Cabinet Assistants, some changes in scrutiny committee responsibilities and the addition of an additional scrutiny committee.
- (b) It was acknowledged that the decision of the Council regarding its review of the Member Allowances Scheme in 2015 had brought the Council's levels of basic allowance to the northern average for basic allowances for single tier authorities/ former Audit Commission family group Councils ('northern single tier average') and this had been retained in 2019. The comments made by the Leader of the Council and the Leader of the Principal Opposition Group at the Panel meeting in April 2023 were that broadly the level of the current allowances was about right.

4.0 The formulae for calculating allowances

4.1 In 2015, we adopted a formula for calculating a basic member allowance, centred around the Joseph Rowntree Living Wage, now known as the Real Living Wage ('living wage'). This was in line with good practice adopted by other Councils. It was considered that this formula was wholly appropriate and should be continued to be used for this review.

4.2 The formula was: Living wage @25 hours per week, less approximately 12% for public service. In 2015 and 2019 we believed that the increase in living wage would be a good factor to maintain a consistency for future reviews:

4.3 The living wage in 2019 was £9.50 per hour and in 2023 this is now £10.90 per hour. The hours per week, from the Members Survey in 2013, determined that Blackpool councillors worked on average 25 hours per week. In 2022, a Member Survey was re-undertaken by Democratic Governance staff, to help identify whether this average had changed. This survey was done on a sampling basis reflective of the differing roles undertaken.

4.4 The members surveyed included those appointed to companies, some Chairs of Committees, Cabinet Members, and some with no position of special responsibility, covering all political parties and Independent elected members.

- 4.5 We were presented with the findings of the 2022 survey and on review of those findings, it was found that 25 hours per week was the average total amount of time spent on Council activities was still valid.
- 4.6 As part of the research we undertook, we not only obtained the average allowances for comparable positions across all single tier Councils in the north of England together with those in the former audit commission family group (northern single tier average), but also the % allowed for public service in those using this type of a formula. However, a benchmarking exercise with some northern unitary councils has shown that there was a need to increase the percentage of time allocated for public service (the 'public service' principle) and this ranged from 20% to 40%, higher than that currently being used. We felt that a figure of 20% better reflected the amount which should be given for public service and so have updated the formula to reflect that.
- 4.7 A revised formula for basic allowance would therefore be:
- Living wage @25 hours per week, less approximately 20% for public service.

5.0 Public Service Principle

- 5.1 This is the principle that an important part of being a councillor is the desire to serve the public and therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. This public service concept or ethos was a key introduction in 2015 to the formula and we therefore wished to continue to use this. However, as indicated at para 4.6 and following a benchmarking exercise we have updated this to 20%.

6.0 Fair Remuneration Principle

- 6.1 In putting forward our recommendations in 2015 and 2019 we considered that they provided a package of financial support which was reasonable, and in some way went towards addressing the disincentives from serving in local politics. This was based on our research at the time, and speaking to the then Leader of the Council and Leader of the Principal Opposition Group. By continuing to use the formula from 2015 (as adapted above) we felt our recommendations would continue to assist in this regard. In essence, this meant that the recommendations we made reflected the increases in the 'Living Wage'.
- 6.2 We are also aware of the economic climate (as referenced in para 2.2) and feel that for serving councillors (even though as an allowance and as the survey indicates councillors give on average 25 hours per week), many undertake the role on a part time basis and therefore the allowances contribute to the cost of living they face. We have taken this into consideration in our recommendations below.

