

# Agenda

## COUNCIL



Date:	Monday, 11 April 2016 at 7:00pm
Venue:	Lowther Pavilion, West Beach, Lytham, FY8 5QQ
	<p>Mayor : Councillor Peter Hardy Deputy Mayor : Councillor Heather Speak</p> <p>Leader : Councillor Susan Fazackerley Deputy Leader : Councillor Karen Buckley</p> <p>Councillors Ben Aiken, Christine Akeroyd, Frank Andrews, Peter Anthony, Tim Ashton, Mark Bamforth, Jan Barker, Keith Beckett ISO, Brenda Blackshaw, Julie Brickles, Maxine Chew, Alan Clayton, Delma Collins, Peter Collins, Michael Cornah, David Donaldson, David Eaves, Trevor Fiddler, Tony Ford JP, Richard Fradley, Gail Goodman JP, Shirley Green, Neil Harvey, Paul Hayhurst, Karen Henshaw JP, Paul Hodgson, Angela Jacques, Cheryl Little, Roger Lloyd, Kiran Mulholland, Barbara Nash, Edward Nash, Graeme Neale, Linda Nulty, Liz Oades, Sandra Pitman, Albert Pounder, Richard Redcliffe, Louis Rigby, Vince Settle, Elaine Silverwood, John Singleton JP, Roger Small, Richard Taylor, Raymond Thomas, Thomas Threlfall, Viv Willder.</p>

	PROCEDURAL ITEMS:	PAGE
1	<b>Declarations of Interest:</b> 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	<b>Confirmation of Minutes:</b> To confirm the minutes, as previously circulated, of the meeting held on 2 March 2016 as a correct record.	1
	<b>ANNOUNCEMENTS:</b>	
3	<b>Mayor's Announcements</b>	1
4	<b>Chief Executive's Communications</b>	1
	<b>REPRESENTATIONS:</b>	
5	<b>Questions from Members of the Council</b>	3
6	<b>Questions from Members of the Public</b> For procedure to ask a question at a Council meeting see <a href="#">Public Speaking at Council Meetings.</a>	4
	<b>DECISION ITEMS:</b>	
7	<b>Notice of Motion – Councillor Mark Bamforth</b>	5 - 6

<b>8</b>	<b>Appointment of Leader and Deputy Leader 2016/17</b>	<b>7 - 8</b>
<b>9</b>	<b>Appointment of Independent Persons</b>	<b>9 - 11</b>
<b>10</b>	<b>Confirmation of Committees and Allocation of Membership 2016/17</b>	<b>12 - 16</b>
<b>11</b>	<b>Appointments to Outside Bodies</b>	<b>17 - 19</b>
<b>12</b>	<b>A Combined Authority for Lancashire Membership</b>	<b>20 - 52</b>
<b>13</b>	<b>Five Year Housing Supply – Addressing the Shortfall</b>	<b>53 - 60</b>
<b>14</b>	<b>Blackpool, Fylde &amp; Wyre Economic Development Company Governance Arrangements</b>	<b>61 - 83</b>
<b>15</b>	<b>Capital Strategy</b>	<b>84 - 93</b>

Contact: Katharine McDonnell - Telephone: (01253) 658423 – Email: [democracy@fylde.gov.uk](mailto: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>

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# REPRESENTATIONS



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	5
<b>QUESTIONS FROM MEMBERS OF THE COUNCIL</b>			

## **PUBLIC ITEM**

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

### **SUMMARY**

No questions have been received from Members of the Council before the requisite deadline, as outlined in Procedural Standing Orders for Council and Committees of Part 4 of the Council's Constitution, and before the statutory deadline for publication of the agenda.

If any questions are received before the deadline, as outlined above, they will be circulated prior to the meeting for members' information, under separate cover.

Any question(s) will be heard during the Council meeting on 11 April 2016 and a response will be given by the Leader of the Council.

# REPRESENTATIONS



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	6
<b>QUESTIONS FROM MEMBERS OF THE PUBLIC</b>			

## PUBLIC ITEM

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

### SUMMARY

No questions have been received from the public before the deadline, as outlined in the Procedural Standing Orders for Council and Committees in Part 4 of the Council's Constitution, and before the statutory deadline for publication of the agenda.

If any questions are received before the deadline, as outlined above, they will be circulated prior to the meeting for members' information, under separate cover.

Any question(s) will be heard during the Council meeting on 11 April 2016 and a response will be given by the Leader of the Council.

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	7
<b>NOTICE OF MOTION – COUNCILLOR MARK BAMFORTH</b>			

## PUBLIC ITEM

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

## SUMMARY

Notice of motion is a procedure that allows members of the council to ask the council to discuss any matter for which the Council has a responsibility or which affects the Fylde area. Any member of the council can give written notice to the Director of Resources of a motion that they wish to move. The Director will publish the motion on the council's website and arrange for it to be placed on the agenda of the next available ordinary council meeting. The motion will be debated at council subject to it being moved and seconded.

## RECOMMENDATION

To consider the Notice of Motion received on 24 March 2016.

## SUMMARY OF PREVIOUS DECISIONS

None.

## CORPORATE PRIORITIES

Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	
Working with all partners ( <b>Vibrant Economy</b> )	
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	

## The Motion

1. The following Notice of Motion has been received:

“The council notes that Councillor Mark Bamforth has been absent from recent meetings of the council and committees because of illness and approves this as a reason for his absence for the purposes of section 85 of the Local Government Act 1972.”

The Notice of Motion has been duly proposed by Councillor Roger Lloyd.

## Standing Orders

2. Part 4 (Rules of Procedure), Standing Order 12 (Motions) of the council Constitution details the procedural requirements of handling a Notice of Motion.

IMPLICATIONS	
Finance	None arising directly from this report.
Legal	None arising directly from this report.
Community Safety	None arising directly from this report.
Human Rights and Equalities	None arising directly from this report.
Sustainability and Environmental Impact	None arising directly from this report.
Health & Safety and Risk Management	None arising directly from this report.

LEAD AUTHOR	TEL	DATE	DOC ID
Tracy Morrison	01253 658521	24 March 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Notification from Councillor Roger Lloyd	24 March 2016	<a href="http://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx">http://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx</a>
Council Constitution		<a href="http://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx">http://fylde.cmis.uk.com/fylde/DocumentsandInformation.aspx</a>

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	8
<b>APPOINTMENT OF LEADER AND DEPUTY LEADER 2016/17</b>			

## PUBLIC ITEM

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

## SUMMARY

Members are invited to confirm the appointment of the leader and deputy leader of the council for the municipal year 2016/17.

## RECOMMENDATIONS

1. To confirm Councillor Susan Fazackerley as leader of the council.
2. To confirm Councillor Karen Buckley as deputy leader of the council.

## SUMMARY OF PREVIOUS DECISIONS

At the Annual General Meeting of the council on 20 May 2015 the council appointed a leader and deputy leader to hold office for the next four years<sup>1</sup>.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	
Delivering the services that customers expect of an excellent council (Clean and Green)	
Working with all partners (Vibrant Economy)	
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

<sup>1</sup> The term of office of the leader also ends if they resign, cease to be a councillor, or are removed by a resolution of the council.

## REPORT

1. Members are invited to confirm the appointments of Councillor Susan Fazackerley as leader of the council and Councillor Karen Buckley as deputy leader of the council.

IMPLICATIONS	
Finance	None arising from the report.
Legal	None arising from the report.
Community Safety	None arising from the report.
Human Rights and Equalities	None arising from the report.
Sustainability and Environmental Impact	None arising from the report.
Health & Safety and Risk Management	None arising from the report.

LEAD AUTHOR	TEL	DATE	DOC ID
Ian Curtis	01253 658506	15/3/16	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Council Minutes	20 May 2015	<a href="http://www.fylde.gov.uk">www.fylde.gov.uk</a>
Constitution		<a href="http://www.fylde.gov.uk">www.fylde.gov.uk</a>



# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	9
<b>APPOINTMENT OF INDEPENDENT PERSONS</b>			

## PUBLIC ITEM

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

## SUMMARY

The Council is asked to consider the appointment of three statutory Independent Persons pursuant to Section 28 (7) of the Localism Act 2011.

## RECOMMENDATIONS

1. To agree to appoint Mr Tony Mozley, Mr Brian Horrocks and Mrs Helen Broughton as statutory Independent Persons pursuant to Section 28 (7) of the Localism Act 2011, for a period of 3 years starting from 1 May 2016 until 30 September 2019.
2. To confirm the continuation of the sharing arrangement with Blackpool Council for the use of the Independent Persons.
3. To request the Chairman of Audit and Standards Committee and the Monitoring Officer write a joint letter on behalf of the Council to Mr Tony Elwood, to thank him for his service as an Independent Person over the previous 3 years and to wish him well for the future.

## SUMMARY OF PREVIOUS DECISIONS

28 January 2013 - Council appointed Mr Ellwood, Mr Mozley and Mr Horrocks for a three year term.  
 20 May 2015 – Council appointed Mr Ellwood and Mr Horrocks, as co-opted members, to the Chief Officers Employment Committee.  
 14 December 2015 – Council agreed the extension of the term of office for the Independent Person until June 2016 or until the satisfactory conclusion of the recruitment process to appoint new Independent Persons.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√
To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	
Promoting Fylde as a great destination to visit (A Great Place to Visit)	

## REPORT

1. The Localism Act 2011 abolished the former standards regime including the requirement to have co-opted independent members. However, in the interests of enabling independent scrutiny of the process by which complaints against elected members are dealt with, the Act includes a requirement that all Local Authorities must appoint at least one Independent Person. The Independent Person is not a co-opted member of the authority but is entitled to attend hearings conducted by the Audit and Standards Committee in an advisory capacity if so required.
2. In addition, the Monitoring Officer must consult with the Independent Person prior to referring a matter for formal investigation. The Monitoring Officer can also use them in an advisory manner in other standards matters. The Act also states that an Independent Person should be available to be consulted by a member who is the subject of an allegation that they have breached the Members' Code of Conduct. As the Independent Person advising a member subject to an allegation cannot be one and the same as to whom the Monitoring Officer has utilised, this leads to the conclusion that there should be at least two Independent Persons.
3. Following the introduction of the legislation in 2012, Fylde and Blackpool Councils agreed to share Independent Persons across both Councils and agreed to appoint three independent persons for a three year period, finishing on 31 January 2016. The arrangement with Blackpool Council has been very successful over the last three years, and the scrutiny, advice and support of the three Independent Persons has been equally positive.
4. At the meeting of the Council in December 2015, it was agreed to extend the term of office for Mr A Mozley, Mr B Horrocks and Mr R Ellwood as statutory independent persons pursuant to Section 28 (7) of the Localism Act 2011 until June 2016 or a lesser period (agreed by Council), subject to the successful conclusion of the recruitment process.
5. The recruitment process commenced in the New Year and interviews were held in March 2016. The interview panel comprised of Councillor John Singleton, Chairman of Audit and Standards Committee; Tracy Morrison, Monitoring Officer; Councillor Fred Jackson, Chairman of Standards Committee, Blackpool Council and Mark Towers, Monitoring Officer, Blackpool Council. .
6. Mr R A Ellwood who served as an Independent Member for the previous 3 year term, had indicated that he did not wish to seek a re-appointment for personal reasons and did not put himself forward for consideration.
7. The interview panel interviewed four applicants for the three positions and recommends to Council the appointment of three of the candidates. These are Mr A Mozley and Mr B Horrocks (both of whom had served previously as Independent Persons) and Mrs H Broughton, a local business woman.
8. Legislation requires that at least one Independent Person, who resides in the borough is appointed to the Chief Officers Employment Committee, it is recommended under a later report on this agenda, to appoint all three to the committee.

IMPLICATIONS	
Finance	The Council has previously agreed to remuneration in the total sum of £750 per annum for the role of Independent Person (provision for which is included in the approved revenue budget for 2016/17).
Legal	Localism Act 2011 refers
Community Safety	None arising directly from this report
Human Rights and Equalities	None arising directly from this report
Sustainability and Environmental Impact	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Tracy Morrison	01253 658521	17 March 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
none		

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
RESOURCES DIRECTORATE	COUNCIL	11 APRIL 2016	10
<b>CONFIRMATION OF COMMITTEES AND ALLOCATION OF MEMBERSHIP</b>			

## PUBLIC ITEM

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

### SUMMARY

The council is required annually to confirm the committees that it wishes to appoint and allocate the membership of certain committees in accordance with the principles of political balance under the Local Government and Housing Act 1989.

Members are also asked to re-appoint members to the Member Development Steering Group.

### RECOMMENDATIONS

1. Appoint the committees set out in the appendix for the municipal year 2016-17, with the same terms of reference as presently set out in the constitution, save for the Chief Officers' Employment Committee.
2. Amend the terms of reference of the Chief Officers' Employment Committee as set out in paragraph 4 of the report.
3. Allocate committee seats in accordance with the principles of political balance as set out in the table in paragraph 6.
4. Invite the political groups (if they have not already done so) to submit their nominations to the seats allocated to them in accordance with the Local Government and Housing Act 1989 and regulations made under it.
5. (If nominations have been received from the political groups) Appoint members to seats on committees required to be politically balanced in accordance with the nominations made by the political groups, and appoint Mr Anthony Mozley Mr Brian Horrocks and Mrs Helen Broughton as co-opted members of the Chief Officer Employment Committee.
6. Appoint members to the Licensing Committee, which is not required to be politically balanced.
7. Appoint eight members to the Member Development Steering Group.

### SUMMARY OF PREVIOUS DECISIONS

The council receives a similar report each year at the meeting preceding its annual meeting. In an election year, the report must be presented to the annual meeting.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

### APPOINTMENT OF COMMITTEES

- Under its constitution, the council is required annually to decide which committees to establish for the municipal year; decide the size and terms of reference for those committees; and decide the allocation of seats on those committees to political groups in accordance with the political balance rules where applicable.
- The appendix sets out the proposed committees for the council for 2016-17. The committees are the same as exist at present and, save as set out below their terms of reference would be as set out in part 3 of the council's constitution. For convenience, their present membership is also set out in the appendix. The council is invited to appoint those committees as its committees for the municipal year 2016-17 with the size and, subject to below, terms of reference as set out.
- The present terms of reference of the Chief Officers' Employment Committee are:

*The definition of those posts which are regarded as Chief Officer posts is listed in Part 7 of this Constitution.*

- The appointment of:*
    - The Officer designated as the Head of the Authority's Paid Service;*
    - A statutory Chief Officer within the meaning of Section 2(6) of the Local Government and Housing Act 1989; and*
    - A non-statutory Chief Officer*
  - The dismissal of, or disciplinary action against, any Officer referred to in paragraph (i) to (iii) above.*
- It would be convenient to number the first unnumbered paragraph as paragraph 1, renumber the other two paragraphs accordingly and add the words "*or the consideration of any appeals, grievances or other matters in relation to any such officer where it would be expedient for the committee to deal with them*" to the end of the final paragraph.

### POLITICAL BALANCE

- The Local Government and Housing Act 1989 requires the council to calculate the membership of committees in accordance with the requirements of political balance set out in the act. The act also requires that the council give effect to those calculations by allocating seats in accordance with the wishes of the political groups<sup>1</sup> to whom the seats have been allocated<sup>2</sup>. The four principles of political balance can be summarised like this:

<sup>1</sup> A political group must have at least two members to count for the purposes of the 1989 act.

<sup>2</sup> Where a seat is allocated in accordance with the political balance principles to members who do not belong to a political group, the choice of non-group member to fill the seat rests with the council.

- All seats on a committee must not be allocated to the same group;
  - The majority group must have the majority of seats on each committee;
  - The total number of committee seats across the council must be allocated proportionately to the number of seats each group has on the full council; and
6. The seats on each committee must be allocated in proportion to the number of seats of each group on the full council. The four principles are in order of priority. This means that the second principle is applied subject to the first. Similarly, the third principle is applied subject to the first and the second, and so on.
  7. The council must<sup>3</sup> appoint at least two co-opted members to its Chief Officer Employment Committee. The co-opted members must be drawn from the independent persons appointed as part of the member standards machinery under the Localism Act 2011. The independent persons only sit as members of the committee for certain business taken under specific legislation<sup>4</sup>.
  8. The Licensing Committee is not subject to the political balance rules.
  9. The table below sets out a distribution of seats across committees that fulfils the requirement for political balance. Committees that are not required to be politically balanced are not included.

Committee	Total seats	Con	Ind	Lib Dem	Others
Finance and Democracy	12	7	3	1	1
Environment, Health and Housing	12	7	3	1	1
Operational Management	12	8	4	0	0
Tourism and Leisure	12	8	3	0	1
Development Management	12	7	3	1	1
Public Protection	11	7	3	0	1
Audit and Standards	9	6	3	0	0
Chief Officers Employment	6	4	2	0	0

The table above is a permutation that would meet the requirements for political balance. It is not the only possible permutation which would meet the requirements for political balance.

<sup>3</sup> See paragraphs 5-6 of schedule 3 to the Local Authorities (Standing Orders) (England) Regulations 2001.

<sup>4</sup> See the Local Authorities (Standing Orders) (England) Regulations 2001. When constituted as required under the regulations, the committee is an advisory committee under Section 102(4) Local Government Act 1972. This means that it cannot take a binding decision, it may only make recommendations. As a result, it would be inappropriate to involve the Independent Persons in any other stages of the process or meetings of the Committee (unless they are solely "in attendance" as invitees, rather than "present").

10. If all of the political groups are able to nominate the individual members they wish to fulfil their allocations on each committee, the council can make those individual appointments at today's meeting. It is obliged to follow the nominations of each group to seats allocated to that group.<sup>5</sup>
11. If appointments to committees are made at today's meeting, members are also invited to appoint a chairman and vice-chairman to each committee.

#### LICENSING COMMITTEE

12. The Licensing Committee is not subject to the political balance rules. It is concerned exclusively with carrying out the council's responsibilities under the Licensing Act 2003 and the Gambling Act 2005. The committee has a membership of **15** and the council is invited to appoint that number of members to the committee, including appointments as chairman and vice-chairman.

#### MEMBER DEVELOPMENT STEERING GROUP

13. The Member Development Steering Group is not a committee, but it is convenient to deal with appointments to it in this report. The group is an internal working group and its functions are leading, co-ordinating and monitoring the Council's actions in delivering the Member Development Strategy. The membership of the group is cross party. Its main purpose is to ensure that elected members are fully engaged in the formulation, monitoring and evaluation of member development programmes. It will oversee all councillor training and development on behalf of the council.
14. The group has a membership of 8 and the council is invited to appoint that number of members to the group, including appointments as chairman and vice-chairman.

IMPLICATIONS	
Finance	None arising from the report.
Legal	Political balance is a legal requirement for most committees of the council.
Community Safety	None arising from the report.
Human Rights and Equalities	None arising from the report.
Sustainability and Environmental Impact	None arising from the report.
Health & Safety and Risk Management	None arising from the report.

LEAD AUTHOR	TEL	DATE	DOC ID
Ian Curtis	01253 658506	15/3/16	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		

#### Attached documents

#### Appendix 1 - present committee membership

<sup>5</sup> If not all of the political groups are yet able to nominate individual members to the seats allocated to the group, the council would need to resolve to allocate the seats to the political groups and to invite the groups to nominate individual members to the seats allocated to each group. The committees could not meet until the appointments were confirmed at a council meeting.

