

Agenda



HYNDBURN

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Cabinet

Wednesday, 24 January 2024 at 3.00 pm,
QER, Scaitcliffe House, Ormerod Street, Accrington

Membership

Chair: Councillor Marlene Haworth (Leader of the Council)

Councillors Peter Britcliffe, Loraine Cox, Zak Khan, Sajid Mahmood, Kath Pratt, Steven Smithson and Mohammed Younis

AGENDA

PART A: PROCEDURAL AND INFORMATION ITEMS

1. **Apologies for Absence**

2. **Declarations of Interest and Dispensations**

3. **Minutes of Cabinet** (Pages 5 - 20)

To approve the Minutes of the last meeting of Cabinet held on 6th December 2023.

4. **Minutes of Boards, Panels and Working Groups** (Pages 21 - 34)

To receive the minutes of the meetings of the following bodies:-



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Name of Body	Date of Meeting
Leader's Policy Development Board	2 nd August 2023
Leader's Policy Development Board	1 st November 2023

PART B: PORTFOLIO ITEMS

5. Reports of Cabinet Members

To receive verbal reports from each of the Portfolio Holders, as appropriate.

Deputy Leader of the Council and Portfolio Holder for Resources (Councillor Peter Britcliffe)

6. Council Tax Base - 2024-2025 (Pages 35 - 42)

Report attached.

7. [ITEM WITHDRAWN]

This item has been withdrawn from the Agenda.

8. Revenue Budget 2023/2024 Monitoring - Quarter 3 to end of December 2023 (Pages 43 - 56)

Report attached.

9. Capital Programme Monitoring 2023/24 - 3rd Quarter Update to 31st December 2023 (Pages 57 - 76)

Report attached.

10. Prudential Indicators Monitoring and Treasury Management Strategy Update - QTR3 Update 2023/2024 (Pages 77 - 84)

Report attached.

Portfolio Holder for Regeneration and Housing (Councillor Kath Pratt)

11. Disposal of Land, Dale Street, Accrington, BB5 0AL (Pages 85 - 90)

Report attached.

Portfolio Holder for Communities, Health and Wellbeing (Councillor Sajid Mahmood)

12. Weight Management Services (Pages 91 - 94)

Report attached.

Matters Arising from Overview and Scrutiny

13. Grant to Citizens Advice East Lancashire (Pages 95 - 104)

Report attached.

PART C: EXEMPT ITEMS

14. Exclusion of the Public

Recommended That, in accordance with Regulation 4(2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, 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.

Details of any representations received by the Executive about why the following report should be considered in public – none received.

Statement in response to any representations – not required.

Portfolio Holder for Regeneration and Housing (Councillor Kath Pratt)

15. Proposed Sale of Vacant Plots of Land at Pendle Street Accrington BB5 0SL (Pages 105 - 110)

In accordance with Regulation 5(6)(a) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, approval is being sought from Councillor Paddy Short, Chair of the Resources Overview and Scrutiny Committee, to the following decision being made by Cabinet on 24th January 2024, in private, on the grounds that the decision is urgent and cannot reasonably be deferred.

Paragraph 3 - Relating to the financial or business affairs of any particular person (including the authority holding that information)

Report attached.

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CABINET

Wednesday, 6th December, 2023

Present: Councillor Marlene Haworth (in the Chair), Councillors Peter Britcliffe, Loraine Cox, Sajid Mahmood, Kath Pratt, Steven Smithson and Mohammed Younis

In Attendance: Councillors Noordad Aziz, Mike Booth, Melissa Fisher, Colin McKenzie and Kimberley Whitehead

Apologies: Councillor Zak Khan

215 Apologies for Absence

Apologies for absence were submitted on behalf of Councillor Zak Khan, who was attending the UN Conference of the Parties (COP 28) summit and on behalf of Councillor Munsif Dad BEM JP, who was a standing invitee as Leader of the Labour Group.

216 Declarations of Interest and Dispensations

Councillor Loraine Cox declared a personal interest in Agenda Item 5 – Hyndburn Leisure Request for Financial Support, as the Council's appointed voting representative on the Leisure Trust Board.

Councillor Melissa Fisher (although not a member of the Cabinet) declared a personal interest in Agenda Item 5, as the Council's appointed non-voting representative on the Leisure Trust Board.

There were no reported declarations of dispensations granted.

217 Minutes of Cabinet

The minutes of the meeting of the Cabinet held 18th October 2023 were submitted for approval as a correct record.

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

218 Reports of Cabinet Members

Councillor Marlene Haworth, Leader of the Council, announced her delight that the Council had secured £237,000 of revenue funding from a High Street Accelerators Pilot Programme, to be spent supporting the High Street in Great Harwood over the remaining and next financial year.

A local stakeholder board would be established in the New Year which would be chaired independently by the well-respected Great Harwood resident, Mr Peter Holden, President of the Great Harwood Civic Society and Secretary of the Great Harwood Community Action Group.

Mr Holden was currently in Manchester with a senior officer to mark the official launch of the programme and to understand more details about the funding guidance and to hear the advice from a range of high street experts who would support the programme.

Working with a range of stakeholders, the board would agree a plan to unlock additional capital funding of around £500,000 for the financial year 2024/25, which would be allocated to 'green up' Great Harwood's main high street. Members would hear more details about the proposals over the next 12 months.

Hyndburn had been invited, as one of only 10 authorities, to submit a proposal for the High Street Accelerator Pilot funding.

The Leader thanked the officers involved and the MP for her hard work in continuing to lobby the Government to bring money into the Borough.

Councillor Aziz welcomed the news and commented that funding for the townships was a question put by the Opposition group, in October, to Rt Hon Michael Gove MP. Secretary of State for Levelling Up, Housing and Communities. Councillor Aziz also proposed the proprietors of a number Great Harwood businesses for inclusion in the stakeholder board. The Leader indicated that the composition of the board would be determined in due course.

Councillors Smithson, Younis and Britcliffe also expressed their satisfaction about the good news.

219 Hyndburn Leisure Request for Financial Support

In accordance with Access to Information Procedure Rule D15, Councillor Paddy Short, Chair of the Resources Overview and Scrutiny Committee, had been informed that this key decision was due to be taken under the general exception provisions, for the reasons set out in the notice published on 28 November 2023.

The Cabinet considered a joint report of Councillors Peter Britcliffe, Deputy Leader of the Council and Portfolio Holder for Resources, and Loraine Cox, Portfolio Holder for Leisure Transformation & Leisure Trust. The report detailed a request from the Council's leisure operator, Hyndburn Leisure, for financial support due to the extraordinary and unbudgeted increases in energy costs, and the increase in salary costs over the 5% budgeted costs as per the 2023/24 pay negotiations.

Councillor Cox highlighted the pressures faced by the leisure sector generally and the specific circumstances relating to Hyndburn Leisure. Nationally the government had set aside £60m to support the leisure sector (comprising £20m revenue and £40m capital) but Hyndburn had been unsuccessful in its bid for £370k. This was against a backdrop of some £90m worth of bids nationally. Accordingly, the Government had decided to target those areas where facilities were likely to face imminent closure.

She highlighted Hyndburn Leisure's excellent financial track-record in reducing its management grant from £1.28m in 2009 to £0 in 2021, which had helped the Council to achieve a balanced budget year on year. The Trust was now seeking support of £700k, but legislation limited the amount of subsidy available in 2023/24 to £490k without a full subsidy control compliance assessment being required. Members were being recommended to offer this amount and to note that further monies might be required in the current and future years, subject to the same legislative controls.

Overall, Hyndburn Leisure provided an excellent service and was helping to secure the health and wellbeing of local residents.

Councillor Britcliffe commented that the Trust had served Hyndburn well over the last 20 years and its financial position compared favourably against other Lancashire based leisure operators. Hyndburn Leisure was efficient and should recover well when the national economic pressures eased. The Trust had embarked on an ambitious Leisure Transformation Programme, which was expected to bring in additional revenue over time. The Council was doing the right thing by providing a grant and there was no other realistic alternative.

Notwithstanding the above, it was over 20 years since the Trust had been established and the VAT benefits had changed. Some local authorities were looking at agency arrangements or returning to in-house provision. Accordingly, Councillor Britcliffe proposed the establishment of a commission to look into possible different delivery models for leisure, with a view to ensuring the same quality of service for the best value for money. It was envisaged that the Board of Hyndburn Leisure would be involved in the review process. The controlling administration had no preconceptions about what the recommendations might be and would consider the evidence provided in due course.

Councillor Melissa Fisher noted the reasons for the Trust's request for support, but expressed disappointment that the plan for the Trust to be self-sufficient from 2021 had not been successful. Councillor Britcliffe responded that COVID had affected services profoundly. Hence, the Council would take expert advice to determine the best way forward. The Leader of the Council and Councillor L Cox spoke in favour of the Council's approach.

Councillor Noordad Aziz queried the duration of the energy contracts affecting the Leisure Trust. Overall, Opposition Members welcomed the call for an independent report into leisure provision, but requested a postponement of any new capital investment planned by Hyndburn Leisure. David Welsby, Chief Executive, reminded Members that the Council on 2nd November 2023 had debated the question of deferring the development at Wilsons Playing Fields and had rejected that motion. The position had changed significantly since then, as the Council had now entered into contractual commitments which it would need to fulfil. Councillor Aziz requested information on the likely costs of a postponement and asked if an all-party task and finish group could set the terms of reference of the leisure delivery review and its findings. The Leader indicated that these requests had been duly noted.

Councillors Britcliffe, Younis and L Cox spoke to endorse the case for continuing to support the Trust.

Approval of the report was considered to be a key decision.

Reasons for Decision

In 2009 the annual management grant from Hyndburn BC to Hyndburn Leisure ("the Trust") had been £1.28 million. At that time the Trust had generated an annual income from charitable activities of £1.46 million and the overall turnover achieved by the Trust was £2.74 million.

Around that time the Council and Trust had agreed a 10-year grant reduction plan, with a view to the Trust receiving no grant to provide sports and leisure facilities in the Borough from April 2021.

The year-on-year planned reductions to the annual grant paid by the Council to the Trust had required the Trust to revise its business model to become far more commercially

focused. In recent years a stronger emphasis had also been placed on the Trust's delivery of community focused, health and wellbeing services.