7.0 Level of basic allowance

- 7.1 We note that the data showed that the basic allowance as of 1 April 2023 was now comparable with the 'northern single tier average' and recognise that the basic allowance is an integral part of the overall scheme and that this payment is the only allowance to which many of the councillors are entitled. We believe that we have strong evidence on which to base our recommendations, which are referenced in this report.
- 7.2 In the meetings with the Leader of the Council and the Leader of the Principal Opposition Group, both had commented that the level of allowances seemed appropriate following the 2015 and 2019 reviews and had parity with other similar local authorities. We have therefore taken this on board and recommend a 2.0 % increase for this current financial year (as the annual uplift). We have come to this figure using the formula at para 4.3 Whilst this brought a figure of 2.13%, in undertaking full scheme reviews, the common practice is to consider whether the figures should be rounded up or down, as appropriate.
- 7.3 Although the budget for the Members Allowances scheme is the Council's responsibility, not the Panel's, we were aware that the Council's revenue budget includes a 2.0% increase for the NJC pay award for 2023/ 2024. We also noted that the pay award offers already made to unions which had been declined as part of the ongoing discussions for the National Joint Council for Local Government Service pay award for 2023/ 2024 were in excess of this figure. We have therefore concluded that 2.0% is a fair increase to recommend for the basic allowance taking into account the economic climate and the Fair Remuneration Principle as set out in section 6.

8.0 Special Responsibility Allowance (SRA)

The basic allowance using the formula agreed in 2015 and 2019, would be factored to determine other Special Responsibility Allowances (SRAs). In comparing the resultant SRA figures these all compared favourably with the average our research had shown from 'northern single tier average' for SRA positions.

9.0 Posts not uplifted in the 2022 Review

- 9.1 We noted that for the annual uplift in 2022 the following posts were not given the uplift for that year. As part of this full review, we recommend that they also be given that increase which all other Special Responsibility Allowance roles benefitted from in 2022, or dealt with differently as indicated elsewhere in the report. These roles were:
- Chair and members of the Shareholder Committee (see section 17)
 - Chair, Audit Committee Chair and non-executive directors of all Council companies (see section 17)
 - Independent Standards Persons (see section 15)
 - Co-opted members of Scrutiny Committees (see section 16)

10.0 Leader of the Council and Executive Members

10.1 We noted on the list of responsibilities for Executive members that the positions of the Deputy Leader of the Council and the Cabinet Members were very similar to that in place prior to the election and in line with the proposals outlined by the Leader of the Council prior to the election. We therefore concluded that they continued to be at the same level and therefore in our view should continue to receive the same level of remuneration subject to the annual uplift.

11.0 Leader and Deputy Leader of the Principal Opposition Group and Leader of Second Opposition Group

11.1 In 2015, we came to the view that the allowance for the Leader of the Principal Opposition Group should be at the same level as a Cabinet Member (subject to that group consisting of at least 25% of the Council members – i.e. 11 members) and the Deputy Leader of that Group should receive an allowance at 50% of that level of remuneration. In September 2018 we recommended to Council and it was agreed that in order for a Second Opposition Group Leader to qualify for an allowance the Group should consist of 10% of the Council members (i.e. four members). As part of our review we conclude that these criteria should be retained. We note that there is no second opposition group returned after the 2023 election. However, we believe that it should remain part of the Member Allowance scheme and we recommend that we be consulted on the appropriate allowance should a group of 4 or more members be formed in the future.

12.0 Lead Scrutiny Member/ Chair of the Scrutiny Leadership Board

12.1 In 2019, we noted that North West Employers (NWE) had carried out a review of Scrutiny at Blackpool Council and had made several recommendations and comments regarding parity of esteem with the Executive and the appointment of a Scrutiny Leadership Board to oversee the scrutiny function. We were advised that the Lead Scrutiny Member/ Chair of the Scrutiny Leadership Board would be high status and have a very important leadership function.

12.2 We noted that in the 2019 review the Council had previously had a Chair of the Scrutiny Management Committee and that was the same as that of an Executive Cabinet Member and concluded at that time that looking at the responsibilities of the role of Lead Scrutiny Member / Chair of the Scrutiny Leadership Board and the time commitment expected, that it warranted an allowance the same as a Cabinet Member.