Committee Membership 2015-2016

	Audit & Standards	Chief Officer Employment	Development Management	Environmental, Health & Housing	Finance & Democracy	Licensing*	Operational Management	Public Protection	Tourism & Leisure	Member Development Steering Group
CH	Singleton J	Fazackerley S	Fiddler T	Aitken B	Buckley K	Jacques A	Eaves D	Jacques A	Little C	Nash E
VC	Donaldson D	Buckley K	Redcliffe R	Willder V	Small R	Nash B	Pounder A	Nash B	Ashton T	Andrews F
3	Bamforth M	Beckett K	Akeroyd C	Chew M	Donaldson D	Akeroyd C #	Andrews F	Andrews F	Akeroyd C	Barker J
4	Collins D	Brickles J	Collins P	Collins D	Ford T	Andrews F	Anthony P	Barker J	Barker J	Brickles J
5	Collins P	Small R	Cornah M	Goodman G	Jacques A	Barker J	Brickles J	Beckett K	Blackshaw B	Collins D
6	Lloyd R	Taylor R	Ford T	Green S	Mulholland K	Beckett K	Clayton A	Blackshaw B	Brickles J	Nash B
7	Nash E	Ellwood T*	Harvey N	Lloyd R	Nulty L	Blackshaw B	Fradley R	Clayton A	Chew M	Neale G
8	Neale G	Horrocks B*	Mulholland K	Neale G	Oades L	Clayton A	Henshaw K	Goodman G	Fradley R	Pitman S
9	Small R		Nash B	Rigby L	Redcliffe R	Collins P	Hodgson P	Green S	Hodgson P	
10			Nulty L	Speak H	Settle V	Donaldson D	Nash E	Hardy P	Pitman S	
11			Oades L	Taylor R	Silverwood E	Goodman G	Pitman S	Harvey N	Settle V	
12			Pounder A	Threlfall T	Taylor R	Green S			Thomas R	
13						Hardy P				
14						Harvey N				
15						Thomas R				
			<b>Substitutes</b>							
			Andrews F							
			Brickles J							
			Chew M							
			Clayton A							
			Hardy P							
			Jacques A							
			Pitman S							
			Speak H							
			Thomas R							
			Willder V							
	Conservative: 6	Conservative: 4	Conservative: 7	Conservative: 8	Conservative: 7	Conservative: 10	Conservative: 7	Conservative: 7	Conservative: 8	Conservative: 6
	Independent: 3*	Independent: 2	Independent: 3	Independent: 4*	Independent: 3	Independent: 4	Independent: 3	Independent: 3	Independent: 3	Independent: 1
	Lib Dem: 0	Lib Dem: 0	Lib Dem: 1	Lib Dem: 0	Lib Dem: 1	Lib Dem: 0	Lib Dem: 1	Lib Dem: 0	Lib Dem: 0	Lib Dem: 0
	Non Aligned : 0	Non Aligned: 0	Non Aligned: 1	Non Aligned: 0	Non Aligned: 1	Non Aligned: 0	Non Aligned: 0	Non Aligned: 0	Non Aligned: 0	Non Aligned: 0
	Labour: 0	Labour: 0	Labour: 0	Labour: 0	Labour: 0	Labour: 1	Labour: 0	Labour: 1	Labour: 1	Labour: 1
	* Ratepayers included in with Independents	* Statutory Independent Persons		*Ratepayers included in with Independents		* not required to be politically balanced				
						# wef 6/7/15				
	Lead Officer - Paul O'D		Lead Officer - Mark E	Lead Officer - Tracy M	Lead Officer - Allan O	Lead Officer - Ian C	Lead Officer - Allan O	Lead Officer - Ian C	Lead Officer - Paul W	Lead Officer - Lyndsey L



# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
MONITORING OFFICER	COUNCIL	11 APRIL 2016	11
<b>APPOINTMENTS TO OUTSIDE BODIES</b>			

## PUBLIC ITEM

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

### SUMMARY

The Council makes a number of appointments to outside bodies each year. In a non-election year these are confirmed at the last ordinary meeting prior to the meeting of Annual Council. Following Council's decision in 2015, the programme committees have made recommendations to the appointments from within their respective memberships, where possible.

Every member serving on an outside body is required to complete a reporting form every six months, which will be reported to the relevant programme committee to which the external partnership relates.

Those members failing to complete the information following a second reminder will be brought to the attention of Group Leaders. Group Leaders must then determine whether they wish to request a Notice of Motion at the next Council meeting as to whether the subject member should continue to represent the Council on the particular outside body.

The current list of outside bodies and those members nominated to them by the committees, is attached as an appendix.

### RECOMMENDATION

1. To confirm nominated appointments to outside bodies for the 2016/17 municipal year, as shown in appendix 1.
2. Where a vacancy is shown in the appended list, to consider a suitable appointment to that partnership.
3. To approve the changes to the Outside Bodies Protocol (Part 5f of the Council's Constitution), as recommended by the Audit and Standards Committee.

### SUMMARY OF PREVIOUS DECISIONS

Council are required to confirm the appointments to outside bodies annually.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services (Value for Money)	√
Delivering the services that customers expect of an excellent council (Clean and Green)	√
Working with all partners (Vibrant Economy)	√

To make sure Fylde continues to be one of the most desirable places to live (A Great Place to Live)	√
Promoting Fylde as a great destination to visit (A Great Place to Visit)	√

## REPORT

1. The Council makes a number of appointments to outside bodies in each municipal year.
2. The outside bodies to which the Council nominates, together with the names of those members nominated by the relevant programme committee, is attached as appendix 1.
3. The list was reviewed by Group Leaders during the course of 2014/15 and refined to reflect current practice and live partnerships.
4. The current protocol is that members are required to produce regular reports on the bodies on which they serve, currently every six months. These reporting forms will come to the programme committee to which the external partnership relates.
5. At its meeting on 17 March 2016, the Audit and Standards Committee recommended the following amendments to the Outside Bodies Protocol (Part 5f of the Council's Constitution); that all reporting forms are submitted via the online electronic reporting form; and that committee chairmen, whose members are not supplying reports, enquire whether that member wishes to continue as a representative of the outside body.

IMPLICATIONS	
Finance	None arising from the report.
Legal	None arising from the report.
Community Safety	None arising from the report.
Human Rights and Equalities	None arising from the report.
Sustainability and Environmental Impact	None arising from the report.
Health & Safety and Risk Management	None arising from the report.

LEAD AUTHOR	TEL	DATE	DOC ID
Tracy Morrison	01253 658521	22 March 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
None		

Attached documents

Appendix 1 – Nominated Representatives to Outside Bodies.

## List of Nominations for representation on Outside Bodies 2016/17 (Updated March 2016)

Outside bodies / partnerships attended by Elected Members	Seats Occupied	Nominations from committees
Arts Partnership for Lytham	1	Councillor Thomas
Arts Working Group	1	Councillor Settle
Blackpool, Fylde & Wyre Economic Development Committee (EDC)	1	The Leader of the Council
Childrens Partnership Board	1	Councillor Goodman
Community Projects Fund	1	The Mayor
Council for Voluntary Services, BWF	1	<b>Nomination to be sought at Council</b>
Duty to Cooperate	2	Chairman and Vice Chairman of Development Management Committee
East Lytham Working Group	1	Councillor Lloyd
Education Liaison Committee (Planning)	2	Councillors Redcliffe and Nulty
Face to Face	1	Councillor Willder
Fylde Arts Association	1	Councillor Thomas
Fylde Citizens Advice Bureau	3	Councillors Rigby, Nulty and Taylor
Fylde Coast LGBT Strategic Partnership	1	Councillor Green
Fylde Coast Women's Aid	1	Councillor Willder
Fylde Coast YMCA Partnership Board	1	Councillor Pitman
Fylde & Wyre Health & Wellbeing Partnership	1	Councillor D Collins
Fylde Peninsular Coastal Programme Board	1	Councillor Pounder
Fylde Peninsular Water Management Group	1	Councillor Aitken
Lancashire Health and Wellbeing Board	1	<b>Nomination to be sought at Council</b>
Lancashire Waste Partnership	1	Councillor Eaves
LCC Health & Scrutiny Committee	1	Councillor Green
Local Liaison Committee Springfield Works	2	Councillors Lloyd and Aiken
Lowther Trust	1	Councillor Little
Lytham Town Trust	1	Councillor Ashton
MATAC	1	Councillor Lloyd
North West Employers Organisation	1	The Chairman of Finance and Democracy Committee
North West of England & the Isle of Man Reserve Forces & Cadets Association	1	Councillor E Nash
Ormerod Trust	1	Councillor Jacques
PATROL	1	Councillor Pounder
Police and Crime Commissioner Panel	2	Councillors Aitken and Oades
Police Crime Commissioner's Forum	1	Councillor Aitken
Progress Housing	1	Councillor Willder
Registered Social Landlords (RSL) Partnership	1	Councillor Aitken
Sintropher Working Group	1	Councillor Pounder
St George's Day Festival Committee	1	Councillor Little
<b>Key</b> Green = a Limited Company Pink = a Limited Company that is also a Registered Charity Blue = an Unincorporated Association Grey = a Statutory Body		

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
LEADER OF THE COUNCIL	COUNCIL	11 APRIL 2016	12
<b>A COMBINED AUTHORITY FOR LANCASHIRE MEMBERSHIP</b>			

## PUBLIC ITEM

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

## SUMMARY

The report provides an update for members of the progress and benefits of the Lancashire Combined Authority proposal including responses to the public consultation exercise and seeks agreement for Fylde Council to become a constituent member of a Combined Authority for Lancashire.

## RECOMMENDATIONS

It is recommend that:

1. The contents of this report be noted
2. The response to the public consultation on the Combined Authority proposals included as Appendix 1 be noted
3. Fylde Council agrees to become a constituent member of a Lancashire Combined Authority and submit proposals to do so to the Secretary of State
4. In the interim period, Fylde Council agrees to form a shadow Lancashire Combined Authority
5. Any proposals for a Devolution Deal with the Government be brought back to Full Council for agreement

## SUMMARY OF PREVIOUS DECISIONS

At the Full Council meeting on December 14<sup>th</sup> 2015 it was resolved:

1. The contents of the report on a Combined Authority be noted
2. The contents of the Lancashire Governance Review and recommendation therein be noted
3. The contents of the draft Scheme for a Combined Authority be noted
4. Fylde Council agrees to take part in the public consultation in January/February which will seek views on the formation of a Combined Authority for Lancashire
5. Fylde Council agree to consider the feedback from the public consultation and notes that, following this, those authorities who wish to form a Lancashire Combined Authority will submit a proposal to the Secretary of State for consideration.
6. Fylde Council agrees in principle to becoming a constituent member of the Combined Authority for Lancashire
7. The council's meeting on April 11th 2016 gives final consideration to becoming a constituent member of a Lancashire Combined Authority.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	✓
Working with all partners ( <b>Vibrant Economy</b> )	✓
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	✓
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	✓

## REPORT

### Background

In October 2014 Lancashire Council Leaders identified the need to develop closer collaborative working across Lancashire on strategic regional economic and transport related matters as a result of the changing arrangements for engagement between central government and the regions, as well as the need for Lancashire authorities to work more effectively together.

In order to determine whether the existing arrangements are effective in relation to the new means of engagement with central government, or whether Lancashire would benefit from new arrangements Lancashire Leaders commissioned a Governance Review. Fylde Council considered the outcome from the Governance Review including a draft Scheme of Governance for the preferred option of a Lancashire Combined Authority at its meeting on December 14<sup>th</sup> 2015.

### A Lancashire Combined Authority

As part of the Governance Review Leaders developed five priority ambitions applicable to the whole of Lancashire, these are:

- *Prosperous Lancashire*: a Lancashire that is recognised as a destination of choice, to invest in, do business in, live in or visit
- *Connected Lancashire*: digital and transport connectivity to promote inclusive growth
- *Skilled Lancashire*: a skilled workforce that can meet the demands of employers and future business growth
- *Better Homes for Lancashire*: better living standards for residents with good quality homes and a wide housing offer
- *Public services working together for Lancashire*: integrated public services at the heart of local communities giving everyone the opportunity for a healthier life

Leaders recognised that some of the ambitions set out above could be delivered through the existing excellent partnership arrangements in place across the county. However, in order to attract and maintain economic growth within the preferred arrangements for engagement with the regions and achieve a prosperous Lancashire for all, there is a requirement to demonstrate that Lancashire as a region means business, and to provide reassurance that there are strong, robust governance arrangements in place with a formal commitment to work together.

The proposed Lancashire Combined Authority will provide a formal, structured and transparent, legally constituted body operating across the whole of Lancashire responsible for taking strategic decisions on transport, economic development and regeneration, as well as improve and strengthen the relationship between the Local Economic Partnership (LEP) and local authorities.

Lancashire has one of the largest local economies in the North of England generating over £25bn Gross Value Added (GVA), with over 45,000 businesses supporting 700,000 jobs. A Lancashire

Combined Authority will ensure Lancashire is able to reach full economic potential. The Government has been clear that the preferred model of engagement with the regions to address key economic, planning, housing and skills development is through a Combined Authority. For Fylde Council being a member of the Lancashire Combined Authority will provide:

- A single voice for Lancashire in the debate that will shape the future of the North. Neighbouring regions have powerful voices through a Combined Authority and are already shaping the 'Northern Powerhouse'. Fylde alone will not be heard. Lancashire needs a strong voice and a clear understanding of what it wants to achieve to influence the debate and ensure our communities are not 'left behind' the rest of the North when securing the freedoms, flexibilities and economies of scale that can only be realised on a regional footprint.
- A joint focus, with influence in numbers, for driving economic growth. When new funding arrangements for Local Government are fully implemented, councils will be reliant on business rates to fund services. A Combined Authority and the potential additional investment from working together with the upper tier authority and neighbouring councils, offers the most effective way to influence the business rates generated in Fylde.
- An opportunity for all district councils to influence, shape and have accountability for the work of the LEP and the major funding streams that Government distributes through the LEP. The Scheme of Governance sets out that the Lancashire Combined Authority will include the local authorities and the LEP within its governance structure. With this closer knowledge and working, Fylde has better prospects of aligning projects and attracting investment through the LEP.
- An opportunity to influence and contribute the Fylde coast requirements in a 'Lancashire Plan' focused on economy, skills and development, directly shaping and having a say in how Lancashire's priorities and investments are decided.
- The ability to share and access, capacity; expertise; resources; skills; and experience across Lancashire through formal arrangements in a co-ordinated and planned manner.
- The ability to work collectively on the common challenge of delivering sustainable public services in the future that faces every local authority in an era of ongoing austerity, grant reductions, budget cuts and service reviews. The proven benefits of economies of scale and the ability to achieve more together will be developed formally through the Lancashire Combined Authority rather than in isolation.
- As a member of the Lancashire Combined Authority, district councils will have the opportunity to be 'at the table' through formal and transparent engagement in transport decisions providing a strong voice for Lancashire in shaping the priorities in Transport for the North affecting:
  - Streamlined single Transport for Lancashire Plan as opposed to three plans, with engagement for Fylde on a wider footprint, at present Fylde only has a say in the LCC plan
  - Aligning strategic transport planning with district Local Plans more effectively
  - Highways and Transport masterplan revisions
  - Strategic Transport Prospectus revisions
  - Key Route Network definition
  - Prioritisation of improvements on the Key Route Network with a capital cost of >£500,000
  - Responses to consultation on long-term Strategic Road Network (SRN) planning
  - Identification of SRN improvements to support future strategic housing and employment locations
  - Responses to consultation on long-term rail planning and franchise specification

- Identification of rail network improvements to support future strategic housing and employment locations
- Lancashire Strategic Cycle Network
- Transport scheme funding approvals (if not devolved to Transport for Lancashire)
- Opportunity for involvement in an integrated bus network across Lancashire currently restricted by administrative boundaries
- Direct engagement through a formal committee with Transport for the North Partnership Board responsible for the delivery of transport infrastructure across the whole North of England e.g. HS2
- A structured and transparent governance framework for Lancashire Leaders to meet with voting rights, minutes and agendas that provide increased accountability.

There are no financial, operational or constitutional risks to the council from joining a Lancashire Combined Authority under the proposals included in this report. The council is not required to contribute any additional resource, including finance, and could only do so through a unanimous formal vote. There are no proposals at this stage for the devolution of powers from central government to the combined authority, if any proposals are made they will include a full analysis of the benefits and disadvantages, and the councils existing role in the Lancashire Leaders is not diminished in anyway, it is actually increased with formal governance arrangements.

The governance review concluded that a Combined Authority is the most appropriate arrangement for Lancashire to achieve maximum benefit from devolved powers and funding by central government. The Combined Authority has proven to be the most popular and preferred form of governance arrangement in most regions for securing devolved powers and functions, and to engage effectively with central government on a regional footprint. The Government has a clear direction of travel to deal with local government on economy, planning, housing and skills through Combined Authorities with significant benefits realised through a Devolution Deal, making it almost the 'only game in town' without which regions will be left behind or 'second class'.

For Fylde the only other alternative would be to attempt to negotiate with government in isolation with the majority of other local authorities operating in the Lancashire Combined Authority. There is no sub regional option. Fylde does not have the capacity, experience, expertise or resource to engage in isolation with government on devolved powers nor does it have the remit to do so in respect of cross boundary transport, economic and regeneration initiatives. Equally, government does not have the capacity and resource to engage with local authorities in isolation, preference and priority is given to Combined Authorities. The fact that being a member of the Lancashire Combined Authority is the 'only game in town', if Fylde wants to secure the benefits and opportunities listed above, is not a reason to become a member, but it must be a consideration in the decision making process.

The Lancashire Combined Authority will operate within a Scheme of Governance which councils have already agreed. In summary the arrangements will be:

<b>Membership</b>	Local authorities in Lancashire, represented by Leader.
<b>Voting Arrangements</b>	One vote per local authority (excluding transport planning).
<b>Decision Making</b>	Unanimous agreement on strategic plans, investment strategy, annual budget, borrowing limits, adoption of freedoms and flexibilities, any changes to CA arrangements. All other decisions require a 2/3 majority. There is no provision for Executive arrangements.
<b>Decision Making – Transport</b>	Transport planning and investment would be subject to unanimous agreement by the three transport authorities.

<b>Overview &amp; Scrutiny</b>	Scrutiny Committee with representation from authorities would be established.
<b>Finance</b>	No member allowances will be payable and resources for the Combined Authority will be found from within existing arrangements between member authorities which has worked successfully since October 2014.

### **Public Consultation**

The Lancashire councils along with the Lancashire LEP have recently undertaken a public consultation exercise. A summary of the response to the consultation is included in Appendix 1 to this report for information. To ensure an independent, robust and coordinated approach, the councils in Lancashire commissioned Infusion Research to undertake the consultation.

The consultation was held from 11th January to 19th February 2016. Promotion of the consultation reached an estimated 444,000 people and over 15,000 people visited the consultation website over the six week period with almost 2000 responses received.

Of those respondents 70% strongly, or tend to agree, with the proposal to establish a Combined Authority for Lancashire. Of those who disagreed with the proposal, the main concerns included where resources would be focused and any adverse impact on local services.

### **Devolution**

In developing the Combined Authority, Lancashire Leaders have been considering devolution proposals which would enable greater control, power and influence over a range of programmes and funding delivered in Lancashire. These include devolved funding for strategic transport and development; influence and/or control over employment and skills programmes and delivery; housing; growth funding and aligning investment activity.

Whilst there is a close link between Combined Authorities and Devolution Deals with the government, it is important to note that they are separate issues and subject to negotiation. A Devolution Deal would require the agreement of the constituent members of the Combined Authority which would then act as the vehicle for delivering the Devolution Deal.

### **Next Steps**

This report seeks the agreement of Fylde Council to become a constituent member of the Lancashire Combined Authority and signals to the Government that authorities in Lancashire are committed to working together for a better Lancashire. A similar report is going to 14 of the 15 other Lancashire local authorities throughout March and April 2016 seeking the same commitment.

Subject to the various council decisions, a proposal to form a Lancashire Combined Authority will be submitted to the Government for consideration and negotiation.

In the interim period it is recommended that the local authorities operate a shadow Combined Authority using the guiding principles set out in the Scheme of Governance included in Appendix 2 this report and which came before this Council on December 14<sup>th</sup> 2015.



