

# Agenda



**HYNDBURN**

The place to be  
an excellent council

## Council

**Thursday, 23 March 2023 at 7.00 pm,**  
Council Chamber, Town Hall, Accrington

### Membership

Councillor Abdul Khan (Mayor) in the Chair,  
Councillors Judith Addison, Dominik Allen, Josh Allen, Mohammad Ayub, Noordad Aziz,  
Scott Brerton, Peter Britcliffe, Danny Cassidy, Andrew Clegg, Jodi Clements, Loraine Cox,  
Paul Cox, Munsif Dad BEM JP, Bernard Dawson MBE, Peter Edwards, Melissa Fisher,  
June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins,  
Terry Hurn, Zak Khan, Sajid Mahmood, Patrick McGinley, Colin McKenzie, Caroline Montague,  
Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short, Steven Smithson, Kate Walsh and  
Kimberley Whitehead

## AGENDA

1. **Apologies for absence**
  
2. **Declarations of Interest and Dispensations**
  
3. **Announcements**
  - a) Mayor
  - b) Leader of the Council
  - c) Chief Executive
  
4. **Confirmation of Minutes** (Pages 5 - 28)



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Published on Wednesday, 15 March 2023

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To confirm as a correct record the minutes of the Council Budget Meeting held on 23<sup>rd</sup> February 2023.

**5. Question Time**

To deal with any questions submitted under Council Procedure Rule A2.2(vi).

**6. Draft Pay Policy 2023/24 (Pages 29 - 36)**

Report attached.

**7. The Scheme of Delegation 2022/23 to take account of the Elections Act 2022 (Pages 37 - 42)**

Report attached.

**8. Nominations for the Title of Honorary Freeman (Pages 43 - 46)**

Report attached.

**9. Minutes of Cabinet (Pages 47 - 86)**

To receive the Minutes of the Cabinet meetings held on 25<sup>th</sup> January and 8<sup>th</sup> February 2023 (attached).

*Rules of Debate*

- The Leader of the Council will move the Minutes, the Deputy Leader of the Council will second the Minutes.
- Non-executive Members will be invited to make comment or ask questions on the Minutes (5 Minutes).
- Cabinet Members will be invited to make comments and respond to any points raised (5 Minutes).
- The Leader of the Council will be given up to 15 Minutes to respond and to answer any questions raised.

**10. Minutes of Committees (Pages 87 - 122)**

To receive the Minutes of committees, as set out below:

*Rules of Debate*

- The Leader of the Council will introduce the Minutes as a whole.
- Any Member may raise any issue from the Minutes; the Chair of the relevant Committee may respond (5 Minutes).
- The Leader of the Council will close the debate (5 Minutes).

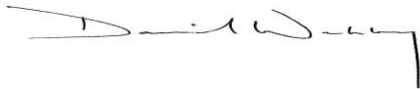
<b>Meeting (Municipal Year 2022/23)</b>	<b>Date</b>
Audit Committee	28 <sup>th</sup> November 2022
Resources Overview and Scrutiny Committee	15 <sup>th</sup> December 2022
Standards Committee	19 <sup>th</sup> December 2022
Management Review Committee	17 <sup>th</sup> January 2023
Planning Committee	18 <sup>th</sup> January 2023
Licensing Sub-Committee	31 <sup>st</sup> January 2023
Planning Committee	15 <sup>th</sup> February 2023
Resources Overview and Scrutiny Committee	16 <sup>th</sup> February 2023

**11. Motion(s) submitted on Notice** (Pages 123 - 124)

Report attached.

*Rules of Debate*

- Each motion shall be debated for no more than 20 minutes before being put to the vote.
- No more than one and a half hours in totality shall be allowed at each meeting for the debate of all motions.



Chief Executive  
 Scaitcliffe House,  
 Ormerod Street,  
 ACCRINGTON BB5 0PF

Wednesday, 15 March 2023

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## COUNCIL

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**Thursday, 23rd February, 2023**

**Present:** Councillor Abdul Khan (Mayor), Councillors Judith Addison, Dominik Allen, Josh Allen, Mohammad Ayub, Noordad Aziz, Scott Brerton, Peter Britcliffe, Danny Cassidy, Andrew Clegg, Jodi Clements, Loraine Cox, Paul Cox, Munsif Dad BEM JP, Bernard Dawson MBE, Peter Edwards, Melissa Fisher, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Patrick McGinley, Colin McKenzie, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short, Steven Smithson, Kate Walsh and Kimberley Whitehead

**Apologies:** Councillor Zak Khan

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### **299 Apologies for absence**

An apology for absence was submitted on behalf of Councillor Zak Khan.

### **300 Declarations of Interest and Dispensations**

There were no interests or dispensations declared at the meeting.

The Mayor reminded the meeting that all Councillors had previously been granted a dispensation to speak and vote in relation to the following matters, which were relevant to the business due to be conducted at item 8 of the agenda:

- Setting Council Tax or a precept under the Local Government Finance Act 1992, as amended from time to time or any superseding legislation.
- Setting a local scheme for the payment of business rates, including eligibility for rebates and reductions for the purposes of the Local Government Finance Act 2012, as amended from time to time and any superseding legislation.

### **301 Announcements**

The Mayor made announcements on the following items:

#### Message from King Charles III

The worshipful Mayor had recently received a card of thanks from King Charles III in response to a message of condolence, sent on behalf of the residents of Hyndburn to the Royal family following the death of Queen Elizabeth II. The card was circulated to Members of the Council.

#### National Moment of Silence

Council was informed that there would be a national minute's silence at 11 am on Friday, 24<sup>th</sup> February to mark the one-year anniversary of the Russian invasion of Ukraine. Locally the event would be signalled by the launch of maroon flares.

#### Earthquake in Turkey and Syria

Council was asked to remember the people in Turkey and Syria who had suffered as a result of an earthquake on 6<sup>th</sup> February 2023.

#### Councillor Bill Pinder

Council was informed that former Councillor Bill Pinder had recently passed and was informed of the funeral details. The Mayor paid tribute to Mr. Pinder and offered kind thoughts to his family and friends.

The Leader of the Council (Councillor Miles Parkinson OBE), the Leader of the Opposition (Councillor Munsif Dad) and the Leader of the Conservative Group (Councillor Marlene Haworth) also paid tributes to Mr. Pinder and offered condolences to the family. All remarked on the kind and caring character of Mr. Pinder and his great community spirit.

The Leader of the Council, Councillor Miles Parkinson, made announcements on the following:

#### Ministerial Visit to Clayton Hall

The Leader of the Council reported on a Ministerial visit to Clayton Hall and referred to the successful funding of this facility to bring it back from neglect.

#### Capital and Revenue Budget 2023-24

The Leader of the Council advised Members that the capital and revenue budget for 2023-24 had been set to cover a 3-year period and that they were working with business leaders and stakeholders, to invest the £66.93 million received from Levelling-Up Funds in the borough.

The Chief Executive made the following announcement:

#### The Retirement of the Deputy Chief Executive, Mr Joe McIntyre

The Chief Executive announced that Joe McIntyre, Deputy Chief Executive, would be retiring from Hyndburn Borough Council after 20 years' service. He referred to the significant improvements that Mr. McIntyre had made to the health of the Council's finances during his tenure at the Council. He referred to his commitment, hard work and dedication during his years of service, especially during the period of the Covid pandemic. Tributes were also paid to Mr. McIntyre by the Leader of the Council, the Leader of the Conservative Party and the Leader of the Labour Party. Lyndsey Sims, Chief Executive of Hyndburn Leisure and Terry Hosty, a former Hyndburn Borough Council employee, made presentations to Mr. McIntyre. All thanked him for his time with the authority and wished him well for the future.

Joe McIntyre responded to their tributes. The Mayor thanked him for all he had done for Hyndburn Borough Council.

### **302 Confirmation of Minutes**

The minutes of the Council meeting held on 12<sup>th</sup> January 2023 were submitted for approval as a correct record.

The Leader of the Council referred to the following minutes:

Minute No. 245 Levelling Up Funding – he advised that Burtons Chambers had been acquired by the Council and that progress had started with funding.

Minute No. 246 Leisure Transformation Programme – he advised that a planning application had been submitted and notices put up to inform the public. He indicated that this investment would build on the investment in Clayton Hall and was a positive move for Clayton le Moors.

Minute No. 246 Local Plan – he reminded Members that the Council's Local Plan had been passed in March 2022 and that Members, including the Opposition, had voted for it.

Minute No. 249 – he reminded Members that a bid of £30 million would be submitted for infrastructure to realise the Huncoat Garden Village development. He referred to the aspirations of plans for Huncoat and encouraged all Members to support the project and work together.

**Resolved** - **That the Minutes of the Council meeting held on 12<sup>th</sup> January 2023 be approved as a correct record.**

### **303 Prudential Indicators Monitoring and Treasury Management Strategy - Update as at 30 September 2022**

Councillor Joyce Plummer, Portfolio Holder for Resources, submitted a report to update Cabinet on the Prudential Indicators Monitoring and Treasury Management Strategy.

Councillor Plummer introduced the report as follows:

Treasury management related to the borrowing and cash activities of the authority and the effective management of any associated risks. The Prudential Code for Capital Finance in Local Authorities required the Council to set Prudential Indicators annually for the forthcoming three years to demonstrate that the Council's capital investment plans were affordable, prudent and sustainable. The Council's current prudential indicators were adopted in February 2022.

The Council was performing within the original targets set at the start of the year although in 2022/23 the gross debt would exceed Capital Financing Requirement (CFR) due to the annual payment of Minimum Revenue Provision (MRP). Other liabilities reflected the transfer of contract hire leases to balance sheet to comply with IFRS16. However, borrowing was not taking place for Revenue purposes and the Council was not borrowing additional funds at this time, so it was not an issue.

The current position of the treasury function, and its expected change in the future introduces risk to the Council from adverse movement in interest rates. The Prudential Code is constructed on the basis of affordability, part of which is related to borrowing costs and investment returns.

The Capital Programme 2022/23 would be funded by the use of Government Grants (including New Homes Bonus Grant and S31 Grants) and other external financing. It would also be supported during the year by greater use of internal sources of capital finance (including capital receipts reserve) because of the reduced level of external grant allocation. It is not anticipated currently that any capital borrowing would be required.

The Council's strategy of continuing to yield an appropriate rate of return from investments, through a lower rate, as there is less risk attached to these deposits. The Council also operates a policy of holding no more than £2m in any one bank (with the exception of the liquidity account held with Nat West Bank where the limit is £3m) to ensure that the risk is spread.

It is recommended that the policy on external investment is changed by increasing the maximum limit for investment with the Government's Debt Management Agency Deposit Facility (DMADT) from £2m to unlimited. This would allow greater flexibility for placing of funds with potential for higher returns with minimal risk. This recommendation is included in the updated Treasury Management Strategy report.

The report had been prepared in line with the Treasury Management Code and Guidance (2017) written by The Chartered Institute of Public Finance and Accountancy (CIPFA). In the case of local authorities in England and Wales, the Code was significant under the provisions of the Local Government Act 2003. This required local authorities 'to have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify'. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 in paragraph 24 required local authorities to have regard to this guidance. Acceptance of this report fulfilled those obligations. CIPFA had published revised codes on 20<sup>th</sup> December 2021 and had stated that formal adoption was not required until the 2023/24 financial year. Appended to the report were the following Treasury Management Indicators and Capital Finance Prudential Indicators.

**Resolved** - **That Council noted the report.**

#### **304 Medium Term Financial Strategy 2023/24 to 2025/26 - February 2023 Update**

Councillor Joyce Plummer, Portfolio Holder for Resources, provided a report setting out the 3-year projections of income and expenditure for the Council ahead of formulating its 2023/24 Revenue and Capital Budgets. The report had already been considered and approved by the Cabinet on 8<sup>th</sup> February 2023.

The Cabinet had considered an update on its medium term financial outlook ahead of making recommendations on the setting of the Budget for 2023/24 and determining the level of Council Tax for the new financial year. This report ensured that those decisions were taken with a view to the overall position of the Council going forward and were not limited to a narrow one year perspective.

Councillor Plummer spoke to introduce the report. The substantive report included the following summary:-

The Council's activities and finances had been dominated this year by the continuing impact of COVID-19 and the economic consequences of the Russian invasion.

It is expected that these two linked key events and their consequences will continue to have a major impact on the Council's finances for at least the next financial year as a minimum, with the potential for the effects to continue much longer.

In response to the great uncertainty the Council faced, it would operate a roll forward Budget for 2023/24 based on the 2022/23 Budget adjusted for changes to salary and wages, energy and other cost pressures and anticipated changes to income from the Government. This provided Service Managers a fixed reference point from which to continue to respond to the inflationary pressures we now face and allowed a degree of stability for one further year, while the Council recovered from another year of significant challenges. To achieve a balanced Budget during the year, the Council would need to generate £115,279 of internal savings during the year. Overall expenditure would need to be contained at around £14.38 million in 2023/24 to set a balanced budget.

If necessary the Council would have to use some of its Reserves to help balance the Budget. This is particularly likely if the Government reduces the amount of financial support it provides the Council or reduces the amount of Business Rates it is allowed to retain. Additionally, it may be necessary to use Reserves if it is believed that in the current economic climate it would be inappropriate to raise Council Tax.

The Council would face significant financial challenges over the next three years as it sought to overcome the consequence of COVID-19 and the War in Ukraine. Addressing the impact of any proposed Government funding reforms and increased pressures on its spending would present it with further challenges over this period. As the extent of the Government financial reforms was unclear at this time and was unlikely to emerge until December 2023 at the earliest, this produces great uncertainty and potentially significant variance around the forecasts contained in the Medium Term Financial Strategy (MTFS).

Previously, for the last four years the expectation had been that the Government would implement what it termed as a "Fair Funding Review of Local Government Finance." This proposal would effectively end the Revenue Support Grant to the Council and potentially redistribute the amount of Business Rates the Council was allowed to retain to other Councils. The expected impact of these changes, if they went ahead, were expected to cause a significant decrease in the funding available to the Council. In these circumstances the Council would need to make substantial reductions in its expenditure levels as a consequence. The changes would need to be made either immediately in the aftermath of the announcement or over a short period, if some form of transitional arrangements accompanied these changes to assist those Councils most dramatically impacted.

After 4 years in which these reforms had been postponed for various reasons and with a new Government with Rishi Sunak as Prime Minister, the certainty around the introduction of Fair Funding is no longer as sure as it once seemed and it may be the case these reforms were postponed for a number of years or dropped altogether. This would allow the potential current levels of funding to the Council to continue.

As a consequence, the modelling now recognised that there was a real possibility that continuation of Government funding at current levels may be the most likely outcome over the next few years of all the potential different scenarios that could occur. However, many of the drivers around the need to reform the finances of Local Government still exist. As such, the strong prospect of a Fair Funding Review which significantly reduces the Council's funding remains a very real prospect. DLUHC officials continue to indicate they wish to introduce some kind of Fair Funding Review to re-shape Council finances and the prospectus of this occurring over the new few years remains a distinct possibility.

This presented the Council with two very different future budget scenarios. The first was a scenario in which funding from Government remained largely in its current shape and where the Council while under some financial pressure from high pay inflation and a steep rise in its energy costs, should be able to largely cope. While the second scenario, would see reform of local government finance, with a wide range of possible outcomes for the Council potentially occurring, from changes that were relatively small in consequence, all the way through a whole series of potential results some of which would be large and very dramatic in terms of the challenges it presented to the Council.

These 2 scenarios were modelled within the report. The more severe of the two, as the Pessimistic Scenario and the other as the Standard Model. A third model was also presented which indicated the Council's potential position if the Government chose to provide local government with an injection of cash over and above current levels and locally the Council was able to boost its own tax revenue as a consequence of a buoyant tax base. This Optimistic model was considered to have a much lower probability of occurring compared to the other two models but was provided to illustrate the wide range of potential outcomes.

In these circumstances it was prudent for the Council to look to increase its reserves and revenue streams such as Council Tax and Business Rates whenever it could and to avoid committing to any new revenue expenditure while continuing to concentrate on its work to reduce internal costs.

Detailed information was provided in the report on the following matters:-

- Objectives;
- Elements of the MTFS;
- Service Planning to support overall strategy;
- Integrated resource planning with services;
- Background information;
- Financial analysis 2032/43 to 2025/26 (resources; Government grant; business rates; Council Tax; expected loss of income; and changes in costs)
- Growth;
- Reserves;
- Other assumptions;
- Scenarios;
- Robustness of forecast; and
- Overall net position.

**Resolved** - **That the Council notes the report and the accompanying Medium Term Financial Strategy, as approved by the Cabinet.**

**305 Prudential Indicators and Treasury Management & Investment Strategy 2023/24 - 2025/26 Including Capital Strategy**

Councillor Joyce Plummer, Portfolio Holder for Resources, provided a report setting out the Council's policy and objectives with respect to treasury management, to explain how it would achieve its objectives and manage its activities; and to agree an investment strategy for 2023/24. The report had already been considered by the Cabinet on 8<sup>th</sup> February 2023 and its recommendations had been approved for submission to the Council.

Councillor Plummer gave a brief introduction to the report. The main report included the following information:

Treasury management was defined as:

- The management of the Council's investment and cash flows, its banking, money market and capital market transactions;
- The effective control of the risks associated with these activities;
- And the pursuit of optimum performance consistent with those risks.

The Council was required to operate a balanced budget which meant that cash raised during the year would meet cash expenditure. Part of treasury management was to ensure the cash flow was properly planned with cash available when needed. Surplus monies were invested in line with the Council's low risk preferences.

The second function of treasury management was funding the Council's capital plans. The plans gave a guide to the future borrowing need of the Council. The management of this longer term cash flow might involve arranging long or short term loans or using longer term cash flow surpluses. Occasionally, outstanding debt might be restructured to reduce Council risk or meet cost objectives.

The report had been prepared in line with the Treasury Management Code and Guidance (2017) written by The Chartered Institute of Public Finance and Accountancy (CIPFA). In the case of local authorities in England and Wales, the Code was significant under the provisions of the Local Government Act 2003. This required local authorities 'to have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify'. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 in paragraph 24 required local authorities to have regard to this guidance. Acceptance of this report fulfilled those obligations. CIPFA had published revised codes on 20<sup>th</sup> December 2021 and had stated that formal adoption was not required until the 2023/24 financial year.

The report included detailed information on the following matters:-

- The Prudential Code and Prudential Indicators;
- Capital expenditure and the capital financing requirement;
- Minimum Revenue Provision (MRP);
- Affordability prudential indicators;
- Treasury Management Strategy 2032/24 - 2025/26;
- External debt overall limits;
- External v internal borrowing;
- Limits on activity;
- Debt rescheduling;
- Investment strategy;
- Treasury Management Practices (TMP);
- Policy on the use of external service providers; and
- Treasury Management Strategy in-year and year-end reporting.

**Resolved**

**- That the Council agrees the recommendations of Cabinet to:-**

**(1) Adopt the prudential indicators and limits detailed in the report;**

- (2) **Approve the Treasury Management Strategy, and associated indicators, as set out in section 8 of the report;**
- (3) **Approve the Investment Strategy as set out in section 13 of the report;**
- (4) **Approve that the Minimum Revenue Provision (MRP) for the year 2023/24 – Appendix 1;**
- (5) **Approve the Treasury Management Policy Statement 2023/24 – Appendix 2**
- (6) **Approve the Treasury Management Practices Statement 2023/24 – Appendix 3**
- (7) **Approve the Capital Strategy 2023/24 – Appendix 4**

### **306 General Fund - Revenue Budget, Council Tax Levels and Capital Programme 2023/24**

The Mayor introduced this item and sought the approval of Council to use the Budget Procedure to be followed at the meeting, which involved changes to the usual Council Procedure Rules. With the consent of the meeting, the proposed order of debate was duly adopted.

Members were reminded that, in accordance with the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, recorded votes would be required in respect of any financial decisions taken under this item.

Proposals for the 2023/24 General Fund Revenue Budget and Capital Programme had been put forward at Cabinet on 8<sup>th</sup> February 2023 and had been recommended to Council for approval. The proposals had also been submitted to the Resources Overview and Scrutiny Committee on 16<sup>th</sup> February 2023 and a number of questions had been raised and comments made.

The following reports were provided:-

a) General Fund - Revenue Budget 2023/24

The report included proposals as presented to and approved by the Cabinet on 8<sup>th</sup> February 2023. The recommendations agreed by Cabinet were as follows:-

- “(1) That Cabinet proposes to Council to freeze Council Tax for 2023/24 at the same level as in 2022/2023, keeping the charge for a Band D property at £260.64;*
- (2) That the Budget for 2023/24 would therefore be £14,382,673 as detailed in Appendices 1 to 3;*

- (3) *That Cabinet recommend approval of the changes in budget requirement including inflation, growth and savings identified in Appendix 3 to ensure the Council could set and approve a balanced budget;*
- (4) *That Cabinet noted the significant improvement made in relation to budget monitoring and cost reduction within the Authority over the past 19 years and confirmed its commitment to continuing this approach in the year ahead;*
- (5) *That Cabinet recommended during the financial year 2023/24, the Executive Director of Resources be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) for technical reasons, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads etc., provided such amendments had an overall neutral impact on the Budget;*
- (6) *That Cabinet recommended during the financial year 2023/24, the Executive Director of Resources be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) should the estimate of Business Rates not be sufficiently accurate, by drawing on reserves if needed or paying over additional contributions to reserves;*
- (7) *That to aid future financial management planning, any surpluses generated during 2023/24 were set aside to help the Council reduce its cost base over the next three years, to support its long term capital programme or to strengthen its overall reserve position;*
- (8) *That Cabinet recommended that the Service Grant awarded for 2023/24 be used to help balance the Council's Budget; and*
- (9) *That Cabinet recommended that the New Homes Bonus and any additional funds from Government that are not ring-fenced funding, as well as any other surplus funds, could be used if required to support capital expenditure as determined by the Executive Director in the overall financing of capital expenditure or be transferred to Reserves."*

b) General Fund - Capital Programme 2022/23

The report included proposals as presented to and approved by the Cabinet on 9<sup>th</sup> February 2022. The recommendations agreed by Cabinet were as follows:-

*"That Cabinet recommends to Council:-*

- (1) That Cabinet proposes to Council to approve the total cost of new scheme additions to the existing Capital Programme for 2023/24 of £8,373,522, with a cost to the Council of £1,855,000 as set out in Appendix 1;*
- (2) That Cabinet proposes to Council to approve the funding of the programme by the use of newly anticipated direct external grants totalling £6,518,522 with the remaining*

*funding of £1,855,000 to come from new investment from the Council's resources. External grant funding must be secured before any internal funds are committed to projects that rely on external funding to proceed;*

- (3) That Cabinet proposes to Council that authority be delegated to the Executive Director of Resources, in consultation with the Portfolio Holder for Resources to flex the programme in accordance with the available funding, provided this does not require any additional borrowing;*
- (4) That Cabinet proposes to Council that the individual projects within the Capital Programme require the written authorisation of the Executive Director of Resources following consultation with the Portfolio Holder for Resources before commencing and incurring expenditure and that Service Managers provide the Executive Director of Resources with written details of estimated costs of schemes with full justification of the need and benefits from undertaking the capital investments before approval is provided and that approval to commence is delegated to the Executive Director of Resources, in consultation with the Portfolio Holder for Resources. That where he deemed it appropriate, the Executive Director of Resources be given authority to release funding in stages to ensure effective financial control can be maintained and project risk managed;*
- (5) That Cabinet proposes to Council that Projects are timed to minimise the need for borrowing and the Executive Director of Resources be requested to seek project start dates after September 2023 whenever this is practical; and*
- (6) That Cabinet proposes to Council that in-year underspends are not made available to fund new projects during the year."*

c) Comments and Recommendations of Overview and Scrutiny

The report included the comments and recommendations of the Resources Overview and Scrutiny Committee on the draft Budget.

Councillor Paddy Short, in the absence of the Chair of the Resources Overview and Scrutiny Committee, spoke to outline the following:-

At the annual Budget Overview and Scrutiny meeting on 16<sup>th</sup> February, the Resources Overview and Scrutiny Committee reviewed the Revenue and Capital Budget Proposals submitted by the Leader of the Council and the Portfolio Holder for Resources. No alternatives were proposed. The budget proposals submitted were

reviewed and discussed in depth by the Committee, and the recommendations were as follows:-

*“That Council notes the following resolutions of the Resources Overview and Scrutiny Committee:*

- (1) That the Committee notes the content of the reports relating to; Performance Indicators, Treasury Management and Investment Strategy, Medium Term Financial Strategy, General Fund Revenue Budget and New Scheme Additions to the Capital Programme;*
- (2) That the Committee thanks the Leader of the Council, Portfolio Holder for Resources and Leader of the Opposition for their participation in the Scrutiny meeting and debate;*
- (3) That the Executive Director of Resources, and all other officers involved, be commended for their work in producing the budget.*
- (4) That having reviewed and debated the budget submitted, the Committee supports the content of the revenue and capital budget reports as outlined.”*

The Leader thanked the Committee for its due diligence.

A **MOTION**, tabled at the meeting, was proposed by Councillor Miles Parkinson and seconded by Councillor Marlene Haworth, as follows:-

- “1. That Council agree the acceptance and adoption of the Cabinet’s recommendations on the Revenue and Capital Budgets and Prudential Indicators & Treasury Management Report for 2023/24 to 2025/26 made at the Cabinet meeting on 8<sup>th</sup> February 2023 (a copy of the reports and recommendations have been supplied with the Agenda for today’s meeting),
2. That Council Tax for Hyndburn Borough Council be frozen at the same level as in 2022/2023 leaving the charge at £260.64 for the year for a Band D property.
3. That the Council commits to continuing to strengthen its Reserves during the year and requires the Chief Executive and the Executive Director of Resources to take appropriate action to protect the Council’s overall financial position and further strengthen its Reserves during the forthcoming year.
4. That the Council delegates authority to the Chief Executive to take such action as he considers necessary to implement the measures contained in this budget.
5. That it be noted that on 25<sup>th</sup> January 2023 the Council at its Cabinet calculated:
  - the Council Tax Base 2023/24 for the whole Council area as 21,945 (Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the “Act”)) and,
  - for dwellings in those parts of its area to which a Parish precept relates as 317.
6. That Council agrees that the Council Tax requirement for the Council’s own purpose for 2023/24 (excluding Parish precepts) is £5,719,745.