Since 2008/09, the grant funding paid to the Trust by Hyndburn BC had reduced to zero. The year-on-year reductions to the management fee had provided cumulative savings for the Council of over £9 million (exclusive of VAT).

2021/22 was the first financial year that the Trust had operated without grant funding from the Council. The Trust continued to work hard to maximise income and reduce expenditure, whilst delivering positive health outcomes for our community and providing paid employment for a large number of Hyndburn residents.

Despite the challenges that the pandemic had brought, and was expected to continue to bring, the Trust were focused on recovering from the effects of COVID-19 and remained determined to impact positively on the health and wellbeing of the community.

The Trust's work remained rooted in local communities, providing bespoke opportunities and programmes to meet the needs of the local population, with a commitment to providing inclusive, supportive and welcoming environments for people from across the Borough and surrounding areas.

As freehold owner of the building, the Council had undertaken significant decarbonisation works at Hyndburn Leisure Centre through the Public Sector Decarbonisation Scheme (PSDS) over the last few years as part of its ongoing work to reduce carbon emissions and address climate change. It had been hoped that these works would also reduce energy costs at this site, but the effect of unit price rises had significantly reduced any savings that might have been achievable.

2022/2023 Financial Performance and Forecast Outturn Position

The Trust's financial sustainability had been significantly affected by external expenditure pressures, particularly - utility costs, employee costs (following national pay awards), an increase in maintenance and repair costs and inflationary increases to services and goods.

The Council had recognised the financial pressure that the Trust was encountering on utility costs as a result of the war in the Ukraine and it had provided assistance to the value of £235,000 plus VAT in December 2022.

The Trust had made a significant operating deficit due to additional expenditure pressures and low income at key sites, including Mercer Hall.

The funding of the remaining operating deficit had been funded by the Trust through the use of its own reserve balances, and this had left the Trust with minimal reserve balances which it did not consider to be sustainable in the medium term.

Cash flow had always been a major factor for the Trust and this had been managed by the Council paying payroll and utility expenses on behalf of the Trust and these being recharged and paid back on a delayed credit basis.

The above pressures had continued into 2023/2024 and were detailed below.

2023/2024 Budget & Forecast Pressures

The original budget forecast position for the Trust for 2023/2024 was expected to have been in the region of £210,000 operating deficit for the year.

The operating deficit was made up of two major factors that were lasting impacts from 2022/2023, which were:

- The additional impact of the 2022/2023 annual pay award which had resulted in approximately £150,000 additional staffing costs as a result of the pay award being greater than forecast.
- The impact of reduced usage and capacity at the Mercer Hall site since the closure of the swimming pool and the site now operating with increased non-staffing costs and reduced income, which had resulted in a net operating deficit of £60,000 per annum. The Mercer Hall site currently had 251 members with attendance during the week averaging approximately 35 customers per day and around 10 per day at weekends. The income levels had almost recovered at Hyndburn Leisure Centre, although this was not the situation at the other sites such as Mercer Hall and the Town Hall.

In addition to the budgeted deficit for the year, the Trust was likely to incur additional costs that were beyond its control, which were:

- Another pay award settlement that would see staff pay rise by 10% due to the current pay offer being at a higher rate for staff at the lower end of the pay scales. This impact could easily see another £125,000 costs over and above the 5% provision for pay award in the Trust's budget.
- The continuing impact of the energy price rises created as a result of the war in the Ukraine. The Trust's energy supplies were negotiated through the Council and, even though the Council had negotiated new deals, there could still be a real impact on the Trust with an additional cost of approximately £300,000 per annum.
- The Trust operated under different VAT arrangements to the Council. The increase in energy and general inflation had produced a significant adverse effect on the VAT payable by the Trust and this was estimated to be in the region of £100,000 for the current year.
- General inflation on materials and services across the year had exceeded the Trust's budget forecast of a 5% increase, with inflation running over 10% at points during the year.

Hyndburn Leisure had produced a savings plan to reduce this impact in year and, following a recent VAT ruling, was expecting to benefit from a refund from HMRC that could offset these costs by £45,000 in year.

The combined financial pressures on the Trust were expected to be in the region of £690,000 for 2023/2024.

The Council had applied to Sport England through the recent Swimming Pool Support Fund (SPSF) grant process to try to obtain financial support to offset some of the above financial pressures. The Swimming Pool Support Fund held a national pot of £20m but the bids received totalled over £90m and unfortunately the Council had been unsuccessful in achieving its bid of £370,000.

Leisure Operators Financial Landscape

The financial pressure on Hyndburn Leisure was mirrored both locally across Lancashire and nationally, with many Councils having to provide financial support to their local leisure trusts due to the employee and energy cost pressures.

Across Lancashire several Councils had agreed to provide significant support, with some recent examples shown below:

Pendle	£850,000
Chorley	£1,122,000
South Ribble	£800,000

The above support for some of these providers was in excess of the annual grant funding / management fees payable by the relevant local authority under their usual arrangements, with one council providing over £1m funding per year prior to any additional support highlighted above.

The Council's revenue forecast outturn position reported at the Cabinet meeting in October was an underspend in year of £998,000 and it was proposed that any payment to the Trust in 2023/2024 would be able to be met from the savings to be achieved in year.

At this point in time the Council was only considering support for the impact in 2023/2024 and future year's considerations would need to be included in the 2024/2025 budget process.

Subsidy Control Considerations

Although the services provided by Hyndburn Leisure were services that would previously have been provided by the Council, Hyndburn Leisure was a separate entity and any support given would have to be compliant with the Subsidy Control Act 2022, which came into force on 4th January 2023.

Under the Act, a subsidy was paid where:

- financial assistance was given by a public authority, such as the Council; and
- this conferred an economic advantage on one or more enterprises; and
- this benefited one or more enterprises with respect of the production of goods or the provision of services; and
- the financial assistance was capable of having an effect on competition and / or investment within the UK..

The financial assistance could include any of the following:

- grants or loans;
- provision of guarantees;
- forgoing revenue that was due; and
- provision or purchase of goods and services.

The Act allowed many subsidies to be given, but usually required a detailed assessment to be produced first to demonstrate that the subsidy was compliant with the subsidy control principles set out in the legislation. This could be a lengthy process and involve a detailed financial and economic assessment process. The Act did however recognise that some enterprises which had social value (eg. social housing, rural bus services etc), were not usually financially viable without some form of public sector financial support. These services were known as "services of public economic interest" ("SPEI") and greater freedom existed to make subsidies to SPEI enterprises.

A SPEI enterprise was one which was assigned with particular tasks in the public interest, including public service obligations.

In particular, s38 and 39 of the Act allowed subsidy of up to £725,000.00 to be paid to a SPEI enterprise over a rolling three-year period (looking at the current financial year and the two previous financial years) without the need for an assessment against the subsidy control principles, provided a number of procedural requirements were complied with.

It was considered that Hyndburn Leisure was a SPEI enterprise and provided SPEI services and, as such, a subsidy could be provided to Hyndburn Leisure pursuant to sections 38 and 39 of the Act without a subsidy control assessment being required, subject to the £725k threshold. However, the Council would still be required to register the subsidy on the Government's subsidy control database as the amount of the proposed subsidy exceeded £100,000.

The Council had assessed its position with regard to SPEI subsidy to Hyndburn Leisure and had considered the support payment of £235,000 it made in December 2022 and therefore without exceeding the compliance threshold would be able to provide up to £490,000 of extra support in the current or next financial year.

Cabinet was asked to note that it was likely that the Trust would require further financial support in 2023/24 and / or 2024/2025 as the inflationary cost pressures associated with salaries and utilities were likely to continue in the short term. No further subsidy could however be given to the Trust until the same had been assessed against the subsidy control principles and officers would now work with the Trust to carry out a full assessment. The Act usually required any subsidy (in excess of the £725k threshold) to be consistent with the subsidy control principles but, in the case of SPEI enterprises, a subsidy that was inconsistent with the subsidy control principles could still be given if the Council was satisfied that compliance with the principles would prevent the SPEI services being delivered.

Cabinet was asked to note that the Council would have to comply with the procedural requirements in section 39 of the Act. In particular:

- the Council would have to serve notice on the Trust stating the gross amount of the SPEI assistance and asking the Trust to confirm that this would not cause the Trust to exceed the £725k threshold; and
- the Council could not provide grant funding to the Trust until it received confirmation from the Trust that the threshold would not be exceeded; and
- the Council would have to serve a further notice on the Trust after the grant had been paid to confirm that it was SPEI assistance, its gross value and the date it had been given.

Alternative Options considered and Reasons for Rejection

That the Council should do nothing and let the Trust try to manage its own pressures, but this option could lead to the following:

- financial collapse of the Trust resulting in the services being brought back in-house to the Council, with significant additional costs of £170,000 through non-domestic rates and the loss of external funding opportunities;
- a return of services to the Council would restrict the current grant funding opportunities available for leisure provision and it was worth noting that the Trust's

greater access to external funding sources had significantly contributed to the Trust requiring no financial support from the Council for several years;

- loss of, or reduction in leisure provision to the people of Hyndburn, especially on a “pay as you go” basis.

The Council could support a temporary closure of the Mercer Hall site until a decision had been reached on how to repurpose this site and the new facility at Wilsons playing fields had opened. This option could save a minimum of £120,000 per annum to offset some of the pressures on the Leisure Trust.

That consideration be given to the Council further exploring alternative options such as funding of the electricity and gas costs for the Trust rather than provide a management fee to cover these costs. This option would not only benefit the cash flow of the Trust but would also relieve them of the VAT implications associated with these bills which would be in the region of £100,000 per annum. The Council had received VAT advice on this as an option and as the buildings were owned by the Council this was seen as an acceptable approach. However, this would also be deemed to be a subsidy to the Trust, such that an assessment against the subsidy control principles would be required before a decision could be taken.

Resolved

- That Cabinet:

- (1) Notes the request from Hyndburn Leisure for financial support of up to £700,000, as set out in the letter provided as an Appendix to the report.**
- (2) Approves a grant to Hyndburn Leisure of £490,000 in respect of the financial year 2023/2024 and notes that this qualifies as Service of Public Economic Interest (SPEI) Assistance pursuant to section 38 of the Subsidy Control Act 2022 as detailed in section 7 of the report.**
- (2) Approves the payment of the £490,000 support to be funded from within the Council’s forecast revenue underspend in year for 2023/2024.**
- (3) Notes that further financial support may be required by Hyndburn Leisure in the current and future years and notes that the Council will be required to consider whether the provision of such support is consistent with the subsidy control principles before any decision is made in respect of the same.**
- (5) Supports a proposal for the inclusion of a ‘one-off’ budget allocation in the 2024/2025 revenue budget in respect of any further financial support that may be needed by the Leisure Trust.**
- (6) Approves the commissioning of a report on the most advantageous delivery model for the provision of quality leisure services in**

Hyndburn, with regard to achieving value for money.