IMPLICATIONS	
Finance	<p>Officer resources have been made available by authorities in supporting the Combined Authority development on an 'in kind' basis. At this stage these arrangements will continue and there are no direct financial implications.</p> <p>As per the Scheme of Governance for the Combined Authority, approval of the annual budget including decisions on any levies, precepts or other demands for financial contribution from constituent authorities is subject to unanimous agreements by the constituent members.</p>
Legal	<p>The powers to establish a Combined Authority are contained within the Local Democracy, Economic Development and Construction Act 2009 ("the Act") and The Cities and Local Government Devolution Act 2016.</p> <p>The Council's own constitution will be reviewed and any necessary amendments will be made. A parliamentary order is needed to establish a Combined Authority.</p>
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

LEAD AUTHOR	TEL	DATE	DOC ID
Allan Oldfield	01253 658500	February 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Combined Authority Parliament Briefing Paper	February 12 <sup>th</sup> 2016	<a href="http://researchbriefings.files.parliament.uk/documents/SN06649/SN06649.pdf">http://researchbriefings.files.parliament.uk/documents/SN06649/SN06649.pdf</a>
Combined Authorities: LGA Guidance	September 2015	<a href="http://www.local.gov.uk/devolution/combined-authorities">http://www.local.gov.uk/devolution/combined-authorities</a>

Attached documents

**Appendix 1** – The Consultation Report

**Appendix 2** – The Proposed Scheme of Governance for a Lancashire Combined Authority

**Appendix 3** – The Overview & Scrutiny Arrangements for a Lancashire Combined Authority

# **Lancashire Combined Authority Consultation Report February 2016**

## Contents

<b>1</b>	<b>Executive Summary.....</b>	<b>3</b>
1.1	Consultation response .....	3
1.2	Agreement with proposal .....	3
1.3	Key objectives.....	3
1.4	Other comments and feedback.....	3
<b>2</b>	<b>Background and Methodology .....</b>	<b>4</b>
2.1	Background.....	4
2.2	Methodology .....	4
<b>3</b>	<b>Who Responded? .....</b>	<b>6</b>
3.1	Local residents.....	6
3.2	Local authority employees .....	8
3.3	Businesses and organisations.....	9
3.4	Local councillors .....	10
<b>4</b>	<b>Main Findings .....</b>	<b>11</b>
4.1	Working in partnership .....	11
4.2	Proposal to establish a Combined Authority .....	11
4.3	Key objectives.....	13
4.4	Final comments and feedback .....	14
4.5	Specific feedback from businesses and organisations.....	15

## 1 Executive Summary

### 1.1 Consultation response

- 1,944 responses were received to the consultation on a proposed Combined Authority in Lancashire between 11 January and 19 February 2016
- 1,317 residents and 518 local authority employees took part in the consultation, as well as 35 businesses and organisations
- Promotion of the consultation reached an estimated 444,000 people and over 15,000 people visited the consultation website over a 6 week period

### 1.2 Agreement with proposal

- 74% of respondents strongly or tend to agree that a partnership approach is important in Lancashire
- 70% strongly or tend to agree with the proposal to establish a Combined Authority in Lancashire
- Local authority employees (79%) and businesses or organisations (82%) had a higher level of agreement with the proposal than residents (65%)
- Of those who disagree with the proposal, the main concerns appear to be around where any resources would be focused across the county and the adverse impact the proposal might have on local services

### 1.3 Key objectives

- The level of agreement with the identified objectives for the proposed Combined Authority is highest for a Prosperous and Connected Lancashire (81% strongly or tend to agree), followed by a Skilled Lancashire and Public Services Working Together (both 80%) and then Better Homes for Lancashire (74%)
- A range of other objectives for the proposed Combined Authority were suggested by respondents, including a 'Greener Lancashire', an 'Equal Lancashire' and a 'Listening Lancashire'

### 1.4 Other comments and feedback

- Final comments were varied with the most important issues seeming to be achieving a balance between local identity and a strong strategic voice for Lancashire, as well getting the right structure and administration to achieve efficiencies without impacting on local service delivery

## **2 Background and Methodology**

### **2.1 Background**

A Combined Authority is a formal legal arrangement which supports and enables collaboration and co-ordination between two or more local government areas on transport, regeneration and economic growth as well as skills, housing and employment. It is intended to support increased democratic accountability and transparency complementary to that provided by the Local Enterprise Partnerships (LEPs) to a major area of local government policy making. Each of the councils that are members of a Combined Authority remain separate authorities; the Combined Authority is a mechanism to work more effectively and formally in partnership.

A Governance Review was requested by Leaders across Lancashire in order to determine whether the existing arrangements are effective or would benefit from change. As part of the Review an options appraisal was undertaken and consideration was given to arrangements including – enhanced status quo, Joint Committee, Economic Prosperity Board, Integrated Transport Authority and Combined Authority.

The Review concluded that a Combined Authority offers the strongest governance model to attract freedoms and flexibilities from the Government and will enable a cohesive approach across Lancashire to a range of issues including developing better and broader skills provision, including entry level skills; more co-ordinated infrastructure planning with improved use of resources; more co-ordinated approach to housing provision; more co-ordinated approach to business growth.

Councils across Lancashire agreed to undertake a public consultation on the proposal to establish a Combined Authority and seek views on the Governance Review and Draft Scheme of Governance.

After consideration of the outcome of public consultation, authorities wishing to form a Combined Authority would then submit a proposal to the Secretary of State for consideration.

### **2.2 Methodology**

To ensure an independent, robust and coordinated approach to the public consultation, councils in Lancashire commissioned Infusion Research. This is a not-for-profit local government research service which has operated across the county for over ten years.

The primary method was a consultation website, hosted on the Infusion website. This set out information on the proposal, including supporting documents such as the Governance Review and Draft Scheme of Governance, and provided respondents the opportunity to have their say through an online survey. Moreover, to ensure access to a paper-based survey for those who may not use the internet, copies were made available at libraries across Lancashire.

The consultation went live on Monday 11 January and closed on Friday 19 February 2016, giving respondents six weeks to have their say on the proposal. As an open consultation, the primary purpose was to seek views from any resident, employee, organisation or business wishing to express an opinion. Whilst the findings are not representative of the population as a whole, they indicate the level of interest and general views of the most engaged.

During this time a proactive, coordinated approach was taken to communicating and promoting the consultation. This included:

- Signposting to the central consultation website from each local authority website
- Regular social media posts from Lancashire councils as well as online promotion from Marketing Lancashire and several references to the consultation on local radio
- 50 online and written news articles about the consultation
- Email alerts to a range of local resident panels and databases
- Direct invitations to a comprehensive list of local and regional stakeholders and businesses at the beginning of the consultation, with a reminder sent part way through

This level of promotion resulted in a combined reach of 444,406 people through social media and new articles, and a total of 15,539 views of the consultation website during the consultation period. A total of 1,944 responses were received to the consultation, comprising of 1,897 online survey submissions, 41 paper survey returns and 8 direct written responses (two of which duplicated an online submission).

Within this report any percentages reported are based on the number of responses to each individual question (referred to herein as the 'base' total). Any open-ended comment questions have not been quantifiably categorised at this stage but a summary of some of the common responses is provided for each question to give a feel for the comments received. These summaries should not be interpreted as being representative of the views of all respondents to the consultation.

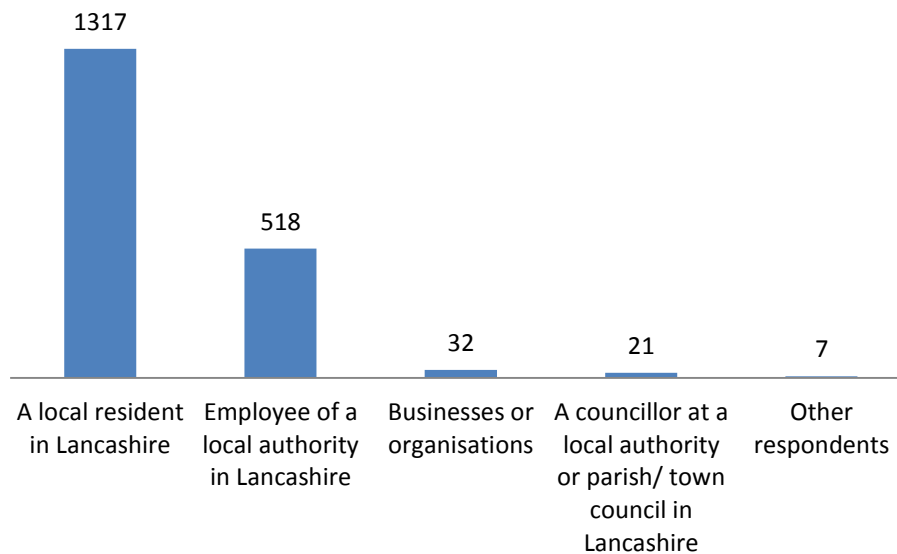
Apply some caution to the percentages expressed for business/ organisation and councillor categories where the 'base' totals are low.

### 3 Who Responded?

Of the people who indicated their response type in the consultation, 69% were local residents in Lancashire and a further 27% were local authority employees in the county.

48 respondents did not indicate in what capacity they were completing the consultation survey. In addition to the survey returns, 8 written responses were received (two of which duplicated an online submission).

**Figure 3.1: Are you responding as...? (Q1, base – 1888)**



#### 3.1 Local residents

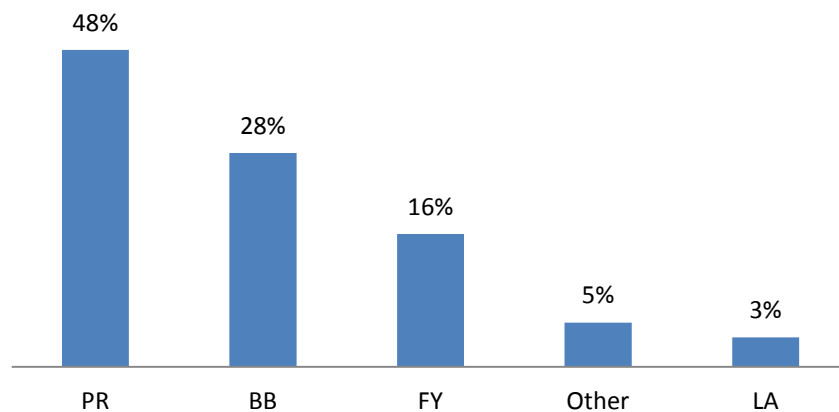
Of those residents who provided their home postcode, nearly half live in a PR postcode area which covers Chorley, Leyland and Preston.

The BB postcode area covers much of East Lancashire, including Blackburn, Burnley, Pendle, Accrington and Clitheroe.

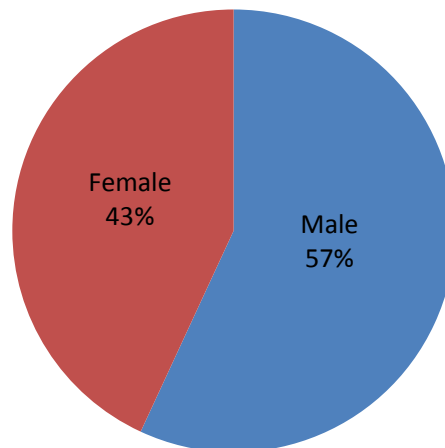
The FY postcode area covers the Fylde Coast, including Blackpool, Fleetwood, Lytham St Annes and Thornton-Cleveleys.

The LA postcode area covers Lancaster and surrounding areas such as Carnforth and Morecambe.

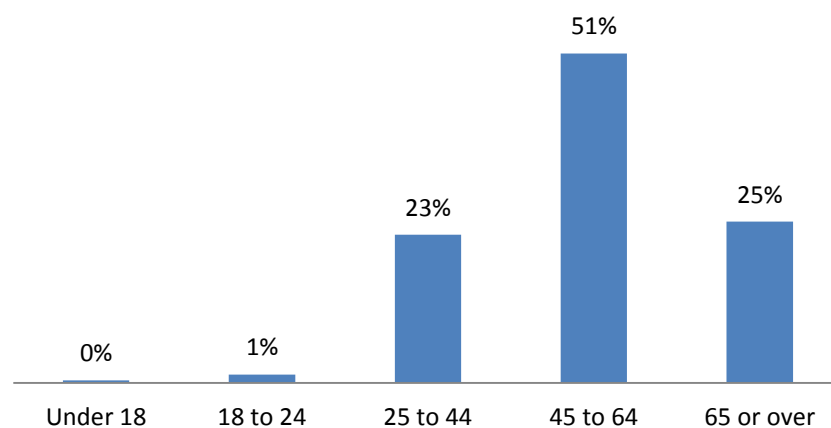
A range of other postcodes were captured from areas of Lancashire including BL (outlining areas of Blackburn, Chorley and Rossendale), OL (outlying areas of Rossendale) and WN (covering parts of West Lancashire such as Skelmersdale).

**Figure 3.2: What is your home postcode? (Q8, base – 1269)**

More male residents than female residents responded to the consultation.

**Figure 3.3: What is your gender? (Q9, base – 1288)**

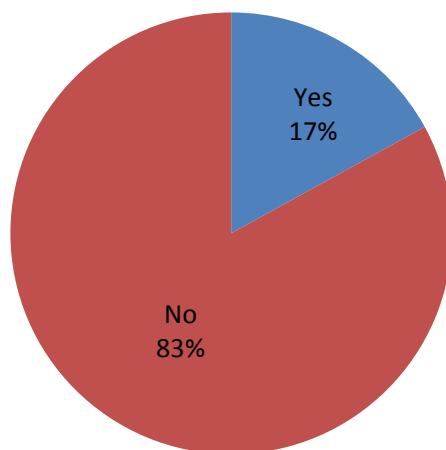
Around half of residents who responded to the consultation were aged between 45 and 64. One in four were aged 65 or over and 23% between the ages of 25 and 44.

**Figure 3.4: Which age group do you belong to? (Q10, base – 1304)**



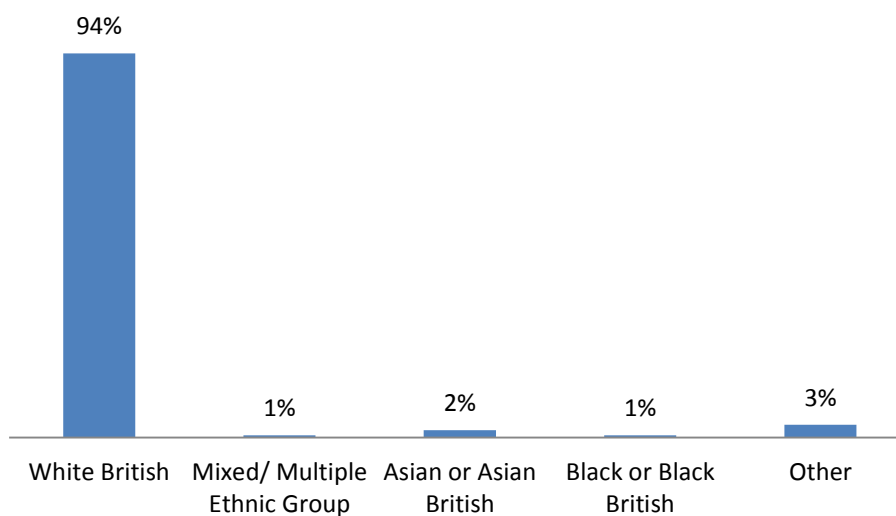
17% of local residents who responded to the consultation indicated that they have a long standing illness or disability.

**Figure 3.5: Do you have a long standing illness or disability? (Q11, base – 1272)**



The majority of residents responding to the consultation indicated that they are of White British ethnicity.

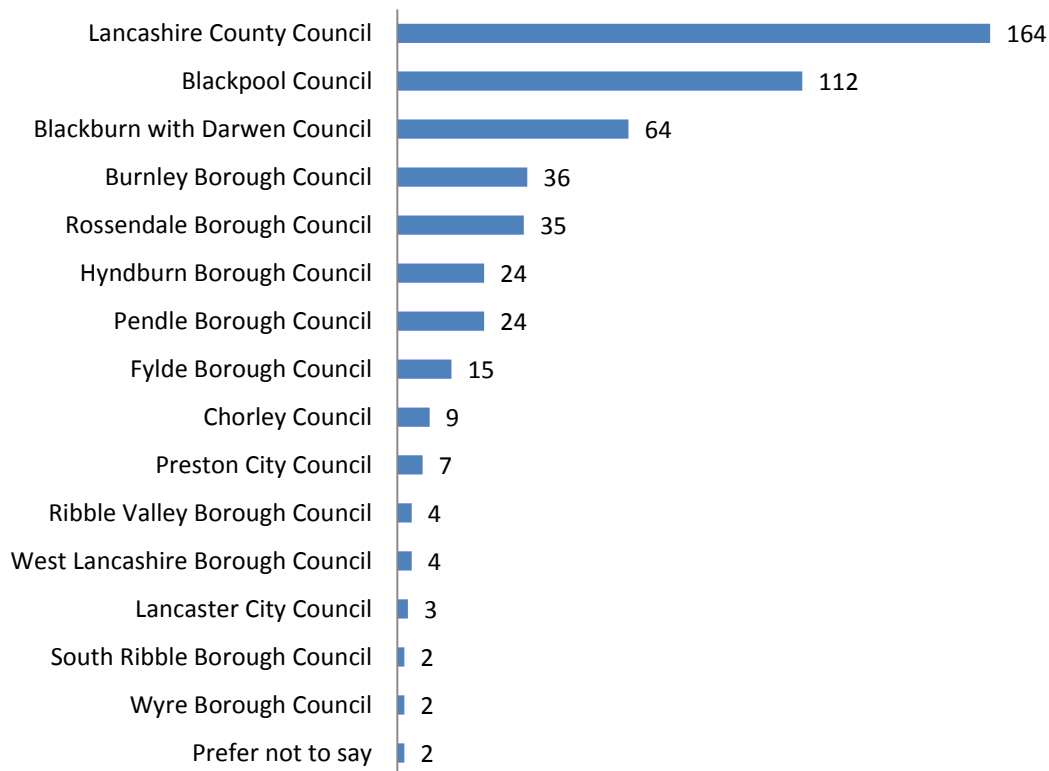
**Figure 3.6: What is your ethnic origin? (Q12, base – 1279)**



### 3.2 Local authority employees

Nearly a third of local authority employee responses to the consultation came from those working at Lancashire County Council.

The unitary councils of Blackpool and Blackburn with Darwen cumulatively account for a further 35% of the local authority employee responses.

**Figure 3.7: Which local authority do you work for? (Q1c, base – 507)**

### 3.3 Businesses and organisations

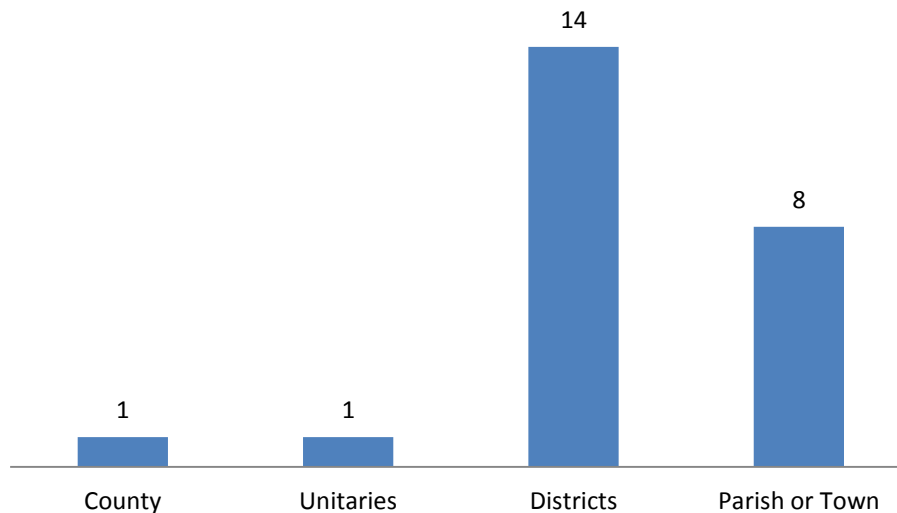
Of the 35 businesses and organisations who provided their details, either through the survey or via direct written response, 15 came from private businesses across the county. 12 responses to the consultation came from representatives within the voluntary and third sector. This included an enterprise trust and a number of local community groups. A further 8 were from public services representatives covering sectors including health, universities, police and an already established combined authority.

**Figure 3.8: Which business or organisation do you represent? (Q1a, base – 35)**

### 3.4 Local councillors

Of the 24 local councillor respondents who indicated the authority they are at, 14 came from district councils across Lancashire and 8 responses were from local parish or town councillors. Note that some parish councillors responded as 'other' which is why the base total exceeds the response level from councillors in Q1.

**Figure 3.9: Where are you a councillor at? (Q1d, base – 24)**



Moreover, one written response was received from a local Member of Parliament which expressed overall support for the proposal to establish a Combined Authority in Lancashire.

## 4 Main Findings

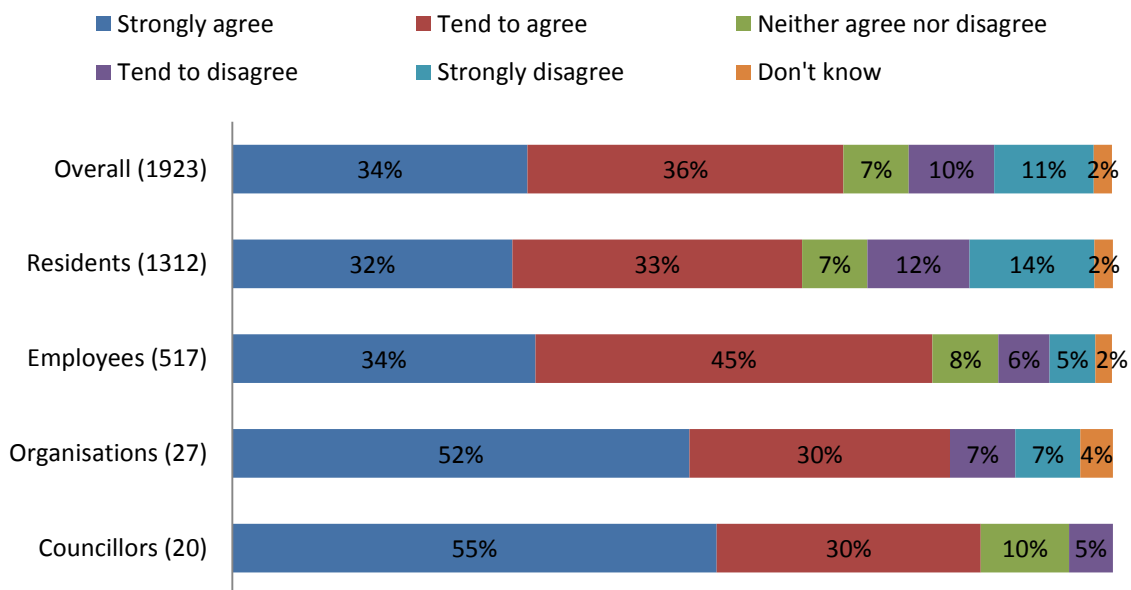
### 4.1 Working in partnership

74% of consultation respondents strongly or tend to agree that councils in Lancashire working together with businesses and other partners to drive forward transport, economic development and skills in the area is important.