7. That Council agrees that the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:
- a) £56,326,008 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
  - b) £50,593,244 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
  - c) £5,732,764 being the amount by which the aggregate at 7(a) above exceeds the aggregate at 7(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31A(4) of the Act).
  - d) £261.24 being the amount at 7(c) above (Item R), all divided by Item T (5 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - e) £13,019 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
  - f) £260.64 being the amount at 7(d) above less the result given by dividing the amount at 7(e) above by Item T (5 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
8. That Council notes that the County Council, the Lancashire Police & Crime Commissioner and the Lancashire Combined Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
9. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings.

Band D Council Tax Rates for Each Preceptor

	<b>2022/23</b> £	<b>2023/24</b> £	<b>Increase</b>
<b>Hyndburn Borough Council</b>	<b>260.64</b>	<b>260.64</b>	<b>0%</b>

<b>Lancashire County Council</b>	<b>1,514.29</b>	<b>1,574.71</b>	<b>3.99%</b>
<b>Lancashire Police &amp; Crime Commissioner</b>	<b>236.45</b>	<b>251.45</b>	<b>6.34%</b>
<b>Lancashire Combined Fire Authority</b>	<b>72.27</b>	<b>82.27</b>	<b>6.47%</b>
<b>Sub Total</b>	<b>2,088.65</b>	<b>2,169.07</b>	<b>3.85%</b>
<b>Altham Parish Council</b>	<b>41.07</b>	<b>41.07</b>	<b>0%</b>
<b>Total</b>	<b>2,129.72</b>	<b>2,210.14</b>	<b>3.78%</b>

10. That the Council note the basic amount of Council Tax for 2023/24 is not considered excessive in accordance with principles approved under Section 52 ZB Local Government Finance Act 1992.
11. That the Council note that the interest rate projections made in the Prudential Indicators and Treasury Management & Investment Strategy 2023/24 to 2025/26 at 8.4.1 in that report have been updated at Appendix 3 as since the report was originally drafted the Bank of England has increased its Base Rate.
12. That the Executive Director of Resources, is given delegated authority to amend the budget (following consultation with the Leader of the Council) for technical reasons or to comply with legal requirements, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads etc., so long as these changes have an overall neutral impact on the budget.
13. That any continuing balances on Revenue or Capital previously earmarked for Area Councils continues to be set aside for use by these or their successor bodies.
14. That the Chief Executive is given delegated authority to use any unallocated surplus generated in 2022/23 should this occur to fund any future shortfall in income or additional expenditure, to support "Invest to Save" projects that will help reduce the Council's long term costs (including additional payments to the Pension Fund as outlined below), or support specific capital projects, or finance other commitments that he deems to be in the best long term interest of the Council or to transfer funds to Reserves as required and to allocate funds between Reserves should an overspend occur in 2022/23 to maintain the General Fund Reserve at that appropriate level as advised by the Executive Director of Resources.
15. That the Chief Executive is given delegated authority following consultation with the Leader to make a payment or payments to the Lancashire Pension Authority to help reduce the extent of the Council's pension liabilities that have amassed from previous years, if this is calculated to be an appropriate use of Council Funds (The liability stood at £28.9m as at the 31st March 2022).

Councillor Dad then tabled seven Opposition amendments to the Motion and outlined his reasons for the proposed amendments to the Budget.

The meeting was informed that the Budget Procedure consented to by Members of the Council, provided for multiple amendments by the same group to be moved, seconded and debated en bloc. Each amendment would then be voted upon separately in the order that they were presented.

A brief adjournment of around 15 minutes was agreed to allow time for Members to consider the information tabled. The meeting then resumed with the amendments taken, as follows:-

The seven amendments were moved and seconded en bloc. Details of the amendments were as follows:

#### Amendment 1

Revenue Budget – ‘Running Cost of Love Clean Street Apps. To sit alongside the ICT update programme being undertaken.’

*Note 1: £102k to be funded from acceleration of Corporate Saving Target from 0.8% to 1.6%. This includes revenue impact of the revised Capital Programme.*

*Note 2: Recurring Budget item £70k annually going forward to be funded from 0.5% corporate saving adjustment in future years.*

Capital Budget – ‘Update Systems for Embedding of Love Clean Streets Apps. £5k for the software and £10k to integrate into our systems.’

*Note: £15k to be funded from acceleration of Corporate Saving Target from 0.8% to 1.6%. This is a one-off capital commitment.*

#### Amendment 2

Revenue Budget - ‘Roll out of Community Clean up days (2 per ward every year) – Provision for Skips and Safety Equipment.’

*Note 1: £102k to be funded from acceleration of Corporate Saving Target from 0.8% to 1.6%. This includes revenue impact of the revised Capital Programme.*

*Note 2: Recurring Budget item £70k annually going forward to be funded from 0.5% corporate saving adjustment in future years.*

#### Amendment 3

Revenue Budget – ‘Investigate the feasibility of the link road to Junction 7 to Great Harwood working with partners including LCC and Highways England.’

*Note 1: £102k to be funded from acceleration of Corporate Saving Target from 0.8% to 1.6%. This includes revenue impact of the revised Capital Programme.*

#### Amendment 4

Revenue Budget – Creation of 1.0 FTE role for an additional Dog Warden.

*Note 1: £102k to be funded from acceleration of Corporate Saving Target from 0.8% to 1.6%. This includes revenue impact of the revised Capital Programme.*

*Note 2: Recurring Budget item £70k annually going forward to be funded from 0.5% corporate saving adjustment in future years.*

#### Amendment 5

Revenue Budget – ‘Creation of 2.0 FTE Green Apprenticeships in CVMU around Electric Vehicle Maintenance – Invest to Save’

*Note 1: To utilise £51k from the Climate Change Emergency Reserve annually for 3 years.*

*Note 2: Recurring Budget item for 3 years funding from Climate Change Emergency Reserve. £51k annually for three years Total Impact £153k. We would then revisit after 3 years to how it is to be funded in future either through additional corporate savings or through income generation.*

#### Amendment 6

Capital Budget – ‘Green Spaces Community Hubs. This is to be used as matched funding to be delivered as joint projects with partners across the townships.’

*Note 1 – Green Spaces Community Hubs to be funded from the reallocation of £50k from amendment 7 and £125k from the Climate Change Emergency Reserve. This is a one-off capital commitment.*

#### Amendment 7

Capital Budget – ‘King George IV Football Pitches. This is to be sourced from external bodies making it an 80/20 split.’

After a debate, the Leader outlined a number of reasons why it would not be in the Council’s interests to agree to the amendments. These included:

- there was a greater public interest in enforcement of environmental issues and therefore costs would be focused on this rather than procuring the new electronic system, ‘Love Clean Street’,
- the budget relating to the link road was not required as Lancashire County Council were currently working on this,
- Further funding for a Dog Warden would be considered at a later date,
- staff in CVMU were already trained
- Prospects worked on green spaces so allocating a budget for Green Spaces Community Hubs would be a duplication of their work; and
- Finally, sourcing funding from external bodies for the King George IV football pitches would delay progress.

Overall, he indicated that Labour’s savings proposals would increase risks to services.

**AMENDMENT 1** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

Councillor Patrick McGinley

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 2

**AMENDMENT 2** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Patrick McGinley, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

None

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 3

**AMENDMENT 3** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

Councillor Patrick McGinley

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 4

**AMENDMENT 4** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

Councillor Patrick McGinley

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 5

**AMENDMENT 5** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Caroline Montague, Paddy Short, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Patrick McGinley, Miles Parkinson OBE, Joyce Plummer, Kath Pratt and Steven Smithson.

*Abstentions*

None

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 6

**AMENDMENT 6** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Patrick McGinley, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

None

Accordingly, the **AMENDMENT** was **LOST**.

Amendment 7

**AMENDMENT 7** was then put to the **VOTE**.

*For the Motion*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Patrick McGinley, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

*Against the Motion*

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite, Eamonn Higgins, Terry Hurn, Sajid Mahmood, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Abstentions*

None

Accordingly, the **AMENDMENT** was **LOST**.

**Suspension of Council Procedure Rule A7**

## **Resolved**

- **That this Council votes to suspend Council Procedure Rule A7, to permit the meeting to continue beyond 10.00 p.m. until business is complete.**

## **The Substantive Motion**

The Leader of the Council, Councillor Miles Parkinson OBE, then spoke on the Substantive Motion as follows:-

The proposed Budget for 2023 would cover a 3 year period rather than the usual one year period. He referred to funding for Levelling Up, the Leisure Transformation and the Town Centre Investment Plan being important investments for the borough and to the value of the Local Plan and the Council's vision for the future. He referred to the disproportionate impact of the economy on the borough and reported that business leaders across Hyndburn had worked with the Council to create a vision for the future of the town. He also outlined a number of other projects listed within the Budget including the employment of two posts to deal with energy reduction and gave details on the following matters:

- Independent Board to bring together the arts, culture and heritage
- UK Shared Prosperity
- Arndale Masterplan
- Huncoat Garden Village

The Leader summed up by referring to the importance of unity and working together, even where different opinions were expressed. He thanked councillors and officers for their efforts and support in producing this Budget.

The Deputy Leader of the Council, Councillor Marlene Haworth, reiterated that this was a great proposed budget and indicated that the Government had provided a lot of money for the borough, in recent months, especially towards Levelling Up (£23 million) which would be spent on the town centre but clarified that not all of the funding would be spent on the market hall. She referred to the success of bids for Levelling Up funding and the importance of working in partnership. She reported that improvement works to the town centre would start in 2024.

Councillor Haworth reported that the Conservative Group had promised a freeze on Council Tax last year and this had been achieved and asked all Members to support the Budget.

A debate on the substantive motion followed. Councillor Britcliffe, Josh Allen and Edwards welcomed the proposed budget. Councillor McGinley raised concerns about the amount invested in the Leisure estate and Councillor McKenzie and Dad raised concerns about Lancashire County Council raising its part of the Council Tax. Councillor Aziz referred to the effects of rising living costs on the residents of Hyndburn and Councillor Haythornthwaite expressed delight that Great Harwood would be receiving money from the Levelling Up Fund.

**THE SUBSTANTIVE MOTION** was then put to the **VOTE**.

### For the Motion

Judith Addison, Dominik Allen, Josh Allen, Peter Britcliffe, Danny Cassidy, Loraine Cox, Peter Edwards, June Harrison, Marlene Haworth, Susan Hayes, Carole Haythornthwaite,

Eamonn Higgins, Terry Hurn, Sajid Mahmood, Patrick McGinley, Caroline Montague, Miles Parkinson OBE, Joyce Plummer, Kath Pratt, Paddy Short and Steven Smithson.

*Against the Motion*

None

*Abstentions*

Councillors Abdul Khan (Mayor), Councillors Mohammad Ayub, Noordad Aziz, Scott Brereton, Andrew Clegg, Jodi Clements, Paul Cox, Munsif Dad BEM JP, Bernard Dawson, Melissa Fisher, Colin McKenzie, Kate Walsh and Kimberley Whitehead.

Accordingly, the **MOTION** was **CARRIED** and it was:-.

**Resolved**

- (1) That Council agree the acceptance and adoption of the Cabinet's recommendations on the Revenue and Capital Budgets and Prudential Indicators & Treasury Management Report for 2023/24 to 2025/26 made at the Cabinet meeting on 8th February 2023 (a copy of the reports and recommendations have been supplied with the Agenda for today's meeting),**
- (2) That Council Tax for Hyndburn Borough Council be frozen at the same level as in 2022/2023 leaving the charge at £260.64 for the year for a Band D property;**
- (3) That the Council committed to strengthening its Reserves during the year and required the Chief Executive and the Executive Director of Resources to take appropriate action to protect the Council's overall financial position and further strengthen its Reserves during the forthcoming year;**
- (4) That the Council delegates authority to the Chief Executive to take such action as he considers necessary to implement the measures contained in this budget.**
- (5) That it be noted that on 25<sup>th</sup> January 2023 the Council at its Cabinet calculated:**
  - the Council Tax Base 2023/24 for the whole Council area as 21,945 (Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")) and,**
  - for dwellings in those parts of its area to which a Parish precept relates as 317.**
- (6) That Council agrees that the Council Tax requirement for the Council's own purpose for 2023/24 (excluding Parish precepts) is £5,719,745.**

**(7) That Council agrees that the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:**

- a) £56,326,008** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils
- b) £50,593,244** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- c) £5,732,764** being the amount by which the aggregate at 7(a) above exceeds the aggregate at 7(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31A(4) of the Act).
- d) £261.24** being the amount at 7(c) above (Item R), all divided by Item T (5 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- e) £13,019** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
- f) £260.64** being the amount at 7(d) above less the result given by dividing the amount at 7(e) above by Item T (5 above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

- (8) That Council notes that the County Council, the Lancashire Police & Crime Commissioner and the Lancashire Combined Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
- (9) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings.

**Band D Council Tax Rates for Each Preceptor**

	2022/23 £	2023/24 £	Increase
Hyndburn Borough Council	260.64	260.64	0%
Lancashire County Council	1,514.29	1,574.71	3.99%
Lancashire Police & Crime Commissioner	236.45	251.45	6.34%
Lancashire Combined Fire Authority	77.27	82.27	6.47%
Sub Total	2,088.65	2,169.07	3.85%
Altham Parish Council	41.07	41.07	0%
Total	2,129.72	2,210.14	3.78%

- (10) That the Council note the basic amount of Council Tax for 2023/24 is not considered excessive in accordance with principles approved under Section 52 ZB Local Government Finance Act 1992.
- (11) That the Council note that the interest rate projections made in the Prudential Indicators and Treasury Management & Investment Strategy 2023/24 to 2025/26 at 8.4.1 in that report have been updated at Appendix 3 as since the report was originally drafted the Bank of England has increased its Base Rate.

- (12) That the Executive Director of Resources, be given delegated authority to amend the budget (following consultation with the Leader of the Council) for technical reasons or to comply with legal requirements, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads etc., so long as these changes have an overall neutral impact on the budget.**
- (13) That any continuing balances on Revenue or Capital previously earmarked for Area Councils continues to be set aside for use by these or their successor bodies.**
- (14) That the Chief Executive is given delegated authority to use any unallocated surplus generated in 2022/23 should this occur to fund any future shortfall in income or additional expenditure, to support “Invest to Save” projects that will help reduce the Council’s long term costs(including additional payments to the Pension Fund as outlined below), or support specific capital projects, or finance other commitments that he deems to be in the best long term interest of the Council or to transfer funds to Reserves as required and to allocate funds between Reserves should an overspend occur in 2022/23 to maintain the General Fund Reserve at that appropriate level as advised by the Executive Director of Resources.**
- (15) That the Chief Executive is given delegated authority following consultation with the Leader to make a payment or payments to the Lancashire Pension Authority to help reduce the extent of the Council’s pension liabilities that have amassed from previous years, if this is calculated to be an appropriate use of Council Funds (The liability stood at £28.9m as at the 31st March 2022).**

Signed:.....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

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# Agenda Item 6.

<b>REPORT TO:</b>	Council		
<b>DATE:</b>	23 March 2023		
<b>PORTFOLIO:</b>	Cllr Joyce Plummer - Resources		
<b>REPORT AUTHOR:</b>	Kirsten Burnett, Head of Policy and OD		
<b>TITLE OF REPORT:</b>	Draft Pay Policy 2023/24		
<b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b>	<b>No</b>	Not applicable	
<b>KEY DECISION:</b>	<b>No</b>	If yes, date of publication:	

## 1. **Purpose of Report**

1.1 To present a draft Pay Policy for 2023/24.

## 2. **Recommendations**

2.1 That the draft Pay Policy is agreed and published on the Council's website.

## 3. **Reasons for Recommendations and Background**

3.1 The Localism Act 2011 (Chapter 8 - Pay Accountability) requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees. The Policy must be approved by the Council in open forum, by the end of March each year and then be published on its website.

3.2 The Pay Policy sets out the existing approach to the remuneration of all posts within the Council. In particular it specifies certain mandatory requirements that must be detailed within the Policy, as follows:

- The pay structure of the Council and how it is set.
- Senior Management Remuneration, providing details of the pay grade for posts defined as Chief Officer and the accompanying allowances.
- The recruitment arrangements for a Chief Officer.
- The relationship between the salaries of Chief Officers and other employees.
- Details of the lowest paid posts within the Council.
- Employer's Pension Contribution details.
- Termination of employment payments.

- 3.3 The Council already publishes pay and remuneration details of its senior managers on its website, within the annual Statement of Accounts.
- 3.4 The purpose of the Pay Policy is to ensure there is transparency as to how pay and remuneration is set by the Council, for all of its employees and particularly for its most senior level posts.

**4. Alternative Options considered and Reasons for Rejection**

4.1 N/a

**5. Consultations**

5.1 N/a

**6. Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	The pay and remuneration detailed within the Pay Policy are all within the approved budget of the Council
<b>Legal and human rights implications</b>	The Pay Policy has been prepared to ensure the Council complies with the requirements of the Localism Act 2011.
<b>Assessment of risk</b>	
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	A CFA was completed before the policy was written in 2012. There have been no significant changes which require this to be repeated. All posts are subject to a recognised job evaluation and grading process designed to comply with equal pay principles.

**7. Local Government (Access to Information) Act 1985: List of Background Papers**

7.1 Localism Act 2011 – Chapter 8:  
<http://www.legislation.gov.uk/ukpga/2011/20/part/1/chapter/8/enacted>

Supplementary Guidance: <https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance>

# Hyndburn Borough Council

## Pay Policy – 2023/24

### 1. Purpose of the Policy

- To maintain a transparent approach to the setting of the pay of the Council's employees.
- To comply with the requirements of the Localism Act, Section 38 – Pay Accountability.

#### 1.1 The Policy details:

- The methods by which salaries of all employees are determined;
- The details of the remuneration of the Council's most senior employees, i.e. Chief Officers; and
- The relationship between the salary of the Council's Chief Officers and other employees.

### 2. Background

- 2.1 The Localism Act 2011 (Chapter 8 - Pay Accountability) requires every local authority to set out its position on a range of issues relating to the remuneration of its employees.
- 2.2 The policy will reflect, where appropriate, relevant aspects of existing Human Resources policies, such as the Council's agreements on job evaluation and the redundancy policy.
- 2.3 The policy must be approved by a meeting of full Council in open forum, by the end of March each year, and then be published on its website.

### 3. Legislation relevant to Pay and Remuneration

- 3.1 In determining the pay and remuneration of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010 and the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000. The Council will take reasonable steps to ensure that there is no pay discrimination within its pay structures and that pay differentials can be quantified through the application of its Job Evaluation Scheme.
- 3.2 The Council operates the GLPC (Greater London Provincial Council) job evaluation scheme, for its posts, up to and including Chief Officers, for whom there is a specific version of this scheme. The posts of Chief Executive and Executive Directors have been evaluated in consultation with North West Employers Organisation.

### 4. Pay Structure

- 4.1 The Council complies with the nationally negotiated spinal column points for all posts, with the exception being those senior level posts referred to within the policy. The salary grades that the Council applies are at [Appendix 1](#).
- 4.2 Salary increases are set nationally, through collective bargaining between the national employers and trade unions.

4.3 The pay and grading structure for the majority of posts was established at the time of the job evaluation exercise completed in 2007. Since 2007, all newly created posts and posts that have varied are subject to evaluation against the job evaluation scheme.

## **5. Definitions**

5.1 The Localism Act refers to the position of Chief Officer and states that this refers to: the Head of Paid Service; Statutory Chief Officers; non-statutory Chief Officer posts and their direct reports (Deputy Chief Officers). It should be noted that this definition is very broad, and takes account of Metropolitan and County Councils as well as District Councils.

5.2 It is considered that the posts that the term Chief Officer applies to at Hyndburn Borough Council, in relation to the Localism Act, are the Chief Executive, the Executive Director (Resources), who is the Section 151 Officer, the Executive Director (Legal and Democratic Services), who is the Council's Monitoring Officer and the post of Executive Director (Environment).

5.3 Our annual Statement of Accounts also includes senior officers with a salary over £50,000, within the threshold for disclosure under the Accounts and Audit requirements.

5.4 Remuneration is defined as the pay and rewards an individual receives. Details are produced in the audited Statement of Accounts on an annual basis. The latest published Statement of Accounts is on the Council's website<sup>1</sup>.

## **6. Chief Executive / Corporate Director Remuneration**

6.1 There are three director level posts reporting to the Chief Executive. The responsibilities of these senior officers are shown on the Council's organisational structure charts, which are published on the Council's website<sup>2</sup>.

6.3 Details of remuneration are contained in the annual Statement of Accounts.

6.4 Salary packages and severance payments over £100,000 will be brought to a meeting of full Council to be voted on. Components of severance packages, where applicable, may include salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid.

6.5 The other terms and conditions of service relating to the post of Chief Executive are in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities.

## **7. Recruitment of Chief Executive and Chief Officers**

7.1 Under Section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as the authority thinks fit".

7.2 Where there is a requirement to recruit to the post of Chief Executive or Chief Officer, Section H of the Council's Constitution will apply.

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<sup>1</sup> <https://www.hyndburnbc.gov.uk/download-package/statement-of-accounts/>

<sup>2</sup> <https://www.hyndburnbc.gov.uk/download-package/organisational-structure-chart/>

## 8. Salary upon Appointment

- 8.1 All new appointments to a post of Chief Executive or Chief Officer will be made within the minimum and maximum spinal column points of the grade.

## 9. Performance-related Pay

- 9.1 The Localism Act requires Councils to provide details of any performance-related pay for its Chief Officers. Hyndburn Borough Council does not have any such arrangements.

## 10. Relationship between Chief Executive Pay and other Employees

- 10.1 Based on pay rates in place at the time of publishing this Pay Policy, the relationship between the salaries of the Chief Executive and the median salary and the lowest paid salary are:

Post	Benchmark Salary	Ratio
Chief Executive salary	median salary	1:5
Chief Executive salary	lowest salary	1:6

## 11. Lowest Paid Employees

- 11.1 The Council complies with the National Joint Council – Pay and Conditions of Service. The minimum salary the Council pays is in accordance with the Living Wage, which at present is based on an hourly rate of £10.90 (see [Appendix 1](#)). The positions that this applies to are Cleaners, some Apprentice posts, and Scp3 Visitor Assistants.
- 11.2 Progression through grades occurs through the payment of an additional annual increment on 1 April each year.
- 11.3 Part-time posts are paid the same salary, but on a pro-rata basis.

## 12. Gender Pay Gap

- 12.1 Employers in Great Britain with more than 250 staff are required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to publish the following:
- Gender pay gap (mean and median averages);
  - Gender bonus gap (mean and median averages);
  - Proportion of men and women receiving bonuses; and
  - Proportion of men and women in each quartile of the organisation's pay structure.
- 12.2 The Council publishes this information on its website at <https://www.hyndburnbc.gov.uk/download-package/gender-pay-gap-statement/>.
- 12.3 We are committed to the principle of equal pay for all our employees, and our job evaluation system means we can be confident as reasonably possible that men and women are paid equally for doing equivalent jobs.

### **13. Termination Payments**

- 13.1 The Council's Redundancy Policy applies equally to all permanent employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities.
- 12.2 For all permanent employees where there is the option for early retirement, the Council's Policy on Discretionary Compensation will apply where appropriate.

### **13. Employer Pension Contribution**

- 13.1 The Council contributes to the Local Government Pension Scheme, for all its employees equally, 14% of an employee's salary. This rate of contribution is set by Actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

### **14. Employee Pension Contribution**

- 14.1 Employees in the Local Government Pension Scheme pay at present the annual contributions shown in the table below, based upon their salary.

<b>Band</b>	<b>Actual pensionable pay</b>	<b>Employee contribution rate (%)</b>
<b>1</b>	Up to £15,000	5.5
<b>2</b>	£15,001- £23,600	5.8
<b>3</b>	£23,601- £38,300	6.5
<b>4</b>	£38,301- £48,500	6.8
<b>5</b>	£48,501- £67,900	8.5
<b>6</b>	£67,901- £96,200	9.9
<b>7</b>	£96,201- £113,400	10.5
<b>8</b>	£113,401-£170,100	11.4
<b>9</b>	£170,101 or more	12.5

### **15. Publication of the Policy**

- 15.1 The Policy will be published on the Council's Website, by April 2023, following its approval by the Council.

### **16. Review of Pay Policy**

- 16.1 The Policy will be subject to annual review and must be approved by the Council prior to 31 March each year. If there is a need to amend the Policy between reviews, then any such amendments will be considered by the Cabinet, prior to approval by the Council.