With the agreement of the meeting, the Chair took Agenda Item 7 next

220 Recommendations of the Special Scrutiny Committee - Levelling Up Funded Projects

Members considered a report which detailed the recommendations of the recent Special Scrutiny Committee in respect of Levelling Up Funded Projects. Councillor Josh Allen, Chair of the Special Scrutiny Committee, was not able to attend the meeting today to present the report due to work commitments.

The Leader introduced the recommendations of the Committee, which were as follows:

- (i) *To arrange a date for all councillors who wish to meet with traders and businesses around the Town Square to listen to their views; and*
- (ii) *To consider the reopening of the Peel Street public conveniences during the temporary closure of the Market Hall.*

In respect of the first recommendation Councillor Haworth expressed disappointment at the request, which appeared to be based on a perceived lack of communication from the Council on Levelling Up projects. The Leader provided a very detailed list of numerous dates and interactions with the following key groups, which had taken place over the last three years:

- Stakeholder Group/Stakeholder Board;
- Councillors and public meetings;
- Market traders; and
- The wider community, including residents and local businesses.

Copies of relevant minutes and reports were also produced at the meeting, comprising two A4 lever arch files.

The Leader summed up by indicating that she had found it difficult to conclude that the Council had not been in regular communication about LUF projects. However, she added that the Council was still listening and learning and would welcome any further suggestions for the project team to consider.

The Leader expressed disappointment at the implied criticism of officers who were leading the projects, as they were working hard to ensure that everyone was kept informed and could ask questions, as appropriate. In summary, she did not support recommendation (i), but did support recommendation (ii) above.

Councillor Fisher acknowledged the evidence of engagement provided by the Leader and surmised that the reality about any communications concerns might have been 'lost in translation'. She reported that she had been approached by one trader yesterday who was seeking further information about the new operator's arrangements for determining which traders would return to the Market Hall.

Councillor Younis spoke to outline his personal experiences of engagement with the Market Hall traders, across three visits to the market and on a coach trip to visit the site of the

manufacturer of the temporary cabins. Traders had been able to discuss their concerns about change and the interaction had generally proved very positive.

Approval of the report was not deemed a key decision.

Reasons for Decision

At its meeting on 9th November 2023, the Special Scrutiny Committee had considered a report of Councillor Mohammed Younis, Portfolio Holder for Levelling Up, which had provided an update on the three interventions comprising the Council's successful bid for funding under the Government's Levelling Up Fund. The principal projects comprised the Market Hall, Burtons Chambers and Market Chambers interventions. The Leader of the Council, Councillor Marlene Haworth, and Steve Riley, Executive Director – Environment, had also been present at the meeting and Mr Riley had delivered a presentation on the progress made to date.

The report and presentation had outlined progress during the acquisition stage of the leasehold and freehold interests in both Burtons Chambers and Market Chambers and had explained the lease situation for traders in the Market Hall and surrounding pavilions and the decant arrangements during the planned refurbishment works. The update had provided a list of outputs achieved during delivery of Royal Institute of British Architects (RIBA) Stage 3 and the work soon to be undertaken under Stage 4. Additional information had been provided about the use of Government compliant frameworks as part of the Council's procurement strategy, utilising SCAPE and NHS SBS. The report had also included information about the appointment of Morgan Sindall as the Council's delivery partner and the need for them to clarify how the Social Value element of the project would be delivered.

The meeting had been well attended by members of the public and a number of questions had been submitted to the Chair in advance of the meeting. The majority of the questions focused on the changes proposed to the Market Hall and to some extent this had been precipitated by comments circulating recently on social media. Mr Riley responded to some broad themes arising from comments already in the public domain, then answered specific questions presented by the Chair and those put by other members of the Committee. One recurring theme had been about the perceived level of engagement between the Council and market traders.

The Committee had noted the report, presentation and responses to the questions posed. It had also agreed to make the recommendations to the Cabinet, as set out at (i) and (ii) above.

In response to the question about the Peel Street public conveniences, the Committee had been made aware that this was already being looked into, but it had still wished to place this recommendation on record.

Alternative Options considered and Reasons for Rejection

The Cabinet could accept the Scrutiny Committee's recommendations in whole, or in part. Alternatively, it might reject the recommendations with or without comment, or substitute its own actions in their place.

Resolved

- That Cabinet:

- (1) Does not accept Recommendation (i) of the Special Scrutiny Committee for the reasons**

outlined above, concerning the high level of engagement already undertaken and on-going.

- (2) **Accepts Recommendation (ii) of the Special Scrutiny Committee and requests the Executive Director – Environment to consider the reopening of the Peel Street public conveniences during the temporary closure of the Market Hall.**

221 Markets Decant

The Cabinet considered a report of Councillor Mohammed Younis, Portfolio Holder for Levelling Up, advising Members of the markets decant location whilst the Levelling Up funded Market Hall redevelopment works were undertaken

Councillor Younis highlighted the main information contained within the report. He also showed a draft of a leaflet which had been produced to advise the public about the decant arrangements.

Councillor Younis then made the following announcement. He was pleased to confirm that from 2nd January 2023 those traders who had moved to the temporary accommodation would receive three months' free rent and the service charge for free. Thereafter, a 10% concession would be applied to the current discounted rent rate until March 2025. The support package would be cost neutral, to be funded by the operational savings from the closure of the Market Hall during its refurbishment.

In addition, there would be additional events arranged in the Town Centre later in January 2024, when traders had settled into their new temporary accommodation, to promote those businesses.

Members were supportive of this news. In response to a question from Councillor Aziz, the Leader undertook to provide him with a breakdown of the costs of the additional concessions to be provided to market traders.

Approval of the report was not deemed a key decision.

Reasons for Decision

The Council's right to provide market places derived from the Accrington Improvement Act 1882, wherein s67(3) of the Act gave a power for the Council to '*...alter the days on which and places at which the same are or may be held...*'

This Act incorporated the Markets and Fairs Clauses Act 1847 (MFCA1847). Section 12 of the MFCA1847 stated that '*before a market shall be opened for public use, the undertakers shall give not less than ten days' notice of the time when the same will be opened and such notice shall be given by the publication thereof in some newspaper circulating in the area and by printed handbills posted in conspicuous places*'. A plan was made available at the meeting which showed the location for the temporary market cabins and market trader storage units in the Service Yard.

Planning permission was being sought for the decant market on the town square.

As part of the Market Hall relocation work, location plans for the temporary market were to be provided for traders so they could point to where they would be trading from on the town square in the New Year. These would also be attached to the site hoarding in front of the market hall entrances once erected. Smaller 'leaflet size' versions would also be provided to the market traders to hand out to customers.

Temporary vinyl designs/trader names highlighting the market offering would be provided on each individual cabin on the town square and, to provide a pleasing view for residents/visitors/users of the Town Hall, the back of the cabins would also have temporary vinyl designs. One option might be to use part of the images from new the Broadway Banner.

In addition to information about the projects, the hoardings around the Market Hall and Burtons Chambers would feature images produced as part of the social value work which had already commenced. This involved a local artist running a number of community workshops involving school children using 100 year old local woodblock prints as inspiration. The workshops had all taken place inside the Haworth Art Gallery. Hundreds of prints had been digitised and transformed into something that would take centre stage on Accrington Town Square, during this period of change.

There were no alternative options for consideration or reasons

Resolved

- That Cabinet:

- (1) Notes the temporary markets decant location on the town square (in front of the Town Hall and Market Hall) for the market trading period 2nd January 2024 to 31st March 2025, as detailed in the report.**
- (2) Notes the announcement made about further rent and service charge concessions to be provided to the market traders during the decant period.**

222 Local Plan Update

Members considered a report of Councillor Marlene Haworth – Leader of the Council, providing an update on the key matters relating to the emerging Local Plan, including:

- a) Stages in the preparation of the emerging Local Plan up to now;
- b) Next steps, including need to re-consult at Regulation 19 stage;
- c) Minor amendments to the Local Plan for the next consultation.

Councillor Haworth introduced the report. She indicated that the new Local Plan was at an advanced stage in its preparation and had been through four rounds of consultation, the last one being at the Regulation 19 stage which had ended in January 2023.

Following legal advice, another Regulation 19 consultation was proposed to be held early in 2024. Once the latest plan was ready for publication, full Council would be asked to endorse it for consultation.

Councillor Aziz reminded Members that the cost of the additional consultation phase had been requested at the Special Scrutiny Committee meeting on 9th November 2023, but that

this information was still awaited by Members. Christine Whittle, Planning Policy Manager, responded that the additional cost should be minimal and would mainly comprise additional officer time. The preparations had now been made and the additional evidence had been collated. It was not proposed to book rooms for additional public meetings, as that type of engagement had already occurred. The new consultation would comply with the minimum legal requirements.

Approval of the report was not deemed a key decision.

Reasons for Decision

Work had reached an advanced stage in the preparation of the new Local Plan for Hyndburn. Once adopted, the new Plan would replace the saved elements of the 1996 Local Plan and the 2012 Core Strategy. The two key documents representing the Local Plan for Hyndburn would therefore form the new Local Plan (containing Strategic Policies and Site Allocations) and the Development Management DPD (**Development Plan Document**) 2018 (containing non-strategic policies).

A summary of the key stages of the Local Plan adoption process, according to the Town and Country Planning (Local Planning) (England) Regulations 2012, was as follows:-

- Regulation 18 Preparation (including Public Participation)
- Regulation 19 Publication (including Public Participation)
- *current stage*
- Regulation 20 Representations on the Local Plan
- Regulation 22 Submission of documents and information to the Secretary of State
- Regulation 24 Independent examination
- Regulation 25 Publication of the recommendations of the appointed person
- Regulation.26 Adoption

The emerging Plan had already been through 3 rounds of consultation between 2018 and 2020 as part of Regulation 18 of the process. This had involved consulting on alternative spatial strategies and initial site assessments of potential development allocations. The Plan was now at the Regulation 19 consultation stage, which usually preceded the submission of the Local Plan (and all associated evidence and supporting material) to the Planning Inspectorate for Examination. The Examination process would then usually begin.