This level of agreement is highest amongst local authority employees in Lancashire (83% strongly or tend to agree).

70% of local residents strongly or tend to agree that this partnership approach is important in Lancashire, 19% strongly or tend to disagree.

**Figure 4.1: To what extent do you agree or disagree that this partnership approach is important in Lancashire? (Q2, bases in brackets)**



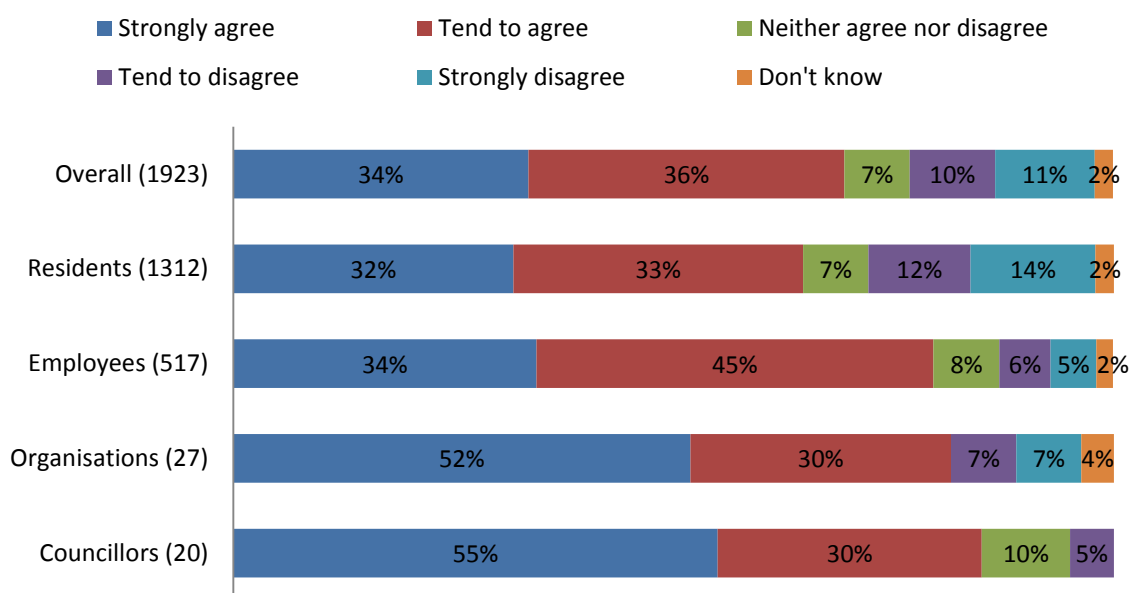
### 4.2 Proposal to establish a Combined Authority

After setting out the proposal to establish a Combined Authority in Lancashire, 70% of respondents strongly or tend to agree with this proposal. Additionally, each of the 8 written responses from organisations including local CCGs, a University and an existing Combined Authority supported the proposal, with some further comments on partnership working and the focus of the Combined Authority.

The level of agreement is highest amongst local authority employees (79%) and organisations or businesses (82%).

65% of local residents strongly or tend to agree with the proposal to establish a Combined Authority in Lancashire, 26% strongly or tend to disagree. This level of disagreement rises to 34% in the FY postcode area.

**Figure 4.2: To what extent do you agree or disagree with establishing a Combined Authority in Lancashire? (Q3, bases in brackets)**



Of those who disagree with the proposal to establish a Combined Authority in Lancashire, the main reasons appear to be:

- A view that this would add an unnecessary layer of bureaucracy in local government and public services and become 'distant' from residents
- Some concern that parts of the county would get more than others in any combined arrangement, either with resources focused on larger populations or those areas considered more 'in need'
- A belief that the local needs and profiles of different areas would not be adequately addressed through a combined authority
- A perception that this would result in reduced services for local residents due to redundancies and consolidation of services
- Some concern that decision making and processes could be slowed down by centralising through a combined authority
- Some queries around what impact it would have on local Council Tax rates across the county
- Not having enough detailed information about the proposed Combined Authority to make a judgement

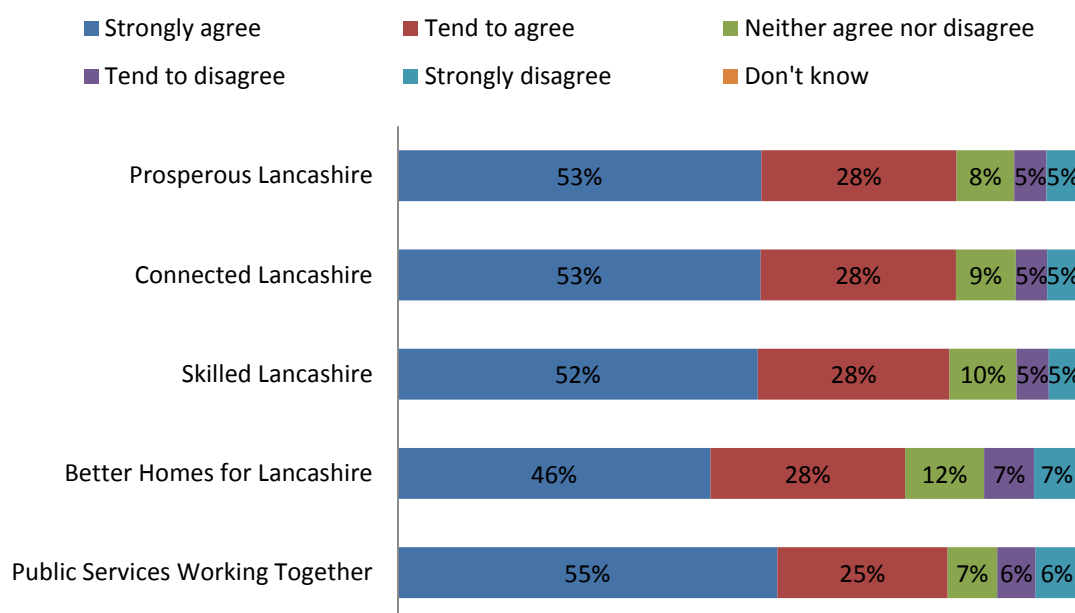
### 4.3 Key objectives

Five key objectives for the proposed Combined Authority were set out in the consultation:

- A **Prosperous Lancashire** that is recognised as a destination of choice, to do business in, live or visit.
- A **Connected Lancashire** with digital and transport connectivity across the county and to neighbouring areas.
- A **Skilled Lancashire** which can meet the demands of employers and future business growth, supporting employment opportunities for residents.
- **Better Homes for Lancashire** where residents have better living standards with good quality homes and a wide housing offer.
- **Public Services Working Together** with integrated public services.

Generally, the level of agreement was high with the identified objectives for the proposed Combined Authority. 81% agree with a Prosperous and Connected Lancashire, 80% agree with a Skilled Lancashire and Public Services Working Together and 74% with Better Homes for Lancashire.

**Figure 4.3: To what extent do you agree or disagree with the objectives identified for the proposed Combined Authority? (Q5, base – 1909)**



People responding to the consultation were also given the opportunity to set out any other objectives they think the proposed Combined Authority should have. In addition to reaffirming some of the objectives above, the main suggestions include:

- A 'Greener Lancashire' with more focus on the environment and green spaces, reducing pollution, increasing energy efficiency and sustainability and creating a cleaner county with less litter
- A 'Healthy Lancashire' where local health services are joined up, there is more focus on wellbeing and mental health, vulnerable people are protected and people are happier
- An 'Equal Lancashire' with a commitment to tackling social, regional and health inequalities
- A 'Listening Lancashire' with customer focus which is responsive and with more emphasis on democratic accountability and transparency, particularly at a local level, communicating and listening to residents
- An 'Educated Lancashire' with better education systems and performing schools to meet demand
- A 'Safer Lancashire' with lower levels of crime and more safeguarding for children, young people and other vulnerable residents

#### **4.4 Final comments and feedback**

Finally, the consultation invited any other comments on the proposal to establish a Combined Authority in Lancashire. Specifically, respondents were asked to think about how the proposed Combined Authority might impact on the identities and interests of local communities and securing effective and convenient local government, as well as views on the constitutional arrangements and functions within the draft scheme and how it can work together with the Local Enterprise Partnership.

874 comments were received on a range of topics and issues, including:

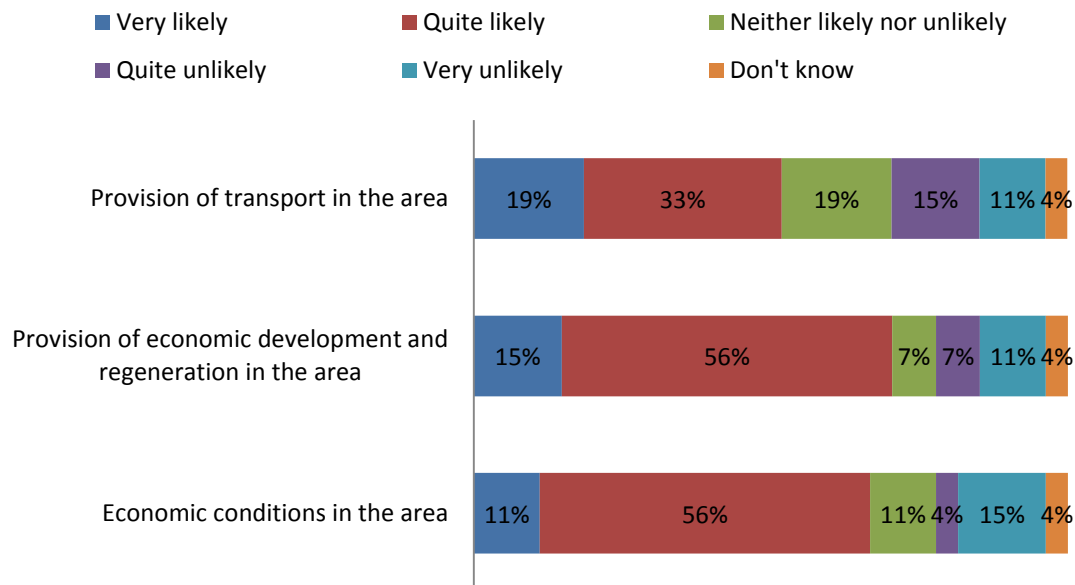
- The importance of maintaining local identity, local decision making and fair spend across localities under any combined arrangement
- A number of different suggestions around the structure and administration, including merges, a unitary Lancashire authority and combinations on different footprints
- General supportive comments for the proposal, with a sense that it would reduce duplication and ensure service delivery is more efficient
- Some hope that the proposed Combined Authority would give Lancashire a stronger, louder voice, particularly on key strategic issues
- Some concern around potential impact on job losses and as a result reduced capacity to deliver local services

#### 4.5 Specific feedback from businesses and organisations

In addition to the core questions within the consultation, businesses and organisations were asked whether they thought the proposed Combined Authority would improve transport and economic development in Lancashire.

Of the 27 businesses or organisations who responded to the question, 71% feel it is very or quite likely that the Combined Authority would improve the provision of economic development and regeneration in the area. Just over half (52%) feel it is very or quite likely that the proposal would improve provision of transport in Lancashire.

**Figure 4.4: How likely or unlikely do you consider it that the proposed Lancashire Combined Authority would improve...? (Q13, base – 27)**



Some businesses and organisations had comments to make about their response to the above question. A range of comments were made, including the need for effective communication and processes to help businesses and some risks around the distribution of resources and the impact it could have on rural areas with transport cited as an example.

A mix of views were expressed when asked how the proposed Combined Authority might impact on the identities and interests of local communities. Some feel it will enhance Lancashire's influence regionally and nationally, restore the 'proud name of Lancashire' and help share best practice across the county. Some feel it will be a challenge to bring different areas together where demographics and socio-economics vary, as well as a perception that less populated areas may be neglected through any arrangement.



Businesses and organisations were then asked how the proposed Combined Authority might impact on securing effective and convenient local government. A number of comments centred on creating a single, unified voice incorporating other public services who act together on big strategic issues. At the same time any arrangement should remain accessible to local people and any sharing of departments should be efficient and effective.

A range of comments were made in relation to how the proposed Combined Authority and Local Enterprise Partnership (LEP) could work together. Suggestions included allowing the LEP to vote on some Combined Authority matters, the LEP acting as a sub-committee of the Authority, a role of the Combined Authority to shape the agenda of the LEP and a shared strategy for supporting and developing small businesses.

Final comments made by businesses and organisations included reiterating support for the proposal and the positive impact it could have on Lancashire if implemented successfully, suggestions around the management and structure of the proposed Combined Authority, effective support for businesses across the county and ensuring issues such as health and rurality have a higher profile in Lancashire.

**DRAFT****A SCHEME FOR THE ESTABLISHMENT OF A  
COMBINED AUTHORITY FOR  
LANCASHIRE****1. Establishment of the Combined Authority**

A Combined Authority shall be established pursuant to Section 103 of the Local Democracy, Economic Development & Construction Act 2009 (LDEDCA).

**2. Name of the Combined Authority**

The name of the Authority shall be The Lancashire Combined Authority (LCA).

**3. Area of the Combined Authority**

The whole geographical County of Lancashire incorporating the areas covered by County Council; Blackburn with Darwen and Blackpool Borough Council; and all the District Councils of Lancashire.

**4. Constitution****4.1 Membership of the Combined Authority**

Membership of the LCA will be drawn from the constituent Councils listed below:

- Blackburn with Darwen Borough Council
- Blackpool Borough Council
- Burnley Borough Council
- Chorley Borough Council
- Fylde Borough Council
- Hyndburn Borough Council
- Lancashire County Council
- Lancaster City Council
- Preston City Council
- Pendle Borough Council
- Ribble Valley Borough Council
- Rossendale Borough Council
- South Ribble Borough Council
- West Lancashire Borough Council
- Wyre Borough Council

In addition, non-constituent membership will be drawn from the Lancashire Local Enterprise Partnership (LEP).

- 4.1.1 Each constituent council shall appoint its Leader to be a member of the Combined Authority, and in addition shall appoint a substitute.
- 4.1.2 The LEP shall nominate its Chair to be a non-constituent Member of the Combined Authority, and shall be entitled to nominate a member and a substitute.
- 4.1.3 All members of the CA must act in accordance with this Scheme of Governance and observe the Code of Conduct for members of the CA.

- 4.1.4 A Member ceases to be a Member or substitute Member of the Combined Authority if they cease to be a member of the constituent council or the LEP that nominated them.
- 4.1.5 To resign, the Member or substitute Member has to give written notice to the Proper Officer of the constituent council or the Company Secretary of the LEP.
- 4.1.6 Constituent councils may terminate and replace a Member or substitute Member at any time but must give written notice to the Combined Authority within 28 days.
- 4.1.7 The LEP may terminate and replace a Member or substitute Member nominated by it to the Combined Authority at any time but must give written notice to the Combined Authority within 28 days.
- 4.1.8 Where a Member or substitute Member appointment ends for whatever reason the constituent council or LEP shall give notice of the appointment of another of its elected members or member having due regard to paragraph 4.1.2 above as soon as possible to the Chair. Such appointments will be effective immediately.

## **4.2 Chairman and Vice Chairman**

- 4.2.1 There will be an annual election of the Chair and Vice Chair. Incumbents will be eligible for re-election. Only council Leaders will be eligible for election as Chair and Vice Chair.
- 4.2.2 Appointment to be the first business at the Annual Meeting and to be made from amongst the Combined Authority's members.
- 4.2.3 A person ceases to be Chair or Vice Chair if they cease to be a member of the Combined Authority.
- 4.2.4 Any vacancy must be filled at the next ordinary meeting of the Combined Authority unless such meeting is within 14 days, when it will be the meeting following.

## **4.3 Proceedings**

- 4.3.1 In the full spirit of partnership working every endeavor will be made on all matters to reach decisions by consensus such that the need for formal voting becomes academic.
- 4.3.2 However, if formal voting is required the following will apply:

The following decisions require a unanimous vote in favour by all constituent council members or substitutes present and quorate: -

- Adoption of and any amendment to, withdrawal of any Strategy or Plan and associated schemes/programmes for which the Combined Authority has functions, powers or duties to produce
- Approval of the Combined Authority's annual budget including decisions on any levies, precepts or other demands for financial contribution from constituent authorities
- Approval of borrowing limits, Treasury Management Strategy including reserves, Investment Strategy and Capital Budget of the Combined Authority
- Approval of the Combined Authority's Constitution and any changes thereto
- Adoption of any freedoms or flexibilities offered by Government
- Future expansion of the Combined Authority's functions included but not limited to the transfer of functions by the councils to the Combined Authority and/or the devolving of powers from Government.

All other decisions to be by a 2/3rds majority of those constituent council members present

and quorate.

- 4.3.3 Quorum is 10 voting Members or nominated substitute members.\*
- 4.3.4 Each Member to have one vote.
- 4.3.5 There is no casting vote.
- 4.3.6 If a vote is tied it is deemed not to have been carried.
- 4.3.7 Proceedings are not invalidated by any vacancy amongst its Members or by any defect in the appointment or qualification of any Member.

#### 4.4 **Transitional Arrangements**

- 4.4.1 Transport for Lancashire (TFL) will transfer from the LEP to become part of the Lancashire Combined Authority.

- 4.4.2 The three TFL authorities being –

Lancashire County Council  
Blackburn with Darwen Council and  
Blackpool Borough Council

The Combined Authority will reserve voting between those three constituent Members on –

- (i) The adoption and amendment of any Local Transport Plan under S108(3) Transport Act 2000
- (ii) Allocation of any Local Transport Plan funding to individual constituent councils.

- 4.4.3 Debate about items (i) and (ii) above will take place at a meeting of the full Combined Authority and all constituent and non-constituent members may take part in debate. Every effort will be made to reach consensus. If formal voting is required, decisions will be by a unanimous vote of the three TFL constituent councils.

- 4.4.4 The TFL constituent councils will use their best endeavors to: -

- (i) Reach unanimous agreement with all the constituent and non-constituent members of the Combined Authority on any matters for decision, and
- (ii) Work toward a system of inclusive voting for all constituent councils.

#### 4.5 **Executive Arrangements**

- 4.5.1 Executive arrangements (within the meaning of the Local Government Act 2000) shall not apply to the Combined Authority. However, the discharge of the functions of the Combined Authority will be subject to the scrutiny arrangements set out in this scheme.

#### 4.6 **Overview and Scrutiny**

- 4.6.1 The 15 Local Authorities of Lancashire will establish a joint Overview & Scrutiny Committee to exercise scrutiny over the Lancashire Combined Authority including its sub committees.
- 4.6.2 The Overview and Scrutiny Committee of the Combined Authority will also agree with the LEP an approach to monitor and review the mandate and performance of the LEP.

#### 4.7 **Records, Standing Orders and Remuneration**

- 4.7.1 Proceedings and the names of members present at meetings must be recorded.
- 4.7.2 Minutes must be kept and signed as a correct record at the next suitable meeting by the Chair of the meeting.
- 4.7.3 Any such signed minute shall be received in evidence without further proof.
- 4.7.4 Until the contrary is proved, a meeting of the Combined Authority evidenced by the signed minutes of proceedings, are deemed to have been duly convened and held.
- 4.7.5 The Combined Authority may make Standing Orders which shall apply to proceedings of the full Authority and its committees.
- 4.7.6 No remuneration is payable to members of the Combined Authority.
- 4.7.7 Any allowances or expenses which may be made to Councillor Members arising out of Combined Authority membership shall be determined and borne by the appointing council for each Combined Authority Member individually.

#### 4.8 **The Function of the Lancashire Combined Authority**

- 4.8.1 The purpose of the Lancashire Combined Authority is to improve the exercise of statutory functions in relation to economic development, growth, skills and transport across the whole geographical county of Lancashire leading to an enhancement of the economic conditions and performance of Lancashire. It will seek to further public sector reform including health and social care integration.
- 4.8.2 The Lancashire Combined Authority intends to pursue an Economic Growth Strategy through a balanced approach, with economic, social and environmental sustainability at its core. This will reflect the location of the area.
- 4.8.3 The Lancashire Combined Authority will seek to promote managed and sustainable economic growth as a policy to deliver jobs and prosperity to communities and households to secure good quality of life of all the people of the area.
- 4.8.4 The Lancashire Combined Authority intends to provide leadership and a unified strong advocacy for Lancashire on key strategic issues. It will work on ensuring closer co-ordination and delivery of transport, planning and skills. It will provide an integrated approach to achieving priorities.