## Appendix 1: Pay and Grading 1 April 2022 (2023 pay award pending)

### NJC grades

Grade and salary range		SCP	Salary	Hourly Rate
Scale 1 (1 - 3)		1	£20,258	£10.50
		2	£20,441	£10.60
	Scale 2 (3-4)	3	£20,812	£10.79
		<b>Living Wage</b>	<b>£21,029</b>	<b>£10.90</b>
		4	£21,189	£10.98
Scale 3a (5)		5	£21,575	£11.18
	Scale 3b (6)	6	£21,968	£11.39
	Scale 4 (7-11)	7	£22,369	£11.59
		8	£22,777	£11.81
		9	£23,194	£12.02
		10	£23,620	£12.24
		11	£24,054	£12.47
Scale 5 (12-17)		12	£24,496	£12.70
		13	£24,948	£12.93
		14	£25,409	£13.17
		15	£25,878	£13.41
		16	£26,357	£13.66
		17	£26,845	£13.91
	Scale 6 (18-22)	18	£27,344	£14.17
		19	£27,852	£14.44
		20	£28,371	£14.71
		21	£28,900	£14.98
		22	£29,439	£15.26
Scale 7 (23-25)		23	£30,151	£15.63
		24	£31,099	£16.12
		25	£32,020	£16.60
	Scale 8 (26 - 28)	26	£32,909	£17.06
Scale 9 (27 - 30)		27	£33,820	£17.53
	28	£34,723	£18.00	
			29	£35,411
	Scale 10	30	£36,298	£18.81
	(30 - 33)	31	£37,261	£19.31

Scale 11 (32 - 35)		32	£38,296	£19.85
		33	£39,493	£20.47
		34	£40,478	£20.98
		35	£41,496	£21.51
	Scale 12 (36-39)	36	£42,503	£22.03
		37	£43,516	£22.56
		38	£44,539	£23.09
		39	£45,495	£23.58
Not used		40	£46,549	£24.13
	Service Managers 1 (41-44)	41	£47,573	£24.66
		42	£48,587	£ 25.18
		43	£49,590	£25.70
		44	£50,596	£26.23

#### JNC grades

<b>CHIEF OFFICERS (1)</b>	JNC16	£58,992
	JNC17	£60,417
	JNC18	£61,856
	JNC19	£63,266
	JNC20	£64,696
<b>CHIEF OFFICERS (2)</b>	JNC21	£54,309
	JNC22	£55,487
	JNC23	£56,801
	JNC24	£58,094
	JNC25	£59,408

# Agenda Item 7.

<b>REPORT TO:</b>	Council		
<b>DATE:</b>	23rd March 2023		
<b>PORTFOLIO:</b>	Cllr Miles Parkinson, Leader		
<b>REPORT AUTHOR:</b>	Executive Director (Legal & Democratic Services)		
<b>TITLE OF REPORT:</b>	The Scheme of delegation 2022/23 to take account of the Elections Act 2022		
<b>EXEMPT REPORT:</b>	<b>No</b>		
<b>KEY DECISION:</b>	<b>No</b>	If yes, date of publication:	

## 1. **Purpose of Report**

- 1.1 To seek approval to amend the scheme of delegation of non-executive functions to officers for 2022/23 to take account of the provisions of the Elections Act 2022

## 2. **Recommendations**

- 2.1 That Council agrees amend the scheme of delegation to officers by adding the additional delegation to the Executive Director (Legal & Democratic Services) attached in Schedule 1 to this report.

## 3. **Reasons for Recommendations and Background**

- 3.1 It is good practice to review the scheme of delegation regularly to keep it up to date. This helps to ensure that the Council's decision-making processes operate as effectively as possible and in accordance with legal requirements. The scheme is updated annually at the Council's AGM and also as required to take account to changes in legislation.
- 3.2 The proposed amendment to the scheme of delegation for 2021/22 is set out in Schedule 1 to this report and relates to the changes made to the election process by the Elections Act 2022. The Act imposes additional statutory responsibilities on the electoral registration officer and the returning officer. These are statutory roles currently held by the Executive Director (Legal & Democratic Services). Council's attention is particularly drawn to the new requirement for all voters to produce evidence of identity in the polling station before they can be issued with a ballot paper and the requirement for the issue of electoral identity cards by the electoral registration officer, as these provisions are now in force and will apply at the upcoming May local elections. The amendment is intended to ensure that officers have the necessary power to administer the upcoming elections in accordance with the new legal requirements.

3.3 A summary of the Elections Act 2022 is attached as Schedule 2 to this report. The Council’s website contains a list of the acceptable forms of voter ID and a detailed explanation of the process for applying for electoral identity document.

**4. Alternative Options considered and Reasons for Rejection**

4.1 The amendments proposed to the scheme reflect legal requirements for the operation of the upcoming local elections, particularly in respect of the requirement for voter ID, and so no alternative proposal is suggested.

**5. Consultations**

5.1 None as compliance with the Elections Act 2022 is a legal requirement.

**6. Implications**

<b>Financial implications (including mainstreaming)</b>	None.
<b>Legal and human rights implications</b>	None, other than those set out in paragraph 3 of this report. The scheme of delegation forms part of the Council’s written constitution and the updated scheme for 2022/23 will be published on the Council’s website
<b>Assessment of risk</b>	None
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	None

**7. Local Government (Access to Information) Act 1985: List of Background Papers**

None

**8. Freedom of Information**

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.

Schedule 1

Proposed delegation to the Executive Director (Legal & Democratic Services)

To exercise the statutory powers and obligations of the returning officer and electoral registration officer pursuant to:

- the Elections Act 2022; and
- all legislation amended by the Elections Act 2022 (including without limitation the Local Government Act 1972, the Representation of the People Act 1982 and the Representation of the People Act 1983); and
- all regulations and rules issued pursuant to or amended by the Elections Act 2022

## Schedule 2

### Summary of Elections Act 2022

The Elections Act 2022 seeks to make a number of changes to the elections process at local, Parliamentary and PCC elections. The Act is intended to reduce the risk of election fraud, whilst make the voting process more accessible, both physically and through greater use of digital technology. The main changes are summarised below:

#### **Voter ID Requirement**

Voters will be required to produce an approved form of photographic ID at the polling station before they can be issued with a ballot paper. The Council must provide either a permanent or an interim Voter Card (a photographic ID document) free of charge to voters who do not have one of the approved forms of photographic ID, such as a passport or a driving licence.

Council officers will determine voter card applications and then arrange for issue of the same.

Applications for a voter card may be submitted up to 6 working days before polling day. Anyone whose ID is no longer available on polling day (e.g. lost or stolen) can apply for an emergency proxy up to 5.00pm on polling day.

The voter ID requirement was brought into force from January 2023 and will apply at the local elections in May 2023.

#### **Three Yearly Postal Vote Refresh**

The maximum “life” of a postal vote will be limited to 3 years and thereafter voters will have to submit a fresh application. Officers will be required to issue reminders to postal voters on a “rolling” basis when their postal vote is about to expire.

The implementation date for this is expected to be May 2024.

#### **3.4 Accessibility**

The Council is required to improve support in polling stations for people with a wide range of disabilities and will be subject to an obligation to provide equipment to support disabled people to vote.

A small number of our polling stations are based in porta cabins. All except one of these will now be fitted with wheelchair accessible ramps.

This requirement came into force in January 2023.

#### **End Of Supplementary Voting**

The count at PCC elections will move to the “first past the post” system which will reduce the length and complexity of such counts. This will be in force for the next PCC elections.

#### **Political Campaigners Banned From Handling Postal Votes**

Political campaigners will be banned from handling postal ballot papers (unless they are a family member or carer of the voter concerned) and a new criminal offence will be created in the regard.

It is currently thought that these rules will be in force by May 2024.

### 3.7 **Limit On Handing In Postal Votes**

There will be a limit on the number of postal votes a person (including candidates and party workers) can hand deliver to the Council or at a polling station. When a person hands in postal votes they will be required to fill in a form, giving their name and address and the number of electors whose postal votes they are delivering. If this information is not provided all the postal votes delivered by that person will be rejected. If a person insists on handing in more than the permitted number of postal votes, all the postal votes they have handed in will be rejected. Officers will then notify all those voters whose votes have been rejected.

It is currently thought that these rules will be in force by May 2024.

### 3.8 **Limit on proxy's**

People will only be able to act as a proxy for 4 voters (including overseas and service electors), and so in most cases the limit will be 2.

It is currently thought that these rules will be in force by May 2024.

### 3.9 **Online absent vote applications**

Although paper applications will still be possible, people will be able to apply online for postal and proxy votes and there will be a new online process for verifying the identity of applicants.

It is currently thought that these rules will be in force by May 2024.

### 3.10 **Overseas electors**

The 15 year limit on expatriates right to vote in Parliamentary elections will be removed and ex-pats will be able to register in respect of their last UK address. We will be required to verify such applications, including the claimed connection to a previous UK address.

It is currently thought that these rules will be in force by May 2024.

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# Agenda Item 8.

<b>REPORT TO:</b>	Council		
<b>DATE:</b>	23 March 2023		
<b>PORTFOLIO:</b>	Cllr Miles Parkinson, Leader		
<b>REPORT AUTHOR:</b>	Julian Joinson, Member Services Manager		
<b>TITLE OF REPORT:</b>	Nominations for the Title of Honorary Freeman		
<b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b>	<b>No</b>	Not applicable	
<b>KEY DECISION:</b>	<b>No</b>	If yes, date of publication:	

## 1. **Purpose of Report**

- 1.1 To seek approval for the conferment of the title of Honorary Freeman of the Borough of Hyndburn on Ms Cath Holmes and Mr Jawid Hussain.

## 2. **Recommendations**

- 2.1 That in accordance with Section 249(5) of the Local Government Act 1972, Ms Catherine Holmes and Mr Jawid Hussain be conferred with the title of Honorary Freeman of the Borough and be presented with the award at the Mayor Making Council on 27<sup>th</sup> May 2023, or should that not prove possible due to the unavailability of the recipients, at some stage during the remainder of the Municipal Year 2023/24.
- 2.2 That the Chief Executive, in consultation with the Leader of the Council, be authorised to make the necessary arrangements.

## 3. **Ms Cath Holmes**

- 3.1 It is proposed to nominate Ms Catherine (Cath) Holmes to receive the title of Honorary Freeman of the Borough.

Accrington resident, Cath, has been involved in numerous projects across the Borough and volunteered on several groups over a long period of time. She has been improving Hyndburn's Green spaces for over 20 years.

Cath is currently chair of the Hyndburn's Green Spaces Forum, which has been instrumental in helping the authority to improve many of our parks and open spaces and has resulted in Hyndburn receiving no less than 10 prestigious Green Flag Awards. Her work with the Forum will continue to drive improvements and bring in

funding for our residents, such as the development of the new play area and recreation space underway in Knuzden

Cath is also involved in the Prospects Foundation and Hyndburn Federation of Allotments, and is a keen supporter of Hyndburn's historical heritage and, in particular, the Accrington Pals.

Cath's work in numerous voluntary roles and her work to improve our natural environment demonstrate that she has rendered eminent service to the Borough of Hyndburn.

#### **4. Mr Jawid Hussain**

- 4.1 It is proposed to nominate Mr Jawid Hussain to receive the title of Honorary Freeman of the Borough.

Accrington resident and entrepreneur, Jawid, is a key figure within local business and the wider Hyndburn community.

Jawid found success as one of the founders of Blackburn-based Accrol Papers in 1998, but stood aside from running its successor Accrol UK in 2016 when it was floated on the Stock Market. However, he remains active in the world of business as a director of companies including Nisiac, JH Estent and Acsini Investments. His business connection with the Hyndburn continues, as his family's company JH Estent Ltd bought Hyndburn Council's shares in Globe Enterprises in 2020. The company remains committed to securing further long-term private sector investment to create jobs and wealth within the Borough.

Jawid was also a founder member and remains a patron of the iconic Raza Jamia Masjid, which, as well as supporting the Muslim community as a place of worship, has achieved so much in serving the needs of the whole community both before, during and after the pandemic. This £8.3m facility, which opened in 2017, is used for conferences, business meetings, educational workshops and everything from first aid training to functions.

Jawid is also a trustee of the JMWM Hussain Foundation, a charity whose aim is to advance such charitable purposes as the trustees see fit from time to time, in particular by providing grants.

Jawid's contribution to business, the local community and his charitable works demonstrates that he has rendered eminent service to the Borough of Hyndburn.

#### **5. Reasons for Recommendations and Background**

- 5.1 To recognise the achievements and services of both Ms Cath Holmes and Mr Jawid Hussain.

**6. Alternative Options considered and Reasons for Rejection**

6.1 None.

**7. Consultations**

7.1 The proposal has been considered by the Leader of the Council and Leaders of the political groups on the Council. The proposed recipients have also been consulted and have agreed to accept the title.

**6. Implications**

<b>Financial implications (including any future financial commitments for the Council)</b>	A small budget will be required for the purchase of two commemorative badges and a celebratory event. The cost can be met from within existing budgets on the understanding that the awards ceremonies take place at the Mayor Making event due to be held on 21 <sup>st</sup> May 2022.
<b>Legal and human rights implications</b>	The recommendations comply with Section 249 of the Local Government Act 1972.
<b>Assessment of risk</b>	None.
<b>Equality and diversity implications</b> <i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	A Customer First Analysis is not necessary.

**7. Local Government (Access to Information) Act 1985:  
List of Background Papers**

7.1 None.

**8. Freedom of Information**

8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.

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## CABINET

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**Wednesday, 25th January, 2023**

**Present:** Councillor Miles Parkinson OBE (in the Chair), Councillors Peter Britcliffe, Marlene Haworth, Joyce Plummer, Kath Pratt and Steven Smithson

**In Attendance:** Councillors Noordad Aziz, Munsif Dad BEM JP, Melissa Fisher, June Harrison, Carole Haythornthwaite and Kimberley Whitehead

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### **257 Apologies for Absence**

Apologies for absence were submitted on behalf of Councillor Loraine Cox, who would ordinarily have attend the meeting to speak in relation to Agenda Item 10 – Grant to Citizens Advice, as Chair of the Communities and Wellbeing Overview and Scrutiny Committee.

### **258 Declarations of Interest and Dispensations**

There were no reported declarations of interest or dispensations.

### **259 Minutes of Cabinet**

The minutes of the meetings of the Cabinet held on 30<sup>th</sup> November (Special Meeting) and 7<sup>th</sup> December 2022 were submitted for approval as correct records.

In respect of Minute 212 of 7<sup>th</sup> December 2022 – External Project Director: Levelling Up Fund, the Leader of the Council, Councillor Miles Parkinson OBE, reported that this appointment related to the proposed projects at Burtons Chambers, the Market Hall and Market Chambers. Three candidates had been invited to give a presentation to an interview panel, which had included consultants Bradshaw Advisory. The successful appointee was Gretta Starks, who had experience as Head of Place and Communities, Rider Levett Bucknall (RLB). Her portfolio included involvement in successful development projects such as East Manchester, Eastlands, Beswick Village, ERDF projects in Belfast, Manchester Life in Ancoats and work with various NHS hospital trusts. A start date in February was currently being finalised.

**Resolved** - **That the Minutes be received and approved as a correct record.**

### **260 Reports of Cabinet Members**

The Leader of the Council, Councillor Miles Parkinson OBE, provided an update on the various funding bids and plans for regeneration and growth. These included:

- Partnership with Lancashire County Council, which would realise up to £19m in Hyndburn from their £55m Levelling Up Fund (LUF) allocation. This would support their Liveable Neighbourhoods project (including raised table crossings, cycling, walking routes, children's safety and lighting schemes); other cycle projects; public transport and traffic signalling upgrades. The Leader also outlined his longer term

- aspiration to provide a 1 mile link road from Alan Ramsbottom Way to Dunkenhalgh Way to alleviate congestion at the Hare and Hounds traffic lights.
- The Council's successful LUF bid for £23m. This would enable work to commence on 3 of the 18 projects identified in the Town Centre Investment Plan (TCIP). 2 of the 18 projects (park and ride and footpath improvements) had subsequently been rejected following consultations. The 3 projects selected, Burtons Chambers, the Market Hall and Market Chambers, had been chosen because they closely matched the Treasury's funding criteria and stood the greatest chance of success. Only 1 in 4 bids across England had been successful and Bradshaw Advisory and the stakeholders deserved the credit for this achievement. The TCIP process had been transparent the list of stakeholders had been published in the main document. Miranda Barker, Chair of the Chamber of Commerce, had led the welcome to the Accrington of the Prime Minister and Chancellor on 19<sup>th</sup> January 2023. It was acknowledged that this investment was only the beginning of the regeneration journey, which would be partnership and business led. The Leader thanked the officers and other stakeholders who had been involved in this bid and emphasised the importance of presenting a united front in order to attract businesses to work with the Council. A preferred partner for the Market Hall project would be selected with a track record of regenerating market spaces. Similarly investment in Burtons Chambers would create a high quality entrepreneurial workspace.
  - The UK Shared Prosperity Fund previously announced would contribute some £3m across various sectors and investment would again be business led.
  - Leisure Transformation would see a planning application submitted soon for a £12m development at Wilsons Playing Fields. An additional £5m was also set to be invested elsewhere, including in Hyndburn Leisure Centre. The Leader of the Opposition had undertaken some good work as a member of the Board for a number of years. With Ken Moss now in this role, the Board had gone from strength to strength and Hyndburn Leisure had reduced its annual subsidy from the Council by around £1m. The Board aspired to improve the quality of sport provision, work with schools and attract additional funding. Leisure trusts countrywide were envious of Hyndburn. It was unfair to criticise Hyndburn Leisure for its ambition. If the Trust did not carry out this role the burden of maintaining the infrastructure and staffing would return to the Council.
  - The Local Plan contained aspirations too. Prior to World War 2 the population of the Borough had peaked at around 97k at the height of the colliery, cotton, and manufacturing industries reign, but had been in decline thereafter. The economy of the Borough had similarly declined. In recent years the fall in population had been halted and some growth was now being observed. Business rates income and office sector growth were up, with locations such as the Globe fully occupied. Rateable values were also increasing. It was therefore disappointing that negativity was being expressed publicly about the Local Plan, as this could have the unintended consequence of putting off investors. The draft Plan had been approved in March last year and had been supported by all at that time. Housing would be focused on brownfield sites although future sites, after the duration of this Plan, would be much harder to identify. New employment land was needed and this would be concentrated near Rishton and at Altham. Views had also been expressed about the proposed Strategic Rail Freight Interchange. The current planned investment in Accrington Town Centre was only the start of the Borough's economic revival.
  - The Budget for 2023/24 would include around £2.8m in additional capital projects, which would include proposals in the next few months for Mercer Hall.

The overall aim was to bring prosperity to the Borough.

Councillor Melissa Fisher, Joint Deputy Leader of the Labour Group, indicated that the group welcomed the success of the LUF bid, which was a credit to all who had been involved. Feedback from residents had raised the question how this would impact on their daily lives given the challenges of the cost of living rises. In addition, some existing town centre businesses saw the LUF money as a threat, as this might create increased competition. Some business in the townships also saw investment in Accrington as a threat. It might be useful to think about what message to convey to the wider retail community. The Leader acknowledged that there was work to be done on communications. However, the planned regeneration needed to go forward as the bids had been successful. Some respondents had focused criticism on the food hall ideas for the Market Hall, but the Council intended to bring in an experienced project manager to develop the best possible offer within key town centre buildings. However it was important not to become transfixed by the town centre development alone, as this would be supported by the wider housing and employment developments which would create the necessary wealth to be spent in the town centre.

Councillor Dad welcomed the LUF monies. He was particularly pleased to see the investment by LCC in the infrastructure at Accrington Railway Station and to hear about the Leader's longer term ambition to provide a link road between Great Harwood and Clayton-le-Moors. He queried whether the County Council's LUF highways improvements would be focused on Accrington town centre or distributed more broadly across the Central Ward. He suggested that officers of the County Council be invited to give a presentation on their proposals. The Leader noted that Councillor Dad might have greater access to the information requested, in his role as a County Councillor, but agreed that some communications on this would be useful. It might also be appropriate to provide this information to the Special Overview and Scrutiny Committee.

Councillor Peter Britcliffe, Deputy Leader of the Conservative Group, commented that the announcement about the LUF monies had noticeably lifted the morale of councillors and officers. The funding should be welcomed wholehearted and thanks given to the Leader, Deputy Leader, MP, stakeholders and Officers. This represented a great starting point. The Leader reiterated his call for all to continue to work together in order to attract further grant funding. Further bids were due to be submitted for the following:

- Heritage Lottery Funding - £5m
- Cultural Funding (from a Yorkshire based organisation) - £5m
- Infrastructure Funding (for Huncoat Garden Village) - £30m
- Various minor playground and parks renewal bids.

Councillor Marlene Haworth, Deputy Leader, acknowledged that the Council was now dealing with a large sum of money. It was right to bring in experts to develop the Market Hall and Burtons Chambers. This would deliver the best chance of early success and longevity for the redeveloped facilities. The Council must not fail in its ambition and would not fail if all stakeholders worked together.

**Resolved** - **That the verbal reports of Cabinet members be noted**

**261 Council Tax Base - 2023-2024**

The Cabinet considered a report of Councillor Miles Parkinson OBE, Leader of the Council, regarding the Council Tax Base for the financial year 2023-2024.

Councillor Parkinson summarised the content of the report and highlighted the changes proposed to the Council Tax Base for the Borough and the Parish of Altham. Both figures showed an increase. This was, in part, due to housing growth which had focused on the reuse of brownfield sites. Members were reminded that the Keepmoat housing development in Great Harwood had been controversial, but had delivered tangible benefits, including the new Showground and the improved facilities for Great Harwood Rovers FC.

On the matter of sports and wellbeing, the development at Higham Playing Fields had been controversial too, but had led to a £3m investment, with a new extension to the facilities due to open soon. The Council would continue to engage with Accrington Stanley FC and the Accrington Football and Sports Club in connection with the use of King George V Playing Fields. Discussions would also take place with Lancashire County Council and business leaders about the possible development of a Youth Zone for Hyndburn, like those in Blackburn and Burnley.

It was noted that the Council had been able to use the 50% premium on Council Tax for properties left empty for 2 years to encourage owners to bring them back into occupation. This has resulted in some 500 less empty properties since the premium had been introduced.

Councillor Munsif Dad BEM JP welcomed the increase in the Council Tax Base, which had gone some way to making possible a 0% increase in Council Tax for 2023/24.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

In accordance with Section 35 of the Local Government Finance Act 1992, the Council was required to formally determine the Council Tax Base for 2023/2024 prior to 31<sup>st</sup> January 2023. This allowed the Council to notify the major preceptors (Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority) by the 31<sup>st</sup> January of the Council Tax Base.

The requisite calculation had to be carried out in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012. Once determined the Council Tax Base could not be changed and had to be used when the Council set their Council Tax for the financial year 2023/2024.

The calculation of the Tax Base for Hyndburn and Altham for 2023/2024 was detailed in the Appendices to the report. It was proposed that the Tax Base for Hyndburn 2023/2024 should be 21,945. This was an increase from last year's Tax Base of 895 (21,050). The 2023/2024 Tax Base for Altham was 317, which was an increase from last year's Tax Base of 7 from 310.

The Local Authorities (Calculation of Council Tax Base) Regulations 2012 specified formulae for calculating the Council Tax Base which had to be set between the 1<sup>st</sup> December 2022 and the 31<sup>st</sup> January 2023.

The Council Tax Base was the measure of the number of chargeable dwellings held on the valuation list as at the 12<sup>th</sup> September 2022 and then adjusted to take account of discounts, exemptions, re-bandings and Council Tax Support to arrive at the Authority's Council Tax Band D.

*There were no alternative options for consideration or reasons*

- Resolved**
- (1) That Cabinet notes the report.**
  - (2) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by the Council for its Council Tax Base for the financial year 2023-2024 shall be 21,945.**
  - (3) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by the Council for its Council Tax Base for the parish of Altham for the financial year 2023-2024 shall be 317.**

**262 Amendment to the Rules, Regulations and Procedures for Hackney Carriage and Private Hire Licensing - Removal of the upper age limit to which a vehicle can remain licensed**

The Cabinet considered a report of Councillor Joyce Plummer, Portfolio Holder for Resources, regarding a proposed amendment to the Rules, Regulations and Procedures for Hackney Carriage and Private Hire Licensing to remove the upper age limit to which hackney carriage and private hire vehicles could remain licensed.

Councillor Plummer highlighted the main issues contained within the report. The proposals would allow responsible owners with well-maintained vehicles to continue to operate them as taxis beyond the current 15 years maximum age limit. However, public protection was the main concern. A vehicle would still need to be under 10 years old when first licensed.

Councillor Dad recalled that both he and Councillor Plummer had served on the Taxi Liaison Committee, which listened to the views of the trade. There now appeared to be a change of direction nationally about the maximum age of vehicles, which he was happy for the Council to support. He also agreed that a trial period would be useful.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

Under Section 47 and 48 of the Local Government (Miscellaneous Provisions) Act, the Council might attach to the grant of a hackney carriage and private hire vehicle licence such conditions as the Council might consider reasonably necessary. Any person aggrieved by a condition could appeal to the magistrate's court. In pursuance of the above Sections the Council had attached the following conditions to hackney carriage and private hire vehicle licences:

*'When a car already licensed by this Council reaches **2 years of age** it will be required to pass the Council's vehicle examination test **twice yearly**. Any vehicle over the age of 2 years will only be issued with a 6 month plate. When a vehicle reaches **10 years of age** it will be subject to the Council's vehicle examination test **three times per year** and it will only be issued each time with a four month licence, with the exception of electric or hybrid vehicles which will be issued with a 6 months licence up to the age of 15 years. When a vehicle reaches the age of 15 years it will cease to be licensed.'*

A consultation had recently been carried out with the taxi trade and members of the public to consider whether the upper age limit to which a vehicle could remain licensed should be removed. This was as a result of a request from some elected members and some members of the trade and was based on drivers' complaints about the financial difficulties of having to buy newer vehicles. However when making a decision members should be minded that the Council's main concern should be for public safety.

The DFT had issued Guidance relating to vehicle age as set out below:

*'Age Limits. It is perfectly possible for an older vehicle to be in good condition. So the setting of an age limit beyond which a local authority will not license vehicles may be arbitrary and inappropriate. But a greater frequency of testing may be appropriate for older vehicles - for example, twice-yearly tests for vehicles more than five years old.'*

Vehicles over the age of 2 years were currently tested every 6 months and vehicles over the age of 10 years were tested every 4 months. If the age limit was to be removed the testing regime should help to ensure that only vehicles that were safe and suitable and in good condition were licensed in the Borough. The Council should ensure that a robust testing system remained in place especially if the age limit was removed.

There had been 52 responses to the consultation. Of those 10 were against the removal of the age limit and 42 were in favour. It was noted from the table of responses that only the taxi and private hire trade were in favour of removing the age limit. Members of the public along with 2 members of the trade were against the proposal. The responses to the consultation were attached as Appendix 2 to the report.

Many members of the trade had stated that most other authorities in the area allowed any age of vehicle to be licensed. However this was not the case. A comparison table setting out the age requirements of other authorities in the area was provided as Appendix 3 to the report.

The Council's CVMU centre where the tests were carried out had been consulted. They had no objection to the proposal however they had said that the situation would have to be monitored as the older vehicles might take longer to test and the testing fee might have to be adjusted accordingly.