Next steps in the Local Plan process

For a variety of reasons, including COVID-19, lack of resources and recruitment issues, there had been a number of delays in the preparation of the latest Local Plan since the review had first commenced. In addition, whilst a Regulation 19 consultation had taken place, it had emerged that certain procedural steps, such as publishing an up to date Sustainability Appraisal (SA) of the Plan, had not been followed during that consultation. Therefore, the Council had taken legal advice which had recommended that a Regulation 19 consultation was carried out again.

A number of important issues had been raised during the last consultation and there had been changes to Government planning guidance, so a further consultation now gave an opportunity to address some of those issues before the Plan was sent to the Planning Inspector.

The intention, therefore, was to re-publish a slightly modified version of the previous consultation document, along with an accompanying SA, and invite all those who had previously been consulted to make comments again if they so wished (although any previously made comments would still form part of the submission to the Inspectorate). Additional supporting information, such as key evidence base documents, which had not previously been published, would also be made publicly available as part of the consultation. In order to reduce further delays and, in light of the extensive public consultation which had already taken place, which included a number of in-person events, the consultation would be held over the minimum prescribed period of six weeks and would be an online consultation (with paper copies made available in Council offices).

There was no prescribed timescale for implementing a Local Plan from the start of the process through to adoption. However, the Government had made it clear through various announcements that it wished to see Local Plans progressed as fast as possible. Timescales were heavily influenced by the resources available, the complexity of the topics raised within the Plan, and the scale of objections received. However, an indicative timetable was presented below which could be taken as an interim position. Once the dates could be confirmed, a revised timetable would be published in the Local Development Scheme on the Council's website.

Regulation 18 – Preparation of a Local Plan

This stage was now complete, with the last consultation at Regulation 18 ending in January 2020

Regulation 19 – Publication of a Local Plan / Regulation 20 – Representations relating to a Local Plan

These two stages occurred concurrently and related to the formal publication and consultation on the Plan. A revised Plan was now being prepared and consultation on it was likely to commence in early 2024.

Regulation 22 – Submission to the Secretary of State

Following consultation at Regulation 19/20, the Council would collate all responses received, package them together with all relevant supporting information and formally submit these to the Planning Inspectorate. Submission would take place as soon as possible after the consultation ended and all submission material had been assembled – likely mid-2024.

Regulation 24 – Independent Examination

The date any formal hearings commenced would be dependent on the Inspectorate's timetable and after any initial questions raised by the Inspector in the period preceding the hearings had been addressed. A large volume of Local Plans might be submitted to the Inspectorate in 2024 (in order to meet the Government's proposed transition deadlines relating to planning system reforms). This might lead to some delay in receiving a confirmed date but the Examination should be set for around 3 months after submission. An estimate of when the Examination hearings could commence was towards the end of 2024.

Regulation 25 – Publication of the recommendations of the appointed person

This date was dependent on the progress and outcome of the Examination.

Regulation 26 – Adoption

Assuming that there were no issues of 'soundness' raised through the Inspector's final report, the Council would consider the recommendations, and formally adopt the Plan. Given that Examinations would typically take around 12-18 months to conclude, the earliest this could be was mid to late-2025.

Proposed changes to the previous Regulation 19 Local Plan

As mentioned above, the Council had considered representations made at the previous consultation and had taken further advice on how to proceed. The main changes proposed to the previous Local Plan were as follows (further detail would be provided when the final proposed Plan was brought to Council to endorse it for consultation):

- Extension of the Plan period to 2040 to take account of the delay from the last consultation (in line with national policy which required a Plan to provide for development for at least 15 years from the date of adoption);
- Minor updates to wording to take account of any changes in circumstances since the last consultation;
- Policy wording amendments to address strategic highways issues, for example to include a requirement for developers to contribute to necessary infrastructure improvements as part of their development;
- Policy wording and/or minor site boundary amendments to address flood risk issues (i.e. to ensure that no development took place in areas which might be at risk of flooding).

Some of these changes might require a minor refresh of the existing evidence base, which would need to be taken account of in the timetable. However, whilst the delay to the Local Plan was unfortunate, the additional costs caused by the delay (apart from additional Officer time in administering another consultation) should be minimal.

Alternative Options considered and Reasons for Rejection

The Council could simply continue with the process and submit the existing Local Plan and all the representations made to the last consultation to the Planning Inspectorate for Examination. However, given that the certain procedures had not been correctly followed, the Council were of the view that the previous consultation might not have been legally compliant. Such issues would inevitably be raised by the Inspector before the Plan could be accepted as being ready for Examination - so to proceed at this stage would be wasteful of time and resources. In addition, the Council now wished to make modifications to the Plan which it could not do once the Plan had been submitted for Examination. Therefore, the only option was to re-consult at Regulation 19 stage, as soon as practicable.

Resolved

- **To note the contents of the Local Plan Update report, particularly the need to re-consult on a revised Hyndburn Local Plan at the Regulation 19 stage and that a further report will be brought to full Council to endorse the Local Plan for consultation once it has been prepared.**

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed

LEADER'S POLICY DEVELOPMENT BOARD

Wednesday, 2nd August, 2023

Present: Councillors Marlene Haworth (in the Chair), Councillors Peter Britcliffe, Steven Smithson, Munsif Dad BEM JP and Kate Walsh (substituting for Councillor Melissa Fisher)

In attendance: Jane Ellis (Executive Director - Legal and Democratic Services)
Julian Joinson (Member Services Manager)

Apologies Councillors Melissa Fisher and Paddy Short

(Virtual meeting held on MS Teams)

1 Apologies for Absence and Substitutions

Apologies for absence were submitted on behalf of Councillor Melissa Fisher, Joint Deputy Leader of the Labour Group and Councillor Paddy Short, Leader of the Green Group. Councillor Kate Walsh attended as the Labour substitute.

2 Minutes of the last meeting

The Minutes of the meeting held on 19th January 2023 were submitted for approval as a correct record.

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

3 Matters arising

There were no matters arising on this occasion.

4 Deputy Mayor's Allowance

Members considered a report of the Independent Remuneration Panel (IRP) on the question of the payment of an allowance to the Deputy Mayor. Julian Joinson, Member Services Manager, summarised the main points of the report including the following:

- The power to pay a Mayoral allowance;
- Recent calls for the payment of a Deputy Mayor's allowance;
- The request from Council on 18th May 2023 seeking the views of the IRP;
- Recent trends regarding the Mayor's workload and cover provided by the Deputy Mayor;
- Comparative information about Mayor's/Deputy Mayor's Allowances in Lancashire;
- The factors considered by the IRP and its recommendations.

The IRP had been informed that the Deputy Mayor's allowance across all Lancashire authorities (where paid) varied from £50 to £8,706 and, as a proportion of the Mayor's allowance (including the county council and unitary authorities), figures were within the range 1% to 50%, with the median figure being 20%.

Panel Members expressed some surprise that no allowance was currently being paid to the Deputy Mayor, as it was acknowledged that there could be a need from time to time for the Deputy Mayor to undertake duties on behalf of the Mayor and that there could be associated costs due to attending certain events.

Panel Members were of the view that the proposed allowance of £5k (60% of the Mayor's allowance) was disproportionate to the likely workload and anticipated expenses associated with the role and that Hyndburn would be an outlier if it were to agree to such an amount. The Panel noted that the median figure for district (lower tier) councils in Lancashire was 20%, although figures did vary between 1% and 27%.

There was initially some disagreement about whether to backdate any payment to the start of the Municipal Year, given that the workload for 2023/24 was not yet known. However, on balance, the Panel did feel that it would be appropriate to make the payment in full for the whole of the Municipal Year, as some costs may have been incurred up front, eg. clothing, and bearing in mind that the term of office of the Deputy Mayor was for the full year.

The IRP had made the following recommendations:

- (1) That the Council should pay a Deputy Mayor's allowance under s.3 LGA 1972.
- (2) That an amount equivalent to 20% of the Mayor's allowance should be paid (c.£1,673)
- (3) That for the Municipal Year 2023/24 the Deputy Mayor's allowance amount should be paid in full, ie. backdated to 18th May 2023.

The Board was invited to review the Panel's decision with a view to reaching a consensus on a recommendation to Council in September

Having regard to the above recommendations, the Chair proposed an allowance of £2k, as a fair amount which was broadly within the scope of the percentage figure recommended by the IRP. The current office-holder was known to have attended some 5 or 6 events to date and had already paid for tickets for certain events to the value of £120.

Councillor Munsif Dad BEM JP, recalled that at the Annual Council meeting, Members had agreed to be bound by the decision of the IRP. He had not been in favour of an allowance to the Deputy Mayor but would accept the IRP's view. He also felt that the IRP's recommended amount of 20% of the Mayor's allowance should be adhered to.

Councillor Britcliffe noted that the Deputy Mayor had already attended a number of events and had incurred some expenditure. Formal clothing was required for most events. The Deputy Mayor might now be required to chair the next Council meeting. The IRP's recommendations were considered to be fair, but he would be happy to support a round figure of £2k, which was reasonable. Councillor Seven Smithson, acknowledged the views expressed by Councillor Dad but, on balance, was happy to support the £2k figure. Councillor Walsh expressed similar views to Councillor Dad.

The Chair moved the acceptance of the IRP recommendations, as the Board's formal recommendations to Council, with an amendment to provide for a total allowance of £2k. The motion was seconded by Councillor Britcliffe.

Agreed

- (1) To note and endorse the recommendations of the Independent Remuneration Panel in respect of the provision of a Deputy Mayor's Allowance, subject to the total amount payable being set at £2k.**

(2) To submit the following recommendations to the next Council meeting:

(a) That the Council should pay a Deputy Mayor's allowance under s.3 LGA 1972.

(b) That an annual amount of £2,000 should be paid.

(c) That for the Municipal Year 2023/24 the Deputy Mayor's allowance amount should be paid in full, ie. backdated to 18th May 2023.

5 Communications

Jane Ellis, Executive Director Legal and Democratic Services, introduced this item in connection with a communications matter which had been referred to her by the Labour group. This related to photographs issued by the Communications Team on social media as part of Hyndburn Borough Council's formal publicity.