#### 4.9 **The Functions, Powers and Duties of the Lancashire Combined Authority**

- 4.9.1 The Lancashire Combined Authority will have powers in relation to strategic economic development, planning, transport, skills, training, housing and public sector reform including health and social care integration. These powers will be exercised by the Lancashire Combined Authority on a concurrent basis with the constituent Member Authorities. In other words, no powers have been “ceded” to the Lancashire Combined Authority by its constituent members.
- 4.9.2 Subject to Government agreement, functions will include: -
  - The public sector decision making body for strategic economic development and transport for the Lancashire Combined Authority area;
  - setting the Economic Strategy for the Lancashire Combined Authority area;
  - setting the Investment Strategy for the Lancashire Combined Authority area;

- implementing the Investment Strategy for the Lancashire Combined Authority area;
- making decision in relation to the uplift on business rates received from the Enterprise Zones;
- Co-ordinated inward investment activity;
- Functions as currently exercised through BIS, DfE and their executive agencies in respect of further education provision, co-ordination and funding;
- Functions in respect of the funding and provision of housing in the area of the Combined Authority e.g. from the Homes and Communities Agency;
- Functions in respect of control and co-ordination of surplus public land in Lancashire to create sites for residential and commercial growth. Examples of vacant land holding would include that owned by constituent members of the Combined Authority, Network Rail, the NHS, Government Departments or private sector developers;
- Functions in respect of provision, co-ordination and funding of initiatives for increasing employment and improving skills as currently exercised through the Department for Business Innovation and Skills and its executive agencies;
- Functions in respect of the provision of support and funding for local business initiatives in the area of the Combined Authority as currently exercised through the Department for Business Innovation and Skills and its executive agencies;
- The duty under Section 8 (i) of the Housing Act 1985 (duty of local housing authorities to consider housing conditions in their district and the needs of the district with respect to the provision of further housing accommodation);
- The functions of a local transport authority under the Transport Act 2000 and any other enabling legislation (and including, by order, the functions of a Passenger Transport Executive under section 88 of the Transport Act 1985);
- The functions of local authorities under the Transport Act 1985;
- To develop, and subsequently monitor, investment plans utilising Government and European funds for the Lancashire Combined Authority area;
- To develop a Growth Deal for the Combined Authority area;
- Functions currently exercised through the Department of Work and Pensions in respect of job seeking and employment;

4.9.3 Subject to Government negotiation the Lancashire Combined Authority seeks the following powers:

- The General Power of Competence to provide for maximum flexibility in being able to deal with economic development, stimulating growth and invigorating communities;
- Power to encourage visitors and to provide conference and other facilities;
- Duties and powers related to the provision of education and training for persons under and over compulsory school age;
- Duty to prepare an assessment of economic conditions in the area;
- Power to arrange for the publication within their areas of information relating to the functions of the authority;
- Power to prosecute and defend legal proceedings;
- Research and collection of information;
- Powers under the Apprenticeship, Skills, Children and Learning Act 2009;
- Powers related to the establishment of a Land Commission for Lancashire including the HCA's Housing and Regeneration Act 2008 and for Compulsory Purchase Orders

4.9.4 The Lancashire Combined Authority shall exercise any function of the Secretary of State delegated to the Combined Authority by the order of the Secretary of State, pursuant to Section 86 LTA 2008 and Section 104(1)(b) LDEDLA. Such functions shall be exercised subject to any condition imposed by the order.

#### 4.10 **Funding**

4.10.1 The constituent councils to meet all costs reasonably attributable to the exercise of its

functions on an equitable basis. Equitable basis also means where possible the constituent councils will meet these costs in kind.

4.10.2 The Combined Authority will agree an annual budget for the purpose of its expenditure.

#### 4.11 **Statutory Officers**

4.11.1 The Combined Authority has a duty to appoint to the three statutory positions being:

- Head of Paid Service
- S151 Officer
- Monitoring Officer

4.11.2 These positions will be undertaken by officers already serving in one or more constituent councils.

#### 4.12 **The Lancashire Enterprise Partnership**

4.12.1 It is envisaged that the Combined Authority for Lancashire would include local authorities and the LEP within its governance structure. The Combined Authority would provide strategic leadership, direction and prioritisation of the resources for the functions within its remit and as directed by Government.

4.12.2 The Combined Authority is responsible for establishing an overarching Lancashire Plan, including a Growth Strategy, developed by the Lancashire Enterprise Partnership (LEP) in conjunction with the Combined Authority. The LEP is an independent business-led body which operates within an Assurance Framework agreed with the Combined Authority.

4.12.3 The LEP, as part of its mandate from the Combined Authority, will be responsible for directing and managing current and future growth programmes and relevant funding streams, in accordance with the Growth Strategy agreed with the Authority.

4.12.4 The LEP's Employment and Skills Board will operate in a joint arrangement of the LEP and Combined Authority.

4.12.5 The Chair of the LEP is drawn from the private sector. The constituent members of the Combined Authority will appoint five members to the LEP Board. As detailed earlier at 4.1.2 the LEP Chair will be a non-constituent member of the Combined Authority.

4.12.6 The Overview and Scrutiny Committee of the Combined Authority will also agree with the LEP an approach to monitor and review the mandate and performance of the LEP.

#### 4.13 **Other Arrangements**

4.13.1 The Combined Authority may establish sub-committees, and delegate powers and functions as appropriate.

## **APPENCIX A ITEM 2 - COMBINED AUTHORITY GOVERNANCE**

### **LANCASHIRE COMBINED AUTHORITY**

#### **1 Constitution of the Overview and Scrutiny Committee**

A Joint Overview and Scrutiny Committee, referred to as the Scrutiny Committee, will be established comprised of one elected member from each constituent council who will be different from the member of the Combined Authority.

They will also not be a member of a Constituent Council's Executive or equivalent.

Appointments will be made having regard to the requirement to achieve a politically balanced Committee.

#### **2 Purpose and Terms of Reference**

Scrutiny exists to achieve greater public accountability over decisions made and services delivered to Lancashire or its Sub Regions in respect of those functions under the remit of the Combined Authority.

The principal ways in which the Combined Authority will be held to account by Scrutiny are:-

- (i) 'Critical Friend' role
- (ii) Pre-decision scrutiny
- (iii) Monitoring the delivery of the Combined Authority Strategy or Plan

Pre-decision scrutiny of published decisions to be made by the Combined Authority should be used selectively otherwise the scrutiny system would, by spreading its energies too thinly, be likely to have little impact.

The role of Scrutiny in these three key function areas will be:-

- a. To provide a 'critical friend' to policy and strategy development. The main priority for scrutiny should be to help the Authority to:-
  - Develop policies to deal with new issues
  - Reviewing existing policies which are felt to be in need of review
  - Contributing to the formulation of the annual budget
  - Reviewing policies or actions of agencies external to the local authorities which may be impacting adversely on the quality of life of local people
- b. To undertake scrutiny reviews into areas of strategic importance for the people of Lancashire and directly linked to the work of the Combined Authority.

The Committee will work with this information to make suggestions for improvement, acknowledge good practice and make recommendations. It will not deal with individual issues or queries that are more suitably dealt with by a local authority or specific organisation. The findings of each review will be submitted to the Combined Authority for consideration.

There are two potential sources for identifying in-depth studies to be carried out by scrutiny; the Scrutiny Committee itself and the Combined Authority. The Authority may require scrutiny of a particular policy before agreeing a policy or taking a decision.

- c. To monitor the delivery of the Combined Authority's Strategic Plan.

The Scrutiny Committee will review the outcomes of the Authority's Strategic Plan.



Any involvement of scrutiny in this activity would need to demonstrate that it could add value and not just replicate what the Combined Authority was doing.

Scrutiny would again need to be highly selective acting only when it was concerned about evidence of poor performance and it was not satisfied by the Authority's response.

### **3 Term of Office**

Scrutiny members will be appointed by the Constituent Member Councils on an annual basis. The term of office for members of the Scrutiny Committee will be one year from the date of the annual council meeting of the Constituent Council that appoints them unless:

- they cease to be an elected member of the Constituent Council that appointed them;
- they resign from the O & S Committee; or
- a Constituent Council changes its appointee

### **4 Co-option**

Non-voting members may be co-opted by the O & S Committee to participate in these arrangements from all or any of the Constituent and non-constituent members or from other organisations.

### **5 Chair Arrangements**

Chair and Vice-Chair to be appointed at the first (Annual) meeting by the Members of the O & S Committee.

Term of Office will be for one year and incumbents will be eligible for re-election

The Chair will not have a casting vote.

[Appointments will be made having regard to the requirement that] the Chair of the O & S Committee should not be a member of the majority political party represented in the CA's decision making forum

### **6 Voting**

One member one vote.

Wherever possible decision making will be by consensus without the need for a vote.

If a vote is necessary it will be a simple majority of those present and the Chair will not have a casting vote.

### **7 Work Programme and operating arrangements**

The members of the Scrutiny Committee will hold at least one annual meeting and may convene additional meetings as they consider necessary.

The Scrutiny Committee will:

- (a) elect a Chair and Vice Chair;
- (b) determine the areas of review and scrutiny that they wish to pursue during the ensuing 12 months;

(c) determine whether the full Committee will carry out agreed areas of review and scrutiny or agree to establish Scrutiny Working Groups from amongst their number in order to carry out some or all of the reviews

In determining their review programme the Committee will have regard to the need to focus on matters of strategic significance and for a proportionate approach.

The quorum for the annual meeting and any other meetings is one third of the Constituent Member's appointees.

Substitutes will be permitted. Constituent Councils will abide by their own rules in relation to substitutions or replacements and ensure that the clerk to the Committee is informed in advance of the meeting.

The Combined Authority may also, if they choose, request the Scrutiny Committee to examine a specific issue in more detail and report back its findings to the Authority as appropriate.

## **8 Key Principles for the Operation of the Scrutiny Arrangements**

The Constituent Councils will work together to maximise the exchange of information and views, to minimise bureaucracy and make best use of the time of members and officers of other bodies or agencies.

Members of the Scrutiny Committee will, when considering reviews, determine whether the issue is more appropriately dealt with by one of the Constituent Councils or elsewhere and will not duplicate the work of existing bodies or agencies.

The Constituent Councils will respond positively to requests for information, or for the attendance of a member or officer at any meetings set up under these arrangements.

While it is ultimately for each Constituent Council to decide who it considers the most appropriate person(s) to speak on its behalf at any meetings set up under these arrangements, consideration will be given to meeting specific requests. All such requests must be made to the Chief Executive of the relevant Constituent Council. If any request is declined by the Chief Executive, he/she must state the reasons for so doing.

Dates and times for officer and member attendance at any meetings set up under these arrangements should be by agreement.

The Scrutiny Committee or any Working Group that it establishes may

- (a) invite members of the Combined Authority to attend before it to answer questions;
- (b) invite other persons to attend meetings of the Panel;
- (c) review or scrutinise decisions made or other action taken in connection with the discharge of any functions of the Combined Authority;
- (d) make reports or recommendations to the Combined Authority with respect to the discharge of any functions which are the responsibility of the Combined Authority.

The power to review or scrutinise a decision made, but not implemented under subparagraph (c) includes the power to recommend that the decision be reconsidered, but is subject to the following provisions:

- (a) It will only be used in exceptional circumstances
- (b) this shall not apply where, in the view of the decision-making body stated when the decision is made, any delay in implementing the decision would prejudice the interests of the Authority or the interests of the public;
- (c) (i) in relation to decisions which may be subject to reconsideration, each decision shall be available where possible by electronic means within three working days of being made.

Members of the Scrutiny Committee will be provided with a copy of the decision which will bear the date published and indicate it will come into effect on the expiry of five working days after publication;

(ii) if two-thirds of the membership of the Scrutiny Committee notify the Secretary to the Combined Authority that they wish the Scrutiny Panel to consider the decision, and giving their reasons for so doing, then the Secretary will arrange for a meeting of the Scrutiny Committee to be convened at the first available opportunity and in any event within seven working days of the request being notified to him/her. No action will be taken in the meantime to implement the decision which is subject to the request;

The Scrutiny Committee will consider the matter and if it chooses to, may resolve to request that the decision-maker reconsiders the decision. The Scrutiny Committee must set out the basis upon which reconsideration is requested;

(iv) The decision-making body will reconsider the decision and that reconsideration shall take place within seven working days of the Scrutiny Committee's request;

(v) No further requests for reconsideration may be made in cases where decisions have been reconsidered and the decision has been affirmed;

(vi) Decisions which have been subject to pre-decision scrutiny cannot be recommended for reconsideration unless the decision taken is, in the view of the Secretary significantly different from the proposal under consideration at the pre-decision scrutiny stage;

Where the Scrutiny Committee makes a report or recommendation under (vi), it may:

(a) publish the report or recommendations;

(b) by notice in writing, require the Authority to

(i) consider the report or recommendation;

(ii) provide a response to the Scrutiny Committee indicating what action (if any) it proposes to take;

(iii) where the Scrutiny Committee has published the report or recommendations, publish the response;

A notice under (b) will require the Authority to comply with it within two months, beginning with the date on which the Authority receives the report or recommendations or (if later) the notice.

The requirements or power to publish contained in this section, shall not apply where the reports contain exempt or confidential information.

## **9 Scrutiny Working Groups**

The Scrutiny Committee may establish Scrutiny Working Groups to undertake agreed scrutiny reviews.

Scrutiny Working Groups shall include representatives from at least 5 of the Constituent Councils.

Scrutiny Working Groups established under this Protocol must be appointed to carry out specific scrutiny tasks and be time limited. Their continuation will be subject to confirmation at each annual meeting of the Scrutiny Committee.

Scrutiny Working Groups will have no delegated powers and will refer the outcome of their investigations to the Scrutiny Committee for consideration and to determine any appropriate recommendations

## **10 Reviews and Recommendations**

The process of scrutiny will be an open and transparent process designed to engage the Constituent Councils, their residents and other stakeholders.

Meetings will be held in public unless the meeting decides to convene in private in order to discuss confidential or exempt information, in accordance with the relevant provisions of the LGA 1972 or LGA 2000.

The terms of reference, timescale and outline of any review will be agreed by the Scrutiny Committee either at their first business meeting or during the ensuing year.

Different approaches to scrutiny reviews may be taken in each case, but members will seek to act in an inclusive manner and will take evidence from individuals and organisations as it may determine

## **11 Budget and Administration**

Secretarial support will be provided by (TBC)

If necessary a budget for Scrutiny will be set each year by the Combined Authority having regard to any views of the Scrutiny Committee on the level of that budget.

Scrutiny lead Officers from each Constituent Council (to be identified by each Council and notified to the Secretary) will be available to provide guidance to the Scrutiny Committee or any Working Groups established, on its work programme, advice on the scoping of reviews and ensuring the appropriate information and advice is made available during the reviews.

The decisions and recommendations of the Scrutiny Committee will be communicated to the Combined Authority as soon as practicable by the Clerk.

Allowances will not be paid but Constituent Councils will meet reasonable expenses incurred by their Members or Officers.

Each Constituent Council's Scrutiny Member will be responsible for reporting back to their own Constituent Council on the scrutiny work carried out by the Scrutiny Panel and will also be responsible for reporting to the Scrutiny Panel any issues identified locally by their own Constituent Council which may warrant scrutiny.

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	COUNCIL	11 APRIL 2016	13
<b>FIVE YEAR HOUSING SUPPLY – ADDRESSING THE SHORTFALL</b>			

## PUBLIC ITEM

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

### SUMMARY

Following a Notice of Motion brought before the February 2016 meeting of Full Council, the Council requested that the Development Management Committee consider which is the appropriate methodology to be used to account for the accrued shortfall in housing delivery that has been experienced since 2011. There are two generally accepted approaches to this, the first, the “Liverpool approach” spreads the delivery of the shortfall over the remaining plan period, whilst the alternative “Sedgefield approach” seeks to deliver the shortfall over the next 5 years. The “Sedgefield approach” is currently applied at Fylde because it more closely reflects current Government guidance and is considered a more robust approach that can be defended more effectively at appeal. The matter was considered by the Development Management Committee on 9 March 2016 when it was resolved to recommend to Full Council that the Sedgefield approach continue to be used for the purposes of addressing shortfall.

### RECOMMENDATION

1. That the Council continue using the “Sedgefield approach” in the calculation of the 5 year housing land supply as it most closely reflects current Government guidance as set out in the National Planning Policy Framework and Planning Practice Guidance having regard to the circumstances appertaining to Fylde borough.

### SUMMARY OF PREVIOUS DECISIONS

At the meeting of **Full Council** on 8 February 2016 –in a response to a Notice of Motion, it was resolved: The council defers the motion to allow for a full report on this matter to be considered by the Development Management Committee prior to 31 March 2016, with a report on this matter coming back to the next available Council meeting on 11 April 2016.”

At the meeting of the **Development Management Committee** on 9 March 2016 it was RESOLVED to recommend to Full Council to continue using the “Sedgefield approach” in the calculation of the 5 year housing land supply as it most closely reflects current Government guidance as set out in the National Planning Policy Framework and Planning Practice Guidance having regard to the circumstances appertaining to Fylde borough.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

### Introduction

1. At the meeting of Full Council on Monday 8 February 2016 the following Notice of Motion was proposed:

*“That, with immediate effect, this Council adopts the ‘Liverpool’ approach in applying the shortfall in delivery of the Objectively Assessed Need (OAN) identified in the Housing Requirement Paper (2015) to the calculation of Fylde’s five year housing supply position, i.e. the shortfall would be applied over the plan period and NOT over the first five years of the plan (the ‘Sedgefield’ approach).”*

2. Following an amendment to that motion, the Council resolved:

*“The council defers the motion to allow for a full report on this matter to be considered by the Development Management Committee prior to 31 March 2016, with a report on this matter coming back to the next available Council meeting on 11 April 2016.”*

### Background

3. It is the Government’s stated intention to boost significantly the supply of housing<sup>1</sup>. To assist in achieving this objective, paragraph 49 of the National Planning Policy Framework (NPPF) advises that: “Housing applications should be considered in the context of the presumption in favour of sustainable development. Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.”
4. Accordingly the absence or otherwise of a 5 year housing supply has considerable significance for the application of government policy in the determination of planning applications for residential development and a robust calculation of the 5 year supply is essential.
5. Failure to secure a 5 year housing supply also adds weight to the tests for decision-taking in paragraph 14 of the NPPF, including its presumption in favour of sustainable development.
6. The current annual housing target being taken forward in the Fylde Local Plan is 370 dwellings per annum. This figure is yet to be tested at examination, but has evolved from an up to date Strategic Housing Market Assessment (SHMA)<sup>2</sup> and, in the absence of any other figure, it is the base figure used for the calculation of the 5 year housing supply in Fylde. In each year since the start date of the local plan (2011) the development industry has failed to deliver 370 dwellings per annum and so a “shortfall” in the housing supply has been accrued.

<sup>1</sup> Para 47 National Planning Policy Framework

<sup>2</sup> Fylde Coast Strategic Housing Market Assessment 2014 (as amended by addendum 1 - Nov 2014 and Addendum 2 - May 2015)

7. The purpose of this report is to allow Members to consider the alternative methods for addressing this shortfall in line with the Notice of Motion.

### **Addressing shortfall**

8. There are two approaches taken to deal with any shortfall in supply, the differences coming from the time period over which the shortfall should be addressed. The first is a residual approach, or “Liverpool approach”, where the shortfall is spread across the remaining plan period i.e. the total number of homes still left to build is divided by the number of years remaining in the plan period – in Fylde’s case that would be until 2032. The second, the “Sedgefield approach”, seeks to make up the shortfall within the next five year period.
9. The NPPF and the Planning Practice Guidance (PPG) stop short of prescribing which of these methods to adopt in addressing any shortfall. Both methods are defined as good practice examples in the May 2009 Land Supply Assessment Checks report prepared for the Department for Communities and Local Government (DCLG). This report examined best practice in assessing land supply, including the methodologies employed by Liverpool and Sedgefield Councils, hence the reference to these areas when referring to the two main approaches. This document predates the publication of both the NPPF in March 2012 and the PPG in March 2014.
10. Evidence from a review of recent decisions indicates that Planning Inspectors are currently favouring the “Sedgefield approach” in the determination of planning appeals. However, the High Court has recently considered a challenge to an Inspector’s use of the “Liverpool approach” in determining a planning appeal in Leicestershire<sup>3</sup> and found that it was legitimate for the Inspector to utilise the “Liverpool approach”. Whilst, on this point, the court found in favour of the Inspector’s application of the “Liverpool approach”, it should be noted that this decision does not mean that the “Liverpool approach” was the correct or only approach that should be used, but that the inspector provided reasoned and justifiable grounds for adopting the “Liverpool approach”.