An analysis of vehicle spot checks carried out in 2022 did show that the older the vehicle that was checked the more likely it was to have faults. This evidence might not be overly helpful as inevitably due to the age range of the vehicles that were licensed in the Borough there was a higher ratio of older vehicles that were subject to spot check as they made up the majority of the fleet. However the results did show that of the vehicles over the age of 12 years that were checked almost 50% failed the check and a third of them were given immediate prohibitions by VOSA. An immediate prohibition meant that the vehicle could not be driven on a public highway until faults had been rectified. A copy of the results broken down by vehicle age was set out at Appendix 4 to the report.

Figures from the Council's testing center taken over the last 6 months showed that of the vehicles under the age of 7 that had been tested there was a 67.5% pass rate and a 32.5% fail rate. However the fail rates rose in vehicles that were over the age of 7 to 58.8% pass rate and a 41.2% fail rate. Unfortunately a further break down of the fail rates of vehicles over the age of 10 years was not available. The figures had been included in the same appendix as the figures from the safety operations (Appendix 4 to the report).

Members were invited to consider all the information available in the report and accompanying appendices and consider whether to amend the Rules, Regulations and

Procedures to remove the upper age limit to which a vehicle could remain licensed in the Borough. It was emphasised that public safety should always be at the heart of any decision made.

If the upper age limit were to be removed the following condition might be imposed:

*'Any vehicle over the age of 15 years that is presented for test in such a condition that it fails the test on 3 consecutive occasions shall no longer be eligible to be licensed by this authority.'*

Whilst it might be perfectly reasonable for a proprietor who had maintained his vehicle to a high standard to wish to continue to license it beyond the age of 15, a change to the policy would open the floodgates for people to buy old unsuitable vehicles and try to get them licensed. This practice had recently been recognised by the vehicle examiners at CVMU as vehicles with numerous faults, up to 35 in one instance, had been presented for test. Copies of some sample test fail sheets were provided as Appendix 5 to the report. If the upper age limit were removed, it might be prudent to further safeguard public safety by adding a further condition as set out below:

*'The maximum age that a vehicle can be when first submitted for licensing is 10 years old.'*

Should the age limit be removed it might be advisable to do so for a trial period of 3 years initially so that the impact could be monitored via spot check and test results. A further report could be presented at the end of the trial period for Members to determine whether they wished to make the change permanent.

#### *Alternative Options considered and Reasons for Rejection*

The Council could take no action and continue with the current policy

#### **Resolved**

#### **(1) That the following amendments be made to the Taxi Licensing Policy:**

- (a) The upper age limit to which a vehicle can remain licensed should be removed to enable those members of the trade who maintain their vehicles to a high standard to continue to be issued with a licence.**
- (b) Vehicles must be under the age of 10 years when first licensed.**
- (c) If a vehicle over the age of 15 fails to be properly maintained by the owner and it fails a test on 3 consecutive occasions it will be deemed no longer suitable to be licensed by this Authority**

#### **(2) That the amendments should initially be made for a trial period of 3 years so that the situation can be monitored. That a further report be submitted at the end of 3 years so that Members can determine whether, in the interest of public safety, the changes can be made permanent.**

Members considered a report of Councillor Joyce Plummer, Portfolio Holder for Resources, providing updates on activities around Performance Indicator Monitoring and Treasury Management since the start of this financial year.

Councillor Plummer introduced the report which was largely technical in nature. Borrowing had been maintained at the estimated level of £1,431k.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

The *Prudential Code for Capital Finance in Local Authorities* required the Council to set Prudential Indicators annually for the forthcoming three years to demonstrate that the Council's capital investment plans were affordable, prudent and sustainable. The Council had adopted its current prudential indicators at its meeting in February 2022.

The Prudential Code required the Council, having agreed at least a minimum number of mandatory prudential indicators (including limits and statements), to monitor them in a locally determined format and frequency. This half-year report to Cabinet complemented a more regular review by the Deputy Chief Executive.

The indicators were purely for internal use and not designed to be used as comparators between authorities. If it should be necessary to revise any of the indicators during the year, the Executive Director of Resources would report and advise the Council further.

'*Treasury Management*' related to the borrowing and cash activities of the authority, and the effective management of any associated risks. On 24<sup>th</sup> February 2022 in the same report referred to above, the Council also set out and then approved its current Treasury Management Strategy. This had been done in accordance with the CIPFA (Chartered Institute of Public Finance & Accountancy) Code of Practice on Treasury Management in Public Services, the Council having previously adopted, via Cabinet, the then revised Code of Practice. Associated treasury management Prudential Indicators were included in the February 2022 report.

Prudential Indicators Monitoring

Table 1 and Table 2 (in the Appendix to the report) showed the monitoring information for each of the prudential indicators, limits and statements. They related to:

- External debt overall limits – Table 1;
- Affordability (eg implications for Council Tax) – Table 2;
- Prudence and sustainability (eg implications for external borrowing);
- Capital expenditure; and
- Other particular indicators for Treasury Management.

Treasury Management Update

The current Treasury position was as follows:

<b>Portfolio Position 2022/23</b>	<b>Original Estimate 2022/23 £000</b>	<b>Projected Outturn 2022/23 £000</b>
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<b>External Debt</b>		
Debt at 1 <sup>st</sup> April	9,595	9,595
Expected Change in Debt	-	-
Other Long Term Liabilities	612	493
Gross Debt at 31 <sup>st</sup> March	10,207	10,088
Capital Financing Requirement (CFR)	8,776	8,657
Under / (over) borrowing	(1,431)	(1,431)
TOTAL INVESTMENTS (other than short-term)	-	-

As could be seen from the above table, the authority was performing within the original targets set at the start of the year. Within the prudential indicators there were a number of key indicators to ensure that the Council operated its activities within well-defined limits. In general the requirement was that CFR exceeded gross debt. However, in 2022/23, the gross debt would exceed CFR. This was due to the annual payment of Minimum Revenue Provision (MRP). Other Liabilities reflected the transfer of contract hire leases to the balance sheet to comply with IFRS16.

The requirement to have CFR exceed Gross Debt centred around providing an assurance that borrowing was not taking place for Revenue purposes. However, as the Council was not borrowing additional funds at this time, this was not an issue.

The current position of the Treasury function, and its expected change in the future, introduced risk to the Council from an adverse movement in interest rates. The Prudential Code was constructed on the basis of affordability, part of which was related to borrowing costs and investment returns.

The Capital Programme 2022/23 would be funded by the use of Government Grants (including New Homes Bonus Grant and S31 Grants) and other external financing. It would also be supported during the year by greater use of internal sources of capital finance (including capital receipts reserve) because of the reduced level of external grant allocation. It was not anticipated currently that any capital borrowing would be required.

#### Expected Movement in Interest Rates

The Council had appointed Link Asset Services as Treasury adviser to the Council and part of their service was to assist the Council in formulating a view on interest rates. The following table gave Link's latest available view of the expected future movement in interest rates, from quarter ending 31<sup>st</sup> December 2022 (their Qtr3 2022) onwards.

	Qtr 3 2022	Qtr 4 2022	Qtr 1 2023	Qtr 2 2023	Qtr 3 2023	Qtr 4 2023	Qtr 1 2024	Qtr 2 2024	Qtr 3 2024	Qtr 4 2024
Base Rate	3.50%	4.25%	4.50%	4.50%	4.50%	4.00%	3.75%	3.50%	3.25%	3.00%
5 yr PWLB	4.30%	4.30%	4.20%	4.10%	4.00%	3.90%	3.80%	3.60%	3.50%	3.40%
10 yr PWLB	4.50%	4.50%	4.40%	4.30%	4.20%	4.00%	3.90%	3.70%	3.60%	3.50%
25 yr PWLB	4.70%	4.70%	4.60%	4.50%	4.40%	4.30%	4.10%	4.00%	3.90%	3.70%
50 yr	4.30%	4.40%	4.30%	4.20%	4.10%	4.00%	3.80%	3.70%	3.60%	3.40%

PWLB										
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The latest forecast set out a view that both short and long-dated interest rates would be elevated as the Bank of England sought to squeeze inflation out of the economy. This had happened but the new Government's policy of emphasising fiscal rectitude probably meant the Bank Rate did not now need to increase to further than 4.5%.

The Council's exposure to interest rate movements was largely neutralised currently as its borrowings were effectively at a fixed rate until a trigger point was reached, where the lender believed a better rate could be achieved elsewhere. Interest rates would have to exceed 4% and possibly 5% before this was likely to happen. The above table indicated that this was unlikely to happen in the next few years.

The Council had invested relatively small amounts of surplus cash on a short-term, temporary basis. The interest received from these investments was above the budgeted expectations for the six months to 30<sup>th</sup> September, mainly due to the Bank of England increasing the interest rates. The Council's strategy continued to focus on the security of deposits and the liquidity of funds. The additional interest generated as a result of rate increases was forecast to be in the region of £200k for the year ending March 2023. This increase would offset the additional inflation pressures in the current year and future year's financial forecasts.

The Council continued to invest surplus cash in the top rated financial institutions. The authority continued to spread its money around a number of institutions to ensure that it was not potentially damaged by the unforeseen collapse of any one bank. Deposits were also held with banks where the Council believed that the respective governments were likely to be able to guarantee deposits in the event of bank failure. This strategy was continuing to yield an appropriate rate of return, though at a lower rate, as there was less risk attached to these deposits. The Council also operated a policy of holding no more than £2m in any one bank (with the exception of the liquidity account held with Nat West Bank where the limit was £3m) to ensure that the risk was spread.

It was recommended that the policy on external investment was changed by increasing the maximum limit for investment with the Government's Debt Management Agency Deposit Facility (DMADF) from £2m to unlimited. This would allow greater flexibility for the placing of funds with potential for higher returns with minimal risk. This recommendation would be included in the updated Treasury Management Strategy to be approved at the Budget Council meeting in February 2023.

*There were no alternative options for consideration or reasons*

**Resolved** - **That Cabinet notes the report on Performance Indicator Monitoring and the Treasury Management Strategy.**

**264 Financial Monitoring Report - Revenue Budget 2022-2023 as at Period 08 (November 2022)**

Members considered a report of Councillor Joyce Plummer, Portfolio Holder for Resources, providing information on the financial spending of the Council up to the end of November 2022 and the financial forecast outturn position for the Accounting Year 2022/23.

Councillor Plummer highlighted the anticipated positive variance at the end of the financial year, in the sum of £153,000. The figure reflected the higher than anticipated staff pay

award, raised energy costs and other inflationary pressures during the year. However, good financial management and some financial support from the Government had helped.

The Leader reiterated his earlier comments about economic growth in the Borough providing additional income to the Council. Councillor Dad indicated that staff should be thanked for their efforts and that particular thanks was owed to Joe McIntyre, Deputy Chief Executive who was due to retire shortly. Martin Dyson, Executive Director – Resources would continue this good work. The Leader thanked Councillor Dad for his positive comments.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

The financial detail of the report was provided as a table at the end of that document.

The latest forecast spend to the end of the financial year in March 2023 was £12,181,000 compared to a Budget of £12,334,000. This forecast produced a positive variance of £153,000 by the end of the financial year.

Environmental Services were predicting a year-end adverse variance of £170,000 and the main variances were:

Waste Services were predicting an adverse variance for the year of £152,000. This was due to £73,000 of additional staffing costs, £76,000 of increased costs in vehicle fuel and waste supplies and a predicted decline in income of £3,000.

The Parks & Cemetery Service was forecasting a positive variance of £114,000, due to additional income of £162,000 largely from burials and cremations netted off by other vehicles and supplies and services costs of £105,000 and staffing savings of £57,000.

The Town Centre & Market Budget was predicting an adverse variance of £7,000, with £10,000 of additional income less £17,000 of additional staffing costs.

Other Environmental Health and Maintenance services were predicting an adverse variance of £125,000 due to reduced income of £13,000 and increased operating costs largely around vehicles and depots of £96,000, plus additional staffing costs of £16,000.

Culture and Leisure Services were indicating a positive variance of £123,000. Service expenditure on Leisure was forecasting a positive variance of £125,000 through reduced management fees, while the Haworth Art Gallery was predicting an adverse variance of £2,000 due to increased expenditure on staff of £6,000, and £16,000 of additional expenditure less £18,000 additional income.

Planning & Transportation were predicting an adverse variance for the year of £187,000. This was due to predicted unfinanced additional spend on agency / salary costs of £144,000, £27,000 of extra miscellaneous costs and £16,000 forecast fee income shortfall.

Regeneration & Property Services were predicting an adverse variance of £62,000 at year-end. This was due to £26,000 of additional staffing costs, £87,000 of increased costs largely due to external consultancy fees and costs associated with empty / void investment properties. These additional costs are offset by increased fee income for Disabled Facility Grant works undertaken and one-off additional income from reclaimable premises insurances totalling £51,000.

Policy & Corporate Governance were predicting an adverse variance of £50,000. This was due to Staffing Costs exceeding Budget by £118,000 which included the Corporate Saving Target of £101,000. These adverse variances were offset by £131,000 of other savings, mainly from insurances and housing benefit costs plus increased income of £38k.

Non Service Items were predicting a positive variance for the year of £501,000. This was due to forecast savings on borrowing and leasing costs of £301,000 plus additional Treasury investment income of £200,000 due to utilising new investment funds and the increase in interest rates available.

The Council was facing a period of inflationary pressure, particularly in relation to energy and fuel costs and the national pay award for Local Government Employees. The current forecast included the latest assumptions around these developments but the situation remained volatile. Any significant changes in the underlying Budget assumptions that impacted the overall outturn forecast would be reported at the next Cabinet meeting.

As in the previous two years, if there was a spike in COVID-19 that required the Council to take action to prevent the spread of the virus or to provide additional support to the local community, it was expected that additional funding provided by Government would be used to meet any additional costs the Council incurred.

*There were no alternative options for consideration or reasons*

**Resolved** - **That Cabinet notes the report and asks Corporate Management Team to continue to reduce expenditure and increase income so as to further improve the overall financial position of the Council over the remaining months of the year.**

## **265 Capital Spend Report 2022/23**

The Cabinet considered a report of Councillor Joyce Plummer, Portfolio Holder for Resources, informing Members of the progress of the 2022/23 Capital Programme.

Councillor Plummer indicated that the Council had approved its Capital Programme for 2022/23 at its meeting on the 24<sup>th</sup> February 2022. The total value of the capital expenditure authorised in the budget in February 2022 had been £38.594m and this had been increased to £45.132m with carry forward projects from the previous year and new in-year authorisations. The current predicted spend against Budget was £7.27m with £37.886m to be slipped into 2023/2024 leaving a small overspend of £23,800 in year that it was hoped would be funded from an additional grant claim.

The Leader commented that the programme of some £45m was significantly more than the usual £1m amount set aside annually. However, the reason for this was the availability of grants to fund some major projects. As mentioned earlier in the meeting, additional grants were anticipated in 2023/24 in respect of the Huncoat Garden Village (£30m), Heritage Lottery Funding (£5m) and funding from a cultural organisation based in Yorkshire (£5m).

Councillor Britcliffe asked if there was a backlog in delivering Disabled Facilities Grant (DFG) projects to enable vulnerable people to remain in their own homes. Mark Hoyle, Head of Regeneration and Housing, responded that there was no longer any backlog, but there was an active waiting-list which was being worked through. Councillor Dad noted that around £1m DFG money remained unspent and he asked if the Council could improve uptake. Mr Hoyle acknowledge the importance of supporting those in need, but this was a demand led service. Currently, no one was missing out on funding or waiting too long for

access. The Council regularly reached out to those who might use the service and swiftly processed any requests received.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

The Council had authorised a capital programme of £38.594m at its meeting on the 24<sup>th</sup> February 2022 and the programme had subsequently been increased to £45.132m upon the authorisation of the carry forward of projects from the previous year and a variety of in-year authorisations using existing internal funds or new external funding. The programme had been largely funded from existing resources with the exception an approval of £5m of borrowing (if required).

Spend to date had been £2.498m which was equivalent to 34.4% of the final forecast spend in year. There were 47 individual projects underway across the Council at this time. In addition to the actual spend to date, there was a further £4.886m forecast to be spent in year.

The forecast total spend against all the capital projects was now £7.270m, with an estimated £37.862m of spend to be slipped into the next financial year. The forecast slippage included £35m relating to the Accrington Town Centre Levelling Up Project and the Leisure Estate Investment Project.

There were 3 projects that were indicating a negative variance at this moment in time and the overall additional costs from these 3 projects was expected to be less than £48,000. There were some predicted savings on other projects that would offset any overspend which reduced the overall forecast overspend to around £23,800. It was anticipated that additional external funding could be claimed or costs reduced to eradicate any overspend in year.

The significant elements of the programme were as follows,

<b>Programme Area</b>	<b>Actual spend to Date £'000</b>	<b>Committed Expenditure £'000</b>	<b>Forecast Outturn £'000</b>
Total Market Renewal Programme	80	28	108
Housing Improvement Programme	619	805	1,424
Other Priority Projects	1,799	3,939	5,738
<b>Total</b>	<b>2,498</b>	<b>4,772</b>	<b>7,270</b>

The detail of individual project budgets and expected costs to complete the projects was provided as an Appendix to the report.

*There were no alternative options for consideration or reasons*

**Resolved** - **That Cabinet notes the progress on capital expenditure to date.**

Members considered a report of Councillor Loraine Cox, Chair of the Communities and Wellbeing Overview and Scrutiny Committee, about the vital support provided to residents by Citizens Advice Rossendale and Hyndburn and seeking Cabinet support to continue to provide financial and other support to the service. Councillor Carole Haythornthwaite, a Member of the above Committee, was in attendance to present the report in the absence of Councillor Loraine Cox.

Councillor Haythornthwaite outlined the key elements of the report, including the valuable work of the Citizens Advice Bureau.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

At its meeting on 14<sup>th</sup> December 2022, the Communities and Wellbeing Overview and Scrutiny Committee had carried out a short review of the service provided by Citizens Advice Rossendale and Hyndburn, who had submitted an annual report to the Committee.

In their report and presentation to the Committee, Citizens Advice Rossendale and Hyndburn had provided the following information.

- People's health, education, work and social lives had been affected in ways that could never have been imagined before COVID-19 and the current cost of living crisis. The Citizens Advice service was a charity and had delivered independent and impartial advice for over 80 years. They were at the forefront of advice delivery. The Citizens Advice service across Hyndburn had highly-trained, professional and experienced advisers assisted by trained volunteers, available to help with any issue, whoever contacted them and whatever their problem. They also had many specialist caseworkers who could provide information, signposting and complex casework in Welfare Benefits, Energy, Money & Debt, and Housing.
- They remained located in the New Era centre on Paradise Street and received a grant from Hyndburn Borough Council of £25,000 per year. This enabled them to leverage further funding from:
  - The National Lottery for dealing with clients in a crisis;
  - Energy companies for energy related advice to reduce usage and energy debt;
  - Henry Smith Foundation funding for homeless prevention advice; and
  - Money and Pensions Service for debt and money advice.
- Advice had been provided to 1,577 Hyndburn residents in the past 12 months and over 1,800 Hyndburn residents had been unable to make contact via telephone this year due to unprecedented demand for the service and lack of paid advisors due to a lack of funding. Volunteers had also worked on the advice line but the cost of recruiting, training and supervising a volunteer was over £1,000 each. They had a volunteer team of 20 volunteers and 12 full time paid advice staff across Rossendale and Hyndburn. Energy related queries followed by debt and personal independence payments had been the top 3 enquiry issues since October 2022. They had attracted the highest ever number of people contacting them for charitable support and food bank assistance with a 50% increase since 2021.

In addition to the grant from Hyndburn Council, Rossendale Council provided a grant of £35,000 per year, paid for an additional part time specialist debt advisor for Rossendale residents and provided offices in Bacup for a peppercorn rent of £1 a year.

The following achievements were highlighted:

- 1,477 Hyndburn Residents Advised (1,800 Rossendale)
- Benefit gains - over £200,000 of additional income brought into Hyndburn via new benefit claims, winning appeals, successfully challenging decisions
- Debts written off via insolvency options - £209,952
- Debt Repayments rescheduled - £88,765
- Social Value - For every £1 invested in Citizens Advice, this delivered over £14 in public value, through economic and social benefits. The CAB considered that they saved government and public services money by helping to stop problems occurring or escalating, and reduced pressure on public services like health, housing or out-of-work benefits.
- Launched a dedicated food and fuel voucher line on the 3<sup>rd</sup> of October 2022 and had received over 1,000 calls so far across Hyndburn & Rossendale in just 2 months.

Due to the current economic climate and cost of living crisis, demand for the services of Citizens Advice and other similar local services was at never before seen levels, and the Scrutiny Committee had been very much in favour of the Council providing support to the service where possible.

The Council had provided a grant of £25,000 in 2022/23 to support the services provided by Citizens Advice Rossendale and Hyndburn. The Scrutiny Committee had recommended that, as a minimum, the same grant be awarded for 2023/24, and had also requested that the Leader of the Council met with the Chief Executive of Citizens Advice Rossendale and Hyndburn to explore other areas where the Council might be able to offer support.

#### *Alternative Options considered and Reasons for Rejection*

Cabinet might accept or reject any recommendation from Overview and Scrutiny Committees. Should Cabinet reject the recommendation, it was likely that Citizens Advice Hyndburn and Rossendale would need to significantly scale back the support offered to Hyndburn residents in 2023/24.

#### **Resolved**

- (1) That Cabinet agrees to include a minimum grant in line with the previous year for Citizens Advice Rossendale and Hyndburn in its 2023/24 Budget Proposals (Note that actual approval of the grant will be subject to Council approval of the 2023/24 Revenue Budget); and;**
- (2) That Cabinet agrees to work with the Chief Executive of Citizens Advice Rossendale and Hyndburn to explore further options of support which could be provided by the Council to help enable the service to meet current levels of demand.**

The Cabinet considered a report of Councillor Kath Pratt, Portfolio Holder for Housing, Health and Wellbeing, which outlined the Affordable Warmth Grant funding being made available to district councils by Lancashire County Council (LCC) to deliver affordable warmth interventions to individuals who were most vulnerable to harm from cold or damp homes. The report sought approval to enter into a grant agreement with LCC to receive a grant allocation of £76,409 for winter 2022-23.

Councillor Pratt highlighted the key issues within the report.

Councillor Peter Britcliffe asked whether the Council would be in a position to spend all of the grant allocation. He noted that advice from various official agencies was that homes should ideally be heated to at least 18°C. Councillor Munsif Dad commented that the timescales were short and that any money would need to be distributed quickly. The Leader of the Council responded that there was sufficient demand to enable all of the grant to be used and this would need to be targeted quickly at the most vulnerable.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

This funding aimed to reduce levels of death and illness over the winter months and to improve peoples' wellbeing. As a consequence it was hoped to see a reduction in hospital admissions and reduced pressure on health and social care services.

Being on a low income, living in thermal inefficient home, having higher heating needs, and high fuel costs could all increase the risks of living in a cold home. The funding was aimed at those most vulnerable to harm from cold or damp homes in Lancashire. This could include a wide range of individuals who either were, or were at serious risk of, experiencing poor health and wellbeing due to a cold home.

Households would be eligible for funding if they met at least one of the following vulnerabilities and had a low income, as follows:

#### Vulnerabilities:

- people with a diagnosed cardiovascular conditions;
- people with a diagnosed respiratory conditions (in particular, chronic obstructive pulmonary disease and childhood asthma);
- people with diagnosed mental health conditions
- people with diagnosed disabilities;
- older people (65 and older);
- households with young children (up to the age of 5);
- pregnant women;
- people who were terminally ill;
- people with suppressed immune systems (e.g. from cancer treatment or HIV); and
- people who had attended hospital due to a fall.

The following vulnerable groups would be considered on referral from a professional organisation:

- people who moved in and out of homelessness;
- people with addictions; and
- Recent immigrants and refugees.

## Low income

Low income could be confirmed in one of the following three ways:

- Someone being in receipt of means tested benefits;
- Having a total household income not in excess of £31,000; or
- A 'declaration' by the Local Authority or health / social care professional that affordability issues were present.

Districts had the further option to support people that did not have a specific vulnerability, but did have a significant low income and an affordable warmth energy efficiency issue. This option was to be used at the District's discretion.

LCC expected Districts to prioritise properties that had an energy efficiency need such as properties that were likely to be EPC rating D or below, although a formal EPC rating and assessment was not required.

The Council would be expected to provide interventions where an affordable warmth need had been identified. Managing demand to direct the resource at those most in need was important. The Council might choose not to open up all categories to self-referrals, instead restricting interventions for some groups to referrals from social care and health partners or where its own services had identified a health and affordability vulnerability.

Where possible Districts were expected to be flexible when responding to referrals from health and social care. Confirmation of the health and affordability need should be recorded in the monitoring returns, with any evidence being retained locally.

The funding available could be used for capital or revenue expenditure. However this funding-stream was not expected to be repeated, and where possible, interventions should make a long-term contribution to helping people keep their homes warm.

An award limit per household had not been set to allow Districts to use discretion based on need. Appropriate intervention measures could either be fully funded (in the case of any match funding not being available) or as a contribution towards costs made at a level deemed appropriate by the District.

LCC expected targeting to focus on owner occupied housing. However, where there was an identified need, other tenures might be included. In the case of private rented dwellings/ households all reasonable enforcement options must have been shown to have been pursued to seek a landlord's contribution. For social housing interventions, contributions from housing associations and/ or other partners would be sought in the first instance.

It was expected that the majority of the funding would be spent this winter and before the end of March 2023.

Delivery of this programme would be through Rhea Projects Ltd. who were the Council's existing Service Provider for accessing grants, advice and support on energy measures to help heat and insulate homes through the Cosy Homes in Lancashire (CHiL) initiative of Lancashire local authorities.

Hyndburn Council had entered into a contract with Rhea Projects Ltd for the provision of a Cosy Homes in Lancashire (CHiL) delivery partner. Legal Services advice was that the Council could use the CHiL agreement with Rhea Projects Ltd to deliver the Lancashire Affordable Warmth Grant programme.

Rhea's administrative fee as the Service Provider for the LCC AWG programme was 10% of cost of works approved.