12.3 As part of this 2023 full scheme review, we were also furnished with a follow up report conducted by North West Employers (NWE) which reviewed the progress made since the 2019 NWE scrutiny review. The Leader of the Council and the Leader of the Principal Opposition Group had also received a copy and we questioned them on the follow up report and their thoughts on how the Lead Scrutiny Member/Chair of the Scrutiny Leadership Board role had worked since 2019.

- 12.4 They informed us that scrutiny had worked well and the Scrutiny Leadership Board had a good structure and form and was the right co-ordinating body for scrutiny. It was noted that the Lead Scrutiny Member/ Chair of the Scrutiny Leadership Board was a vital role especially going forward to make sure that the Board continued to develop and not become another ordinary scrutiny committee.
- 12.5 We reviewed the role of the Lead Scrutiny Member/Chair of the Scrutiny Leadership Board role and note that since the election at the Annual Meeting the Leader of the Principal Opposition Group had been appointed to this role.
- 12.6 We noted that there was some overlap with both these roles and accordingly have agreed that the Lead Member Scrutiny/ Chair of the Scrutiny Leadership Board should not receive a second allowance in full and note the similarities with the Chair of the Shareholder Committee (in terms of meetings, both formal and informal attended and time commitment) and have recommended both positions receive the same level of allowance.

13.0 Scrutiny Chairs, Vice Chairs and Cabinet Assistants

- 13.1 For scrutiny committee Chairs and Vice Chairs we considered that the formula applied in 2015 and 2019 was applicable for this review (1 x basic). In previous full reviews we had agreed that the positions of Cabinet Assistants be given the same level of allowance as the Vice Chair of the scrutiny committees and we agreed that this should continue.

14.0 Other Committee Chairs and Vice Chairs

- 14.1 In discussion with the Leader of the Council and the Leader of the Principal Opposition Group we considered whether the Chairs of Planning, Licensing, Appeals and Audit Committees should be remunerated on a similar level to Scrutiny Chairs. On review, we believe that the current formula applied is correct (i.e. 0.8 x basic). This is based on the importance placed on scrutiny by the Council, particularly following the North West Employers review in 2019, and the follow up review in 2022, and the contribution of scrutiny in holding the Executive to account, and working with the Executive to develop policy. This also applied to the Vice Chairs of these committees who would receive 50% of what the Chairs received. No change is therefore proposed.

15.0 Independent Standards Persons

- 15.1 Blackpool Council and Fylde Borough Council have shared arrangements in relation to the standards framework and have adopted the same Code of Conduct for Members and arrangements for dealing with complaints of member misconduct. As part of these shared arrangements, we were aware that there is a shared pool of three Independent Persons.

- 15.2 A joint meeting was held with Fylde Borough Council Independent Remuneration Panel and their Monitoring Officer. We heard how the respective roles of the independent persons worked at Blackpool and Fylde and we heard of examples of recent meetings including hearings that the independent persons had been involved in. The last review had taken place in September 2021 and a revised figure of £950 per annum was agreed with an annual uplift in line with the scheme.
- 15.3 The current remuneration for this position was £966.62 per year, with payment made per council on a 50/50 basis. After deliberations and an acknowledgement that remuneration for this position should reflect the time and responsibility needed and to recognise that there had been no cost of living rise last year for the role, it was considered appropriate that an uplift should be given. The Joint Panel agreed to recommend both Blackpool and Fylde Borough Councils that the remuneration for Blackpool and Fylde Independent Persons should be £1,000 per year, starting from the 1st June 2023 (in order to allow Fylde Borough Council to agree this allowance also).

16.0 Co-opted Independent Audit Committee Member and Scrutiny Co-opted Members

- 16.1 We reviewed the role profiles for both positions and looked at the number of meetings they attended and other commitments the roles had to undertake and concluded that since their last review, the roles and associated workload had not significantly changed. As stated in para 9.1 we do feel the Scrutiny co-opted member positions should have the 2022 uplift backdated.