### **Liverpool or Sedgefield**

11. As set out above, if housing delivery has not materialised at the rate expected then there is a shortfall on the first date at which the five year supply is considered and that must be taken into account. One criticism of the “Liverpool approach” is that, in effect this method compounds past under delivery rather than boosting significantly the supply of housing in line with the NPPF guidance.
12. Furthermore, the “Liverpool approach” does not follow the PPG advice which, at paragraph ID 3-035, advises that: “Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period, where possible. Where this cannot be met in the first 5 years, local planning authorities will need to work with neighbouring authorities under the ‘Duty to Cooperate’.”<sup>4</sup>
13. The “Sedgefield approach” seeks to ensure that any shortfall in supply is made up within the 5 year period and is consistent with the Government policy contained within the NPPF, which seeks to “boost significantly the supply of housing” (NPPF para 47). It also accords with the Planning Practice Guidance (PPG) at paragraph ID 3-035 as set out above.
14. Since adoption of the NPPF, the “Sedgefield approach” has gained ground with the Secretary of State and Planning Inspectors, primarily as they appear to consider that delaying the supply of housing via the “Liverpool approach” is the antithesis of the approach advocated in the national planning policy framework. The advice set out in the PPG gives further emphasis to the use of the “Sedgefield approach”.

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<sup>3</sup> Bloor Homes v Secretary of State for Communities & Local Government [2014] EWHC 754 (Admin).

<sup>4</sup> PPG Paragraph: 035 Reference ID: 3-035-20140306

15. The methodology utilised by Fylde Council in calculating its 5 year housing supply has been adapted over the last few years having regard to changes in national policy and guidance, planning appeal decisions and best practice. It has been reviewed by Counsel and has been tested at a number of recent planning inquiries. Importantly, the methodology has emerged through the Strategic Housing Land Availability Assessment (SHLAA) Steering Group, which included a range of external organisations (a point noted by the Inspector in the determination of the recent planning appeal at Blackfield End Farm, Warton<sup>5</sup>) and is overseen by two Member representatives.
16. The “Liverpool approach” has been accepted by a number of local plan inspectors, however inspectors determining planning appeals prefer the “Sedgefield approach”<sup>6</sup>. The inspectors who have found favour with the “Liverpool approach” in determining planning appeals have generally done so where there is a recently adopted plan based on large scale strategic allocations that will take a number of years to come on stream. As the emerging Fylde Local Plan relies heavily on a series of large scale strategic sites, that will take time to come on stream, it could be argued that the “Liverpool approach” is the correct approach to be taken on Fylde as the shortfall will be made up during the plan period. However, caution should be exercised in taking this approach as a counter argument may be made that if a large site fails to deliver the expected housing, the plan as a whole could be compromised. The level of uncertainty regarding delivery is also increased as the Fylde Local Plan is still in draft form and has still to be the subject of an Examination in Public.
17. An example of a local plan inspector accepting the Liverpool approach can be seen in the neighbouring borough of Blackpool. The Blackpool Core Strategy Inspector addressed the methodology used by Blackpool Council in paragraph 52 of his report<sup>7</sup> where he considered:

“Accounting for the shortfall in delivery in the first three years of the plan period and applying a 20% buffer to reflect persistent under-delivery in the past, the analysis demonstrates that there is currently a 5.7 years supply of deliverable housing land. This assumes that the shortfall in supply in the first three years is made up throughout the rest of the plan period rather than in the next five years. Whilst concern has been raised at this, and it is pointed out that the PPG advises that local authorities should aim to deal with any undersupply in the first five years of plan period where possible, there is nothing in national policy to indicate that this is an absolute requirement. Moreover, as indicated above, the Oxford Economics economic forecasts, on which the housing requirement figure is primarily based, implies a housing requirement of 72 dpa in the early years of the plan period<sup>8</sup> – a much lower figure than the 280 dpa plan period average housing requirement. This reinforces the appropriateness of “catching up” in full on early years’ delivery below the 250 dpa target (above the 72dpa figure) over a longer period than the next five years.”
18. As can be seen, the inspector considered that in Blackpool, due to the much lower housing requirement in the early years of the plan, which is some 208 dpa below the average annual housing figure for the plan period as a whole, it was appropriate to spread the shortfall over the full plan period. It must be noted that the housing markets in Fylde and Blackpool boroughs are very different and that the Fylde Coast SHMA does not show this dramatic variation in housing requirement for Fylde over the plan period.
19. Even in the event that a local plan inspector considers that it is appropriate, for the purposes of plan formulation to utilise the “Liverpool approach”, it does not follow that subsequent appeal

<sup>5</sup> Appeal reference APP/M2325/A/14/2217060 (para 140)

<sup>6</sup> Ten key principles for owning your housing number-finding your objectively assessed needs – PAS - p14

<sup>7</sup> Blackpool Core Strategy - Report to Blackpool Council by Malcom Rivett

<sup>8</sup> Blackpool’s Housing Requirement: Technical Paper shows: 72 dpa 2012-17; 411 dpa 2017-2022 and 361 dpa 2022-2027 (p15)



inspectors will adopt the same approach. In an appeal decision issued in January 2015 relating to a site in Leicestershire<sup>9</sup>, an appeal inspector considered the relative merits of the Liverpool and Sedgefield approaches. The Local Planning Authority relied upon the “Liverpool approach”, which had found support from the inspector who considered their Core Strategy and who had noted “that the supply trajectory indicated an undersupply in the early years of the plan period, but that there would be a surplus later, when the planned Sustainable Urban Extensions (SUEs) would come on stream.” However, the appeal inspector went on to note that the Core Strategy inspector based his conclusion on a trajectory which showed a much more rapid delivery of housing in the early years of the plan than had actually occurred, and on the expectation of an earlier adoption of the Site Allocations Plan, preparation of which had been delayed. Having considered the cyclical nature of economic conditions, that the current under-supply represented an unmet need which exists now, rather than at a later date and having regard to the advice in the PPG that undersupply should be dealt with in the first five years of the plan period, the appeal inspector concluded that, overall, the objective in the NPPF to boost significantly the supply of housing, would be best served by making up the shortfall during the shorter term, in accordance with the “Sedgefield approach”. He reached this conclusion notwithstanding a previous appeal decision that had recently been made by the Secretary of State in the same borough that utilised the “Liverpool approach”.

### Five Year Supply Calculations in Fylde

20. The methodology used by Fylde to calculate the 5 year supply has been presented to Members on several occasions including learning hours and at the Development Management Committee (most recently 20 August 2015). In accordance with Government guidance, the housing supply statement is updated on an annual basis and Fylde uses a base date of 31 March. The most recently available housing land calculation is that with a base date of 31 March 2015. Since that calculation was published, it has been confirmed through a number of planning appeal decisions that the Planning Inspectorate considers that the buffer required to be built into the housing land supply should be applied to the shortfall, not just the base level need. Having regard to this emerging advice, Table 1 below sets out the housing supply utilising both the Liverpool and the Sedgefield approaches. The approach taken by Fylde in its 2015 calculation, i.e. the one no longer favoured by the Planning Inspectorate, is included for comparison.

**Table 1 -Current Housing Supply Position in Fylde – Base date 31 March 2015**

		Liverpool	Sedgefield	2015 Methodology	
				Liverpool	Sedgefield
Need					
a	Annual Requirement	370	370	444*	444*
b	Annual Allowance for Shortfall (735)	44	147	44	147
c	Adjusted Annual Requirement (a + b)	414	517	488	591
d	Plus 20% buffer allowance (c + 20%)	497	620	488*	591*
e	5 Year requirement (5 x d)	2485	3100	2440	2955
Supply					

<sup>9</sup> Land East of Groby Village Cemetery, Ratby Road, Groby - Appeal reference APP/K2420/A/12/2181080

f	Existing supply	2754	2754	2754	2754
g	Potential supply	50	50	50	50
h	Allowance for sites not coming forward (10%)	280	280	280	280
i	Total Supply (2754 + 50 – 280))	2524	2524	2524	2524
<b>Outcome</b>					
j	Surplus/deficit (i – e)	+39	-576	+84	-431
k	Supply in years (i /d)	5.08	4.07	5.17	4.27

\* Buffer applied prior to allowing for backlog i.e.  $370 \times 20\% = 444$

### Previous approaches to shortfall

21. As set out in Paragraph 16 above, the Council has amended its methodology used to calculate its 5 year housing supply over time having regard to changes in national policy and guidance, planning appeal decisions and best practice. During the latter years of using the Regional Spatial Strategy (RSS) to calculate housing supply (a figure of 306 dwellings per annum commencing in 2003), the Council utilised the “Liverpool approach”. The justification for using this approach was that, during the period from 2003, some of the backlog would have arisen as a result of an earlier “moratorium” on housing, consequent upon excess provision in relation to the former Lancashire Structure Plan, and that the effects of the severe downturn in housebuilding activity after 2008 had also contributed to under-delivery. In four appeals relating to sites at Wrea Green<sup>10</sup> that were determined alongside one another, an Inspector supported the Council’s use of the “Liverpool approach” over the appellant’s use of the “Sedgefield approach”, finding the Council’s approach to be “reasonable in this respect”.
22. However, because the RSS housing assessment is now considered out of date, the Council relies on the housing figure that has emerged from the SHMA 2014 (as amended). As this has a base date of 2011, it does not include the period during which there was a housing moratorium, nor does it cover the severest period of the housing market downturn. For this reason, and as the shortfall has accrued over a relatively short period of time, it was no longer considered appropriate to utilise the “Liverpool approach” and that the shortfall should be reconciled as quickly as possible if current Government guidance is to be adhered to, therefore the “Sedgefield approach” is currently used.

### Conclusion

23. The NPPF is not prescriptive as to which approach Local Planning Authorities should adopt when calculating their five year housing land supply. The “Sedgefield approach” is more closely aligned with guidance contained in the PPG and the requirements of the NPPF which identify the need to boost significantly the supply of housing and remedy the unsatisfactory consequences of persistent under delivery at the earliest opportunity. Inspectors’ decisions in relation to S78 appeals have confirmed a preference for this approach. For these reasons the Council currently calculates its 5 year housing land supply figure having regard to the “Sedgefield approach”.
24. Although applying the “Liverpool approach” to the most recently available data would result in the borough being able to demonstrate a 5 year housing land supply, it is important to note that, when applying the buffer using the methodology favoured by the Planning Inspectorate and applying the parameters agreed by Fylde’s SHLAA Steering Group, the housing supply is only just over 5 years when using the “Liverpool approach”. If a five year supply of land is to be

<sup>10</sup> APP/M2325/A/13/2196494, ...2200215, ...2200856 & ...2209839

maintained moving forward, it will still be necessary for planning permissions to be granted by the Council on unallocated land. It remains imperative, therefore, to ensure that the local plan is adopted as quickly as possible in order that housing allocations may be brought forward to assist in delivering a 5 year supply of housing.

25. The importance of an adopted plan is reinforced by a recent Secretary of State appeal decision relating to a site in Ashby-de-la-Zouch<sup>11</sup>. In his decision letter, the Secretary of State notes that: "Paragraph 47 of the Framework requires local planning authorities to identify and update annually a supply of specific deliverable sites to provide five years of housing against their housing requirements. The Secretary of State notes that the appellant has not disputed the Council's contention that it has a five year supply of housing land (IR87<sup>12</sup>). He agrees with the Inspector that local planning authorities must also plan for housing supply beyond the five year period and, as set out in paragraph 47 of the Framework, identify a supply of sites for 6-10 years and, where possible, 11-15 years (IR87). He agrees with the Inspector that there is also a current national imperative to boost the supply of housing and, in recognition of this, the Council rightly does not cite their five year housing land supply as a reason to withhold planning permission (IR87). The Secretary of State attaches significant weight to the fact that the proposed development would provide for 605 new homes of which up to 182 would be affordable." This Secretary of State decision would appear to indicate a further shift towards the principles set out at paragraph 14 of the NPPF which states that there is a presumption in favour of sustainable development and that, for decision taking, this means, where relevant policies in the development plan are out-of-date, granting planning permission for development unless any adverse effects of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole. Accordingly, where there is no identified harm to any matters of acknowledged importance, it would appear that the Secretary of State considers that planning permission ought to be granted, notwithstanding the presence of a 5 year housing supply.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report
Legal	None
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	None
Health & Safety and Risk Management	None

LEAD AUTHOR	TEL	DATE	DOC ID
Mark Evans	01253 658460	16 February 2016	

<sup>11</sup> APP/G2435/A/14/2228806 paragraph 14

<sup>12</sup> IR is reference to the relevant paragraph in the Inspector's Report to the Secretary of State

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Five Year Housing Land Supply Statement	31 March 2015	<a href="http://www.fylde.gov.uk/council/planning-policy--local-plan-/five-year-housing-land-supply">http://www.fylde.gov.uk/council/planning-policy--local-plan-/five-year-housing-land-supply</a>
Fylde Housing Requirement Paper 2015	June 2015	<a href="http://www.fylde.gov.uk/assets/files/6493/Fylde-Housing-Requirement-Paper-2015.pdf">http://www.fylde.gov.uk/assets/files/6493/Fylde-Housing-Requirement-Paper-2015.pdf</a>
National Planning Policy Framework	March 2012	<a href="https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf">https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf</a>
Planning Practice Guidance – Housing and economic needs assessments	Updated 4 February 2016	<a href="http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/">http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/</a>
Planning for housing. House of Commons Briefing Paper No 03741	2 June 2015	<a href="http://researchbriefings.files.parliament.uk/documents/SN03741/SN03741.pdf">http://researchbriefings.files.parliament.uk/documents/SN03741/SN03741.pdf</a>
Ten Key principles for owning your own housing number – Planning Advisory Service	April 2013	<a href="http://www.google.co.uk/url?sa=t&amp;rct=j&amp;q=&amp;esrc=s&amp;source=web&amp;cd=1&amp;cad=rja&amp;uact=8&amp;ved=0ahUKEwjv_t211YHLAhVCoD4KHRjvBOAQFggjMAA&amp;url=http%3A%2F%2Fwww.pas.gov.uk%2F%2Fdocument_library%2Fget_file%3Fuuid%3Dbcdbc05f-0042-4e4c-9258-653ebc11b5b1%26groupId%3D332612&amp;usg=AFQjCN Fxs9TbIv3C8LNdHmYlrr9wku42Xw">http://www.google.co.uk/url?sa=t&amp;rct=j&amp;q=&amp;esrc=s&amp;source=web&amp;cd=1&amp;cad=rja&amp;uact=8&amp;ved=0ahUKEwjv_t211YHLAhVCoD4KHRjvBOAQFggjMAA&amp;url=http%3A%2F%2Fwww.pas.gov.uk%2F%2Fdocument_library%2Fget_file%3Fuuid%3Dbcdbc05f-0042-4e4c-9258-653ebc11b5b1%26groupId%3D332612&amp;usg=AFQjCN Fxs9TbIv3C8LNdHmYlrr9wku42Xw</a>
Report to Blackpool Council by Malcom Rivett	23 November 2015	<a href="https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/Blackpool-Inspectors-Report.pdf">https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/Blackpool-Inspectors-Report.pdf</a>
Blackpool's Housing Requirement: Technical Paper	June 2014	<a href="https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/EB003-Housing-Requirement-Technical-Paper.pdf">https://www.blackpool.gov.uk/Residents/Planning-environment-and-community/Documents/EB003-Housing-Requirement-Technical-Paper.pdf</a>

Details of the planning appeal decisions referenced in this report may be found by entering the reference number of the appeal (last 7 digits) into the Appeals Casework Portal available at:

<https://acp.planningportal.gov.uk/CaseSearch.aspx>

# DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
LEADER OF THE COUNCIL	COUNCIL	11 APRIL 2016	14
<b>BLACKPOOL, FYLDE &amp; WYRE ECONOMIC DEVELOPMENT COMPANY GOVERNANCE ARRANGEMENTS</b>			

## PUBLIC ITEM

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

## SUMMARY

The report provides details of the governance arrangements in place for the Blackpool, Fylde & Wyre Economic Development (BFWEDC). The governance arrangements have been brought before Full Council at the request of the Development Management Committee after receiving an information item on progress with the BFWEDC. The minute from the Development Management Committee was to 'ask Full Council to consider the governance/feedback arrangements of the Economic Development Company and that an updated report be presented to committee (Development Management) in due course'.

## RECOMMENDATION

It is recommend that Council consider the governance/feedback arrangements of the Economic Development Company.

## SUMMARY OF PREVIOUS DECISIONS

Development Management Committee January 20<sup>th</sup> 2016 resolved:

*"To ask Full Council to consider the governance/feedback arrangements of the Economic Development Company (EDC) and that an updated report be presented to committee in due course."*

-----  
A Special Full Council meeting was held on May 11<sup>th</sup> 2010 at Lowther Pavilion which included the item:

7. FYLDE COAST ECONOMIC DEVELOPMENT COMPANY pages 8-72

The recommendation was:

1. Decide whether to make any observations about the Leader's decision that the council should become a member of the Blackpool, Fylde and Wyre Economic Development Company.

The minute of the meeting resolved:

*That the Council's interest in the activities of the Economic Development Company be recognised and taken into account by future leaders of the Council.*

-----  
An Individual Cabinet Member Decision was made on April 14<sup>th</sup> 2010.

The Leader of the Council agreed to the recommendation in the report:

1. That the Council joins Lancashire County Council, Blackpool Council and Wyre Borough Council as a member of the Blackpool, Fylde and Wyre Economic Development Company.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	✓
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	✓
Working with all partners ( <b>Vibrant Economy</b> )	✓
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	✓
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	✓

## REPORT

### Background

The Blackpool Fylde & Wyre Economic Development Company (BFWEDC) is a partnership of Local Authorities and the Private sector with the aim of promoting and driving growth in Blackpool, Fylde and Wyre sub region. The company was established to promote economic strategy, and drive inward investment, preserve employment and deliver specific Fylde coast projects that cut across one or more local authority. The BFWEDC is a company limited by guarantee with shareholding held equally by the three Fylde coast local authorities, Blackpool, Fylde and Wyre. The company has a board of directors drawn from the member authorities and the private sector, and is currently chaired by Ms Bev Robinson, who is Chief Executive and Principal of Blackpool and the Fylde college. The Board is supported by the Fylde Coast Business Leaders Group and Joint Employment and Skills Advisory Group.

The Blackpool, Fylde and Wyre Economic Development Company was established to:

- Promote economic opportunity
- Attract new investment, helping secure and create employment opportunities
- Support new development to diversify and refresh the Fylde Coast economy
- To improve the Fylde Coast GVA (gross value added) and prospects for residents

The BFWEDC operates from premises in Blackpool on Church Street, and presently has three staff members, seconded from Blackpool Council: a full time Head of Enterprise & Investment; a part time Project Officer; and an unpaid part time Intern. The BFWEDC team works directly with the respective Economic Development teams in Wyre, Fylde, and Blackpool and at Lancashire County Council.

BFWEDC promotes inward investment into the Fylde Coast backing, and providing support for economic schemes, new investment incentives and government support packages available to businesses. The BFWEDC is dedicated to seeking new opportunities to improve the economic and social environment on the Fylde Coast and has six broad themes to help deliver key priorities:

- The visitor economy
- Infrastructure and strategic sites
- Key growth sectors
- Skills development
- Business support and engagement
- Housing

Full details of the initiatives that the EDC lead and engage on, and more background information can be found on the dedicated website at this link <http://www.bfwedc.co.uk/>

### The Governance Arrangements of the EDC

The governance arrangements for BFWEDC that the Development Management Committee have asked Full Council to consider/feedback, are included in Section 13 of the original Articles of Association established in May 2010 and attached as Appendix 1 to this report.

IMPLICATIONS	
Finance	There are no direct financial implications from this report
Legal	There are no direct legal implications from this report
Community Safety	There are no direct community safety implications from this report
Human Rights and Equalities	There are no direct human rights or equalities implications from this report
Sustainability and Environmental Impact	There are no direct sustainability or environmental impact implications from this report
Health & Safety and Risk Management	There are no health & safety or risk management implications from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Allan Oldfield	01253 658500	February 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Full Council Report & Minute	May 2010	<a href="https://fylde.cmis.uk.com/fylde/Committees/FormerCommittees.aspx">https://fylde.cmis.uk.com/fylde/Committees/FormerCommittees.aspx</a>
BFWEDC Website	Current	<a href="http://www.bfwedc.co.uk/">http://www.bfwedc.co.uk/</a>
Portfolio-Holder Decision Report	April 2010	Town Hall St Anne's
Final Decision Notice	14 April 2010	Town Hall St Anne's

**Appendix 1:** The Original Articles of Association for the Blackpool, Fylde & Wyre Economic Development Company

MJA

**THE COMPANIES ACT 2006 (as amended)****COMPANY LIMITED BY GUARANTEE****AND NOT HAVING A SHARE CAPITAL****ARTICLES OF ASSOCIATION****OF****BLACKPOOL FYLDE & WYRE ECONOMIC DEVELOPMENT COMPANY LIMITED  
("the Company")**

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**1. PRELIMINARY**

The regulations contained in the model articles of association for private companies limited by guarantee contained in Schedule 2 to The Companies (Model Articles) Regulations 2008) in force at the time of adoption of these Articles shall not apply to the Company and these Articles alone shall constitute the regulations of the Company.