Complaints had been received that the published images showed prospective political candidates. The suggestion was that this was improper, as it could be construed that the Council was promoting particular candidates standing for office. A specific complaint was received that prospective candidates were included in the publicity around the opening of the new artificial cricket wicket at Bullough Park. From the perspective of officers, staff did not know who the political parties were putting forward as candidates and no one was officially a candidate until the nomination forms had been received after publication of the notice of elections.

Councillor Dad agreed that this was a fair summary of the complaint. He confirmed that he had no objection to councillors being included in formal Council publicity, but that it was not proper to show prospective candidates on HBC social media posts. He recalled an incident earlier in the year, when a candidate in Clayton-le-Moors had included some questionable information in Council posts. However, this matter had been resolved quickly at the time. There was a need to be transparent about any images used in publicity.

The Leader responded that no candidates had yet been selected for the Conservative group and this would not be known until the nomination forms were submitted. The individuals appearing in recent publicity were simply members of the local Conservative party. Councillor Britcliffe, as Chair of Hyndburn Conservatives, reiterated that no candidates had been selected at this stage.

Councillor Dad commented that he was aware that the individuals featured in recent publicity had been canvassing locally and identifying themselves as prospective Conservative candidates, which was part of his reason for raising this matter. Councillor Smithson reiterated that no candidates had yet been chosen, nor was the Conservative party actively canvassing at this time. Councillor Britcliffe added that there was a formal selection process for candidates, but this had not yet been commenced for 2024.

Councillor Walsh queried whether this statement meant that the named individuals would not, therefore, be candidates in the future. She asked if any assurances could be given that the candidates ultimately selected would not have not appeared in Council posts in the 12 months prior to an election. Councillor Britcliffe indicated that it would not be improper for persons who might ultimately become candidates to appear in Council publicity now.

Jane Ellis advised that legislation prevented the Council from publishing any material which appeared designed to affect public support for a political party. She explained that there were no hard and fast rules, and a decision had to be made in the circumstances of each case, looking at things like the timing (with more care needed in the pre-election period of heightened sensitivity), whether the material referred to a political party or people associated with a political party and whether the material promoted or opposed a point of view on a matter of political controversy. As the legislation did not contain hard and fast rules, most questions were going to be matters of judgement.

Ms Ellis confirmed that officers did not consider that publication of the cricket wicket photographs was unlawful. The people shown were presented simply as cricket enthusiasts, and no names were given, nor was anyone indicated as being linked to a political party. The photograph was also published in June, so well before the next local elections. In addition, people who were active in the local community were perhaps more likely to consider standing for election and so there might well be instances of people who were featured in connection with the community or voluntary work subsequently going on to stand in the local elections. However, Ms Ellis indicated that officers might take a different view if there were frequent instances throughout the year of possible candidates appearing repeatedly being brought forward to appear in HBC publicity materials as this would suggest a deliberate strategy to promote future candidates.

Members were encouraged to agree informally not to promote prospective candidates. Councillor Dad reiterated that when he had raised the issue of the Clayton-le-Moors candidate, this had been addressed swiftly, but he would prefer there not to be a repeat of this situation. He restated his belief that the Conservative candidates for Central and Spring Hill wards were already known. Councillor Britcliffe reiterated that the group was yet to commence its selection process and that an interview panel would ultimately be convened to decide on candidates.

The Executive Director Legal and Democratic Services reported that the Communications Team was concerned that it might be asked to remove comments from social media on a regular basis. It was part of the Council's statutory duty and the local code of conduct to remove certain items from social media, including political or offensive posts. The staff were required to actively moderate social media and, accordingly, they did keep a close watch on its content.

The Leader remarked that everyone had heard the comments of the Executive Director Legal and Democratic Services. The Leader recommended that all parties should undertake to look carefully at their communications. She invited all party leaders to keep a close watch on this issue. She also reinforced the view that once candidates had been formally selected they should not appear in any Council photographs or publicity

Agreed - **To note the concerns raised about the content of Council publicity and to endorse the approach and actions outlined above by the Leader of the Council.**

6 Cabinet Seating Plan

The Leader of the Council introduced this matter. After careful consideration she had decided to alter the seating plan for Cabinet meetings. A copy of the proposed plan had been circulated recently by e-mail to the Board.

The Leader had taken this decision after the last Cabinet meeting, as she was concerned that recent meetings had not been conducted in the same way as meetings in previous years. The new plan had reshaped the seating area to provide more clarity about who were

the Cabinet members and the supporting officers and to create two defined areas for non-executive members, comprising reserved seating for the Opposition leadership and for the Chairs of the 3 scrutiny committees. Under the previous Labour administration, Councillor Dobson as Leader of the Conservatives at that time and Councillor Haworth then Deputy Leader of the party had been invited to attend Cabinet meetings and were permitted to speak and ask questions, but no-one else was allowed to do so.

The Cabinet was primarily a decision-making body and meetings provided an opportunity for the administration to explain its rationale and to ensure transparency for the benefit of other councillors and members of the public attending. Meetings included information about the decisions being taken and other Portfolio Holder activity. The meetings were not meant to be a forum for wider debate, as that facility was available in Council. All councillors could ask questions at full Council on the Cabinet minutes.

It was therefore proposed that, at future Cabinet meetings, only key people would be invited to sit at the table. The front row of public seating in the QER would be reserved for councillors wishing to observe the proceedings. The back row would be reserved for members of the public. Participation by wider attendees at future meetings would be allowed solely at the Chair's discretion. The aim was not to be dictatorial, but to avoid the unhelpful exchanges which had occurred at the last meeting. There was no intention to stop all dialogue, but there was a need for this to take place in a respectful manner from all involved. Accordingly, Councillor Dad and his two Deputies would be afforded the opportunity to speak and ask questions, and Portfolio Holders would do their best to answer the points raised. Any wider questions should be asked at full Council.

Councillor Dad thanked the Leader for her summary of the new arrangements. He reaffirmed his commitment made after the elections of working constructively with the controlling administration. He asked that the following matters be considered:

- Members should always refrain from shouting at or making disingenuous remarks about individual councillors;
- Attendees should be allowed to speak or ask questions on points of order to correct any misstatements;
- The Labour group had appointed Shadow Portfolio Holders who should be allowed to speak and ask questions at Cabinet.

The Leader responded that she was not aware of any deliberate misstatements made at Cabinet. She gave an undertaking to listen to the points being put by the leadership of the Opposition at meetings and asked that they also respect her decisions as Chair. She intended to conduct the meetings in a structured way and would appreciate no interruptions or shouting by any Member. All councillors attending Cabinet should be civil to each other. The Leader reiterated that she would be happy for the Opposition Leader and Deputies to speak and ask questions, but other speakers would be at her discretion. In general, wider questions and debate should be taken at Council meetings.

The Executive Director Legal and Democratic Services added that the law was clear on the conduct of meetings, in that it permitted a robust level of debate before a breach of the code of conduct was in question. Nevertheless, it would be better if meetings were not fractious and Members were courteous to each other. Besides the Council, another forum for debate was the scrutiny function, which allowed critical challenge and had oversight of the Cabinet.

Councillor Walsh noted that the relevant Members had apologised for the incidents at last Cabinet meeting. She acknowledged that the changes to the seating arrangements were a matter for the Leader of the Council. The Leader thanked Cllr Walsh for her comments and

reiterated that the changes were intended to provide structure to the conduct of the meeting and to minimise conflict. No blame was being apportioned for the incidents at the last Cabinet meeting, but it was hoped that this situation would not occur again.

Agreed - **That the new seating arrangements for Cabinet be noted**

7 Other Business

Future Board Meetings

The Leader indicated that she had requested the Member Services Manager to ensure that future meetings of the Leader’s Policy Development Board would be physical meetings, which would be held in the Boardroom.

Mayor Making 2024

The Executive Director Legal and Democratic Services indicated that the Mayor Making event for 2024 could be impacted by the finely balanced political situation of the Council. The current Deputy Mayor was aware of the possibility that she might not be elected as Mayor in 2024. However, Member Services needed to start planning the venue and catering arrangements some time before the elections, and would normally do so in collaboration with the Deputy Mayor. Under the circumstances it would be inadvisable to make the final arrangements, such as sending out guest invitations, before the results of the elections were known.

To ensure that money was not wasted unnecessarily, approval was being sought to hold the Mayor Making Council meeting and celebration event 1 to 2 weeks later than usual and to retain the afternoon tea format, which would avoid the need to record individual menu choices for each guest. As soon as the new Mayor was appointed, staff could then commence liaising about the final guest list.

The Leader confirmed that the above arrangements appeared to be sensible under the circumstances. However, she expressed the view that it would be disappointing if Councillor Plummer was not elevated the position of Mayor in 2024.

The Executive Director Legal and Democratic Services confirmed that no formal decision on this matter was required today.

8 Date and Time of Next Meeting

To be determined.

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed

LEADER'S POLICY DEVELOPMENT BOARD

Wednesday, 1st November, 2023

Present: Councillors Marlene Haworth (in the Chair), Councillors Noordad Aziz (Substituting for Councillor Melissa Fisher), Peter Britcliffe, Munsif Dad BEM JP and Steven Smithson

In attendance: Jane Ellis (Executive Director - Legal and Democratic Services), Ben Caulfield (Scrutiny and Policy Officer), Hannah Saxton (Communications Manager), Julian Joinson (Member Services Manager)

Apologies Councillors Melissa Fisher and Paddy Short

9 Apologies for Absence and Substitutions

Apologies for absence were submitted on behalf of Councillor Melissa Fisher, Joint Deputy Leader of the Labour Group and Councillor Paddy Short, Leader of the Green Group. Councillor Noordad Aziz attended as the Labour substitute.

10 Minutes of the last meeting

The Minutes of the meeting held on 2nd August 2023 were submitted for approval as a correct record.

Ms Ellis reported that, in respect of Minute 4 – Deputy Mayor's Allowance, a report was due to be presented to the Council on 2nd November 2023. Councillor Dad indicated that he maintained his stance about the amount of allowance which should be paid.

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

11 Matters Arising

There were no matters arising on this occasion.

12 Hyndburn Borough Council Logo

Members considered a verbal report of Hannah Saxton about the Council's logo. She reported that there were several different versions of the logo currently in circulation.