17.0 Payments to Wholly owned Company and Shareholder Committee roles

- 17.1 In previous reviews we had used the findings of the Arms Length Management Organisations (ALMO) Board Governance Surveys, to help determine payment for Chairs, Audit Committee Chairs and Board Members, which compared different levels of payments for these positions. We again, for consistency, used this information which was relevant up to December 2022 and covered 24 different wholly owned companies of councils.
- 17.2 We met Antony Lockley the Council's Assistant Chief Executive and Director of Strategy and he shared with us his thoughts on the Council's role of shareholder, its relationship with the companies it owned and how it made appointments to Non-Executive Director positions. In particular, we considered issues relating to the skills, appointment and selection process of independent Non-Executive director positions and Councillor Non-Executive Director positions. Mr Lockley advised that from the Council's perspective having the required skills, knowledge and diversity for any Non-Executive director position was essential to have an effective Board which would lead the companies on the Council's behalf.
- 17.3 In the discussions with the Leader of the Council and the Leader of the Principal Opposition Group, they also advised that they would, as far as practicable, seek to match required skills and diversity requirements of the Boards when making their appointments. They both also reiterated the important leadership role of the Chair of the Company Board in leading the company through times of change as had been experienced with the pandemic.

- 17.4 We noted that the level of remuneration of Non-Executive Directors for Blackpool's wholly owned companies was slightly below the benchmark norm, although we did acknowledge that being wholly owned companies there was an element of public service expected.
- 17.5 We were also asked to consider remuneration for the new position of Vice Chair at the Blackpool Housing Company and sought more information about this appointment. We noted that the position of Vice Chair was not a standard position in the company structures. We were informed that there was a potential expansion of the Blackpool Housing company in the coming months with Government support and there had been recent interviews for a Non-Executive Director and one applicant possessed the qualities to be a Vice Chair. This person (the Council believed in its role as shareholder) could provide support from a leadership perspective in the development and expansion of the company.
- 17.6 We considered that the allowance for a Non-Executive Director should be increased to £3,000 and with regard to the remuneration for the Chair of Company Boards, a 4% uplift be applied as it had not been in 2022 (see para 9.1). In addition to this the 2.0% average increase as would be applied to the formula-based allowances giving a total of £5,546.
- 17.7 We concluded that the Chair of the Audit Committee should receive an allowance between that of a Non-Executive Director and that of the Board Chair and that figure would be £4,250 per annum. The new Vice Chair of Blackpool Housing Company (BHC) and the Vice Chair of Lumen would be £4,000 per annum for each role and it is recommended that this would be reviewed in 12 months following the introduction of the BHC role.
- 17.8 With regard to the Chair of the Shareholder Committee, we recommend that this be applied on a similar model to that agreed by the Council in 2021 (i.e., the same as a Chair of a wholly owned company Board less 20% to reflect some Executive responsibility with regard to the role). This would give a remuneration of £4,436. For Shareholder Committee members that this be £3,000 as this has been parity with the allowance for Non-Executive Directors in previous reviews. We recognise the importance of both Non-Executive Directors and Shareholder Committee members and the roles they play both for the company and the shareholder particularly in recent times with the pressures placed on wholly owned companies of Councils, and the need for good governance at all levels. The proposed allowances are also in line with those comparator companies referred to in para 17.1.
- 17.9 We were reminded of the legal view that special responsibility allowances for directors of wholly owned 'transport' companies must be paid by the Council rather than directly by the company. It was noted that this would apply to both Transport and Airport Companies. The same amount would be paid whether paid direct by the company or through the Members' Allowances Scheme. In the same regard we also were reminded that a councillor NED must claim company related expenses to the value of that agreed in the Council's Members' Allowances Scheme and not a higher figure which may be determined by the company.

18.0 Armed Forces Champion

18.1 In our review of this role in November 2022, we recommended that no allowance be paid for this role and that this role be reviewed as part of this full review. This was agreed by Council. We have sought information from many different towns and cities with similar champion roles, we concluded that this role, as with many champion roles is one undertaken out of public duty/ service and has not been remunerated. We have therefore concluded that this position should not be remunerated in Blackpool.