Cosy Homes in Lancashire (CHiL) currently had a register of 63 applications from Hyndburn residents who were seeking grant funding for a range of measures including insulation, doors and windows, first time central heating systems and replacement central heating boilers. The LCC Affordable Warmth Grant funding could fund energy measures for those applicants on the CHiL register who met the eligibility criteria and to-date had been unable to secure grant funding. Rhea were well placed to deliver interventions through their approved contractors who had the capacity to deliver a range of energy interventions. Promoting the LCC affordable grant programme would be a key priority to generate further applications from Hyndburn residents and referrals from professionals working with vulnerable groups.

The role of Rhea Projects as the Service Provider would be to provide an end to end service from receipt of a referral to installation. This would include:

- Promoting the LCC affordable warmth grant programme;
- Receiving and assessing applications from residents and any agency referrals;
- Offering advice on eligibility and identifying eligible households (those with a vulnerability and low income or energy efficiency issue and low income) for survey;
- Providing the Council with quotations for energy measures and applications for approval;
- Organising and overseeing installation works through approved CHiL contractors;
- Undertaking post works completion surveys; and
- Responding to complaints.

The type of interventions that the grant would fund would be agreed with LCC and signed off by them.

LCC Affordable Warmth Grant programme would operate in a way which limited expenditure to the sum of grant provided by the LCC programme, give the Council the ability to flex the scheme to maximise the use of grant and also the flexibility to end the scheme once the funding had all been used, even if other applicants had an equally valid claim.

The Council would be required to submit monitoring reports to LCC.

#### *Alternative Options considered and Reasons for Rejection*

The Council could have decided not to submit a proposal for securing this grant funding, but this would not have maximised the funding opportunities available to the Council to support fuel poverty interventions in Hyndburn.

This funding plus other energy funding schemes support the Council's ambition to reduce fuel poverty improve the energy efficiency and running costs of homes in Hyndburn.

- Resolved**
- (1) That Cabinet notes that the Council's grant allocation of £76,409 for 2022-23 is from the £1,000,000 total amount available across all 12 Districts in Lancashire.**
  - (2) That Cabinet notes this funding aims to be used to support energy interventions and to be used solely**

**for interventions detailed in Lancashire County Council's grant guidance including an agreed element to cover administration costs of the scheme.**

- (3) That Cabinet delegates authority to the Head of Regeneration and Housing, in consultation with the Executive Director (Legal and Democratic Services) to draw up, finalise and execute a grant agreement with Lancashire County Council in respect of this funding.**
- (4) That Cabinet notes this programme of grant funding from Lancashire County Council will be delivered through Rhea Projects Ltd who are the Council's existing Service Provider for accessing grants, advice and support on energy measures to help heat and insulate homes through the Cosy Homes in Lancashire (CHiL) initiative of 15 Lancashire local authorities. Delivery of the LCC Affordable Warmth Fund grant programme will be carried out by Rhea under paragraph 2.2.1 of the Council's contract procedure rules, which allows for contract extensions.**

The Leader concluded the meeting by referring to the on-going success of Accrington Stanley FC, in beating Boreham Wood FC in the FA Cup 3<sup>rd</sup> Round Replay recently, leading to the club hosting Premier League opposition Leeds United FC this coming weekend in the FA Cup 4<sup>th</sup> Round. The success of the club was an inspiration for residents and a key driver for bringing visitors into the Borough. The Club's Community Trust venture was also important to the town. The Council was pleased to support both organisations.

The Leader reiterated the good news that overall investment in Hyndburn was accelerating with some £55m in grants for regeneration projects already received or announced.

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# CABINET

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**Wednesday, 8th February, 2023**

- Present:** Councillor Miles Parkinson OBE (in the Chair), Councillors Peter Britcliffe, Kath Pratt, Steven Smithson and Joyce Plummer
- In Attendance:** Councillor Munsif Dad, Councillor Noordad Aziz, Councillor Scott Brerton
- Apologies:** Councillor Marlene Haworth
- 

**272 Apologies for Absence**

An apology for absence was submitted on behalf of Councillor Marlene Haworth.

**273 Declarations of Interest and Dispensations**

There were no declarations of interest or dispensations declared at the meeting.

**274 Minutes of Cabinet**

The Minutes of the meeting of Cabinet held on 25<sup>th</sup> January 2023 were submitted for approval as a correct record.

The Leader of the Council, Councillor Miles Parkinson OBE, referred to the following items in respect of the minutes of 25<sup>th</sup> January 2023:

Minute No. 259

Levelling Up Fund, the Leader of the Council

Gretta Starks had been appointed to oversee the proposed projects at Burtons Chambers and Corporate Management Team had met with her to discuss future plans, which included the appointment of a third partner from the private sector.

Leisure Transformation

The meeting was informed that a planning application had been submitted for a new pavilion at Wilson Playing Fields. The Leader of the Council commended this. He indicated that he was aware of community feelings with regards to Mercer Hall but plans for repurposing this building were progressing.

Local Plan

Consultations on the Local Plan had ended and the document had been passed in March 2022 with all parties fully supporting the proposal. The Leader of the Council explained the importance of the Local Plan in creating employment in the borough and referred to the appointment of relevantly experienced people to lead on the best use of the Heritage Funding. A Partnership Board would be formed to make recommendations comprising of businesses, stakeholders and the community and taken forward by external partnerships.

The Treasury Management Team were thanked for their efforts in ensuring Hyndburn Council remained in a good financial position.

**Resolved** - **That the Minutes be received and approved as a correct record.**

## **275 Reports of Cabinet Members**

The Leader of the Council, Councillor Miles Parkinson OBE, referred to the successful bid for Levelling Up Funding after receipt of £66.93 million. He outlined the work done by the Stakeholders Board, Bradshaws, and the Member of Parliament for Hyndburn in achieving this. He reported that this money would be invested in each area of the borough and expressed delight that Hyndburn had been in the top 10% of the country in being successful in their bid.

## **276 LUF and UKSPF Funding and Delivery**

The Cabinet were requested to consider a report submitted by the Leader of the Council, Councillor Miles Parkinson OBE, seeking delegated authority for the Executive Director (Environment), to deliver the various interventions following the announcement that the Council's Levelling Up Fund (LUF) bid and the UK Shared Prosperity Fund (UKSPK) allocation had been successful.

The Leader of the Council referred to the success of the funding bids being due to the hard work of those involved and to working with the appointed consultants. He explained that all those involved would be written to, including Hyndburn Leisure, to thank them for their input in making this a success. He informed the meeting that the focus would be on three principal interventions but that there would also be delivery on all of the proposed schemes.

The Opposition Leader, Councillor Munsif Dad, welcomed the funding in the borough and referred to work input by the Labour Party under their leadership, which had contributed to this success. He indicated that the Labour Party would welcome involvement in the delivery of these schemes.

The Leader of the Council thanked the Opposition Leader for his comments and referred to the importance of all parties working together for the good of the borough.

Approval of the report was deemed a key decision.

### *Reason for Decision*

The Levelling Up fund was announced at the 2020 Spending Review and would focus on capital investment in local infrastructure projects that required up to £20m of funding and built on prior programmes such as the 'Local Growth Fund' and 'Towns Fund'.

Cabinet gave its formal approval in support of the Stakeholder Board's recommendations that the Council's £20 million LUF submission should focus on three principal interventions around the town square.

The UK Shared Prosperity Fund (UKSPF) is a Government-allocated fund which was intended to reduce inequalities between communities as part of the Government's wider 'levelling up' agenda.

Hyndburn's allocation from the UKSPF for the period April 2022 to April 2025 was £2,943,592. This allocation could be used either for revenue or for capital purposes, subject to the approval of an investment plan. This investment plan was submitted on 1 August 2022 and pre-payment conditions were addressed on the 10 January 2023. Unlocking the six monthly amounts for Y2 and Y3 of the Council's allocation was dependent

on demonstrating expenditure was aligned with the outputs and goals were being met within the approved investment plan.

It had been recognised that the Council did not have the specific knowledge or experienced staff 'in house' to manage contractors and professional consultants on the delivery of such high value construction projects. A preferred PM had been identified and following the LUF announcement, the Council is in the process of formally appointing them.

To ensure the Council had sufficient financial controls in place, a dedicated Accountant would be appointed to work within the existing Council's finance team dedicated to the oversight of the LUF and UKSPF funding. Regular reports would be provided to the Stakeholder Board, Cabinet and Special Scrutiny Committee on progress.

Those buildings acquired through LUF funding would be added to the Council's insurance using secure property management services for 12 months, (or until it becomes a construction site) through CBRE.

#### *Alternative Options Considered and Reasons for Rejection*

The Council could reject the various external funding totalling £23,443,592 but this was not recommended as the funding was essential to kick start the regeneration of the town centre and specifically with the redevelopment of vacant prominent key buildings facing the town square.

#### **Resolved**

- (1) That authority be delegated to the Executive Director (Environment), subject to consultation with the Leader of the Council, Executive Director of Finance (Section 151 Officer) and Executive Director (Legal & Democratic Services) to:-**
  - a) accept the £20 million from the Levelling Up Fund and enter into agreement with the Department for Levelling Up, Housing and Communities (DLUHC) in accordance with the terms and conditions of the LUF.**
  - b) accept LUF match funding from Lancashire County Council in the sums of £1 million from the Lancashire Levelling Up Investment Fund (LLUI) and £0.5 million from the Lancashire Economic Recovery and Growth Fund (LERG) and enter into agreement with Lancashire County Council in accordance with the terms and conditions of the LLUI and LERG.**
  - c) accept the £2,943,592 allocated to the Council from the UK Shaped Prosperity Fund and enter into agreement with the Department for Levelling Up, Housing and Communities (DLUHC) in accordance with the terms and conditions of the UKSPF;**
- (2) That approval be given for expenditure of the LUF and UKSP funds comprising of £20 million LUF, £1.5 million match funding from Lancashire County Council, £2 million match funding from Hyndburn Council and £2,943,592 UKSPF;**

- (3) That authority be delegated to the Executive Director (Environment), to take all reasonable steps to deliver the LUF and UKSPF interventions including (but not limited to):**
- i) Procuring works, goods and services, including approval of expenditure and variations (and to determine the appropriate delivery mechanism for each element of the LUF and UKSPF interventions, including the possible creation of joint venture arrangements); and**
  - ii) following consultations with the Executive Director (Legal & Democratic Services) to agree the terms of any agreements to appoint the various preferred consultants or contractors to enable delivery of the interventions, such as, but not limited to; architects, engineers, quantity surveyors, main contractors, event organisers/providers, communications companies, East Lancashire Chamber of Commerce, Lancashire County Council (together with any associated legal agreements such as collateral warranties); and**
  - iii) obtaining all necessary permissions and consents, whether statutory or otherwise; and**
  - iv) to agree terms for the acquisition and disposal of any land or property in connection with delivery of the LUF and UKSPF interventions, including accepting surrenders of leases in any of the three interventions.**
- (4) That it be noted, at the Council meeting held on 13<sup>th</sup> January 2022, approval was given for the creation of a £2 million LUF contingency reserve;**
- (5) That authority be delegated to the Executive Director (Environment), subject to consultation with the Leader of the Council and Chief Executive to approve expenditure from this reserve, where it is deemed essential and/or economically advantageous to the Council to deliver the LUF interventions and that such delegations are limited to amounts within the funding streams highlighted in paragraph 2.2 of the report and the Council's LUF contingency reserve in paragraph 2.3 of the report. Any request for overspending greater than this would be reported to Cabinet for approval.**

## **277 Levelling Up Parks Funding**

The Cabinet Portfolio Holder for Environmental Services, Councillor Steven Smithson, presented a report to inform Cabinet about Levelling Up Parks Funding allocated to Hyndburn. He referred to the importance of increasing access to quality green spaces and to an opportunity to use the funding to refurbish the footpaths in Memorial Park, Great Harwood and to achieve green flag status. He also indicated that funding could be used to replace some of the lost trees in Great Harwood.

Approval of the report was not deemed a key decision.

#### *Reason for Decision*

In May 2022 the Levelling Up and Regeneration Bill was introduced to Parliament. This Bill set out the Government's proposals for its "levelling up" agenda.

An element of the levelling up agenda was the setting up of the Levelling Up Parks fund which allocated £9 million to improve the quality and accessibility of green spaces in 100 Local Authorities across the UK.

A list of Councils eligible for the Levelling Up Parks funding was published and Hyndburn had been listed as one of those Council's. Rather than a competitive bidding process Hyndburn was pre-allocated its part of the funding.

The goal of the funding, as set out in the Levelling Up Parks fund prospectus, was to increase access to quality green space, increase tree planting in urban areas and increase pride in local places. One of the expectations for receiving the funding was to work towards green flag status for the site receiving the funding.

Memorial Park in Great Harwood is over 100 years old and the focal point of the Park is the war memorial. The footpaths around the war memorial were in a poor condition and had suffered from drainage issues in the area. As such, refurbishing the footpaths in the war memorial garden was proposed to the DLUHC as the site to receive the levelling up parks funding.

Memorial Park currently does not have green flag award status and a green flag award inspector had visited the park as part of the application process and fed back to DLUHC as to its suitability for levelling up parks funding. The inspector reported that the site was suitable for the levelling up parks funding and there was an opportunity to achieve green flag award status for the Park.

In addition to the capital works there was a desire to use the funding to replace some of the trees lost in those urban areas which people used to walk or cycle to Memorial Park from all over Great Harwood. The Council's tree officer had noted that 22 street trees had been lost in Great Harwood in recent times due to the trees being over mature or in poor tree health.

As reported to Cabinet on 7 December 2022 Memorial Park had secured some external grant funding along with match funding from the Council to improve the Park. Part of this funding was to undertake repairs to the war memorial and Proffitts CIC were to be appointed as project manager/designer for these works. To ensure consistency in the delivery phase it was proposed the Council waived its Contract Procedure Rules to appoint Proffitts CIC to act as project manager for the Levelling Up Parks Fund work. This was so the same project manager would be responsible for both war memorial work and the footpath work in the war memorial gardens.

The delivery phase work would commence on site once all permissions had been finalised and secured and once a suitable agreement with Proffitts CIC was in place.

*Alternative Options considered and reasons for rejection*

One option was not to accept the offer of the Levelling Up Parks funding. This was not recommended as Levelling Up parks funding has been allocated to Hyndburn and the proposed refurbishment work could be undertaken to enhance and compliment the improvement work already planned for Memorial Park in Great Harwood.

- Resolved**
- (1) That the offer of Levelling Up Parks Funding allocated to Hyndburn, be accepted;**
  - (2) That authority be delegated to the Council's S151 Officer (or their deputy) to sign the Memorandum of Understanding (MOU) from the Department for Levelling Up, Housing and Communities (DLUHC) which is required prior to the release of the Levelling Up Parks Funding allocated to Hyndburn;**
  - (3) That authority be delegated to the Executive Director (Environment) to implement and complete the Levelling Up Parks Project , including engaging consultants and contractors as required to deliver the Project and obtaining all necessary permissions and consents;**
  - (4) That the Contract Procedure Rules be waived and authority delegated to the Executive Director (Environment) subject to consultation with the Executive Director (Legal & Democratic Services), to agree the terms of the agreement to appoint Proffitts CIC as set out in the paragraph 3.9 of the report.**

**278 Energy Company Obligation (ECO) 4 Statement of Intent**

The Cabinet Portfolio Holder for Housing, Health and Wellbeing, Councillor Kath Pratt, presented a report to update the meeting on the Government's Energy Company Obligations (ECO) scheme and ECO 4 Flexibility eligibility. She also sought approval from Cabinet to adopt the Lancashire wide ECO4 LA Flexibility Statement of Intent which had been agreed by Lancashire Home Energy Officers Group (LHEOG). She outlined that the scheme would help to improve energy efficiency and tackle poverty.

Approval of the report was not deemed a key decision.

*Reason for Decision*

The Energy Company Obligation (ECO) which was introduced in 2013 is a government energy efficiency scheme designed to tackle fuel poverty and help reduce carbon emissions. It places legal obligations on energy suppliers to deliver energy efficiency and heating measures to domestic premises. The scheme has seen 4 iterations. ECO 4 applies to measures installed from April 2022 and will cover a four year period until 31<sup>st</sup> March 2026.

ECO4 is the fourth iteration of ECO. As part of its Sustainable Warmth Strategy, the Government has extended the ECO grant for an extra four years. The primary goal of this funding is to support low-income households who are unable to upgrade their homes and heating systems.

Under ECO3, energy suppliers with more than 150,000 domestic customers were obligated to support eligible applicants. Although this is currently the case for ECO4, the Government is hoping to remove obligation thresholds by introducing “a buy-out mechanism”. This essentially means smaller energy suppliers will also be able to participate in the scheme. The Government has also changed the eligibility criteria for ECO4. The ECO4 report states that 46.1% of fuel-poor households are not in receipt of benefits. To support these low-income groups, the government is reforming and expanding the local authority flexibility scheme, so that suppliers can deliver up to 50% of their obligation via this route and removing some disability benefits that were previously available under ECO 3.

The ECO4 scheme takes a fabric-first approach, which means it focuses on improving the building itself before installing new heating systems. Where heating systems are old and inefficient ECO4 will look to fund green alternatives.

Statement of Intent - Participating in the ECO 4 Flex element of the ECO 4 scheme by publishing a Statement of Intent and making referrals will enable qualifying households to access funding to assist with improvements to the energy efficiency of their homes. This will assist with reduction in household energy bills, lower the risk of fuel poverty and contribute towards the national net zero 2050 target. ECO4 is increasing the number of LA Flex applications to 50% of all ECO applications.

Cosy Homes in Lancashire ([CHiL](#)) is a brand established by 12 district and two unitary councils in Lancashire as well as the County Council to co-ordinate and deliver domestic energy efficiency schemes across Lancashire. In October 2018 Blackpool Council, on behalf of the other Lancashire local authorities appointed a Service Provider (Rhea Projects Ltd) through a competitive tendering process to deliver all domestic energy efficiency initiatives under the CHiL brand. Hyndburn Council and other participating local authorities in the CHiL initiative have an individual contract with CHiL's Service Provider (Rhea Projects Ltd) so residents and households have access to opportunities and funding to improve the energy efficiency of their homes.

Local Authorities can only access ECO Flex Funding if a statement of intent (S of I) has been published detailing their eligibility criteria for qualifying households and this statement has been published on the council's website and Ofgem (Office of Gas and Electricity) and BEIS (Department for Business & Industrial Strategy) have been notified of its publication.

The Lancashire wide Statement of Intent is based on the prescribed eligibility criteria set out by national guidance from Ofgem. Adopting the Lancashire wide 'Statement of Intent for Energy Company Obligations 4 Flexible Eligibility' will result in all LA Flex applications being administered by the CHiL Hub through the Service Provider (Rhea Projects Ltd). The CHiL Hub through the Service Provider (Rhea Projects Ltd) offers an end to end process from initial marketing of the ECO 4 scheme, receiving and processing applications, installation of measures including post installation support.

This approach would result in energy measures being installed by CHiL approved installers who are all Lancashire based. Installers from outside Lancashire could still deliver ECO measures under the ECO 4 Scheme and could refer households to CHiL for assistance under ECO 4 Flexible eligibility route.

*Alternative Options Considered and Reasons for Rejection*

Not having a statement of Intent and not making referrals under the ECO4 Flex element of the ECO 4 Scheme would prevent Hyndburn residents from being able to access assistance under the ECO4 Flex element.

Opening the LA flex route to private contractors would involve a significant amount of additional work for Hyndburn Borough Council over the lifetime of ECO 4 and require the Council to have its own statement of intent.

**Resolved**

- (1) That Cabinet noted the change to the Energy Company Obligation and that local authorities are required to publish an updated Statement of Intent to participate in the ECO4 (Energy Company Obligation) Flexibility Eligibility scheme;**
- (2) That the Lancashire wide ‘Statement of Intent’ for Energy Company Obligations Flexible Eligibility scheme, as attached in the report which is proposed for adoption by the Lancashire Home Energy Officers Group (LHEOG) for the Cosy Homes in Lancashire (CHiL) initiative which was developed by the 15 local authorities in Lancashire, be adopted;**
- (3) That authority be delegated to the Head of Regeneration and Housing to sign the Lancashire wide Statement of Intent so that Hyndburn Council could participate in the ECO4 Flexibility Eligibility scheme; and**
- (4) That Cabinet noted that the Housing Strategy and Policy Manager will authorise and sign declarations confirming residents of Hyndburn meet the eligibility criteria for ECO 4 Flexibility funding.**

**279 Exclusion of the Public**

Item Withdrawn

**280 Disposal of Property and Land to HARV Outreach Team**

Item Withdrawn

**281 Medium Term Financial Strategy 2023/24 to 2025/26 - February 2023 Update**

The Cabinet Portfolio Holder for Resources, Councillor Joyce Plummer, presented a report to inform Cabinet of the 3-year projections of income and spending for the Council ahead of formulating its 2023/24 Revenue and Capital Budgets.

Councillor Plummer highlighted a number of key issues within the Medium Term Financial Strategy (MTFS) report, as follows:-

- The report set out the financial position of the Council for the next few years.
- The information would help the Council to set its Budget and identify its medium term prospects.
- A key aim was to provide stability year on year.
- The Council's activities and finances had been dominated by the continuing impact of Covid-19 and the economic consequences of the War in Ukraine. This was expected to continue in the new financial year.
- The Council would operate a roll forward Budget for 2023/24 based on the 2022/23 Budget adjusted for change to salary and wages, energy and other cost pressures and anticipated changes to the Council's income from the Government.
- To achieve a balanced Budget during the year the Council would need to generate £115,279 of internal savings during the year and contain around £14.38m in overall expenditure in 2023/24.
- If it is considered inappropriate to raise income through Council Tax and Business Rates the Council may have to use Reserves.
- Government financial reforms are still unclear and not likely to emerge until December 2023, at the earliest, creating uncertainty and potentially significant variance around the forecast contained in the MTFS.
- The report provides three scenario models to reflect financial variances during the next 3 years: the Standard Model (appendix 1), Pessimistic Model (appendix 2) and the Optimistic Model (appendix 3). In these circumstances it was considered prudent for the Council to look to increase its reserves and revenue streams and avoid committing to any new revenue expenditure.

In summary, Government decisions on future governing levels would determine the Council's financial future. The Leader of the Council referred to the financial challenges the Council had faced and the decisions that had been taken to deal with them. He indicated that the Council was in a good financial position.

The Opposition Leader, Councillor Munsif Dad, welcomed the pay settlement for staff and thanked the Finance Team for maintaining the Council's healthy financial position.

The following aspects were addressed in the Strategy:-

- ❖ Introduction
- ❖ Objectives
- ❖ Elements of the Medium Term Financial Strategy
- ❖ Service Planning to Support Overall Strategy
- ❖ Integrated Resource Planning with Service Plans
- ❖ Background Information
- ❖ Financial Analysis 2023/24 to 2025/26
- ❖ Changes in Costs
- ❖ Growth
- ❖ Reserves
- ❖ Other Assumptions
- ❖ Equality Impact Assessment

- ❖ Scenarios
- ❖ Robustness of Forecast
- ❖ Overall Net Position

Approval of the report was not deemed a key decision.

*Reason for decision*

The Cabinet required an update on its medium term financial outlook ahead of setting the Budget for 2023/24 and determining the level of Council Tax for the new financial year. This report also ensured those decisions were taken with a view to the overall position of the Council going forward and were not limited to a narrow one-year perspective.

*There were no alternative options for consideration or reasons*

**Resolved** - **That Cabinet approved the report and the accompanying Medium Term Financial Strategy (MTFS).**

**282 Prudential Indicators and Treasury Management & Investment Strategy 2023/24 - 2025/26 Including Capital Strategy**

Cabinet Portfolio Holder for Resources, Councillor Joyce Plummer, presented a report setting out the Council's policy and objectives with respect to treasury management, to explain how it would achieve its objectives and manage its activities; and to agree an investment strategy for 2023/24.

Councillor Plummer highlighted a number of key issues within the report, as follows:-

- The effective management of resources;
- Prudential indicators and limits;
- Borrowing;
- Loans; and
- Investment

The report had been prepared in line with the Chartered Institute of Public Finance and Accountancy (CIPFA) advice.

Approval of the report was not deemed a key decision.

*Reason for decision*

Treasury management was defined as:

- The management of the Council's investment and cash flows, its banking, money market and capital market transactions;
- The effective control of the risks associated with these activities;
- And the pursuit of optimum performance consistent with those risks.

The Council was required to operate a balanced budget which meant that cash raised during the year would meet cash expenditure. Part of treasury management was to ensure the cash flow was properly planned with cash available when needed. Surplus monies were invested in line with the Council's low risk preferences.

The second function of treasury management was funding the Council's capital plans. The plans gave a guide to the future borrowing need of the Council. The management of this longer term cash flow might involve arranging long or short term loans or using longer term cash flow surpluses. Occasionally, outstanding debt might be restructured to reduce Council risk or meet cost objectives.

The report had been prepared in line with the Treasury Management Code and Guidance (2017) written by The Chartered Institute of Public Finance and Accountancy (CIPFA). In the case of local authorities in England and Wales, the Code was significant under the provisions of the Local Government Act 2003. This required local authorities 'to have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify'. The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 in paragraph 24 required local authorities to have regard to this guidance. Acceptance of this report fulfilled those obligations. CIPFA had published revised codes on 20<sup>th</sup> December 2021 and had stated that formal adoption was not required until the 2023/24 financial year.

The report included detailed information on the following matters:-

- The Prudential Code and Prudential Indicators;
- Capital expenditure and the capital financing requirement;
- Minimum Revenue Provision (MRP);
- Affordability prudential indicators;
- Treasury Management Strategy 2023/24 - 2025/26;
- External debt overall limits;
- External v internal borrowing;
- Limits on activity;
- Debt rescheduling;
- Investment strategy;
- Treasury Management Practices (TMP);
- Policy on the use of external service providers; and
- Treasury Management Strategy in-year and year-end reporting.