**2. OPERATIVE CLAUSES**

- 2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

<b>"Area"</b>	the administrative areas of Blackpool, Fylde and Wyre;
<b>"these Articles"</b>	the Articles of Association of the Company adopted from time to time;
<b>"Blackpool"</b>	Blackpool Borough Council as constituted on the date of incorporation of the Company or any other successor body, authority or corporation responsible for the provision of services to the administrative Borough of Blackpool;
<b>"Board"</b>	the board of directors of the Company from time to time;
<b>"Board Chair"</b>	the chairperson of the Board from time to time, as such person is appointed pursuant to these Articles;



<b>"Companies Act 2006"</b>	the Companies Act 2006 (as amended from time to time);
<b>"clear days"</b>	in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
<b>"company"</b>	the word <b>"company"</b> , except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or unincorporated and whether domiciled in the United Kingdom or elsewhere;
<b>"the directors"</b>	the directors from time to time of the Company or (as the context shall require) any of them acting as the Board of the Company;
<b>"Electronic Address"</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means;
<b>"Electronic Form" and "Electronic Means"</b>	have the meaning given in Section 1168 of the Companies Act 2006;
<b>"executed"</b>	includes any mode of execution,
<b>"Fylde"</b>	Fylde Borough Council as constituted on the date of incorporation of the Company or any other successor body, authority or corporation responsible for the provision of services to the administrative Borough of Fylde,
<b>"Hard Copy Form"</b>	has the meaning given in Section 1168 Companies Act 2006,
<b>"HCA"</b>	the Homes and Communities Agency (such expression to include any statutory successor(s));
<b>"HCA Director"</b>	a director or observer appointed by HCA in accordance with <b>Article 10.3</b> ;
<b>"Lancashire"</b>	Lancashire County Council as constituted on the date of incorporation of the Company or

	any other successor body, authority or corporation responsible for the provision of services to the administrative county of Lancashire;
<b>"Local Authority Director"</b>	a director appointed by a member in accordance with <b>Article 10.2</b> and reference to <b>"Local Authority Directors"</b> shall be to any of them;
<b>"members"</b>	each of Lancashire, Blackpool, Wyre and Fylde and any members subsequently admitted in accordance with <b>Article 4.1</b> (or any of them as the context may require);
<b>"Memorandum of Association"</b>	the memorandum of association of the Company;
<b>"Multi Area Agreement"</b>	the Fylde Coast Multi-Area dated 15 October 2009
<b>"NWDA"</b>	the North West Regional Development Agency (such expression to include any statutory successor(s));
<b>"NWDA Director"</b>	a director or observer appointed by NWDA in accordance with <b>Article 10.3</b> ;
<b>"Objects"</b>	the objects of the Company set out in <b>Article 3.1</b> ;
<b>"office"</b>	the registered office of the Company;
<b>"Ordinary Directors"</b>	directors other than Local Authority Directors and the NWDA Director and the HCA Director as such director(s) may be appointed from time to time in accordance with <b>Article 10.4</b> and reference to an <b>"Ordinary Director"</b> shall be to any of them;
<b>"Relevant Agreement"</b>	any agreement entered into by the members from time to time regulating their involvement in the Company in addition to these Articles;
<b>"seal"</b>	the common seal of the Company (if any);

- "secretary"** the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;
- "Statutes"** the Companies Acts as defined in section 2 of the Companies Act 2006 and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company;
- "the United Kingdom"** Great Britain and Northern Ireland; and
- "Wyre"** Wyre Borough Council as constituted on the date of incorporation of the Company or any other successor body, authority or corporation responsible for the provision of services to the administrative Borough of Wyre.
- 2.2 Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Statutes but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- 2.3 The word "address" where it appears in these Articles includes postal address and electronic address and "registered address" shall be construed accordingly.
- 2.4 The expressions "holding company" and "subsidiary" shall have the meanings given to them respectively by section 1159 of the Companies Act 2006.
3. **OBJECTS**
- 3.1 The Company has been established to:
- 3.1.1 deliver and promote the delivery of the economic development and regeneration aims, objectives and outputs of the Multi Area Agreement for the benefit of the Area as the members shall from time to time agree; and
- 3.1.2 undertake such other economic development and regeneration activities for the benefit for the Area as the members shall from time to time agree.
- 3.2 None of the Objects shall be restrictively construed but the widest interpretation shall be given to each such Object, and none of such Objects shall, except where the context expressly so requires, be in any way limited or restricted by

reference to or inference from any other Object or Objects or by reference to or inference from the name of the Company.

#### **4. MEMBERS**

- 4.1 The subscribers to the Memorandum of Association and such other persons as are admitted to membership in accordance with these Articles shall be members of the Company. No person shall be admitted as a member of the Company unless by the unanimous approval of the other members save that where a member shall cease to exist its statutory successor shall (on providing its confirmation to the Company that it wishes to do so) automatically become a member of the Company. Every person who wishes to become a member shall deliver to the Company an application for membership in such form as the directors require to be executed by him agreeing to be bound by these Articles and any Relevant Agreement and upon being so admitted his name shall be entered in the register of members of the Company.
- 4.2 Subject to the terms of any Relevant Agreement, a member of the Company shall cease to be a member in the event of such member's resignation, by the giving of written notice to the Company.
- 4.3 Subject to the terms of any Relevant Agreement, any matter to be determined by the members shall be determined in accordance with the Statutes.

#### **5. GENERAL MEETINGS**

- 5.1 The Company may in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year, and shall specify the meeting as such in the notice calling it. An annual general meeting shall be held at such time and place as the members shall determine.
- 5.2 The directors and/or not less than two members may require the secretary to convene a general meeting and, at such time, shall confirm to the secretary the nature of the business to be considered at such general meeting.
- 5.3 If there are not sufficient directors capable of activity to form a quorum in order to call a general meeting, any director or any member of the Company may call a general meeting.

#### **6. NOTICE OF GENERAL MEETINGS**

- 6.1 Subject to the provisions of the Companies Act 2006 all general meetings shall be called by at least fourteen clear days' notice in writing but may also be called by shorter notice if it is so agreed in accordance with section 307(4) of the

Companies Act 2006. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

- 6.2 Notwithstanding that the Company does not have a share capital every notice convening a general meeting shall comply with the provisions of section 325(1) of the Companies Act 2006 as to giving information to members in regard to their rights to appoint proxies and in regard to notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company. Notice shall be given in accordance with the Companies Act 2006 that is, in Hard Copy Form, Electronic Form or by means of a website.
- 6.3 The Company may send a notice of meeting by making it available on a website or by sending it in Electronic Form and if notice is sent in either way it will be valid provided it complies with the relevant provisions of the Companies Act 2006.

## 7. **PROCEEDINGS AT GENERAL MEETINGS**

- 7.1 Subject to **Article 7.3** no business shall be transacted at any general meeting unless a quorum is present. A quorum shall be three members present in person or by duly authorised representative (where appointed).
- 7.2 Each member shall give written notice from time to time to the secretary of the identity of such member's duly authorised representative(s) for the purpose of general meetings. Each member shall procure that where a duly authorised representative of such member is present at a general meeting such duly authorised representative has the requisite authority to attend, vote and speak at such general meeting on all matters before such general meeting. For the avoidance of doubt, although each member shall be entitled to appoint more than one duly authorised representative from time to time, only one duly authorised representative shall be entitled to attend any general meeting on behalf of such member.
- 7.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed the member or members present in person or by duly authorised representative (where appropriate) entitled to vote upon the business to be transacted shall constitute a quorum and shall have power to decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place.

- 7.4 The members may appoint any duly appointed representative of a member as the chair and may remove him from that office. Unless he is unwilling to do so, the chair shall preside at every meeting of the members.
- 7.5 If the chair is not present at any general meeting and no other representative of a member is willing to act in such capacity, the members present shall choose one of the directors present to be chair of the meeting.
- 7.6 A director shall, notwithstanding that he is not a member, be entitled to attend and speak at any general meeting.
- 7.7 The chair may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business which might properly have been transacted at the meeting had the adjournment not taken place.
- 7.8 Subject to the Statutes at any general meeting, a resolution put to the vote of the meeting shall (save where expressly stated otherwise in these Articles and/or any Relevant Agreement) be carried only on a majority vote in favour and shall be decided on a show of hands unless before, or on the declaration of the result of the show of hands, a poll is duly demanded. Subject to the provisions of the Companies Act 2006, a poll may be demanded:
- 7.8.1 by the chair;
  - 7 8.2 by at least 2 members having the right to vote at the meeting represented by their duly authorised representative(s), proxy or present in person; or
  - 7 8.3 by a member or members representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting,
- and a demand by a person as a duly authorised representative for a member shall be the same as a demand by the member.
- 7.9 Unless a poll is duly demanded a declaration by the chair that a resolution has been carried or not carried by a majority (or otherwise as the case may be) and an entry to that effect in the minutes of the meeting of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- 7.10 In the case of an equality of votes, whether on a show of hands or on a poll, the chair shall not be entitled to a casting vote.

- 7.11 A resolution in writing, executed by the requisite number of members required to pass a resolution by simple majority or unanimously (as the case may be and as required by the Statutes, these Articles and/or any Relevant Agreement) shall be valid and take effect as if it had been passed at a meeting duly convened and held. Any such resolution shall be circulated in writing or by Electronic Form by the secretary to all members and shall be accompanied by a statement informing members how to signify agreement to such resolution. A resolution in writing may consist of several instruments in the like form each executed by or on behalf of one or more members. In the event that the requisite number of signatures required for the resolution to be passed are not returned within 28 days from the date that the resolution was sent to all members (and in the event that the written resolution was sent to members on different days, the last of those days), the resolution shall be deemed not to have been passed by the members.
- 7.12 Wherever in these Articles any notice, resolution or other document is required to be signed by any person, the reproduction of the signature of such person by means of telex, printout, or facsimile copy shall be fully sufficient, provided that such notice, resolution or document shall within 14 days be confirmed to the recipient by writing signed in manuscript by such person.

## 8. **VOTES OF MEMBERS**

On a show of hands every member (being an individual) present in person or present by a duly authorised representative shall have one vote and on a poll every member present in person or by a duly authorised representative (as the case may be) shall have one vote.

## 9 **NUMBER OF DIRECTORS**

Unless and until otherwise unanimously agreed by the Board the number of directors shall be not less than 4 and not more than 15

## 10. **APPOINTMENT OF DIRECTORS**

- 10.1 Each of the members shall be entitled from time to time by notice in writing to appoint one person to be a Local Authority Director. Each such director appointed shall hold office as a director and may at any time be removed from office by notice in writing by the member which appointed that director.
- 10.2 For so long as they each continue to provide funding (directly or indirectly) to the Company, NWDA and HCA shall each be entitled from time to time by notice in writing to appoint one person to be a director or, as an alternative to a director, an observer. Each such director appointed shall hold office as a director and may at any time be removed from office by notice in writing by NWDA or

HCA (as the case may be). Any such observer may be removed as an observer by notice in writing by NWDA or HCA (as the case may be).

10.3 The members may acting unanimously appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director including the appointment of a director for a fixed term (to be determined by other members acting unanimously from time to time) provided that the appointment does not cause the number of directors to exceed any number fixed by the Articles as the maximum number of directors.

10.4 Subject always to the members' right to require the removal of an Ordinary Director as set out in **Article 14.1.5**, each Ordinary Director shall retire from office as a director at the expiry of the fixed term of his/her appointment as a director of the Company as determined pursuant to **Article 10.3** or on the fourth anniversary of his/her appointment (whichever is the sooner) unless the members unanimously decide to extend such director's term of appointment provided that any such extension shall be for such period as the members deem appropriate. For the avoidance of doubt, there shall be no limit on the number of times the members shall be entitled to extend any such appointment.

10.5 **Article 10.4** shall not apply to the Local Authority Directors, the NWDA Director or the HCA Director.

10.6 The members acting unanimously may appoint any director to be the Board Chair and may remove him from that office from time to time. Unless he is unwilling to do so, the Board Chair so appointed shall preside at every meeting of the directors at which he is present.

10.7 Subject always to the members' right to appoint and remove the Board Chair from time to time in accordance with **Article 10.6**, the Board Chair shall retire from office on the third anniversary of his/her appointment as Board Chair unless the members extend the Board Chair's term of appointment provided that:

10.7.1 any such extension shall be for such period as the members deem appropriate. For the avoidance of doubt there shall be no limit on the number of times the members shall be entitled to extend such appointment; and

10.7.2 any such extension shall be determined by the members unanimously.

## 11. **ALTERNATE DIRECTORS**

11.1 Any Local Authority Director, the NWDA Director and the HCA Director may appoint any person willing to act, to be an alternate director and may remove from office any alternate director at any time.



- 11.2 Ordinary Directors shall not be entitled to appoint alternate directors.
- 11.3 An alternate director appointed pursuant to **Article 11.1** shall be entitled to receive notices of all meetings of directors and of all meetings of committees of directors of which his/her appointer is a member, to attend and vote at any such meeting at which his/her appointer is not present, and generally to perform all the functions of his/her appointer as a director in his/her absence but shall not be entitled to receive any remuneration from the Company for his/her services as an alternate director.
- 11.4 Any appointment or removal of an alternate director shall be by notice to the Company signed by the Local Authority Director, the NWDA Director or the HCA Director (as the case may be) making or revoking the appointment or in any other manner approved by the directors.

## 12. **POWERS OF DIRECTORS**

- 12.1 Subject to the provisions of the Statutes, any Relevant Agreement, these Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of these Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this **Article 12.1** shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 12.2 Subject always to committees or sub-committees conforming to any terms of reference and/or regulations imposed on it by the members and unless the members determine otherwise the Board may delegate any of its powers to committees or sub-committees consisting of such director or directors as the Board thinks fit provided always that each Local Authority Director or his nominee shall be entitled to sit on any such committee or sub-committee.
- 12.3 Each director sitting on a committee constituted under **Article 12.2** shall be entitled to one vote.
- 12.4 Any decision by a committee constituted under **Article 12.2** shall only be taken where a simple majority of the directors sitting on that committee have voted in favour of such decision.
- 12.5 Subject to this **Article 12**, the meetings and proceedings of such committee or sub-committee shall be governed by the provisions of these Articles for regulating the meetings and proceedings of the Board so far as applicable and so far as the same shall not be superseded by any regulations made by the members. Insofar as such power is so delegated, any reference in these Articles

to the exercise by the directors of such power shall be read and construed as if it were a reference to such committee or sub-committee.

### 13. **PROCEEDINGS OF THE DIRECTORS**

13.1 The Board may meet together for the despatch of business, adjourn and, regulate their meetings as they think fit providing always that the Board shall meet no less than six times in each financial year of the Company (save where otherwise agreed by a resolution of the Board). The Board Chair or not less than three directors may require the secretary to convene a Board meeting and, at such time, shall confirm to the secretary the nature of the business to be considered at such Board meeting. Save where otherwise required by these Articles and/or by any Relevant Agreement, questions arising at any meeting shall be decided by a simple majority of votes and each director shall have one vote. In case of an equality of votes, the Board Chair shall not have a second or casting vote and the resolution in question shall be referred to the members for determination in writing in accordance with **Article 7.11** or at the next general meeting of the Company.

#### 13.2 Subject to **Articles 13.5** and **13.6**:

13.2.1 no business shall be transacted at any Board meeting unless a quorum is present; and

13.2.2 a quorum shall be half of the directors appointed in accordance with **Article 10**, including at least three Local Authority Directors present in person or by alternate director.

13.3 Continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, they may act only for the purpose of calling a general meeting.

13.4 Meetings of the Board and any committee or sub-committee thereof shall be summoned by not less than seven days' notice served on the directors and in the case of any committee or sub-committee meetings, on the members of such committee or sub-committee (save where a majority of the Local Authority Directors on the relevant Board committee or sub-committee confirm to the secretary their agreement to the calling of a meeting on shorter notice). Any such notice must include an agenda circulated by the secretary of the matters to be discussed at any such meeting. A director who is absent from the United Kingdom shall not be entitled to notice of a meeting.

13.5 If a quorum is not present within half an hour from the time appointed for a meeting of the Board, the meeting of the Board shall stand adjourned to the

same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine.

- 13.6 Any director (including an alternate director) may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Statutes, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the Board Chair of the meeting then is
- 13.7 Subject to the provisions of the Statutes, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office:
- 13.7.1 may be a party to or otherwise be interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
  - 13.7.2 may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
  - 13.7.3 may or any firm or company of which he is a member or director may act in a professional capacity for the Company or any body corporate in which the Company is in any way interested; and
  - 13.7.4 shall not by reason of his office be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 13.8 For the purposes of **Article 13.7**
- 13.8.1 a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;

- 13.8.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
  - 13.8.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force when the Company was incorporated) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.
- 13.9 Whenever a director has an interest in a matter to be discussed at a meeting of the directors (or a committee of the directors) the director concerned shall subject to any rules or policies of the Company or the terms of any authorisation given by the directors under **Article 13.10**:
- 13.9.1 unless the directors resolve otherwise, the director shall not be:
    - 13.9.1.1 entitled to remain present at the meeting for that item;
    - 13.9.1.2 counted in the quorum for that part of the meeting;
    - 13.9.1.3 entitled to vote on the matter;
- and for the avoidance of doubt where the director is a Local Authority Director, the NWDA Director or the HCA Director and his interest is in a matter relating to his appointor, he shall automatically be entitled to the rights at **Articles 13.9.1.1 to 13.9.1.3** (inclusive) notwithstanding a resolution of the Board to the contrary.
- 13.10 The directors may, at any time authorise a director to be involved in a situation in which the director has or may have a direct or indirect interest which conflicts or may conflict with the interests of the Company ("a conflict of interest") provided that:
- 13.10.1 in the case of a proposed appointment of a person as a director, the directors will authorise the conflict of interest before or at the time the director is appointed to office;
  - 13.10.2 in the case of any director the directors authorise the conflict of interest at the time the conflict is declared to them;
  - 13.10.3 the director subject to the conflict of interest or any other interested director shall not vote and shall not be counted in the quorum in respect of the authorisation given under this **Article 13.10** and if he or any other interested director does vote, those votes shall not be counted;

- 13 10.4 the directors may in their absolute discretion impose such terms or conditions on the grant of the authorisation as they think fit and in doing so the directors will act in good faith in such a way that they consider will be most likely to promote the success of the Company;
- 13.10.5 a director will not be in breach of his duty under sections 172, 174 and 175 of the Companies Act 2006 or the authorisation given by this **Article 13.10** by reason only that he received confidential information from a third party relating to the conflict of interest which has been authorised by this **Article 13.10** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs and neither will be in breach of his duty under the said section 175 for anything done or omitted to be done by him in accordance with the provisions of **Articles 13.8** and **13.9**; and
- 13.10.6 where approval to a transaction which falls within Chapter 4 of Part 10 of the Companies Act 2006 is given by members in accordance with that Chapter further authorisation for that transaction by the directors under this **Article 13.10** is not necessary.
- 13.10.7 for the purposes of **Article 13.10**, "conflict of interest" includes a conflict of interest and a conflict of duty and a conflict of duties.
- 13 10 8 for the avoidance of doubt where a conflict of interest of a Local Authority Director, the NWDA Director or the HCA Director (as the case may be) relates to:
- 13.10.8.1 any matter relating to his appointor;
- 13.10.8.2 a contract or arrangement with any member or NWDA or HCA or any authority body or undertaking in the County of Lancashire merely by reason that he or his spouse is a member, officer or employee of any member or NWDA or HCA or is a resident or charge payer in the County of Lancashire;
- 13 10.9 any such conflict of interest shall be approved by the directors, or by a resolution of his member appointor. Any refusal or delay by the Board to authorise such a conflict of interest will not in any way affect the validity of the resolution of the relevant member appointor to authorise such conflict of interest
- 13 11 The Company shall maintain a register of conflicts declared in accordance with this **Article 13**.
- 13.12 A resolution in writing, signed by:

13.12.1 a simple majority of the Board, such majority to include no less than three Local Authority Directors; or

13.12.2 a simple majority of a committee constituted pursuant to **Article 12**; (as the case may be)

shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) such a committee duly convened and held and may consist of several documents in the like form each signed by one or more directors or members of the committee (as the case may be).