19.0 Civic Mayor and Deputy Mayor

19.1 In 2012, 2015 and 2019 we recommended to Council that the position of Civic Mayor should be remunerated at a lower level and Council agreed that this be the case. The common factor here was that the level of the Blackpool remuneration was in each case lower than the northern single tier average. In 2019 we also noted that in relation to statistics of events attended by the Mayor and Deputy Mayor that there had been a significant reduction of 42% in events attended from four years earlier.

19.2 We noted that in the last four years there has again been a reduction in events attended by the Civic Mayor and Deputy Mayor, however we did acknowledge that this had also overlapped with the pandemic. We did seek clarification from the Leader of the Council and the Leader of the Principal Opposition Group about their views on the role of the Mayor in Blackpool. Both spoke about the role being a very positive one and added value to the civic pride in the town and one that should develop and grow. We have therefore decided to re-apply the original formula for the Civic Mayor's allowance (and the Deputy Mayor's allowance) to reflect the importance of the role.

Table 1: Level of allowance recommended using relevant formula (these have also been rounded, as per para 7.2)

	Formula (for 2023)	Recommended allowance for each position	Comments
Basic allowance	Living wage (£10.90 per hour) @25 hours per week, less 20% for public service	£11,317	See section 5
Leader of the Council	3 x basic	£33,951	See section 10
Deputy Leader of the Council	60% of Leader of the Council	£20,370	See section 10
Cabinet Member	45% of Leader of the Council	£15,277	See section 10
Leader of Principal Opposition (Minimum of 25% of seats on Council i.e., 11)	Same as Cabinet Member	£15,277	See section 11
Deputy Leader of Principal Opposition Group	50% of Leader of Principal Opposition Group.	£7,638	See section 11

	Formula (for 2023)	Recommended allowance for each position	Comments
Leader of another Opposition Group (minimum 10% of seats on Council i.e., 4)	No current position	N/A	See section 11 – should a group be formed of 4 or more councillors then the IRP's views be sought on a formula.
Lead Scrutiny Member/ Chair of Scrutiny Leadership Board	Same as Chair of the Shareholder Committee on the basis that this is a second allowance.	£4,436	See section 12- If this becomes a stand-alone role in the future then this be reviewed by the Panel
Chairs of Scrutiny Committee	1 x basic	£11,317	See section 11
Vice-Chairs of Scrutiny Committees	50% of Chairs of Scrutiny Committee	£5,658	See section 13
Scrutiny Co-opted Member	Stand-alone figure – based on comparable authorities – (no formulae applied)	£555	See section 16 and section 9
Cabinet Assistant	Same as Vice Chairs of Scrutiny Committees	£5,658	See section 13
Chairs: Planning, Licensing, Appeals and Audit committees	0.8 x basic	£9,053	See Section 14 and section 21
Vice-Chairs: Planning, Licensing, Appeals and Audit committees	50% of Chairs of Committees	£4,526	See Section 14 and section 21
Independent Person Standards	Stand-alone figure – based on comparable authorities – (no formulae applied)	£1,000	See Section 15 - (Allowance to be jointly agreed with Fylde Borough council).
Independent Person Audit	Stand-alone figure – based on comparable authorities – (no formulae applied)	£798	See Section 16 and section 9
Chairs of Council Company Boards	In line with ALMO Board Governance survey	£5,546	See Section 17, section 21 and section 9
Chair of a Company Audit Committee	In line with ALMO Board Governance survey	£4,250	See Section 17, section 21 and section 9
Vice Chair of the Blackpool Housing	In line with ALMO Board Governance survey	£4,000	See Section 17 and section 21.