Ms Saxton provided a brief history of the development of the logo. The current formal coat of arms had been developed in 1974 to coincide with the establishment of the Borough. In 1980 a new heptagonal corporate logo, incorporating a stylised hind and river design, had been introduced. This had been dropped in 2008 in favour of the coat of arms with the word 'HYNDBURN' and a strapline 'The place to be – an excellent council'. A later variant with the strapline 'Home of the Accrington Pals' had been developed around the centenary of the Battle of the Somme in 2016. In 2022, a purple coloured digital logo had been developed, in the shape of an outline map of the Borough with an inset heart in white.

There was a need to standardise around a single logo, to provide a strong recognisable brand for the Council.

Graphic designers nationally had ranked Hyndburn's coat of arms logo as 384 out of 403 local authority designs. Young people had been surveyed about the crest logo at events, but feedback had been negative. In addition, the coat of arms logo was difficult to produce, had too many colours and included detail which was too fine to be accessible, particularly where small-scale images were used. An example of best practice was provided with Rossendale Borough Council's latest logo, which was simple in design and had few colours.

Options proposed were as follows:

- a) Retaining the crest in conjunction with the wording 'Hyndburn Borough Council', but without any straplines;
- b) As above, but with the crest in greyscale; or
- c) Using the digital map/heart logo, with the 'Hyndburn Borough Council' wording.

Ms Saxton outlined her preference for a modern logo similar to the digital branding that had accompanied the publicity during the pandemic for the Hyndburn Hub. New brand guidelines would also then be drafted. A logo based on option c) could be implemented at no additional cost.

Councillor Britcliffe noted that the 'Hyndburn' name had come about during local government reorganisation, after a proposal to name the Borough 'Accrington and Districts' had been narrowly defeated.

Councillor Dad suggested taking the request back to the political groups for further discussion. Councillor Haworth tended to favour the crest, as this was readily identifiable. Councillor Smithson noted that straplines were sometimes useful and pointed out the next year was the Borough's 50th anniversary. A strapline could highlight '50 Years of Service'. Generally, councillors favoured a switch to a greyscale crest.

Councillor Smithson asked whether any consultations had taken place. Ms Saxton responded that the Hub network had helped to develop the heart image during the COVID pandemic, which represented putting the heart back into Hyndburn. Councillor Britcliffe suggested that a star might form the basis of a suitable logo.

Ms Ellis reminded members that the intention was to produce a simple, but memorable design. Mr Joinson highlighted the shield at the centre of the existing crest, which could perhaps be extracted to form a simple logo. Some local authorities used a business-style logo for their main communications and digital profile, but retained a crest for civic correspondence. Councillor Smithson considered that Members should be asked to choose between options b) and c). Ms Saxton considered that if further consultation was undertaken it should be based on two options only. Ms Ellis suggested that if option b) was adopted as the main logo, option c) should be retained as the digital logo.

Councillors Britcliffe and Aziz asked if further mock up designs could be made using either the shield, or a hind inset within a heart.

Agreed

(1) To note the intention to simplify and standardise the Council logo.

(2) To request the Communications Manager to provide a number of draft logos for further consideration.

(3) To support, in principle, a design comprising a maximum of two colours.

(4) To discuss the matter further at a single item meeting.

13 Armed Forces Covenant - Signing Event

Mr Caulfield reminded Members that, at its meeting in September 2023, Cabinet had approved the signing of the refreshed Armed Forces Covenant. He proposed that a signing ceremony be held on, or around Remembrance Sunday, to help to raise awareness.

Councillor Britcliffe suggested that this could be done on Armistice Day, 11th November after the service at the Pals Memorial in Church Street Gardens. It would be useful to include the Mayor and Armed Forces Champion in any such event. Mr Caulfield reported that national representatives of the Armed Forces and Cadets organisations would be present. It was proposed that the event would take place in the Mayor's Parlour, at the Town Hall.

Councillor Haworth commented that the Covenant was an important document, but the signing should not divert attention from the main Armistice Day event by the Pals Memorial. She considered that the Council Leader, Leader of the Opposition, Leader of the Green Group, Chief Executive and Royal British Legion (RBL) members ought to be invited too. It was acknowledged that the RBL had several branches across the Borough, including Accrington, Clayton-le-Moors, Church and Oswaldtwistle, Great Harwood, and that it might be appropriate to invite a representative from each branch.

Mr Caulfield indicated that the formal signing of the document would take place before that date, but a ceremony would serve to demonstrate the Council's commitment to the Covenant and to raise its profile. A decision would need to be taken about the formal signatories to the Covenant, but this was likely to include the Leader of the Council.

Agreed - **To approve the proposed arrangements for a signing ceremony for the Armed Forces Covenant on Armistice Day.**

14 Protocol for Changes to Dates or Cancellation of Council Meetings

Ms Ellis reported that, in the light of experience following the cancellation of the September 2023 Council meeting, it might be useful to consider a formal protocol about the procedure to be used in future. The Constitution made it clear that the final decision was for the Chief Executive to make. On the above occasion, the Chief Executive had consulted certain elected members about the options available prior to him taking the decision.

It was possible that the issue might arise again in the future and, given the fine political balance of the Council, any similar decision in 2024/25 could be equally contentious. An agreed procedure set out in advance might avoid any political tensions about proposed changes to dates, or cancellation of meetings. When a request was received there would be a clear set of steps for the Chief Executive to follow.

Members were reminded that, in September, the Chief Executive had consulted the Mayor, Deputy Mayor and leaders of the three political groups. The process itself had firstly been agreed with those same individuals. If the above procedure were to be repeated in a

scenario where there was an even number of consultees and an equality of votes, convention would suggest that the wishes of the controlling group would prevail.

Some dissatisfaction had been expressed by the Opposition about the outcome last time, however the process had been transparent. The elections in May 2024 could alter the number of political groups on the Council and a draw could result if using the same consultation method.

The Leader considered that the process used in September had been right and proper and she noted that all consultees had agreed to be bound by the result. Accordingly, the Chief Executive had taken the necessary decision. The Leader considered that in the case of a draw the Chief Executive should use his discretion to take the decision. Ms Ellis commented that this might be an uncomfortable position for an officer to be placed in. The Leader instead suggested that, in that event, the Mayor's response should have the effect as if it were a casting vote.

Councillor Dad expressed concern over the cancellation of dates, in general. His view was that the schedule of meetings had been agreed at the Annual Council meeting and should normally be adhered to and that there had been no reason to cancel the meeting in question. Ms Ellis responded that the Mayor and Deputy Mayor were not available on the scheduled date giving rise to the question of changing the date of, or cancelling the meeting. Councillor Dad added that the meeting could still have gone ahead. Ms Ellis reiterated the point that the situation could arise again and that it would, therefore, be useful to have an agreed protocol.

It was anticipated that date changes and cancellations would rare, but officers recalled that one meeting cancellation and some changes to dates had occurred in the recent past. The intention was to agree a process which would operate whatever the reasons were for requesting a change of date. Possible reasons might include urgency or the unavailability of key personnel.

Councillor Britcliffe proposed the following approach,

- By agreement between the leaders of the political groups only; and
- where consensus above could not be reached, the Mayor to decide.

Ms Ellis reminded all that the Constitution currently delegated the final decision to the Chief Executive. However, it was not helpful for the Chief Executive to have to make the decision in isolation. It would be possible to amend the Constitution to provide for the above procedure, if members so wished.

Councillor Dad reiterated his concerns that a valid reason would need to be submitted for a change of date or cancellation to be agreed. Councillor Aziz was concerned that the above proposals would allow the Mayor to continually cancel meetings. Councillor Dad queried how many group leaders would be consulted if there were multiple political groups on the Council. Councillor Britcliffe considered that only the two main political groups should be consulted. Councillor Aziz considered that it was important to retain the Chief Executive's decision-making role in any new protocol.

The Leader maintained the view that the procedure used in September was acceptable and had produced a fair decision. Councillor Dad asked if all councillors could be consulted about the proposed protocol. Ms Ellis queried whether this should be on a single proposal or on various options. She noted that this had been a contentious decision last time and could potentially happen again. An agreed procedure would avoid future uncertainty.

The Leader proposed that the procedure remain as agreed previously. Councillor Dad asked for a report to Council which set out two options:

- (1) The decision to be taken by the Chief Executive following consultation with the Mayor, Deputy Mayor, and leaders of all political groups; or
- (2) The decision to be taken by agreement between the leaders of all political groups and where a majority decision could not be reached, the Chief Executive be authorised to exercise a casting vote.

Ms Ellis commented that in either case above, if there was no majority view, the Chief Executive was likely to decide in favour of the action proposed by the controlling group.

Agreed

- **That a report be submitted to the Council setting out two options for possible changes to the Constitution to establish a protocol for taking a decision to change the date of, or cancel Council meetings, based upon the following:**

- (1) The decision to be taken by the Chief Executive following consultation with the Mayor, Deputy Mayor, and leaders of all political groups; or**
- (2) The decision to be taken by agreement between the leaders of all political groups and in the event that a majority decision cannot be reached, the Chief Executive be authorised to exercise a casting vote.**

15 Election Counts 2024

Ms Ellis, as Local Returning Officer (LRO) reported that the support of political group leaders would be required to ensure the smooth running of the elections in May 2024. There would be elections for Hyndburn Borough Council and the Lancashire Police and Crime Commissioner (PCC) and potentially a General Election. However, the time and date of the Count for the PCC election was not under Hyndburn Borough Council's control, as the Police Area Returning Officer (PARO) role was undertaken by Blackburn with Darwen Borough Council.

The PARO had consulted about the arrangements for the elections and had suggested that constituent authorities carry out their Count for district elections on the morning of Friday 10 May and commence the Count for the PCC election at 2pm on Friday. If a General Election was called the proposal was that this Count would be carried out on Thursday 9 May overnight.

The LRO's position was that this timetable was too intense given the total numbers of staff at the Council's disposal. Effectively that same staff would be required to undertake all three Counts and would simply be too tired to maintain a high level of accuracy over the duration of the Counts. The LRO would prefer the following timetable:

- General Election Count – overnight on Thursday 9 May 2024
- Local Elections Count - from 11:30 or 12 noon on Friday 9 May 2024
- PCC Election Count – on Saturday 10 May 2024

Councillor Britcliffe asked if all PCC ballot papers across the Lancashire area had to be counted at the same time. Ms Ellis confirmed that this was the case. Members undertook to promote the message of a Saturday PCC Election Count across the relevant political forums.