Attached to the report were 4 appendices:

- Minimum Revenue Provision Policy Statement 2023/24 (appendix 1)
- Treasury Management Policy Statement 2023/24 (appendix 2)
- Treasury Management Practices 2023/24 (appendix 3)
- Capital Strategy 2023/24 (appendix 4)

*There were no alternative options for consideration or reasons*

**Resolved**

**- That Cabinet recommends Council to:**

- (1) Adopt the prudential indicators and limits detailed in the report;**
- (2) Approve the Treasury Management Strategy, and associated indicators, as set out in section 8 of the report;**

- (3) **Approve the Investment Strategy as set out in section 13 of the report;**
- (4) **Approve that the Minimum Revenue Provision (MRP) for year 2023/24 – Appendix 1;**
- (5) **Approve the Treasury Management Policy Statement 2023/24 – Appendix 2**
- (6) **Approve the Treasury Management Practices Statement 2023/24 – Appendix 3**
- (7) **Approve the Capital Strategy 2023/24 – Appendix 4**

### **283 General Fund - Revenue Budget 2023/24**

Cabinet Portfolio Holder for Resources, Councillor Joyce Plummer, provided a report setting out proposals for the 2023/24 General Fund Revenue Budget. It also provided an overview of key issues arising from the Medium Term Financial Strategy. The decision to set the Budget would be a key decision of the Council. The role of the Cabinet was to recommend a proposed Budget to the Council.

Councillor Plummer informed Cabinet that it was the aim of the Council not to draw on reserves or reduce staffing levels. She referred to the impact of Covid-19, the economy, the War in Ukraine and energy costs and the consequences of these. She indicated that the Budget would include growth to help with climate change.

The Leader of the Council referred to the delivery of the capital programme and investment in parks and play areas, disabled facility grants, leisure and development of ICT.

The Leader of the Opposition noted the report.

Councillor Plummer highlighted some key issues from the report as follows:-

- The Council had managed its Budget well in 2022/23, so could set a balanced budget in 2023/24 without draining reserves or making cuts to services or staffing;
- The Council's revenue budget for 2023/24 would require net expenditure of £14,382,673.
- The Council intended to freeze its portion of the residents' Council Tax bill for this financial year.
- It is expected that Lancashire County Council, the Police Commissioner and Lancashire Combined Fire Authority would increase their portions of Council Tax whilst Altham Parish Council had frozen its precept.
- The Council continued to face volatility around some of the most significant items within the Budget and major reforms of local government finance had transferred the risk of business rate revenues and Council Tax benefits to the Council whilst the ongoing impact from Covid-19 and the War in Ukraine was difficult to predict.
- The Council intended to continue the good stewardship of its affairs by continuing the successful policies introduced over the last 19 years to manage costs effectively and promote appropriate service investment, as set out in the report. These

included a number of key projects which would see key investment in council and public facilities.

- The Council carries a significant risk around the level of monies available due to Government reforms to Business Rates Funding of Local Government.

Approval of the report was not deemed a key decision.

#### *Reason for decision*

The report included detailed information on the following matters:-

- Medium Term Financial Strategy;
- Continuation Budget;
- Growth pressures;
- Available resources (Core Government Revenue Support Grant (RSG), Business Rates, Council Tax; New Homes Bonus; and other Government funding);
- Budget proposals 2021/22 (general financial pressures; and Budget savings proposals);
- Reserves;
- Risks and risk management; and
- Consultation.

Appended to the report were:

Appendix 1 – Initial Outline Budget 2023/2024

Appendix 2 – Revenue Budget 2023/2024

Appendix 3 – Savings Requirement & Growth Proposals 2023/24

Appendix 4 – HBC Council Tax increase 2023/24 by Property Band

Appendix 5 – Overall Change in Council Tax 2023/24 (estimated)

Appendix 6 – Altham Parish Precept 2023/24 by Property Valuation Band

In summary, the overall Revenue Budget 2023/24 was set out at Appendix 2 to the report. The Budget for 2023/24 would be £14,382,673 and would be supported by a Council Tax levy of £260.64 for a Band D property translating into a revenue source of £5.72m to meet services to the local community. The Budget had been determined in light of continuing upward pressure on costs, the additional costs associated with the War in Ukraine, previous financial difficulties that continued to overhang the Council, the available funding from Government and the Council's strong desire to provide high levels of service to the Community in line with its priorities.

The recommendations in the report provided an appropriate platform on which the Cabinet could recommend a Budget to the Council which would meet the objectives and key priorities of the people of Hyndburn.

#### *Alternative Options Considered and Reasons for Rejection*

There had been a wide number of individual proposals put forward to produce a Balanced Budget. Options had been rejected on a variety of grounds including policy objectives, practicalities and the potential for additional costs to be incurred. Further options might be presented at the Council meeting.

#### **Resolved**

- (1) That Cabinet proposes to Council to freeze Council Tax for 2023/24 at the same level as in 2022/2023, keeping the charge for a Band D property at £260.64;**

- (2) That the Budget for 2023/24 would therefore be £14,382,673 as detailed in Appendices 1 to 3;**
- (3) That Cabinet recommend approval of the changes in budget requirement including inflation, growth and savings identified in Appendix 3 to ensure the Council could set and approve a balanced budget;**
- (4) That Cabinet noted the significant improvement made in relation to budget monitoring and cost reduction within the Authority over the past 19 years and confirmed its commitment to continuing this approach in the year ahead;**
- (5) That Cabinet recommended during the financial year 2023/24, the Executive Director of Resources be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) for technical reasons, such as the restructuring of cost centres, the re-apportionment and re-allocation of overheads etc., provided such amendments had an overall neutral impact on the Budget;**
- (6) That Cabinet recommended during the financial year 2023/24, the Executive Director of Resources be delegated responsibility to amend the Budget (following consultation with the Leader of the Council) should the estimate of Business Rates not be sufficiently accurate, by drawing on reserves if needed or paying over additional contributions to reserves;**
- (7) That to aid future financial management planning, any surpluses generated during 2023/24 were set aside to help the Council reduce its cost base over the next three years, to support its long term capital programme or to strengthen its overall reserve position;**
- (8) That Cabinet recommended that the Service Grant awarded for 2023/24 be used to help balance the Council's Budget; and**
- (9) That Cabinet recommended that the New Homes Bonus and any additional funds from Government that are not ring-fenced funding, as well as any other surplus funds, could be used if required to support capital expenditure as determined by the Executive Director in the overall financing of capital expenditure or be transferred to Reserves.**

## 284 **New Scheme Additions to the Capital Programme in 2023/2024**

The Cabinet Portfolio Holder, Councillor Joyce Plummer, presented a report inviting Cabinet to consider the Council's capital investment priorities for 2023/24. She requested that Cabinet recommends the new scheme additions to the existing capital programme to Council for approval at its meeting on 23 February 2023.

Councillor Plummer thanked the Finance Team for their hard work in producing this report.

The Leader of the Opposition, Councillor Munsif Dad, referred to an underspend on utilising disabled facility funding and to the importance of people being able to access this funding.

The approval of the report was not deemed a key decision.

### *Reasons for the Decision*

The Report sets out the additions of new schemes to the Council's Capital Programme for 2023/24, as shown in appendix 1. In 2022/2023 the Council significantly increased its funding programme of capital investment centred on its leisure estate and redevelopment of Accrington town centre with a total of proposals for capital investment in excess of £38.5m.

The significant level of investment in 2022/2023 was only possible by the Council obtaining financial support from external organisations and its own effective financial management over recent years which had allowed it to have the funds necessary to finance these major projects when other funding became available.

The 2023/2024 new additions to the capital programme had reduced compared to the £38.5m in 2022/2023. The new additions in 2023/2024 would total £8.38m and would include an increased investment programme of works on the Leisure estate that would only be possible through the Council gaining further financial support from external organisations.

The additions to the programme in 2023/2024 would bring the overall remaining approved capital programme to around £46.26m including £37.88m forecast slippage of the unspent programme from 2022/2023. The forecast slippage from the programme from 2022/2023 included funding of £24m for the recently successful Accrington Town Centre Levelling Up scheme and £12m Leisure estate that would soon be commencing. It is expected that all these works would be undertaken over the next 3 financial years over the term of the Council's Medium Term Financial Strategy.

It was intended that the Council would continue its strong policies of financial management and look only to borrow what it needed to fund these major investment projects. The Council would continue to rely upon securing external sources of funding, using capital receipts, making revenue contributions to capital projects and would use unspent monies to fund its programme. It would also apply a rigorous approach to selecting projects by examining all proposals against its corporate objectives and only selecting the most pressing and deserving projects to fund. This was in accordance with the Council policy of limiting the increase in debt and borrowing costs, while ensuring the Council's objectives were met.

The Revenue implications of the strategy to finance the Capital Programme are a key element in the affordability issues on the Revenue Budget this year. The programme contains a limited amount of risk this year. The level of risk is up compared to previous years due to the size of programme compared to previous years. However to further reduce the risk the Council would be looking to supplement its own project management

and cost control capacity by the appointment of experienced professionals in both disciplines for its two largest projects. The Council's overall resources and management systems were believed to be sufficiently robust to effectively monitor these risks and ensure appropriate action was taken if they should materialise.

The Council would continue with its strategy adopted for over 10 years of attempting to reduce its level of debt wherever possible by restricting borrowing and repaying debt and would continue to work extensively with external funders to bring forward realistic plans for Capital investment in the area.

Overall, the Council would be investing an additional £1.855m of its own resources to fund the capital programme additions in 2023/24. There was a significant amount of the total resource available this year dedicated to parks and play areas and council operational assets along with utilising disabled facility funding to continue supporting people with disabilities to maintain independent living in their own homes plus additional investment in key assets and infrastructure.

The details behind all these proposals remained at the outline stage only and further work was required to ensure that these projects provided positive benefits to the Community and the Council. Each project was therefore required to submit further detailed plans if required in order to obtain final approval for expenditure to occur and to obtain final clearance from the Executive Director of Resources, in consultation with the Portfolio Holder for Resources.

The Capital Programme does require a degree of flexibility within it, to respond to sudden demands for Capital expenditure, actions to be taken on the receipts of monies and revisions to proposals as projects are not financially viable or encounter other problems such as securing external funding. The Capital Programme Working Group (CPWG) would report back to Cabinet at frequent intervals throughout the year to ensure Cabinet was kept apprised of the current situation and that any approvals necessary for alteration were obtained.

These schemes represent the best value for money and meet the Council's overall corporate policy objectives, within the funding envelope for the year.

#### *Alternative Options Considered and Reasons for Rejection*

A wider programme of funding has not been considered due to the Council's policy commitment to limiting Capital Expenditure to affordable levels and seeking to repay debt.

#### **Resolved**

- (1) That Cabinet proposes to Council to approve the total cost of new scheme additions to the existing Capital Programme for 2023/24 of £8,373,522, with a cost to the Council of £1,855,000 as set out in Appendix 1;**
- (2) That Cabinet proposes to Council to approve the funding of the programme by the use of newly anticipated direct external grants totalling £6,518,522 with the remaining funding of £1,855,000 to come from new investment from the Council's resources. External grant funding must be secured before any internal funds are committed to projects that rely on external funding to proceed;**

- (3) That Cabinet proposes to Council that authority be delegated to the Executive Director of Resources, in consultation with the Portfolio Holder for Resources to flex the programme in accordance with the available funding, provided this does not require any additional borrowing;
- (4) That Cabinet proposes to Council that the individual projects within the Capital Programme require the written authorisation of the Executive Director of Resources following consultation with the Portfolio Holder for Resources before commencing and incurring expenditure and that Service Managers provide the Executive Director of Resources with written details of estimated costs of schemes with full justification of the need and benefits from undertaking the capital investments before approval is provided and that approval to commence is delegated to the Executive Director of Resources, in consultation with the Portfolio Holder for Resources. That where he deemed it appropriate, the Executive Director of Resources be given authority to release funding in stages to ensure effective financial control can maintained and project risk managed;
- (5) That Cabinet proposes to Council that Projects are timed to minimise the need for borrowing and the Executive Director of Resources be requested to seek project start dates after September 2023 whenever this is practical; and
- (6) That Cabinet proposes to Council that in-year underspends are not made available to fund new projects during the year.

**285 Asset Management / Fire Safety & Compliance Reserves - Creation of £1m in Reserves**

The Leader of the Council, Councillor Miles Parkinson, presented a report requesting Cabinet to approve the re-designation of £1m in capital receipts and earmarked reserves held for a variety of purposes to create 2 new reserves. This would allow the Council to undertake a full review of its operational buildings management requirements and ensure that they achieve fire safety compliance.

The Leader of the Opposition, Councillor Munsif Dad, commented that it was important for the Council to be in compliance with building management requirements.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

Over recent years, the council's insurance providers (currently Zurich) have highlighted the risks associated with the condition of buildings and fire safety compliance. The insurance underwriters have requested that the Council undertakes risk compliance works to meet the conditions contained within the insurance policies.

In response to insurer requests, the council's facilities management team had requested fire safety compliance reviews on several of the operational buildings. This revealed that a significant amount of capital investment would be required across the buildings to bring them all up to the latest fire safety compliance standards.

The Council had employed fire safety consultants to help achieve compliance with fire safety legislation across its estate. Inspections had been undertaken at all the 28 council owned buildings towards the end of 2022 and risk assessment reports had been issued for each building. The reports conclude fire risks within the buildings were deemed to be either 'tolerable or moderate', with actions split between:

- Immediate actions required
- Actions required within 30 days
- Actions required at next service visit

In addition the Council's insurers were producing their own inspections and reports. They have issued two reports; one for the Market Hall and one for the Town Hall including Broadway offices and retail units.

The Facilities Team were working through all the 28 reports in conjunction with building managers, ensuring all 'immediate actions' have been dealt with. Cost estimates have been obtained for Broadway offices, the Town Hall and the Market Hall.

The Regulatory Reform (Fire Safety) Order 2005 requires the Council to take general fire precautions, so far as practicable and may reasonably be required, to make its premises safe for employees and visitors.

The initial estimated costs of undertaking the works on the 3 main buildings are as follows:

<b>Building</b>	<b>Initial Estimate</b>
Broadway Offices	£303,300
Town Hall	£458,180
Market Hall	£321,780
<b>Total</b>	<b>£1,083,260</b>

The above estimates do not include any costs for the other 25 council buildings and have not been subject to a competitive tender.

Fire safety inspections for the remaining 25 buildings will identify additional costs.

Prior to undertaking any fire safety compliance work it would be logical for the Council to ensure the compliance and future capital expenditure requirements of all its operational buildings and develop an Asset Management Plan which aligns with the future requirements of council service delivery to maximise the efficiencies in the use of its operational building resources.

The asset management plan (AMP) will help the Council to continue to develop a strategy to ensure that it optimises its assets in terms of service benefits, financial return and value for money, and demonstrates how the council's property fulfils the following criteria:

- Contributes to the delivery of Corporate Priorities
- Is safe, secure, well maintained and fit for purpose
- Is accessible and contributes directly to the process of service improvement

The Councils facilities management and corporate property teams do not have the capacity and necessary expertise to undertake an asset management review and it will therefore be necessary to use an external consultant to undertake this review and develop the AMP.

The recent announcement of the successful Levelling Up Bid for the Town Centre and the inclusion of the town centre schemes within that bid have enabled capital receipts of £940,000 to become available.

It is estimated that the cost of the asset management consultancy would be in the region of £60,000 and this along with the available capital receipts would enable £1m to be set aside to fund the review and any future capital works.

The financing of the asset management review and any associated works will require the reallocation of existing reserves and capital receipts that will be earmarked towards ensuring the Council is able to prioritise and plan future expenditure that will link to its capital and medium term financial strategies.

The two new proposed reserves are:

<b>New Reserve Name</b>	<b>£</b>	<b>Reserve Type</b>
Asset Management / Fire Safety & Compliance - Development	60,000	Revenue
Asset Management / Fire Safety & Compliance - Capital Works	940,000	Capital
<b>Total</b>	<b>1,000,000</b>	

The funding of the above reserves will come from:

<b>Funding Reserve Name</b>	<b>£</b>	<b>Reserve Type</b>
Green Waste EM Reserve	60,000	Revenue
General Capital Receipts Unapplied	940,000	Capital
<b>Total</b>	<b>1,000,000</b>	

Expenditure from these new reserves will only be allowed when the required written approval has been submitted and approved, which at this point the new scheme(s) will be added to the capital programme.

As this review and works are a key to the Council making effective decisions and future capital investment could affect many aspects of the council's work, it is proposed the budget holder for these funds is the Chief Executive. They are best placed to co-ordinate activity across the Council to ensure the funds are effectively used to make a real difference in how the organisation utilises its operational assets and how it delivers services.

*Alternative Options considered and Reasons for Rejection*

The Council could choose not to create this reserve and attempt to fund any of these works from existing budgets or via the capital programme process each year. Existing budgets are however limited due to the overall financial pressures the Council faces and the capital programme is an annual exercise which will not be sufficiently flexible to allow the Council to act quickly and therefore providing this reserve will allow rapid access to funds as required.

**Resolved**

- (1) That Cabinet approved the creation of 2 new reserves totalling £1m to address asset management and fire safety and compliance, to be funded from capital receipts and other earmarked reserves as detailed in the report (para 4.2); and**
- (2) That Cabinet approved that the Council's Chief Executive be made the budget holder for the financial management and expenditure of the reserves, as outlined in the report.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

## AUDIT COMMITTEE

**Monday, 28th November, 2022**

**Present:** Councillor Dominik Allen (in the Chair), Councillors Noordad Aziz, Bernard Dawson MBE, Peter Edwards (Vice Chair) and Carole Haythornthwaite

**Apologies** Councillor June Harrison

**192 Apologies for Absence, Declarations of Interest, Dispensations and Substitutions**

Apologies for absence were submitted from Councillor June Harrison.

There were no Declarations of Interest, Dispensations or Substitutions notified.

**193 Minutes of the Last Meeting**

The minutes of the last meeting of the Audit Committee held on the 18<sup>th</sup> July 2022 were submitted for approval as a correct record.

**Resolved – That the minutes be received and approved as a correct record.**

NB. Councillor Aziz noted that a cross party motion to the Government to indicate that the external audit situation was not acceptable is still to be completed.

**194 Risk Management Monitoring Report**

Stuart Sambrook, Policy Manager introduced the report to inform Audit Committee of the outcome of the review of the Strategic, Generic and Operational Risk Registers.

There has been one major change to the Strategic Risk Register as below:

Area	Change	Risk Rating With Controls
<b>NEW RISK</b>		
Financial  (Page 4)	<p><b>Risk</b> Financial Overreach :--The Council is embarking on a range of major investments supported by significant amounts of External Funding. Overspends or failure to deliver on these Projects could lead to significant additional costs falling on the Council, in terms of extra borrowing costs stemming from meeting additional project costs or the repayment of external funds. (URN:2037)</p> <p><b>Risk Owner</b> Deputy Chief Executive</p>	Medium

Stuart Sambrook discussed the control measures in place to manage the risk.

The Committee had a discussion around the risks of the funding causing financial difficulties and what impact that could have on the Council.

There has been no major changes to the Generic Risk Register but 4 minor changes to the risks detailed below:

- Failure to ensure that personal data is kept securely in accordance with Data Protection Act, GDPR and Freedom of Information Act 2000. – LOW PRIORITY
- Failure to comply with CDM Regulations. – MEDIUM PRIORITY

There has been one major change to the Operational Risk Register as below:

Area	Change	Risk Rating With Controls
<b>NEW RISK</b>		
Reputational  (Page 5)	<u><b>Risk</b></u> Failure to meet statutory timescales for delivery of planning decisions (URN:2038) <u><b>Risk Owner</b></u> Head of Planning & Transportation	Medium

There are also a number of minor changes that have been made to the Operational Risk Register and they are available in Appendix 3 of the report.

Councillor Noordad Aziz requested further information regarding the operational risk no 36 – Market Hall loss of income due to low take up of market hall stalls. He would like further information on how the risk has been reviewed.

The Chair requested further information on the risk rating high regarding the strategic risk no 87 – The acquisition of key town centre buildings and delivery of a £22 million regeneration project within Accrington Town Centre.

**Resolved – (1) That Audit Committee noted the report.  
(2) The Policy manager to update back to Committee on the requests above.**

## 195 Internal Audit Plan 2022/23 Progress Report

Mark Beard, Head of Audit & Investigations, presented a routine report to inform Members of the Audit Reports issued during the period July 2022 – October 2022 and to bring to the attention of the Committee what the key issues were.

The report included a list of the audit areas and any key issues, a summary of which is provided below:

- **Civil Contingencies – Substantial assurance**
  - The audit found, as a result of test calls carried out both during and outside normal working hours that the process was not followed correctly and none of the 3 nominated Emergency Planning Officers was alerted to the test incident.
  - The audit agreed with the Emergency Planning Officer that the process would be reviewed and consideration would be given to have a rota in place for Emergency Planning Officers both inside and outside of working hours. There are 3 Officers on the list so consideration needs to be made to increase the number of Officers on the list to cover leave and sickness. It was agreed that Switchboard staff need to be briefed on current processes for when a civil contingency related call is received during working hours.
- **Engineers – Comprehensive assurance**
  - No issues arising.
- **Disabled Facilities Grants (Better Care Fund) – Substantial assurance**
  - The audit found that an agreement in place between Hyndburn Borough Council and an external organisation requires renewing as reduced fees had been negotiated due to budget pressures but the new lower fees were not reflected in the agreement between the Council and the external organisation.
  - Management agreed a new agreement will be put in place to reflect the changes.
- **Council Tax Write offs – Comprehensive assurance**
  - No issues arising.
- **Mobile Telephony – Substantial assurance**
  - The audit could not ascertain from the sample of mobile phone users chosen that all were aware of the Communications Policy. It was agreed with Management that all employees issued with a Council mobile phone are aware of the Communications Policy.
- **Markets – Substantial assurance**
  - Management agreed that consideration would be given to the installation of a networked device in the Porters Office to enable them to access training, internal communications, email etc. as they currently use an Officer's PC and that Officer's log-in which breaches internal policies.

- **Waste Collection and Recycling – Comprehensive assurance**

➤ No issues arising.

The Chair was very pleased with the projected out-turn of 88.37% completed audits for 2022/23.

**Resolved – That the report be noted by the Audit Committee.**

## **196 Audit Committee Self-Assessment 2022**

Mark Beard, Head of Audit & Investigations presented the report to inform members of the results of the self - assessment process that members of the committee have carried out and for the Audit Committee to determine what the next steps, if any, should be.

The report refers to and has been based upon the CIPFA publication “Audit Committees – Practical Guidance for Local Authorities and Police 2018 Edition” however the Head of Audit & Investigations informed the Committee a more recent version has recently been published for 2022.

The assessment was carried out by all 6 members of the Audit Committee and the results have been amalgamated thus anonymising who said what.

The Head of Audit & Investigations talked through the questions and the responses, clarifying the points for members and comments for the Committee to consider.

The group had a discussion following a section of question 12 – *Consideration has been given to at least one independent member to sit on Audit Committee*. This is currently not mandatory although it may become mandatory and the Council will address this at this point.

The Chair confirmed he had attended the CIPFA Training for Audit Committee.

The Committee all agreed it was a helpful exercise to have undertaken and agreed to reflect on the answers for a further discussion next year.

**Resolved – (1) That the report be noted by Audit Committee.  
(2) That this item returns to Audit Committee in March 2023.**

## **197 External Review of Internal Audit**

Mark Beard, Head of Audit & Investigations gave a brief verbal update to the committee on the recent External Review of Internal Audit.

This takes place every 5 years. Internal staff have been interviewed and there has been a self assessment against the standards which includes 3 themes.

There will be a formal detailed report discussed at the next Committee in March 2023.

## 198 Statement of Accounts

The Head of Accountancy presented the report to inform the Audit Committee on the production of the Annual Accounts and their External Audit and to discuss any issues arising from the work.

The key achievements for 2020/21 were discussed and set out below:

- Secured £2 million external funding for the Decarbonisation Scheme.
- Achieved One Carbon World Neutral Gold Standard by reducing its carbon footprint.
- £492,000 Community Champions award (highest amount across Lancashire).
- Queen Awards for Voluntary Services in Hyndburn with Maundy Relief and Community Solutions;
- Business Compliance promoting good practice amongst premises, preventing outbreaks from premises and require high standards of control measures, and protect public from unacceptable risks through strong enforcement.
- Providing Working from Home opportunities to employees.
- Online Council meeting transition despite obstacles.
- 7,733 tonnes of dry waste recycled (increase of 23% compared to previous year).
- 100% of playground inspections were completed each week.
- Revenue teams were very busy throughout pandemic supporting our businesses, designing and delivering new Covid-19 related grants to businesses and were nationally recognised at press conference from Downing Street for their excellent performance.
- 93.34% of Council Tax Collection with 89.3% of NNDR Collection.
- 68.5% Direct Debit take up for Council Tax.
- 66,861 (65% increase) of email enquiries to the CCC.
- Increase take up of e-services for revenues and benefits services for Council Tax from 27% to 40%; and Business Rates 29% to 40%.
- On-line applications for Housing Benefit and Council Tax Support from 45% to 50% and Change of Circumstances to 10%.
- Licensing team updated their procedures so that all taxi and private hire applications can be completed online.
- CVMU created a new taxi driver non-contact waiting areas to ensure taxi testing follows a socially distanced system.
- Taxi screens offered to taxi's these offer protection against the virus as well as a really effective and simple way for us to promote key messages.
- Supporting contact tracing and vaccination update.

- Helped clinically extremely vulnerable residents to stay safe at home by establishing an operational Covid hub in a week, providing thousands of meals, shopping services and medicine collections.
- Supported local businesses with over £30m in urgent grants by being the fastest district authority nationally for the provision of initial critical financial aid.
- Reduced the number of households living in cold homes due to winter fuel poverty by providing support for fuel payments as well as essential household goods to keep families and individuals warm.
- Reduced food insecurity for hundreds of households by establishing a food solutions network, distributing funding to local food banks and began exploring contemporary food insecurity policies with the aim of reducing food insecurity in Hyndburn in the longer term.
- Alleviated loneliness and isolation felt by our vulnerable residents by making hundreds of out-bound calls including over the Christmas period to check in a chat and ensure that no one was hungry, cold or lonely.
- Help set up the Hyndburn Community Champions Network which meets every fortnight, it includes 90 people, representing 51 groups and organisations.
- The Hyndburn Hub is a finalist in the Hyndburn Business Awards for the Pride of Hyndburn category.