	Formula (for 2023)	Recommended allowance for each position	Comments
Company and Vice Chair of the Lumen Housing Ltd			(Review in June 2024).
Other Non-Executive Directors (incl Lumen Housing Ltd)	In line with ALMO Board Governance survey	£3,000	See Section 17, section 21 and section 9
Chair of Shareholder Committee	20% less than the Chair of a Wholly owned company Board	£4,436	See Section 17, section 21 and section 9
Members of Shareholder Committee	Same as No-Executive Directors	£3,000	See Section 17, section 21 and section 9
Mayor	1 x 1.25 basic	£14,146	See Section 19
Deputy Mayor	25% of Mayor	£3,536	See Section 19 and section 21

20.0 Parental Leave of Absence Policy

- 20.1 At the Council meeting on 21 November 2018, a notice of motion was passed to request that we consider and report back on a parental leave of absence policy for elected members. We considered a report setting out the reasons for the request and examples of existing policies in place at other Local Authorities. The reasons given in the motion for the introduction of a policy include that the role of a Councillor should be open to all. We considered good practice from various authorities and recommended (and Council agreed) that a parental leave of absence policy for Blackpool councillors and associated adjustments be made to the Members' Allowances Scheme.
- 20.2 As part of this 2023 full review we reviewed the Parental Leave of Absence Policy and sought the views of the Leader of the Council and the Leader of the Principal Opposition Group. Both spoke of the need to have such a policy and whilst acknowledging that it may not have been activated yet, with a significant number of new councillors, with the average age of councillors falling and many being in employment then having such a policy in place was the right thing to have. We have therefore not made any changes to the policy and recommend that it is maintained as part of the Members Allowances scheme.

21.0 Payment of more than one Special Responsibility Allowance

- 21.1 As part of this full review we considered the current guidance regarding payment of additional SRA allowances and noted the exceptional circumstances in which additional allowances were currently paid (i.e. Shareholder Committee roles, Company Non-Executive Directors/ Chairs, paying an additional SRA for a member covering another member's absence whilst on Parental Leave of absence and for someone undertaking the role of Deputy Mayor).
- 21.2 In November 2022 we recommended (and Council agreed) that in relation to Chairs and Vice-Chairs of the Appeals Committee, Audit Committee, Planning Committee and Public Protection Sub-Committee, the special responsibility allowance (SRA) for these positions can be paid in addition to one other SRA from within the political management structure as set out in the constitution, we continue to support this view. As indicated in Section 12 we also now recommend that the position of the Lead Scrutiny Member/ Chair of the Scrutiny Leadership Board be partly paid as an additional SRA.
- 21.3 Subject to the paragraphs above it was considered that the expectation that only one allowance should be paid should continue, however, where a councillor is appointed to additional roles and there is a direct request to do so, then we believe that as a Panel we should consider such a request on its merits. One scenario we did consider was that of someone in receipt of a Chair or Vice Chair of a Scrutiny Committee SRA and whether that should be used as a basis for qualification for an additional SRA. We are of the view that, based on the guidance summarised at para 21.4, it would not qualify to be paid as an additional allowance. (It could be paid as a first allowance with other allowances identified in the scheme paid as an additional allowance).
- 21.4 Our consideration of requests for additional allowances would cover the level of responsibility, time required for each role and the public perception of the additional allowance to determine whether the circumstance warranted payment of one allowance, more than one allowance or a percentage thereof. We would then recommend to Council accordingly.

22.0 Review of Approved Duties

- 22.1 It was noted that there had been some minor changes to wording in 2019 but acknowledged that many Council constitutions had similar wording for what constituted approved duties in a Leader and Cabinet system in accordance with para 15 of the 2003 Regulations. We therefore agreed that no changes be made to this part of the scheme.

23.0 Annual Uprating of the Scheme for Future Years

- 23.1 We noted that a key principle for the last two full scheme reviews was to uprate the scheme in line with the National Joint Council (NJC) for Local Government Service scheme and we agreed that that principle is continued in future years.