It was considered that a General Election in May 2024 would be unlikely, but nevertheless needed to be planned for. Councillor Britcliffe expressed a preference for an overnight Count for the Local Elections if no General Election was occurring. Ms Ellis indicated that there was no budget available to pay for staff for out-of-hours work, which could cost in the region of £10k. She reiterated her concerns about fatigue and accuracy. A General Election Count was funded differently, as the money came from the Government. Any Counts undertaken on Friday would be during normal work's time, so did not require additional funding. As an aside, it was reported that polling station staff cost in the region of £200k.

If a general election was called in May 2024, the Count would take place overnight on Thursday and staff would then be sent home before returning to commence the Local Election Count later on Friday.

Agreed - **That the political group leaders be invited to promote, across any relevant political forums, the Council's preference for the PCC Election Count to take place on Saturday 10 May 2024**

16 Remembrance Sunday 2024 - Parade Routes

Mr Joinson reminded Members that the Council supported its partners, including the Royal British Legion, cadets' organisations, church groups and local councillors in the provision of services for Remembrance Sunday, at the main war memorials across the Borough. In most townships this included the holding of parades on the public highway.

The parades and associated traffic management and marshalling were arranged by the Council. However, the degree of responsibility attached to this role had increased over the years in view of a greater awareness of risks and heightened threats. The Police had stepped back from undertaking any traffic management and crowd control roles in 2019, leaving the Council to take full responsibility for the safety of the events. Confirmation had been received from the Council's insurer in 2023 that parade activities were covered under the Council's employer's and public liability insurance.

For 2023, the costs of the traffic management (c.£7k) and marshalling (c.£1k) continued to rise. Also, concerns remained over public safety.

In 2023, the Royal British Legion nationally had issued clear guidance to its branches that any parades should not be organised by the RBL because of the risk to those participating in the parade and potential insurance implications. As part of the guidance they had explained that branches should respect the decision of local authorities regarding the viability of parades. The guidance was clear that an act of remembrance did not need to include a parade. At a recent meeting between regional RBL representatives and Council officers, this position had been acknowledged.

Under the circumstances, the time seem right to carry out a review of the number of and/or routes of parades. The Clayton-le-Moors parade had been shorted by agreement with RBL a number of years ago to avoid a rolling road closure on Whalley Road. It was felt that two parades, in particular, required reviewing:

- The Church parade from Bank Street, via Henry Street, to Gatty Park (crossing Hyndburn Road) was the most expensive traffic management intervention and was disproportionate to the number of people attending the parade. A shorter route not crossing Hyndburn road might be more appropriate.
- The Rishton parade from St Peter and St Pauls Church, via Blackburn Road to the War Memorial on Churchill Avenue and return to Risthon Library was overly disruptive to traffic. Marshals reported that the return parade was not required, being poorly supported as people tended to disperse naturally after the service at the war Memorial.

Permission was sought to review the parades to be arranged for 2024, in consultation with the Remembrance Sunday service organisers, with a view to improving safety and managing costs.

Agreed - **To request the Member Services Manager to review the parades to be arranged for 2024, in consultation with the Remembrance Sunday service organisers, with a view to improving safety and managing costs.**

17 Other Business

Remembrance Sunday – Laying of Wreaths

Councillor Dad asked if the Leader had finalised the list of councillors who would be laying wreaths on behalf of the Council on Remembrance Sunday. In particular, he asked who would be laying wreaths in Great Harwood, as the seats for the two wards for this area were held by Labour councillors.

The Leader responded that the list had been finalised and her recollection was that the role in Great Harwood had been allocated to a Labour councillor. She invited Councillor Dad to provide the name of the Labour representative.

Councillor Dad expressed concern that the role in Rishton appeared to have been assigned to Councillor Carole Haythornthwaite, but this ward comprised two Labour councillors and only one Conservative.

18 Date and Time of Next Meeting

To be determined.

It was noted that a single item meeting would be arranged to consider the Council logo.

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed

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Agenda Item 6.

REPORT TO:		Cabinet	
DATE:		24 January 2024	
PORTFOLIO		Cllr Marlene Haworth. Leader	
REPORT AUTHOR:		Martin Dyson – Executive Director for Resources	
TITLE OF REPORT:		Council Tax Base – 2024-2025	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

1.1 To inform Members of the Council Tax Base for the financial year 2024-2025.

2. Recommendations

2.1 Cabinet approves the report and is recommended to pass the following resolution:

“That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount 22,095”.

“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 2024-2025 shall be 317.

3. Reasons for Recommendations and Background

3.1 In accordance with Section 35 of the Local Government Finance Act 1992, the Council is required to formally determine the Council Tax Base for 2024/2025 prior to 31st January 2024. This allows the Council to notify the major preceptors (Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority) by the 31st January of the Council Tax Base.

3.2 The requisite calculation (Appendices A and B) has to be carried out in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012. Once

determined the Council Tax Base cannot be changed and has to be used when the Council set their Council Tax for the financial year 2024/2025.

- 3.3 The calculation of the Tax Base for Hyndburn and Altham for 2024/2025 is attached. It is proposed that the Tax Base for Hyndburn 2024/2025 shall be 22,095. This is an increase from last year's Tax Base of 150 (21,945). The 2024/2025 Tax Base for Altham is 317, this no change increase from last year's Tax Base of 317.

The Local Authorities (Calculation of Council Tax Base) Regulations 2012 specify formulae for calculating the Council Tax Base which must be set between the 1st December 2023 and the 31st January 2024.

The Council Tax Base is the measure of the number of chargeable dwellings held on the valuation list as at the 11 September 2023 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.

4. Alternative Options considered and Reasons for Rejection

- 4.1 This is a statutory requirement, therefore no other options can be considered.

5. Consultations

- 5.1 N/A

6. Implications

Financial implications (including any future financial commitments for the Council)	The Council Tax Base is a factor in the determination of the planned level of Council Tax Income which will be collectable in the next financial year – 2024/2025.
Legal and human rights implications	<p>The calculation of the Council Tax Base has been carried out in accordance with the relevant legislation; and is required thereby to be approved by Member(s) within the period 1st December to 31st January proceeding the financial year concerned.</p> <p>The Local Government Act 2003 (s84) enables delegation on this matter, so that the formal determination of Council Tax base by Member(s) does not have to be done by the full Council.</p>
Assessment of risk	If the Council Tax Base is not set then the Council cannot determine the Council Tax for the following financial year.

Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	The Customer First Analysis is attached at Appendix C
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**7. Local Government (Access to Information) Act 1985:
List of Background Papers**

- 7.1 *Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*

If the report is public, insert the following paragraph. If the report is exempt, contact Member Services for advice.

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.

HBC Total		AA	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1	Total Dwellings on Valuation List at 11/09/2023	0	21958	5809	5837	2829	864	277	172	14	37760
2	Exempt Dwellings	0	629	123	103	41	12	7	4	0	919
3	Disabled reduction	0	53	31	46	30	12	10	6	8	196
	Disabled reduction	53	31	46	30	12	10	6	8	0	196
A	Adjusted Dwellings	53	21307	5701	5718	2770	850	266	170	6	36841
4	25% Discount	13	10286	2089	1600	615	169	44	28	2	14846
	Other Discount	4	620	110	110	60	30	30	34	2	1000
	Total Discount	17	10906	2199	1710	675	199	74	62	4	15846
B	25% of Discount	4.25	2726.50	549.75	427.50	168.75	49.75	18.50	15.50	1.00	3961.50
5	Long Term Empty Property Premium		114	7	9	7	3	0	0	0	140
C	Net Chargeable Dwellings	48.75	18694.50	5158.25	5299.50	2608.25	803.25	247.50	154.50	5.00	33019.50
	Estimated changes from 02/10/2023										
6a	FYE New Properties (incl Appeals incr)	0	191	132	46	0	2	0	0	0	371
6b	Re-occupied properties(former Exempt class C)	0									0
6c	Total	0	191	132	46	0	2	0	0	0	371
7a	FYE Properties removed from list (incl Appeals)	0	0	4	8	2	0	2	0	0	16
7b	FYE Discount (New)(not in 4 above)	0	85	32	1	0	0	0	0	0	118
7c	Re-occupied properties Long Term empties(>6mths< 2yrs)	0	22	5	2	1	1	0	0	0	31
7d	Re-occupied premium cases qual for SPD	0	11	1	1	1	0	0	0	0	14
7e	Cancelled Premium	0	114	7	9	7	3	0	0	0	140
7f	FYE Adjustment to 2 above	0	0	0	0	0	0	0	0	0	0
7g	Disabled relief adj	0	0	0	0	0	0	0	0	0	0
7h	Total	0	232	49	21	11	4	2	0	0	319
D	Net FYE changes during year	0	-41	83	25	-11	-2	-2	0	0	52
E	Net Chargeable Dwellings for year (C+/-D)	48.75	18640.00	5241.25	5324.50	2594.75	801.25	245.50	154.50	5.00	33071.50
8	Local Council Tax support	-11.28	-3,351.56	-380.38	-219.81	-49.22	-14.99	-2.78	-3.52	0.00	-4033.54
	In Year adjustment		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	-11.28	-3351.56	-380.38	-219.81	-49.22	-14.99	-2.78	-3.52	0.00	-4033.54
F	Net Chargeable Dwellings for Year less CTS	37.47	15288.44	4860.87	5104.69	2545.53	786.26	242.72	150.98	5.00	29037.96
9	Ratio to Band D	5	6	7	8	9	11	13	15	18	
10	Band D Equivalentents	20.80	10201.30	3780.70	4537.50	2548.00	961.00	350.60	251.60	10.00	22661.50
11	Grand Total										22661.50
12	Collection Rate %										97.50
13	Tax Base										22095