The Financial position and performances measures were discussed along with the key growth projects.

The draft accounts were completed and published on the Council's website in July 2020. Subsequently, Mazars, our external auditors, have undertaken their onsite audit of the accounts and work is close to completion.

Thanks to all staff in the Council for their performance and contribution on this piece of work was noted to the Committee.

Councillor Aziz proposed the committee to wait until the accounts had been completed and set up another committee to sign these off in the future. The Committee then had a vote on this proposal but the majority was against it.

**Resolved – (1) That the Audit findings report be noted by the Audit Committee.**

**(2) That the Audit Committee delegated approval to the Chair of the Audit Committee to sign the Council's Statement of Accounts for 2020/21 following completion of the external audit work.**

**(3) That the Audit Committee delegated approval to the Chair of the Audit Committee to approve and sign the letter of representation.**

## 199 External Audit Completion Report - Year Ended 31st March 2021

Daniel Watson, External Auditor of Mazars attended the meeting to present the Audit Completion Report for the year ended 31<sup>st</sup> March 2021. He discussed the key

messages in the report to the Committee. The Audit has been a true and fair view of the accounts, just a small number of audit areas outstanding but no significant impact to their audit opinion. In the significant findings section, 3 risks had been identified, discussed with the accounts team and a plan of action has been set. The external auditors acknowledged difficulties within the year and asked for a thank you to be placed on record to Joe McIntyre, Deputy Chief Executive and his Finance Team.

The internal control findings and recommendations have been set and prioritised for the required actions to be completed.

The Committee were happy and agreed the summary of misstatements within the report.

The work is ongoing for the Councils arrangements for the year ended 31<sup>st</sup> March 2021, it was noted that there are some weaknesses in the financial reporting process which the Council will address and put in place for future financial reporting.

**Resolved – That the Audit Committee noted the report.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

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**Thursday, 15th December, 2022**

**Present:** Councillors Paddy Short (Vice Chair) and Dominik Allen, Scott Brerton, June Harrison, Judith Addison, Colin McKenzie, Susan Hayes, Bernard Dawson.

**In Attendance:** Councillors Joyce Plummer and Kath Pratt

**Apologies:** Councillors Carole Haythornthwaite, Patrick McGinley, Andrew Clegg, Noordad Aziz, Doug Hayes, Scott Brerton, Terry Hurn, Ken Moss, Paul Barton and Loraine Cox

Co-optees Doug Hayes, Ken Moss and Paul Barton

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## **230 Apologies for absence, Substitutions, Declarations of Interest and Dispensations**

There were apologies from Councillors Patrick McGinley (Chair), Loraine Cox, Carole Haythornthwaite, Terry Hurn, Andrew Clegg and Noordad Aziz.

Councillors June Harrison, Judith Addison, Susan Hayes, Colin McKenzie and Bernard Dawson substituted.

There were also apologies from co-optees Paul Barton and Doug Hayes.

There were no declarations of interest or dispensations.

## **231 Minutes of Last Meeting**

The minutes of the last meeting on 20<sup>th</sup> October 2022 were submitted and approved as a correct record.

**Resolved - That the minutes from the Resources Overview and Scrutiny Committee meeting on 20<sup>th</sup> October 2022 be approved as a correct record.**

## **232 Overview and Scrutiny Reports - Responses from Cabinet**

The Chair invited the Scrutiny and Policy Officer to present this item.

When Overview and Scrutiny Committees submit reports or recommendations to Cabinet or Council, it is a requirement to report back the responses to the relevant Overview and Scrutiny Committee. At its meeting on 20<sup>th</sup> October 2022, this committee considered the call-in of the Cabinet decision relating to Leisure Transformation project – consultant appointment. Upon review, the committee released the decision in full for implementation. This was reported back and noted by Cabinet at its meeting on 7<sup>th</sup> December 2022.

## **233 Planning and Transportation Update**

The Chair welcomed Simon Prideaux, Chief Planning Officer to the meeting to present the report. Simon indicated that the report intends to advise Scrutiny of the measures being taken to improve performance within the Planning and Transportation service.

Current difficulties in the service are generally linked to staffing and planning application software.

At the end of 2021 / start of 2022 a series of factors combined to have a significant impact on performance within the planning (principally the Development Management section) service. This has resulted in significant delays in the determination of planning applications, delays in the management of enforcement enquiries and other more general delays in responding to emails and general enquiries. The problems stemmed from a number of factors:

- Long term sickness absence of admin support staff and delays / difficulties in recruiting a temporary replacement. This in turn resulted in delays in planning applications being validated and reaching the planning officers.
- Long term sickness absence and passing away of the Council's Conservation Officer / Senior Planning Officer. An agency planning officer has now taken over this officer's role and is managing the case-load.
- The departure of the Council's Principle Planning Officer in Development Management that resulted in a number of major planning applications and a public inquiry having to be managed by the Chief Planning Officer. This post has now been filled by a permanent member of staff, but there was a significant gap in time between the departure of the officer and their replacement starting.
- Increase in workloads in 2021/22, and
- Continued issues associated with the on-line planning application software.
- An increase in complaints, which in turn adds to the workloads of officers.

Simon highlighted difficulties with recruitment, which the Committee asked several questions on. The recruitment of planning officers is particularly challenging. Although the Council was fortunate to be able to recruit a Principle Planning Officer for the Development Management (planning applications) service, it has not been possible to recruit to other planning officer posts except a temporary position that was recently recruited to with a graduate. This is a problem for local authorities across the country, with many Lancashire authorities struggling to recruit. The Council is making use of agency staff to cover several roles, which can cost up to 3 times that of an employed officer. This will lead to an overspend in the department's budget and is not sustainable going forward.

Simon also covered the following in his update:

- Audit of planning applications
- Enforcement
- Planning application software
- Office working arrangements
- Current position

Simon gave responses to questions on the following:

- Timeframe for the planning application software upgrade – Simon indicated that this would go live in March 2023. This will resolve current issues of the inability to search against addresses. The cost of the new software is £121,000 over 5 years

- Agency staff and the local plan – Simon told the committee that the 2 officers working on this had left. The Council were unable to recruit so there are now 2 agency officers working on this which brings its difficulties
- Number of live enforcement cases – Simon responded that there were 455 live cases although some of these are historic and will have been resolved.
- Percentage of applicants who refer to Council's complaints procedure and ask for refunds – Simon said he doesn't have exact figures to hand, but these numbers are low, although they do happen.
- Making regular contact with applicants to inform them of progress – Simon said he was aiming to ensure applicants were contacted within 4 weeks of their application with an update

The Committee thanked Simon for his thorough report.

**Resolved - That the report be noted and an update report be requested in 6 months time.**

### **234 Mayoralty of the Borough of Hyndburn**

Councillor Joyce Plummer and Julien Joinson reported to the Committee. Councillor Plummer provided a brief update, highlighting the following topics:

- The Office of the Mayor and role
- Civic Handbook
- Civic functions and engagements
- Mayor's Charity
- Mayoral Allowances and car
- Mayor's Parlour
- Staffing
- Civic attendant
- Civic Services office
- Member Services
- Budget

Detailed information is provided in the report. Cllr Plummer responded to questions on the following:

- Appointment of a driver – There has been difficulty recruiting to this post but it is anticipated that a new driver will be in post in 2 months-time. There are 2 temporary staff in the interim.
- Inclusion of gift aid in charity donations – The member services manager will look into this
- Deputy Mayors Allowance – there isn't an allowance for the Deputy Mayor. Some Mayors give a proportion of their allowance to their deputy but this is currently at the discretion of the individual.

The Committee had a thorough discussion on the role and remuneration of the Deputy Mayor. Some felt strongly that more formal arrangements should be made for an allowance, whether this be an individual special responsibility allowance or more formal arrangements between the Mayor and Deputy. The Committee asked the Democratic Services Manager to look into the possible options of remuneration for the Deputy Mayor and report back to the Committee.

**Resolved - The Committee requests that the Democratic Services Manager to look into the possible options of remuneration for the Deputy Mayor and report back to the Committee.**

### **235 Performance Review - Markets**

The Scrutiny and Policy Officer provided a brief update for the Committee. This report updates the Committee on the latest performance review which monitors service area performance against key priorities set out in the Corporate Strategy using a set of key performance indicators (KPIs). This report includes performance information relating to Markets only, where information was missing when the Committee received a full performance review at its meeting in September.

Ben highlighted the table titled Market KPIs 2021/22 and invited the Committee to ask questions. There were no questions.

**Resolved - The report be noted.**

### **236 Exclusion of the Public**

**Resolved - That, in accordance with Section 100A(4) Local Government Act 1972, the public be excluded from the meeting during the following items, when it is likely, in view of the nature of the proceedings that there will otherwise be disclosure of exempt information within the Paragraphs of Schedule 12A of the Act specified at the items**

### **237 Land and Asset Disposals**

The Chair welcomed Councillor Kath Pratt and Helen McCue-Melling to report to the Committee on this item. This report is to update Overview & Scrutiny on Asset Activity & Disposal from March 2019 to 1st December 2022.

The following was highlighted in the report:

- 26 Completed disposals totalling £3,949,397 between March 2019 and December 2022
- Disposals in progress, including sales and leases
- New cases expected in 2023
- Bowling pavilions

Helen highlighted the link to a previous review carried out by this Overview and Scrutiny Committee who identified numerous assets across the Borough for disposal.

Councillor Pratt and Helen responded to questions on the following:

- Leases to charities and community groups being weighted in the Council's favour – Helen explained that terms of leases are negotiated between the parties and they are strongly advised to take their own independent advice before signing any lease or licence. Groups often want sole use and full control of an asset and with that comes the responsibility and costs. As some assets are disposed of at below market value, cost savings to the Council for repairs and maintenance can be one element in legitimising such a disposal.
- Links between capital receipts and capital expenditure by area – this information is difficult provide. It should be noted also that spending in one area often benefits residents from other areas. A table was provided showing capital receipts by area

against capital programme budget by area. It was highlighted that this was budgeted amounts and actual spend may vary

- Future asset sales – The Council receive several enquiries per week regarding the purchase of land. These are prioritised by the Disposals Cabinet Working Group.

The Committee thanked Councillor Pratt and Helen for the report.

**Resolved - That the report be noted.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# STANDARDS COMMITTEE

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**Monday, 19th December, 2022**

**Present:** Councillor Carole Haythornthwaite (in the Chair), Councillors June Harrison (Vice Chair), Noordad Aziz, Danny Cassidy, Bernard Dawson MBE, Kath Pratt, Rennie Pinder, John Halstead and David Murray  
Independent Person – Mr. Frank Whitehead

**Apologies** Councillor Kimberley Whitehead

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**238 Apologies for absence, Declarations of Interest and Dispensations**

An apology for absence was submitted on behalf of Councillor Kimberley Whitehead. There were no dispensations or interests declared at the meeting.

**239 Minutes of Last Meeting -29th September 2022**

The Minutes of the last meeting of the Standards Committee held on 29<sup>th</sup> September 2022 were submitted for approval as a correct record.

**Resolved** - **That the Minutes be received and approved as a correct record.**

**240 Hearing Procedure**

The Hearing Procedure to be followed at the meeting in relation to a complaint regarding a Councillor was submitted for agreement by members of the Standards Committee. A copy had been circulated to Committee members and the Councillor in question.

**Resolved** - **That the Procedure be noted.**

**241 Exclusion of the Public**

**Resolved** - **That the Committee determined that members of the public did not need to be excluded from the meeting during the following item and as such the meeting remained open to the attendance of the public.**

**242 Investigation Report**

Members of the public were provided with details of a complaint submitted against Councillor Marlene Haworth by a former officer of Hyndburn Borough Council. Prior to the meeting, the complaint had been investigated by an independent person, John Austin, who was also in attendance at the meeting to present his report.

The complaint referred to an incident that had occurred at a Planning Committee in March 2022. The complainant had made a number of allegations against Councillor Haworth's behaviour at the meeting and alleged that this had resulted in her failing to treat her with

respect and in accordance with the Council's Code of Conduct. Mr. Austin had been appointed to carry out an investigation into the complaint and had interviewed a number of witnesses who were present at the Planning Committee, reviewed a number of documents and, taken into account the seven principles underpinning the Council's Code of Conduct before concluding:

- That Councillor Haworth had failed to treat the complainant with respect and also failed to promote and support high standards of conduct when serving in her public post. He found evidence of breaches of paragraphs 2 (g) and (j) of the Council's Code of Conduct.

The Committee was requested to consider the recommendation submitted by the Investigator. Consideration was given to the Investigator's report and the comments submitted by the non-voting members of the Committee, the Altham Parish Councillors and Mr. Frank Whitehead – Independent Person. Both the complainant and Councillor Marlene Haworth and her representatives were also given the opportunity to comment at the Hearing.

The Committee found that although Councillor Haworth had not specifically named the complainant, her remarks had identified the complainant as the person to whom she was referring in her address to the Planning Committee; that Councillor Haworth had made the remarks to the Planning Committee as set out in the written statement which Councillor Haworth supplied to the Standards Committee; and no planning objections were disregarded and that the earlier planning application relating to the site had been determined by the Council's Chief Planning Officer in accordance with the Council's scheme of delegation at the time in question.

The Committee found, by majority, that Councillor Haworth had acted in breach of the following part of the Council's Member Code of Conduct:

- Paragraph 2(g) in that she had failed to treat the complainant with respect.

The Committee requested that Councillor Haworth received additional training in respect of her obligations under the Member Code of Conduct.

**Resolved**

- (1) That having taken into account the findings as set out above, the Committee found that Councillor Haworth had breached paragraph 2(g) of the Council's Member Code of Conduct; and**
- (2) That Councillor Haworth should attend additional training in respect of her obligations under the Members' Code of Conduct.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# MANAGEMENT REVIEW COMMITTEE

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**Tuesday, 17th January, 2023**

**Present:** Councillor Miles Parkinson OBE (in the Chair), Councillors  
Marlene Haworth and Munsif Dad BEM JP

**Apologies** Councillor Paddy Short

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**251 Apologies for absence, Substitutions, Declarations of Interest and Dispensations**

An apology for absence was submitted on behalf of Councillor Short.

There were no substitutions, declarations of interest or dispensations declared at the meeting.

**252 Minutes of Last Meeting**

The Minutes of the last meeting of the Management Review Committee held on 17<sup>th</sup> October 2022 were submitted for approval as a correct record.

**Resolved** - **That the Minutes be received and approved as a correct record.**

**253 JNC Head of Service Leave Allowance**

The Executive Director (Legal and Democratic Services) submitted a report to seek an uplift of one day's leave for a group of staff employed on JNC terms and conditions.

The Head of Policy and Organisation Development reported that the majority of employees were employed on NJC terms and conditions and had received a recent pay award that had included one extra days leave commencing April 2023. She explained that a small number, only 7, of senior staff (excluding Corporate Management Team) were employed on JNC (Chief Officer) terms and conditions which usually mirrored the same pay conditions as NJC but this time it had not included the extra days leave. She requested the Committee to consider the additional days leave for Senior Officers employed on JNC terms and conditions from April 2023 and also informed the Committee that if they agreed this, it would be a local agreement.

**Resolved** - **That the Management Review Committee agree the uplift of one day in the maximum leave allowance for Heads of Service employed on grades Chief Officers (1) and Chief Officers (2).**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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## PLANNING COMMITTEE

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**Wednesday, 18th January, 2023**

**Present:** Councillor Judith Addison, Councillors Mohammad Ayub, Loraine Cox, Paul Cox, Bernard Dawson, June Harrison, Susan Hayes, Terry Hurn, Noordad Aziz, Carole Haythornthwaite and Munsif Dad BEM JP

**Apologies:** Councillors Eamonn Higgins, Zak Khan, Caroline Montague and Kimberley Whitehead

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### **254 Apologies for Absence, Substitutions, Declarations of Interest and Dispensations**

Apologies for absence were submitted for Councillor Eamonn Higgins, Councillor Caroline Montague, Councillor Zak Khan and Councillor Kimberley Whitehead.

The following acted as substitute representatives:

Councillor Carole Haythornthwaite for Councillor Zak Khan  
Councillor Munsif Dad for Councillor Kimberley Whitehead

There were no Declarations of Interest or Dispensations declared at the meeting.

### **255 Minutes of the Last Meeting - 1st November 2022**

Simon Prideaux, The Chief Planning and Transportation Officer requested a change in the minutes referring to item 3D.

#### **3D. 11/21/0237 From land off Bolton Avenue Huncoat to land near Pewitt Hall Farm, Back Lane, Accrington**

Proposed works for and use of replacement section of aqueduct, including earthworks and ancillary infrastructure including: a new valve house building within fenced compound with permanent vehicular access provision; installation of a tunnel shaft and an open cut connection area within a temporary construction compound, to include site access, storage areas, plant and machinery, drainage infrastructure and a temporary replacement football club car park. In addition, mine grouting works, with associated highway works, to facilitate main tunnelling works.

The following points were noted:

- Presentations to Members have taken place.
- Community Consultations have taken place.
- Huncoat FC to move to a football pitch in Great Harwood.
- Community Liaison Officer to be recruited.
- Some 24 hour working to take place.
- Funding for a 2 year Highways Officer Post.
- Additional 50 car parking for residents.
- Proposals on reducing the speed limit on Burnley Road to 30mph.

An update sheet was circulated in the meeting and 7 additional points relating to the draft conditions were discussed from Lancashire County Council. An additional condition had been requested from Hyndburn Borough Council to ensure that any damage arising to the bridge of Plantation Road over the duration of the development is made good.

**Resolved – (1) That subject to the applicant first entering into a legal agreement under s.106 covering the matters set out in the report AND subject to the conditions set out in the report, the Planning application is approved and that delegated authority is given to the Chair of Planning and Highways to complete the drafting of the conditions attached.**

**(2) That the reduced speed limit of 30mph on Burnley Road is fully supported by the Council to become a permanent fixture not for the duration of the works to be completed.**

**(3) That delegated authority is given to the Chair of Planning and Highways to change the S.106 agreement if, following consultation with the applicant that any of the matters could be better managed through a condition or alternative legal agreement (such as a s.278).**

NB. 1 Mr James Cullen, spoke on behalf of United Utilities, the applicant.

2. Cllr Lorraine Cox requested contact details for the Highways Officer involved.

The rest of the Minutes of the Planning Committee held on the 1<sup>st</sup> November 2022 were submitted for approval as a correct record.

**Resolved – That the Minutes be received and approved as a correct record.**

## **256 Town and Country Planning Act 1990- Planning Applications for Determination**

The Chief Planning and Transportation Officer submitted a report setting out recommended action on the following Planning applications.

### **3A. 11/22/0438 – 29 Cecilia Street, Great Harwood, BB6 7BS**

Disabled facility to be constructed to the rear of the existing extension.

This application had been submitted by Hyndburn Borough Council and being presented to Planning Committee for determination because the proposed extension would result in an extension that is longer than that supported by policy.

The applicant proposed the erection of a single storey rear extension projecting from the rear end of the existing single storey rear extension. The application proposed the extension to project approximately 3.50 metres from the rear wall of the existing rear extension, which would give a total length of 9.50 metres.

The committee discussed that all the dwellings on the south side of St Cecilia Street possess similar designs with long rear yards and felt it wouldn't affect the neighbouring residents.

The application does not comply with Policy, however, weight is given to the disabled needs of the occupants (whom have been assessed) and on this basis it is supported.

The committee discussed the following points; how the Council encourages residents to apply for assistance within their homes, that there is still sufficient spaces for applicants bins within their property and that no objections had been received.

**Resolved – That the Planning application be approved with the attached conditions.**

### **3B. 11/20/0068 – Alliance Mill, Alliance Street, Baxenden, Accrington, BB5 2RT**

Development of 8no residential units for all matters apart from landscaping (resubmission 11/19/0046).

The application site is a former scrapyard and is situated within the urban boundary in Baxenden.

It was proposed to demolish the existing mill buildings and erect eight 4 bed detached two storey dwellings in a linear arrangement along the sites eastern boundary.

A petition of support had been received in support of the application and had 67 signatures.

A new Flood Risk Assessment had been submitted and the committee talked at length regarding this section of the application due to the site suffering fluvial flood risks due to the presence of a culverted ordinary watercourse which flows through the site. The Planning department are happy with the submission however if any changes were due to be made to the FRA a requirement for submission would have to be sent to the Council and Environment Agency.

There were some concerns raised within the committee about the location but overall the committee were happy that it would improve the area.

**Resolved – That the Planning application is approved subject to the conditions attached to the report.**

NB. 1 Mr Hartley, representing the applicant, spoke in favour of the application.

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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## LICENSING SUB COMMITTEE

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**Tuesday, 31st January, 2023**

**Present:** Councillor Terry Hurn (in the Chair), Councillors June Harrison and Bernard Dawson MBE

**Apologies** Councillor Jodi Clements

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**268 Apologies for absence, Substitutions, Declarations of Interest and Dispensations**

An apology for absence was submitted on behalf of Councillor Jodi Clements. Councillor Dawson acted as a substitute for Councillor Clements. There were no interests or declarations of interest submitted at the meeting.

**269 Minutes of the Last Meeting Held on 22nd March 2022**

The Minutes of the last meeting held on 22<sup>nd</sup> March 2022 were submitted for approval as a correct record.

**Resolved** - **That the Minutes be received and approved as a correct record.**

**270 Licensing Hearing Procedure**

The Council's Licensing Hearing procedure to be used in relation to the hearing, required under the Licensing Act, was submitted for noting.

**271 Licensing Act 2003 Determination Hearing - Nawaz Food Store & Off Licence, Eddleston Street, Accrington**

In accordance with the Hyndburn Borough Council policy on the Conduct of Hearings and the Licensing Act 2003 (Hearings) Regulations 2005, the Licensing Manager (Mrs Redfern) advised the Licensing Sub-Committee of the details of an application to review a Premises Licence relating to Nawaz Food Stores and Off Licence, 1 Eddleston Street, Accrington, Lancashire, following the submission of an application under Section 51 of the Licensing Act 2003 ('the Act') by a responsible authority namely Lancashire Constabulary.

A copy of the Licensing Authority's Conduct of Hearings had been circulated prior to the meeting with the agenda.

The Licensing Manager provided the Committee with the historical background of Mr Nawaz' provision of a Premises Licence which was issued in 2005. She reported that Mr. Mohammed Nawaz was the Designated Premises Supervisor at the time of the application and still is currently. She reported that the premises benefited from the licensable activity of 'the Supply of alcohol for consumption off the premises. Monday to Saturday 0800 – 2300 and Sunday 0800 – 22.30'. She referred Committee to the appendices attached to the agenda:

Appendix 1 – current licence

Appendix 2 – review application

Appendix 3 – a representation from Lancashire County Council Trading Standards

The Licensing Manager advised the Committee on the steps that they could take after considering the application, as set out in 5.2 of the report.

Representatives of Lancashire Constabulary, PS Hennighan and PC Needham were present at the meeting and outlined the reasons why they had submitted the application for review of the licence.

A representative of Lancashire County Council Trading Standards was also present at the meeting and submitted their representations.

The representations received from Lancashire Constabulary and Lancashire County Council Trading Standards both outlined how alcohol and tobacco had been sold under the age of restriction. They outlined how continued attempts to work with Mr. Nawaz to improve standards had failed and that he had made no effort to undertake the necessary training or adhere to their advice. It was considered that there had been a serious failure to meet the licensing objectives relevant to the Protection of Children from Harm.

The Sub-Committee in considering the application, took into account representations made by Lancashire Constabulary and Lancashire County Council, Trading Standards. It also had regard to its own Licensing Policy and the statutory guidance, as mentioned in Section 52(4) of the Licensing Act 2003. The latest Home Office guidance was issued in December 2022 and referred to paragraphs 11.27 (the prevention of criminal activity), 11.28 (responsible authorities to use the review procedures effectively to deter such activities and crime and 11.29 (the persistent selling of alcohol to children).

**Resolved**

- **That, having taken into account Section 52(4) of the Licensing Act 2003 and after careful consideration of the representations made by Lancashire Constabulary, Lancashire County Council Trading Standards and the premises licence holder, the Licensing Sub-Committee expressed concern about the history of incidents at the licensed premises and the persistent failure to improve standards. The Committee determined to revoke the licence.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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## PLANNING COMMITTEE

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**Wednesday, 15th February, 2023**

**Present:** Councillor Eamonn Higgins (in the Chair), Councillors Judith Addison (Vice Chair), Mohammad Ayub, Loraine Cox, Paul Cox, Bernard Dawson, June Harrison, Susan Hayes, Terry Hurn, Caroline Montague, Kimberley Whitehead, Noordad Aziz and Carole Haythornthwaite

**Apologies:** Councillors Zak Khan

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**286 Apologies for Absence, Substitutions, Declarations of Interest and Dispensations**

Apologies for absence were submitted for Councillor Zak Khan.

Councillor Carole Haythornthwaite substituted for Councillor Zak Khan.

There were no Declarations of Interest or Dispensations declared at the meeting.

**287 Minutes of the Last Meeting**

Judith Addison, requested her name to be on the present list of the previous minutes as she chaired the meeting.

The rest of the Minutes of the Planning Committee held on the 18<sup>th</sup> January 2023 were submitted for approval as a correct record.

**Resolved – That the Minutes be received and approved as a correct record.**

**288 Town and Country Planning Act 1990- Planning Applications for Determination**

The Chief Planning and Transportation Officer submitted a report setting out recommended action on the following Planning applications.

**3A. 11/22/0404 - Land off Blackburn Old Road, Great Harwood, BB6 7UU**

Erection of 7 No glamping pods and reception building including access and layout.

The location is in Green Belt.

This application has had 2 previous applications which had both been refused. (11/19/0103 and 11/18/0345)

The applicant did not submit the supporting documents requested and therefore there is insufficient evidence.

The Committee had a discussion on the application and thought the idea of the application sounded good and would benefit Great Harwood however due to the

location presented in Green Belt and the applicant's lack of demonstrating special conditions it was not viable.