24.0 Other Allowances

- 24.1 We considered that the 'other allowances' in the scheme were on the whole correct or required minor change or removal and make the following recommendations:

Table 2: Other Allowances

Carers and Dependents Allowance	Recommend no change - the wording to remain the same as the current Members' Allowances Scheme.
Bus/ Tram Passes	Recommend no change - the wording to remain the same as the current Members' Allowances Scheme.
Car Parking	Recommend no change - the wording to remain the same as the current Members' Allowances Scheme.
Mileage allowances	Recommend this be in line with the staff mileage allowance.
Public and Other Transport	Recommend no change - the wording to remain the same as the current Members' Allowances Scheme.
Subsistence allowances and overnight subsistence	Recommend this be in line with the staff allowance.
Accommodation claims	Recommend no change - the wording to remain the same as the current Members' Allowances Scheme.

25.0 Recommendations to Council

- 25.1 The Panel recommends that a new Allowances Scheme be adopted by the Council based on the recommendations below with the rationale as set out in the report.
- 25.2 That the basic allowance for members should be set at £11,317 per annum (a 2.0% increase) and backdated to the fourth day after the local election (Monday 8 May 2023).
- 25.3 That the special responsibility allowances for members should be as set out as recommended in Table 1 of this report (following paragraph 19.2 of this report) and commence from the current date of appointment for the councillor concerned into those positions in the Municipal Year 2023/ 2024.
- 25.4 That the position and criteria for a Second Opposition Group Leader be retained in the Members Allowances scheme but no allowance be determined but should a group be formed of 4 or more councillors then the IRP's views be sought on the level of an SRA, as set out in para 11.1.
- 25.5 That should the Lead Scrutiny Member/ Chair of the Scrutiny Leadership Board be no longer occupied by the Leader of the Principal Opposition Group, then the IRP's views be sought on the level of the SRA, as set out in section 12.
- 25.6 That no SRA continues to be paid to the Chairs and Vice Chairs of the Standards and Chief Officers Employment Committees on the basis that they meet infrequently.

- 25.7 That no SRA continues to be paid to the Chairs and Vice Chairs of the Public Protection Sub Committee on the basis that these positions are occupied by the same councillors who hold the positions of Chair and Vice Chair of the Licensing Committee and an SRA is payable for those positions.
- 25.8 That the criterion for the payment of additional SRAs be as set out in section 21, including the endorsement of previous decisions relating to additional SRAs.
- 25.9 That as set out in Section 18, no allowance be paid to the Armed Forces Champion.
- 25.10 That the 'other' allowances as set out within the scheme should be set as recommended at Table 2 (following paragraph 24.1).
- 25.11 That the Parental Leave of Absence Policy currently part of the Members' Allowances Scheme not be changed and be readopted.
- 25.12 That the annual uprating to be applied to the Members' Allowances Scheme in respect of Basic and Special Responsibility Allowances continue to be in accordance with the National Joint Council for Local Government Service pay award.
- 25.13 That in relation to the seven wholly owned Council companies and Lumen Housing Ltd, effective from 1st June 2023, we recommend the following allowances to the Council (and to Blackpool Housing Company in respect of Lumen Housing, as its parent company):
- Chairs of Boards should receive an allowance of £5,546 per annum
 - Vice Chairs of Boards (Blackpool Housing Company and Lumen Housing Ltd only) should receive £4,000 per annum
 - Chairs of Board Audit Committees should receive £4,250 per annum
 - Non-Executive Directors (not holding the above positions) (or Board Members for Lumen Housing) should receive £3,000 per annum.

The expenses for these roles for councillor NEDS to be in line with the Members' Allowances Scheme. This would acknowledge the level of responsibility required with some deduction for public service. We recommend that the allowances for the Vice Chairs of Blackpool Housing Company and Lumen Housing Ltd be reviewed in June 2024.