13.13 Where the Board considers such attendance worthwhile or necessary to the matters to be transacted at the relevant meeting of the Board, it shall be entitled to invite relevant third parties to attend any meeting of the Board as observers providing that the secretary has received reasonable prior notification of such attendance and that such third parties agree to be bound by obligations of confidentiality reasonably acceptable to the Company and such observer shall subject to the agreement of the Board be entitled to speak at that meeting of the Board.

13.14 For the avoidance of doubt, no observer shall count in the quorum or be entitled to vote at any meeting of the Board.

13.15 The NWDA Director and the HCA Director will be entitled whilst they hold that office to make full disclosure to their appointing organisation of any information relating to the Company which may come into their possession as directors of the Company. NWDA and HCA shall only use such information in connection with their interest in the Company and shall not (unless they are under a legal or regulatory obligation and then only to the extent required) use that information in any way which is or may be detrimental to the Company or the members.

13.16 Any third party observer who attends a board meeting in accordance with Article 13.13 will be entitled to make full disclosure to their appointing organisation of any information relating to the Company which may come into their possession whilst observing at a meeting of the Board. Such appointing organisation shall only use such information in connection with their interest in the Company and shall not (unless they are under a legal or regulatory obligation and then only to the extent required) use that information in any way which is or may be detrimental to the Company or the members.

13.17 Save as set out in Articles 13.14 and 13.15 any observer appointed by NWDA or HCA pursuant to Article 13.1, or other third party observer who attends a board meeting in accordance with Article 13.13, shall keep any information relating to the Company which may come into their possession as observers confidential and shall not (unless they are under a legal or regulatory obligation and then

only to the extent required) use that information in any way which is or may be detrimental to the Company or the members.

#### 14. **DISQUALIFICATION AND REMOVAL OF DIRECTORS**

14.1 The office of a director shall be vacated if:

14.1.1 he ceases to be a director by virtue of any provision of the Statutes or these Articles or he becomes prohibited by law from being a director; or

14.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally; or

14.1.3 he is, or may be, suffering from mental disorder and either:

14.1.3.1 he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or

14.1.3.2 an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs; or

14.1.4 such director resigns his office by notice to the Company; or

14.1.5 in the case of an Ordinary Director, the members determine acting unanimously that such Ordinary Director shall be removed from office; or

14.1.6 such director is a Local Authority Director or the NWDA Director or the HCA Director and is removed from office by his member appointor in accordance with **Articles 10.2 or 10.3**,

14.1.7 in the case of a director appointed for a fixed term, that fixed term expires (save where extended pursuant to Article **10.5**); or

14.1.8 such director ceases to be a member, officer or employee of the member appointing him/her (as appropriate) or the entity nominating him/her (as appropriate) as a director.

#### 15. **CHIEF EXECUTIVE**

The members shall be entitled to appoint and remove a chief executive of the Company by unanimous resolution.

## 16. **SECRETARY**

Subject to the provisions of the Statutes, the secretary shall be appointed by the members for such term, such remuneration and upon such conditions as they think fit, and any secretary so appointed may be removed by the members, provided always that no director may hold office as secretary where such office is remunerated.

## 17. **REMUNERATION AND EXPENSES**

17.1 The Company may, in accordance with any scheme adopted by the members, reimburse any director for reasonable and proper out of pocket expenses incurred by any such director in connection with the performance of his or her duties as a director of the Company, save that the Company shall not reimburse expenses which may be recoverable from a member by a Local Authority Director, or in the case of the NWDA Director or the HCA Director from NWDA or HCA (as the case may be).

17.2 The Company shall pay such remuneration to the chief executive of the Company from time to time and to the Board Chair as is determined and approved by the members.

## 18. **THE SEAL**

If the Company has a seal it shall be used only with the authority of the directors or of a committee of the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined, every instrument to which the seal is affixed shall be signed by one director whose signature shall be attested in the presence of a witness or by one director and the secretary or another director.

## 19. **MINUTES**

19.1 The directors shall cause minutes to be made and kept for the purposes of:

19.1.1 recording the names and addresses of all the members;

19.1.2 all appointments of officers made by the directors; and

19.1 3 all proceedings at meetings of the Company and of the directors and of committees constituted pursuant to **Article 12.2** including the names of directors and members present at each such meeting.



## 20. **NOTICES**

- 20.1 Any notice to be given to or by any person pursuant to these Articles shall be in writing except that a notice calling a meeting of the directors need not be in writing.
- 20.2 The Company may give notice to a member either personally or by sending it by first class post in a pre paid envelope addressed to the member at his registered address or by leaving it at that address or (if he has no registered address in the United Kingdom) to or at that address, if any, within the United Kingdom supplied by him to the Company for the giving of notices to him or by giving it in electronic form to an address for the time being notified to the Company by the member, but otherwise no such member shall be entitled to receive any notice from the Company.
- 20.3 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted. Where a notice is sent in Electronic Form, the notice shall be deemed to have been given at the expiration of 24 hours after the time of transmission.
- 20.4 Where a notice is sent by making it available on a website, the notice shall be deemed to have been given either when it was first made available on the website or when the member received or was deemed to have received notice of the fact that the notice was available on the website
- 20.5 Where the Statutes permit the Company to send documents or notices to its members and directors in Electronic Form or by means of a website such documents and notices will be validly sent provided the Company complies with the requirements of the Statutes. Subject to any requirements of the Statutes, documents and notices may be sent to the Company in Electronic Form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

## 21. **WINDING UP**

- 21.1 Every member of the Company undertakes to contribute such amount as may be required (not exceeding £1) to the Company's assets if it should be wound up while such party is a member or within one year after such party ceases to be a member, for payment of the Company's debts and liabilities contracted before such party ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

21.2 If at the conclusion of the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities any property or operating surplus whatsoever, the same shall:

21.2.1 be given or transferred to some body or other institution or a charitable institution or institutions having objects similar to the Objects of the Company, and which shall prohibit the distribution of its or their income and property to an extent at least as great as is imposed on the Company under or by virtue of **Article 23.3**, such institution or institutions to be determined by the members of the Company then entitled to attend and vote at general meetings at or before the time of dissolution; or

21.2.2 be paid as the members of the Company then entitled to attend and vote at general meetings at or before the time of dissolution shall otherwise unanimously determine in writing

## 22. **INDEMNITY**

22.1 Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, alternate director, secretary or other officer of the Company out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in or about the lawful execution of the duties, powers or office or otherwise in relation thereto, including any liability which may attach to him or be incurred by him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, secretary or other officer of the Company.

22.2 The directors shall have power to purchase and maintain insurance for any director, alternate director, secretary, auditor or other officer of the Company or any associated company (as defined in section 256 of the Companies Act 2006) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company) including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, auditor, secretary or other officers of the Company (or associated company).

22.3 Subject to the provisions of, and so far as may be permitted by the Statutes, the Company shall be entitled to fund the expenditure of every director, or other officer of the Company incurred or to be incurred:

22.3.1 in defending any criminal or civil proceedings; or

22.3.2 in connection with any application under sections 661(3), 661(4) or 1157 of the Companies Act 2006.

## 23 **ADDITIONAL PROVISIONS AND LIABILITY OF MEMBERS**

23.1 The Company's registered office is to be situated in England and Wales.

23.2 The liability of the members is limited.

23.3 Subject to the provisions of **Article 23.4 and 21.2** the income and property of the Company shall be applied solely towards the promotion of the Objects of the Company. No portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit to members of the Company.

23.4 Nothing in these Articles shall prevent any payment in good faith by the Company:

23.4.1 of reasonable and proper remuneration to any member, officer or servant of the Company for any services rendered to the Company;

23.4.2 of interest or capital in respect of money lent by any member of the Company or director of the Company,

23.4.3 of reasonable and proper rent or licence fee for any premises demised, let or licensed by any member of the Company or director of the Company;

23.4.4 of fees remuneration or other benefit in money or monies worth to a company of which a member of the Company or a director may be a member; or

23 4 5 to any director of reasonable out of pocket expenses properly incurred in connection with the business or undertaking of the Company.

# DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
MANAGEMENT TEAM	COUNCIL	11 APRIL 2016	15
<b>CAPITAL STRATEGY</b>			

## PUBLIC ITEM

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

### SUMMARY

The report presents a revised Capital Strategy for consideration by the Council. The strategy has been revised to include additional guidance in respect of bids for recreational facilities on non-council land.

### RECOMMENDATION

The Council are recommended to adopt the revised Capital Strategy with effect from the 2017/18 budget cycle.

### SUMMARY OF PREVIOUS DECISIONS

The Capital Strategy was previously considered and approved at the Council meeting of 12<sup>th</sup> October 2015.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	√
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

1. The Council has a duty to manage its assets and capital resources in order to best deliver its objectives as set out in the Corporate Plan.
2. The Capital Strategy (shown at Appendix A) is a high level summary of the Council's approach to the delivery of the priorities and objectives of the Council as defined in the Corporate Plan through capital investment in services and assets. The prioritisation of capital investment

according to a well-defined and rational approach is especially important in helping to prioritise resources when the demand for such resources exceeds the total of the resources available.

3. The Capital Strategy is reviewed regularly to ensure that it remains aligned to the Council's Corporate Plan and continues to provide a suitable means by which capital resource allocation decisions can be guided. This revision includes additional guidance in respect of bids for recreational facilities on non-council land.

IMPLICATIONS	
Finance	There are no financial implications arising directly from this report, although future capital allocation decisions will be guided by the revised Capital Strategy.
Legal	None arising directly from this report
Community Safety	None arising directly from this report
Human Rights and Equalities	None arising directly from this report
Sustainability and Environmental Impact	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

LEAD AUTHOR	TEL	DATE	DOC ID
Management Team		March 2016	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Capital Strategy report to Council	12 <sup>TH</sup> October 2015	<a href="#">CMIS &gt; Meetings Calendar</a>

#### Attached documents

1. Appendix A: Draft Revised Capital Strategy March 2016



# Capital Strategy

March 2016

## FYLDE BOROUGH COUNCIL

### CAPITAL STRATEGY

#### 1. OVERVIEW

This strategy sets out the Council's approach to capital investment and disposals and the approach that will be followed in making decisions in respect of the Council's Capital assets.

Capital investment is an important ingredient in ensuring the Council's vision is achieved and given that capital resources are limited it is critical that the Council makes best use of these resources. Consequently this strategy seeks to:

- Ensure that spending decisions meet the Council's vision and key priorities;
- Ensure that the Council retains only the level of assets appropriate to the services it provides;
- Maximise the use and contribution of the Council's capital assets in achieving the Council's vision;
- Encourage innovation and value for money in the use of capital assets;
- Ensure that whole life costs and benefits both capital and revenue are fully considered along with an assessment of any future cost considerations involved;
- Maximise the availability of capital resources for investment;
- Influence and develop partnership working both locally and nationally; and
- Ensure through its links with the Asset Management Plan and Medium Term Financial Strategy good management and stewardship of assets in the Council's ownership.

The Capital Strategy sets out:

- How capital schemes are identified and developed in response to these plans and priorities;
- How decisions will be made on any bids for additional capital resources;
- How capital schemes will be assessed and evaluated;
- How choices are made between schemes competing for available resources;
- How the resultant Capital Programme will be monitored and evaluated; and
- How corporate reviews of existing capital assets will be undertaken.

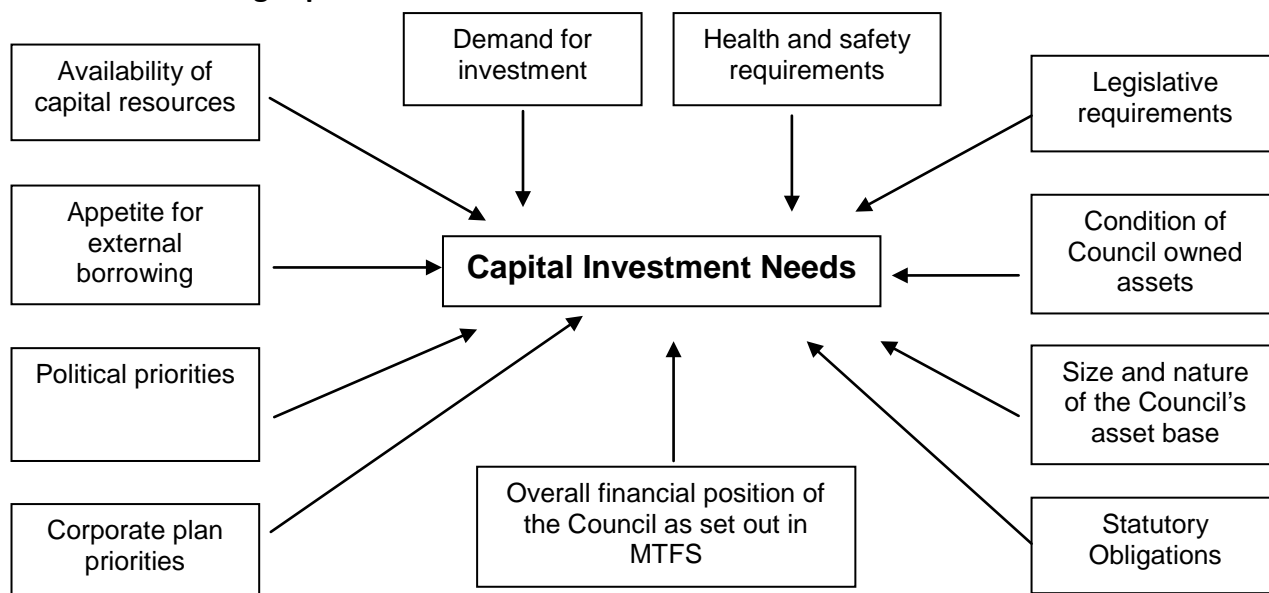
#### 2. FYLDE'S VISION, PRIORITIES & TARGETS

The Council's Corporate Plan is a key strategy document which sets out the vision, long-term outcomes, medium-term targets and short-term priority actions which will enable the Council to achieve its corporate objectives.

### 3. HOW CAPITAL SCHEMES ARE IDENTIFIED AND CONSIDERED

The need for capital investment is influenced by a number of factors both internal and external to the council. The diagram below identifies a number of these:

**Factors influencing capital investment:**



1. It is important that capital investment decisions are not made in isolation and instead are considered in the round through the annual budget setting process.
2. Programme committees will, during the annual cycle of meetings, consider issues which may give rise to the potential need for capital investment. These will be captured to inform the basis of potential capital bids that the committee will need to consider as part of the budget setting process.
3. Management Team and Service Heads will also identify the potential need for capital investment. This will take account of issues including the condition of council owned assets (including reference to the council's Asset Management Plan), health and safety requirements, statutory obligations of the council, operational considerations and emerging opportunities for investment including possible sources of external financing.
4. The Budget Working Group will review capital bids prior to consideration by Programme Committees.
5. Programme committees will then consider and prioritise capital bids relevant to their terms of reference.
6. Once capital bids have been prioritised by programme committees, the Budget Working Group will review the outcome of the deliberations of programme committees and will make recommendations to the Finance and Democracy Committee via an updated Medium Term Financial Strategy (MTFS) report on a proposed budget package which will include capital budget proposals.
7. The MTFS report (including capital budget proposals) will ultimately be considered by Budget Council each year.



#### 4. DEVELOPING CAPITAL SCHEMES

All proposed schemes requiring capital investment should have as a minimum the following information:

- 1) A description of the scheme;
- 2) The estimated financial implications, both capital and revenue;
- 3) The expected outputs, outcomes and contribution to corporate objectives;
- 4) The nature and outcome of consultation with stakeholders and customers (as applicable);
- 5) Any impacts on efficiency and value for money;
- 6) Risk assessment implications and potential mitigations; and
- 7) Any urgency considerations (e.g. statutory requirements or health and safety issues)

All capital bids should be prepared in light of the following list of criteria, and the proposed investment should address at least one of these issues:

- |      |                      |  |
|------|----------------------|--|
| i)   | Service criteria     | <ul style="list-style-type: none"> <li>- the investment contributes towards the Council's priorities</li> <li>- the investment contributes towards the Asset Management Plan</li> <li>- the investment maintains or improves Fylde Council owned assets</li> <li>- the investment allows continued delivery of services</li> </ul> |
| ii)  | Statutory criteria   | <ul style="list-style-type: none"> <li>- the investment addresses health and safety compliance issues</li> <li>- the investment contributes towards a statutory obligation</li> <li>- the investment contributes towards a government initiative</li> </ul>  |
| iii) | Financial criteria   | <ul style="list-style-type: none"> <li>- the investment produces a revenue saving or improves VFM</li> <li>- the investment is funded/part funded from external resources</li> </ul>   |
| iv)  | Needs criteria       | <ul style="list-style-type: none"> <li>- the investment satisfies an assessment of community priority</li> <li>- the investment satisfies an assessment of political priority</li> <li>- the investment satisfies an assessment of environmental priority</li> </ul>   |
| v)   | Partnership criteria | <ul style="list-style-type: none"> <li>- the investment is supported by appropriate partners/stakeholders</li> <li>- partners have been involved in drawing up the proposed scheme</li> </ul>  |

The council provides a parks development function which is available to town and parish councils throughout the borough. As part of this service the town and parish councils are supported through a 10 stage process for the development/improvement of their recreational assets. This is set out below:

1. Set up a supporters group (Friends group with a constitution)
2. Apply to LCC for support officer from the Environmental Projects Team to assist with:
  - Comprehensive consultation exercises
  - External funding grant assistance
3. Initial consultation with the group, local residents and users to produce a design brief based on community need
4. Produce 3 concept drawings based on the design brief

5. Consult / agree / produce a final Masterplan for the scheme
6. Cost the project up in sections (Bill of Quantities and specifications)
7. Prepare a funding strategy
8. Tender and evaluation (with community)
9. Project Management
10. Open Event / Future use /Maintenance

This process ensures that proposed development/improvement follows a logical sequence of events with sufficient preparation being undertaken to ensure any scheme is fully developed and has the support of the local community. This also includes a key stage to ensure that all external sources of grant funding are fully explored prior to any approach to Fylde Council for assistance. Any request for capital funding from Fylde Council for parks development/improvement will only be considered when the scheme applicant has provided evidence that it has reached stage 7 of the process as outlined above.

Providing that bids for capital investment address one or more of the above criteria, consideration will be given in the following priority order:

1. Investment which is required to meet health and safety or other regulatory/statutory obligations e.g. DDA compliance;
2. Investment in Council owned assets which support the delivery of Council services or priorities;
3. Investment which protects existing income streams or generates additional income for the Council;
4. Investment which attracts external match funding for the scheme; and
5. Investment which enhances the Borough and brings wider community benefits

The table shown at Appendix 1 summarises the capital bids process.

## **5. MONITORING OF APPROVED CAPITAL SCHEMES**

In accordance with the Council's constitution, all schemes which are approved for inclusion in the Capital Programme must be the subject of a detailed report to the appropriate Programme Committee prior to any expenditure being incurred on the scheme.

The monitoring of progress on individual schemes will be the responsibility of the Director for those schemes which fall within their areas of responsibility. The Director is responsible for preparing any reports required during the life of the scheme in accordance with the Council's constitution. This may include periodic reports to Programme Committees for schemes which fall within their areas of responsibility.

Programme committees will receive periodic in-year Capital Programme monitoring reports which will provide details of progress on the delivery of approved capital expenditure on a scheme by scheme basis.

The Capital Programme in its entirety will be updated to reflect any approved virements, additional scheme approvals or other approved changes as part of the regular review of the Council's Medium Term Financial Strategy.

## **6. REVIEW OF ASSET HOLDINGS AND ASSET MANAGEMENT PLAN**

The Council's Asset Management Plan will be reviewed on an ongoing basis by the Council's Asset Management Group. This will identify any assets held by the Council that are no longer either required or fit for purpose and appropriate recommendations made regarding retention for alternative use or disposal.

**CAPITAL BIDS PROCESS**

The following table shows consideration of capital programme bids within the Council's Medium Term Financial Strategy framework:

<b>Dates</b>	<b>Detail</b>
To end August	Formulation of capital bids – Members / Officers
October	Budget Working Group to review capital bids prior to consideration by Programme Committees
October/November	Programme Committees consider and prioritise capital bids
November	Report to Finance & Democracy Committee - updated Medium Term Financial Strategy including updated financial forecast
December/January	Consideration by Budget Working Group of prioritised lists of capital bids from Programme Committees
February	Finance & Democracy Committee receive updated Medium Term Financial Strategy including recommendations from Budget Working Group on capital expenditure proposals
March	Council Budget setting meeting including approval of updated capital programme
March	Statutory date to set Council Tax

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