**Resolved – That the Planning application be refused.**

**3B. 11/22/0388 – Land off Fort Street, Clayton-le-Moors, BB5 5PJ**

Erection of 6 No Bungalows.

The application site is located in the urban area of Clayton le Moors, although previously wooded, the trees have now been removed.

The Committee had a discussion around the application and they agreed it was a good site for development and that there is a demand for bungalows in the borough. There was a concern regarding the access road condition and the future maintenance of it and hoped this would be covered fully in the conditions attached to the application.

**Resolved – That the Planning application be approved, subject to the applicant entering into a legal agreement under S106 of the Act to compensate for the loss of woodland.**

- **That the Planning application be approved with the attached conditions.**
- **That the Planning Committee granted delegated authority to the Chief Planning and Transportation Officer to make changes to the wording of the conditions if necessary.**

**289 Planning Committee Site Visits**

The Chief Planning and Transportation Officer presented a report to recommend that Members undertake a site visit to view a number of sites where planning applications have been submitted and which will be determined by Planning Committee.

The Committee had a discussion around the applications listed and agreed it would be best to visit these sites to gain further understanding on the applications received.

**Resolved – That the Planning Committee undertake a site visit for the applications referenced in item 4 prior to their determination.**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

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**Thursday, 16th February, 2023**

- Present:** Councillors Carole Haythornthwaite, Andrew Clegg, Paddy Short (Vice Chair), Noordad Aziz, Terry Hurn and Loraine Cox and Bernard Dawson
- In Attendance:** Councillors Miles Parkinson, Peter Britcliffe, Joyce Plummer and Munsif Dad.
- Apologies:** Councillors Patrick McGinley, Doug Hayes and Scott Brerton  
Co-optees: Doug Hayes
- 

## **290 Apologies for absence, Substitutions, Declarations of Interest and Dispensations**

Apologies were submitted on behalf of Councillors Patrick McGinley and Scott Brerton. Doug Hayes, Co-optee, also submitted his apologies. Councillor Bernard Dawson substituted for Councillor Scott Brerton.

There were no declarations of interests or dispensations.

## **291 Minutes of Last Meeting**

The minutes of the last meeting on 15<sup>th</sup> December 2022 were submitted and approved as a correct record.

**Resolved - That the minutes from the Resources Overview and Scrutiny Committee meeting on 15<sup>th</sup> December 2022 be approved as a correct record.**

## **292 Medium Term Financial Strategy 2023/24 - 2025/26**

The Leader of the Council reported that this sets out the forecast financial position of the Council over the next 3 years.

The purpose of undertaking this exercise is to ensure that in setting the budget for 2023/24, the Council has regard for its overall medium term financial prospects and does not take a narrow one year view of the funds it has and the spending pressures it faces, and that it takes a mature prudent view, so that it is able to maintain the Council's finances in a stable condition year on year going forward.

The Leader reported that making three year forecasts over the last decade has been difficult due to the Government's commitment to austerity and its drive to reduce public spending, which has led to a series of large reductions in funding to local government on a regular basis. The COVID 19 pandemic and the war in Ukraine have now added additional dimensions to trying to accurately forecast what will happen economically over the next 3 years.

From the announcements made by the Government in December, we know the local government settlement this year will provide some of the funds the Council needs to maintain its services, but also that no commitment has been made to maintaining these

funds in future years. Major reform to local government finances remains a strong possibility for 2024/25 and beyond.

The report indicates that the Council potentially faces a fork in the road in terms of its financial position over the next three years. If the Government decides not to embark on reform to local government finances and largely continues to fund the Council as they do currently, the Council will face the need to undertake some cost savings in 2024/25 and 2025/26 along with applying increases to council tax at 2% and achieve some growth in the tax base in both business rates and council tax.

If the Government, however, choose to implement large scale changes in its funding of local government, which sees the amount the Council receives in direct Government grant reduced or even abolished, or the amount we retain from business rates reduced, the Council would face the need to make significant savings. We should receive some more clarity from the Government in late 2023. Therefore, the Medium Term Financial Strategy indicates the Council should remain cautious in its decision taking around any major financial commitments until future funding levels for local government are clear.

The Leader also highlighted several sections of the report including a 0.8% in year savings target, total staffing costs and the 2022/23 pay award, pension costs and the positive position of the Council's reserves.

The Chair thanked the leader for the report and opened it up to the Committee for questions.

Ken Moss asked how much the Council retain from the collection of business rates. The Executive Director for Resources responded. The Council collect approximately £24 million in business rates. We currently retain 40% of this. However, this 40% is then subject to a number of tariffs and compensations which result in actual figure of business rates retained by the Council closer to 25% of that collected.

Councillor Bernard Dawson asked why a Hyndburn Borough Council financial strategy refers to South America. The Leader responded that that the Council must consider global economic circumstances in order to plan for the medium term.

Councillor Paddy Short asked if unions were engaged in negotiations for and agreed to the 2022/23 pay award. The Leader responded that the local government pay award was agreed nationally.

Councillor Nordad Aziz asked for more information regarding the £100k increase in external audit budget for 2023/24. The Executive Director for Resources responded. The audit commission was disbanded previously. Private audit firms now bid to the PSAA to undertake local government audit work. Local government accounts are more complicated than the private sector, therefore the audit costs are higher. There is also a shortage of audit providers. The PSAA have done a tender exercise, and prices have increased significantly. The Council is not involved in this tender process. Our recent change in auditor is therefore not the reason in the increased cost. The budget is an indication from PSAA, and may be higher or lower.

Councillor Noordad Aziz asked what the worst case scenario was for the increase in costs. The Executive Director for Resources responded. The Council have been told to prepare for a possible increase of 150%, which would be £120k, however, he is confident that the additional £100k budgeted will suffice.

Councillor Noordad Aziz asked if the Council is confident that we have the appropriate reserves to cover potential threats. The Leader responded that he is satisfied that the Council's current earmarked and non-earmarked reserves are sufficient.

Councillor Noordad Aziz asked why there is no forecast increase in utilities costs in the standard model. The Executive Director for Resources responded. There is a forecast increased in costs in year 1. This increase remains in year 2 and 3. The standard model does not anticipate further increases beyond year 1 in years 2 and 3. The Leader also commented that the Medium Term Financial Strategy Standard Model predictions have been very close to correct for many years.

Ken Moss commented on the recent PSDS development at Hyndburn Leisure Centre, which has reduced the carbon footprint by 71% and will reduce energy costs. He suggested if there are concerns around future utility costs, the Council should look at this model for its other major buildings. The Leader responded that the Council supports decarbonisation and has previously set aside £1million for this.

**Resolved - That the report, questions and answers be noted.**

### **293 Prudential Indicators and Treasury Management Strategy 2023/24**

The Leader of the Council reported that this is produced to comply with the statutory requirements around the Council's effective management of its resources, its cash management position, borrowings, loans and investments. It follows the advice issued by the Chartered Institute of Public Finance and Accountancy for the sector and in so doing, meets the requirements and provisions of the Local Government Act 2003. The key purpose of the production of this strategy is to ensure the Council takes all relevant decisions in relation to capital spending and financing only after ensuring that such commitments are prudent and sustainable.

The Code requires the Council to clearly set out a number of performance indicators so that it can monitor and evaluate its activity in these areas and ensure it remains on track in the management of its overall financial position.

In terms of our cash investments, we continue to take a defensive position around institutions where we place deposits and sacrifice slightly better interest rates on our deposits for a better covenant over our cash. We use various outside analysis and professional advice in this area to assist our decision making. The report also details our Treasury Management Practices, Minimum Revenue Provision Strategy and various other policy statements which guide the Council's activities in this area.

There were no questions from the Committee.

**Resolved - That the report be noted.**

### **294 General Fund Revenue Budget 2023/24**

The Leader reported that the Council is effectively managing its budget position during 2022/23 and the overall finances of the Council allows it to set a balanced budget for 2023/24 without having to draw upon reserves or make substantial reductions to services or staffing levels. Cost pressures and uncertainty over the future of Government grants which make up over £2million of the £14.38million the Council intend to spend next year contribute to a difficult environment in which the Council must operate.

While the impact from COVID-19 looks to have waned, the economic impact from the war in Ukraine has effected energy costs. We are conscious in setting the budget for next year that the continued impact of the war is unlikely to disappear, so the Council may once again be called upon to undertake necessary actions and deploy extra resources as needed to protect the local population and limit the spread of any new surge.

Cost pressures have added over £2million to the previous year's budget and we have been able to finance most of the increases from a mixture of extra Government grants, increased business rate growth and some increase in the council tax base. These extra spends will tackle the rising cost and inflationary pressures already being encountered and provide additional funding for the predicted rise in energy costs once the Government's compensation scheme is removed at the end of March.

The impact of high inflation and the need to ensure the Council's workforce is maintained and jobs are protected through fair pay awards and pensions has resulted in an almost £900k increase in pay and benefit costs.

The budget also includes growth to continue the Council's commitment to climate change and reducing emissions through a move towards cleaner fuel across the vehicle fleet. The report also gives details of the anticipated council tax increases of Lancashire County Council, the Police and Crime Commissioner and the Lancashire Combined Fire Authority. Final confirmation of these increases should be known prior to the Council meeting on 23<sup>rd</sup> February.

The Leader drew attention to Altham Parish Council freezing its portion of Council tax, maintaining free parking in the borough, surpluses achieved and value for money across key operations.

The Committee were invited to ask questions of the Leader.

Councillor Andrew Clegg asked the following:

Whilst I understand the Council's decision to freeze Council tax due to the cost of living crisis, is this a wise decision given the numerous risks listed in the medium term financial strategy of reduced future funding through government grants and business rates etc for the Council?

The Leader responded. The administration feel that the impact of increasing Council Tax in 2023/2024 will put additional pressures on the local tax payers in a time of high inflation and significant increases in other household costs. The decision has been made to propose a one-off freeze for 2023/2024. The medium term financial strategy standard model assumes that Council Tax there will increase by 2% for the future years. In order to balance the budget a saving target will be included through management of staff turnover in year. The savings target will have little or no detrimental impact on the delivery of Council services.

Councillor Bernard Dawson asked if the Leader could elaborate on what he meant by the management of staff turnover.

The Executive Director for Resources responded. When a member of staff leaves, it usually takes several weeks to fill that post, meaning there are often vacant posts within the Council, which means salary costs for the times when these posts are vacant are saved

Ken Moss said that the revenue budget is made up of roughly 16% direct Government grants. Ken asked if the Council were budgeting on the principal that 2024/25 would be the last year of receiving a direct grant from the Government.

The Leader responded that there is current uncertainty regarding future local government financing.

**Resolved - That the report be noted.**

## **295 New Scheme Additions to the Capital Programme in 2023/2024**

The Leader of the Council reported that the new scheme additions to this year's Capital Programme would add new projects totalling £8.38 million. This investment adds to the almost £38 million of projects already approved and will increase the Council's current ongoing investment to over £46 million for 2023/24.

New additions include the redevelopment of Hyndburn Leisure and ensuring the Council's commitment to climate change at the newly planned leisure site to meet the zero carbon build standards. These projects will have continued reliance upon the expertise of Sport England to guide us through a process of determining what is required to best serve local residents and how to access external funding to help finance the improvements required. This addition will take the total investment in the Capital Programme for the leisure estate to over £18.5 million, ensuring that there are top class facilities available in Hyndburn that everyone can make use of to become active and stay healthy.

The Leader said that we will continue our programme of supporting those in need through £1.1 million of disabled facility grants. This year there will also be investment in play areas across the borough, including Milton Close and Mercer Park, whilst redevelopment will take place at Memorial Park and the pavilion and pitches at King George V Playing Fields. The Council must also continue to invest in its operational assets and the welfare facilities at our cemetery, and will develop ICT systems and equipment to improve our methods of service delivery.

The Leader highlighted the near £66 million investment planned for the borough through levelling up and other funds and emphasised that this should be welcomed by all.

The Chair reminded those present that there was a meeting of the Special Scrutiny Committee on 23<sup>rd</sup> March where detailed discussions on levelling up would take place.

Questions were submitted initially through the Chair.

This Council has previously stated a policy of reducing funding to Hyndburn Leisure in order that they become sustainable and not reliant on the Council for money. However, once again, the 2023/24 Capital Programme shows significant investment of over £5.6 million in Hyndburn Leisure in addition to years of previous capital investments.

When will Hyndburn Leisure actually become self-sufficient?

Other organisations who operate out of our buildings provide vital services to our residents, for example the Civic Arts Group or Community Solutions to name just a couple. Why does the Council not consider investment in these organisations in the same way it does Hyndburn Leisure?

The Leader responded.

The Council own all the assets that Hyndburn Leisure operate from and the capital investment in these assets benefits the council in enabling a provider to deliver the essential health and wellbeing services for the residents of Hyndburn. The provider model

used with Hyndburn Leisure enables increased options for the drawdown of funding streams to enhance our assets. The Council alongside Hyndburn Leisure will have generated over £7.2m in external funding to fund the works in the current programme and those delivered in the last few years which has and will enable new and enhanced facilities that will be operated in an efficient and environmental way towards meeting the Councils climate change commitment. Hyndburn Leisure is almost totally self-sufficient from the Council and is one of a few Leisure providers / Charitable trusts that receive no management fee from the council they operate for. The council works with all organisations who are located in its premises. Discussions are always ongoing to help these organisations whether through accessing external funding or council resources where appropriate.

Ken Moss commented that the Council has a duty to provide Leisure Facilities. He said that other Leisure Trusts received significant management fees from their Council's which Hyndburn Leisure does not, and the cost to run leisure facilities would be significantly higher if delivered directly by the Council. The Leader commented that he wished all Councillors to support the efforts being made by Hyndburn Leisure to improve access to leisure facilities for our residents. The area suffers from deprivation and access to quality facilities and services is vital to improving the health of residents. Councillor Peter Britcliffe also referred to the significant costs of delivering leisure services, a statutory duty, in house and said the senior management team at Hyndburn Leisure should be commended.

Councillor Haythornthwaite said that Hyndburn Leisure are consulting soon with CAG regarding the future use of Mercer Hall.

Councillor Munsif Dad referred to his time as a Board member for Hyndburn Leisure and also commended their efforts to improve facilities.

The Chair asked a question regarding play areas. It is pleasing to see investment in parks and play areas as part of the capital programme, however, there are numerous other play areas in the borough requiring similar levels of investment. Are there any plans to invest in these including the play area on Thorneyholme Road?

The Leader responded. The parks team inspect the play areas on a weekly basis to ensure the condition of all play areas meets health and safety standards. Annual bids are submitted for required capital works on a priority basis through the capital programme and areas highlighted for investment are included in future plans. Thorneyholme road play area was updated in the last 15 years. Some recently completed projects include Milnshaw Park and a state-of-the-art pump track, playground & outdoor gym, wildflowers & grasses for biodiversity, Huncoat new all weather ball court, Lowerfold Park, MUGA, tennis court renovation and play area refurbishment.

Priority areas for future investment include Mercer Park play area refurbishment, Knuzden NEAP facility, Burnley Road new play area, Accrington Skate Park, refurbish or relocate, Milton Close play area refurbishment, Gatty Park play area refurbishment, Oak Hill Park play area refurbishment, Cutwood Park, MUGA creation and Lyndon Playing Fields new play area.

The Leader said he was particularly pleased to be able to fund improvements to Mercer Park play area, which he opened 20 years ago during his Mayoral year.

**Resolved - That the report be noted.**

## 296 Alternative Budget Proposals

The Chair invited Councillor Munsif Dad, Leader of the Labour Group to submit any alternate budget proposals on behalf of his group. Councillor Dad said he wished to thank the Executive Director for Resources for providing him with time and guidance, and that he will be submitting a number of amendments which have been thoroughly costed to the Council meeting on 23<sup>rd</sup> February. However, due to the time taken to ensure these amendments are robust, he is not in a position to present them to the committee.

The Chair, as Leader of the Green Party Group, said he will not be submitting any alternate budget suggestions to the committee, but may propose amendments at Council.

**Resolved - That the item be noted.**

## 297 Representations and Questions on the Budget

The Scrutiny and Policy Officer reported that 7 valid questions had been submitted by members of the public or individual members of the Council. None of those who had submitted questions were in attendance. The questions would be asked through the Chair.

The Chair submitted the 7 questions and responses were provided by the Leader.

1. Public - Of the buildings which HBC own, which buildings have "loans" against them and how much?

Response - The Council owns all its operational buildings with none of them being subject to loans or borrowing

2. Public - How much per head has been spent in each of the townships?

Response - The Council spend is not always in relation to the areas where it is raised i.e. High business rates are collected in Altham although the cost of services provided will not be at the same level. There is no specific information for how much is collected or spent in individual areas and spend is allocated on a basis of identified need.

3. Councillor - Can a review of events funding take place, allowing the council to pay for 1 event per townships per year to the tune of £3000 per township. (Tenders would need to be made by groups the year by December the year before) if nobody tenders for that year, then no event is held?

Response - This is an interesting idea that could be looked at in formulating future budgets. There would need to be clear identification of the need for funding and the type of events to be undertaken to ensure any potential funding was going to achieve desired objectives such as increasing the footfall on the high street. The Leader also added that this has already happened to some degree with the recent invitation to apply for events funding including events in other towns and successful bids in Great Harwood and Rishton.

4. Public - Over the past 12 months, how much money has been provided to Hyndburn Leisure and Accrington Stanley/Stanley Community Trust?

Response – Hyndburn Leisure

	Net cost to Council	Vat	Total Payment	
Grants	£ 543,306.63	£ 26.03	£ 543,332.66	Passported Grant from external organisations
Subsidised Leisure	£ 18,036.65	£ 2,110.18	£ 20,146.83	Swimming & Armed Forces
Utility Compensation	£ 235,000.00	£ 47,000.00	£ 282,000.00	
<b>Sub-Total</b>	<b>£ 796,343.28</b>	<b>£ 49,136.21</b>	<b>£ 845,479.49</b>	
Recharges	£ 161,743.93	£ 17,415.56	£ 179,159.49	Services provided to the Council
<b>Total</b>	<b>£ 958,087.21</b>	<b>£ 66,551.77</b>	<b>£ 1,024,638.98</b>	

Pass ported Grants include Total Payments of; Household Support Fund £360k (most of which was distributed to eligible residents), Self-Isolation Grants £10k, Covid Marshalls & other £1k, Sport England £71k, LCC – Weight Management £101k.

- Accrington Stanley Community Trust - £400 for Veteran Family Day and £200,000 out of a total grant of £236,000 towards the cost of an extension to the sports hub.
5. Public - £250k has been allocated to King Georges Playing Field. Has there been any financial cost to the Council now Accrington Stanley no longer wants this site? Also if Livingstone Road land is to be made available to the Club how much will it cost to terminate the current leaseholders lease? Will HBC then sell it at market rate or give it away like they did with Highams?

Response - The Council's priority is to invest in new drainage and grass playing surface at the King George V Playing Field in order to bring this sports facility back into sustainable use, making it a good quality sports facility again. Until the drainage and playing surface is improved, it is not possible to use the field for sport. The only financial cost to the Council as a result of Accrington Stanley deciding not to take a lease for King George V is routine maintenance to the field and pavilion. Otherwise, there has been no additional cost to the Council.

The Council is in discussions with the current Livingstone Road leaseholder about relocating from Livingstone Road to King George V Playing Field. Unfortunately, and as the Committee would expect, we cannot share the terms of the current Livingstone Road lease in public; this would be a potential confidentiality breach. To be helpful, discussions with the Livingstone Road leaseholder involve ending the current lease, and the granting of a new lease at King George V.

The Council's priority is to invest in King George V; to make it a good quality sports facility for the community. Until terms are agreed for King George V, it is not possible to draw conclusions on the future use and any new terms for Livingstone Road. The Committee is advised that the Council is required by S123 of the Local Government Act 1972 to achieve best consideration when disposing of land property, and therefore this is always the Council's starting point for any disposal. However, there are exceptions whereby disposal at under value is permitted under the same 1972 Act, under the general Disposal Consent. This permits granting of a lease at less than best consideration if the Council is satisfied that the lease is likely to contribute to the promotion or improvement of the economic, social or environmental well-being of the area. The terms for a lease at under value at Highams were considered and approved by Cabinet on the 10<sup>th</sup> October 2018.

6. Public - Can a breakdown of the funding for the following projects be provided. (Who's funding what)?
- 1) Market Hall, Burtons Chambers, Market Chambers
  - 2) Wilsons Playing Fields

Response -

- 1) The 3 Town centre buildings are included in the Levelling Up Bid and the costs associated with this scheme are forecast at £23.5m, of which the Council has been successful in securing £20m from the Department for Levelling Up Housing & Communities, a £1.5m contribution from Lancashire County Council and £2m from Council Reserves. A full breakdown of the expected costs in the bid can be seen on the attached link on the Councils website. [LUF-bid-summary-3097.pdf \(hyndburnbc.gov.uk\)](https://hyndburnbc.gov.uk/LUF-bid-summary-3097.pdf)

Market Hall - Total (Financial cost) £10,996,109

Burtons Chambers - Total (Financial cost) £8,590,935

Market Chambers - Total (Financial cost) £3,412,955

Members will have the opportunity for more in depth scrutiny of the levelling up bids at the Special Scrutiny meeting on 23<sup>rd</sup> March.

- 2) The Leisure Transformation Project includes the undertaking of providing a new Leisure site based at Wilsons playing fields. The initial designs and plans submitted have an expected build cost including meeting the Councils commitment to a zero carbon site of approximately £12m. It is expected that £2m of this site will be funded from grant from Sport England and the remaining £10m will be funded £5m from Council reserves and £5m from borrowing (although this figure is likely to reduce due to the use of capital receipts from sale of other surplus land and buildings)
7. Public - The Levelling up Fund Investment and Leisure Investment - how does the Council intend to ensure that it receives value for money from its investment? What KPIs will be used when assessing contractors' suitability to undertake the work? Can the Council ensure that any tender is open to public scrutiny rather than it being decided behind closed doors?

Response - The procurement process will be managed in line with the Councils procurement framework guidelines. The process will include using specialist project management and professional services to ensure that key performance targets are met and that the Council obtains the maximum value for money for its investment.

The Chair thanked members of the public and Councillors for their questions and their engagement in the scrutiny process.

**Resolved - That the questions from members of the public and individual members of the Council, and the responses received be noted.**

## **298 Scrutiny Comments and Resolutions to be submitted to Council**

The Chair wished to thank all those who had taken part in today's meeting. He explained the role of the Resources Scrutiny Committee in the Council's budget setting process, and that, having considered all the information provided at the meeting, the Committee can submit comments to Council regarding the revenue and capital budgets.

Councillor Bernard Dawson proposed that the Committee noted the contents of the budget reports and provided no further comments. The Chair proposed that that the Committee noted and supported the content of the budget reports as outlined. This was seconded and voted on with 5 in favour and 1 against.

The Committee also wished to put on record their thanks for those Councillors who took part in the meeting and to commend the officers involved for the work in producing the budget.

**Resolved -**

**That the Committee notes the content of the reports relating to; Performance Indicators, Treasury Management and Investment Strategy 2023/24 – 2025/26, Medium Term Financial Strategy 2023/24 – 2025/26, General Fund Revenue Budget 2023/24 and New Scheme Additions to the Capital Programme in 2023/24;**

**That the Committee thanks the Leader of the Council, Portfolio Holder for Resources and Leader of the Labour Group for their participation in the Scrutiny meeting and debate;**

**That the Executive Director Resources, and all other officers involved, be commended for their work in producing the budget.**

**That having reviewed and debated the budget submitted, the Committee supports the content of the revenue and capital budget reports as outlined**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

# Agenda Item 11.

<b>REPORT TO:</b>	Council		
<b>DATE:</b>	23 March 2023		
<b>REPORT AUTHOR:</b>	Julian Joinson, Head of Member Services		
<b>TITLE OF REPORT:</b>	Motions for Debate at Council - 1. Levelling Up Bid Outcome 2. Future Use of Mercer Hall 3. Improvement of Parks and Green Spaces 4. Youth Investment Fund 5. Fly-Tipping		
<b>EXEMPT REPORT:</b>	<b>No</b>		
<b>KEY DECISION:</b>	<b>No</b>	If yes, date of publication:	N/A

The Council will be asked to consider the following motions submitted under Council Procedure Rule A9:-

## 1. Levelling Up Bid Outcome

That this Council wishes to put on record and write to the MP and stakeholders regarding the successful levelling up fund bid outcome and to thank them for their involvement in securing this historic investment.

**Proposer: Cllr Peter Britcliffe**  
**Secunder: Cllr Peter Edwards**

*Submitted on Monday 13<sup>th</sup> February 2023 (14.15)*

## 2. Future Use of Mercer Hall

That the Council resolves to continue working together with the residents of Great Harwood, the Leisure Trust and fellow councillors across the parties to seek the best possible use for Mercer Hall, for the benefit of the Borough.

**Proposer: Cllr Carole Haythornthwaite**  
**Secunder: Cllr Peter Edwards**

*Submitted on Monday 13<sup>th</sup> February 2023 (14.15)*

### **3. Improvement of Parks and Green Spaces**

That this Council resolves to continue to seek external funding to improve our parks and green spaces across Hyndburn.

**Proposer: Cllr Zak Khan**  
**Seconder: Cllr Loraine Cox**

*Submitted on Monday 13<sup>th</sup> February 2023 (14.15)*

### **4. Youth Investment Fund**

That this Council looks to improve the youth facilities across Hyndburn and welcomes the Youth Investment Fund from the Government. The Council resolves to write a letter of support for the Youth Investment Fund proposals to the Government.

**Proposer: Cllr Loraine Cox**  
**Seconder: Cllr Zak Khan**

*Submitted on Monday 13<sup>th</sup> February 2023 (14.15)*

### **5. Fly-Tipping**

That this Council welcomes the reduction of fly-tipping across the Borough and the introduction of FPNs which have helped to tackle it. That the Council resolves to continue with this work and thanks the Cabinet member and officers for their work in implementing these changes which are having a positive effect.

**Proposer: Cllr Josh Allen**  
**Seconder: Cllr Judith Addison**

*Submitted on Monday 13<sup>th</sup> February 2023 (14.15)*