- 25.14 In relation to the recommendation above, the payments for the Chairs and Non-Executive directors for the Transport and Airport companies be paid via the Members' Allowances Scheme, with the payments to the other companies paid by the companies themselves.

Mrs H Hockenhull
Mrs K Eaton
Mr N Kilgallon
Mr G Molyneux

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEPUTY CHIEF EXECUTIVE	AUDIT AND GOVERNANCE COMMITTEE	28 SEPTEMBER 2023	9
CONSTITUTION AMENDMENTS			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources (Councillor Ellie Gaunt).

PURPOSE OF THE REPORT

In Part 4, Procedure Rules, the constitution prescribes the order of items on an ordinary Council meeting agenda. As part of the review of the constitution, the order was altered to accommodate a request that public questions were heard first.

The order of business at council meetings is not prescribed but the current procedure rules are ambiguous as they infer that the ordering of the council agenda takes place in a prescribed manner. To provide greater clarity a revision to the procedure rules is suggested by Councillor Buckley, Council Leader. This proposed revision is set out within the report.

RECOVERABILITY

This decision is not recoverable because it relates to:

- A recommendation to the council or to any other committee or sub-committee of the council

RECOMMENDATIONS

To recommend to Council to amend procedure rule 4.3 of the Constitution in relation to the proposed order of items for ordinary meetings of the Council.

REPORT

1. In Part 4, Procedure Rules, the constitution sets out business that would usually be considered as part of an ordinary Council meeting.
2. The constitution does not set out the order for items to appear on an agenda, although it is accepted good practice to place procedural items, such as taking declarations of interest and the approval of minutes, at the start of an agenda, followed by items where public involvement or speakers are involved as near to the front of the agenda as possible.

3. The leader of the council has asked the committee to consider recommending a change to procedure rule 4.3, as set out below (omitted or relocated words struck through, new words or words in new places highlighted, numbering to be amended):

Ordinary Meetings

The Council will agree a schedule of ordinary meetings of the council before the last ordinary meeting before the annual meeting in each year. ~~Ordinary meetings will~~ It is usual for the order of business at council meetings to be as follows:

- i. elect a person to preside if the Mayor and Deputy Mayor are not present;*
- ii. receive any declarations of interest from members;*
- iii. approve the minutes of the last meeting;*
- iv. receive any announcements from the Mayor and/or the Chief Executive;*
- v. deal with any written questions from members of the public submitted under Article 15;*
- vi. deal with any questions from members of the council submitted under rule 9;*
- vii. consider notices of motion in the order in which they have been received*
- viii. deal with any business from the last Council meeting;*
- ix. consider any business specified in the summons to the meeting;*
- x. consider any recommendations and/or reports from committees;*
- ~~*xi. consider notices of motion in the order in which they have been received;*~~
- ~~*xii. consider any other business specified in the summons to the meeting; and*~~
- xiii. hear any report from a member who represents the council on any outside body on the work of that body or any issue arising from the council's involvement with it (such reports and any subsequent questions to be limited to a maximum of two per meeting and five minutes per report).*

4. The amendments are intended to set out a usual order of business for ordinary council meetings, which will allow council meetings to flow naturally, whilst ensuring that the public are given priority.

CORPORATE PRIORITIES	
Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	✓
Efficiency – By spending money in the most efficient way	✓
Tourism – To create a great place to live and visit	✓

IMPLICATIONS	
Finance	None arising from this report
Legal	The changes would set out an expected order of business for ordinary council meetings, which would correspond with current custom and practice. The changes are consistent with good governance.
Community Safety	None arising from this report
Human Rights and Equalities	None arising from this report

Sustainability and Environmental Impact	None arising from this report
Health & Safety and Risk Management	None arising from this report

SUMMARY OF PREVIOUS DECISIONS	
None pertaining to this matter.	

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
None		

LEAD AUTHOR	CONTACT DETAILS	DATE
Tracy Manning	tracy.manning@fylde.gov.uk & Tel 01253 658521	30 August 2023