Altham Parish		AA	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
1	Total Dwellings on Valuation List at 11/09/2023	0	93	105	128	89	16	4	6	0	441
2	Exempt Dwellings	0	8	0	1	1	0	0	0	0	10
3	Disabled reduction	0	0	1	3	0	0	0	0	0	4
	Disabled reduction	0	1	3	0	0	0	0	0	0	4
A	Adjusted Dwellings	0	86	107	124	88	16	4	6	0	431
4	25% Discount	0	38	39	28	22	0	1	1	0	129
	Other Discount	0	2	0	0	0	2	0	2	0	6
	Total Discount	0	40	39	28	22	2	1	3	0	135
B	25% of Discount	0.00	10.00	9.75	7.00	5.50	0.50	0.25	0.75	0.00	33.75
5	Long Term Empty Property Premium	0	1	0	0	0	0	0	0	0	1
C	Net Chargeable Dwellings	0.00	77.00	97.25	117.00	82.50	15.50	3.75	5.25	0.00	398.25
	Estimated changes from 02/10/2023										
6a	FYE New Properties (incl Appeals incr)	0	5	6	4	1	0	0	0	0	16
6b	Re-occupied properties(former Exempt class C)	0	0	0	0	0	0	0	0	0	0
6c	Total	0	5	6	4	1	0	0	0	0	16
7a	FYE Properties removed from list (incl Appeals)	0	0	5	6	4	1	0	0	0	16
7b	FYE Discount (New)(not in 4 above)	0	0	0	0	0	0	0	0	0	0
7c	Re-occupied properties Long Term empties	0	0	0	0	0	0	0	0	0	0
7d	Re-occupied premium cases qual for SPD	0	0.25	0	0	0	0	0	0	0	0.25
7e	Cancelled Premium	0	1	0	0	0	0	0	0	0	1
7f	FYE Adjustment to 2 above	0	0	0	0	0	0	0	0	0	0
7g	Disabled relief adj	0	0	0	0	0	0	0	0	0	0
7h	Total	0	1.25	5	6	4	1	0	0	0	17.25
D	Net FYE changes during year	0	3.75	1	-2	-3	-1	0	0	0	-1.25
E	Net Chargeable Dwellings for year (C+/-D)	0.00	80.75	98.25	115.00	79.50	14.50	3.75	5.25	0.00	397.00
8	Local Council Tax support	0.00	-10.27	-9.26	-2.56	-1.73	0.00	0.00	0.00	0.00	-23.82
	In Year adjustment	0.00	-0.31	-0.28	-0.08	-0.05	0.00	0.00	0.00	0.00	-0.71
	Total	0	-10.58	-9.54	-2.64	-1.78	0.00	0.00	0.00	0.00	-24.53
F	Net Chargeable Dwellings for Year less CTS	0.00	70.17	88.71	112.36	77.72	14.50	3.75	5.25	0.00	372.47
9	Ratio to Band D	5	6	7	8	9	11	13	15	18	
10	Band D Equivalents	0.00	46.80	69.00	99.90	77.70	17.70	5.40	8.80	0.00	325.30
11	Grand Total										325.30
12	Collection Rate %										97.50
13	Tax Base										317

NOTES

1. Line 1 shows the number of dwellings on the Valuation List.
2. Line 2 shows the number of dwellings in the Valuation List which are considered to be exempt or demolished. Examples of exempt dwellings are those left empty by deceased persons or hospital patients, etc.
3. Line 3 shows dwellings in the Valuation List which will be transferred to a different band because of disabled relief. Line A then gives the number of chargeable dwellings in the Band prior to discount.
4. Line 4 shows the dwellings eligible for discounts which are 25% for single person properties and 50% for empty dwellings or properties occupied by one or more residents who are all to be disregarded.
Line B gives the dwellings eligible for discount multiplied by 25%.
5. Line 5 shows the number of long-term empty dwellings (over 2 years) subject to the empty property premium
Line C gives the Net Chargeable Dwellings in the Valuation List after allowing for discount and the long-term empty premium
6. Lines 6 and 7 give the changes which it is estimated will occur during the year after the 2nd October 2023
7. Line 6c gives the Full Year's Equivalent of new properties, re-valued properties and cancelled discounts.
8. Line 7h gives the Full Year's Equivalents of properties estimated to be removed from the Valuation List, re-valued properties and new and cancelled discounts, together with properties estimated to be come exempt.
9. Line D gives the Net Full Year's Equivalent of changes estimated to take place during the year.
10. Line E gives the Net Chargeable Dwellings for year after taking account of changes estimated during this year.
11. Line 8 is the estimated expenditure and adjustments for the year in respect of Local Council Tax Support.
12. Line F is the Net Chargeable Dwellings for the year after taking into account all adjustments including Local Council Tax Support.
13. Line 9 is the Band D equivalent ratio as set out in The Local Government Finance Act 1992.
14. Line 10 is the Band D equivalents.
15. Line 11 is the total of all Band D equivalents.
16. Line 12 is the estimate of the ultimate collection rate to collect 97.5% of the amount due in 2024/2025
17. Line 13 is the estimated Tax Base for the authority which is the number of equivalent Band D properties after allowing for losses on collection. (This is the figure which will be used as a divisor for the net budget after deducing Revenue Support Grant and National Non-Domestic Rate Grant, etc.).

Customer First Analysis

Purpose

What are you trying to achieve with the policy / service / function?

Who defines and manages it?

Who do you intend to benefit from it and how?

What could prevent people from getting the most out of the policy / service / function?

How will you get your customers involved in the analysis and how will you tell people about it?

Comment:

The Council is required by law to formally determine the Council Tax Base prior to the 31st January each financial year in respect of the next financial year.

Evidence

How will you know if the policy delivers its intended outcome / benefits?

How satisfied are your customers and how do you know?

What existing data do you have on the people that use the service and the wider population?

What other information would it be useful to have? How could you get this?

Are you breaking down data by equality groups where relevant (such as by gender, age, disability, ethnicity, sexual orientation, marital status, religion and belief, pregnancy and maternity)?

Are you using partners, stakeholders, and councillors to get information and feedback?

Comment:

This enables the Council to notify the respective preceptors by the 31st January as well as being a contributory factor in determining its own level of Council Tax

Impact

Are some people benefiting more – or less - than others? If so, why might this be?

Comment: N/A

If the evidence suggests that the policy / service / function benefits a particular group – or disadvantages another - is there a justifiable reason for this and if so, what is it?

Is it discriminatory in any way?

Is there a possible impact in relationships or perceptions between different parts of the community?

What measures can you put in place to reduce disadvantages?

Do you need to consult further?

Have you identified any potential improvements to customer service?

Who should you tell about the outcomes of this analysis?

Have you built the actions into your Business Plan with a clear timescale?

When will this assessment need to be repeated?

Comment: N/A

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Agenda Item 8.

REPORT TO:	Cabinet		
DATE:	24 January 2024		
PORTFOLIO:	Councillor Peter Britcliffe - Deputy Leader of the Council, Resources		
REPORT AUTHOR:	Jody Spencer-Anforth - Head of Finance		
TITLE OF REPORT:	Revenue Budget 2023/2024 Monitoring - Quarter 3 to end of December 2023		
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 The report informs Cabinet of the financial spending of the Council up to the end of December 2023 for the financial year 2023/2024 and the forecast impact on the Councils Medium Term Financial Strategy for 2023/2024 to 2025/2026.

2. Recommendations

- 2.1 Cabinet notes the report and asks CMT to continue to monitor the financial position of the Council over the remaining months of the year.
- 2.2 Cabinet notes the potential pressures and risks highlighted in section 6 of this report, and that regular updates will be provided on any potential impact on the current forecast underspend in year and the future Medium Term Financial Strategy.

3. Revenue Budget Forecast 2023/2024

- 3.1 The financial detail of the report is shown as a table at the end of this document.
- 3.2 The current forecast spend to the end of the financial year in March 2024 is £13.925m compared to a Budget of £14.383m. This forecast produces a positive variance of £0.458m by the end of the financial year. Further analysis of these changes are shown in section 4 and Appendix A of the report below.
- 3.3 Appendix A includes a breakdown of the Forecast Outturn Variances between staffing costs, non-staffing costs and income. Some service areas show large variances in the breakdown figures where grant funding is received and subsequently used to fund expenditure but budgets are not in place because the amounts are not known in advance. In these instances, although the breakdown figures may be large, they offset

each other and the overall variance is much lower, or even nil. The largest instance of this is in the Regeneration & Housing Services. The breakdown of variances shows £1.507m for non-staffing costs and £1.462m for income, which relates to forecast increases for the Huncoat Garden Village scheme and the grant received for Asylum Seekers.

3.4 The revenue forecast underspend in year is a decrease since the figure of £0.998m reported at the end of quarter 2 period 6. Further analysis of these changes are shown in section 5 and with a table of movements in the last quarter at 5.2 of the report below.

3.5 The forecast outturn position as at quarter 3 includes budget pressures for the nationally awarded pay award for staff that was 1.5% above the original budgeted inflation figure of 5%. This increase is offset by increased investment income due to the recent rises in interest rates.

4. Forecast Variance by Service

4.1 The forecast underspend by service is summarised below, with the variances including the budget pressures and additional investment income mentioned at paragraph 3.4 above.

Department	Original Budget £'000	Budget Changes £'000	Current Budget £'000	Forecast Outturn £'000	Forecast Outturn Variance to Budget £'000
Environmental Health	672	-	672	767	95
Environmental Services	4,980	(305)	4,675	4,725	49
Legal and Democratic	1,585	6	1,591	1,753	162
Planning & Transportation	639	-	639	975	336
Regeneration & Housing	1,082	-	1,082	1,173	91
Resources	4,533	(23)	4,510	4,580	70
Total Net Cost of Services	13,491	(321)	13,169	13,973	804
Non-Service	892	321	1,213	(223)	(1,436)
Total Net Expenditure	14,383	-	14,383	13,750	(633)
Contribution to Reserves	-	-	-	175	175
Total Net Expenditure (after contribution to reserves)	14,383	-	14,383	13,925	(458)

4.2 **Environmental Health Services** are predicting a year-end adverse variance of £95,000 and the main variances is due to increased agency costs for backfilling of vacant posts of £26,000, additional licensing enforcement costs on legal fees of £22,000 and reduced income in year due to staff vacancies and the inability to carry

out enforcement £40,000. The team now has a full staffing structure implemented and this variance is not expected to rise any further in year.

4.3 **Environmental Services** are predicting a year-end adverse variance of £49,000 and the main variances are:

Environmental Maintenance is forecasting an adverse variance of £89,000, due to forecast increased vehicles maintenance costs of £110,000, additional building cleaning costs of £6,000 and utility savings of (£49,000) and increased software licences and general rises in equipment costs of £22,000. It is understood that the increase in costs is a combination of high inflationary prices on vehicle parts and also the increase in repairs on ageing vehicles that are now due for replacement. These costs will continue to be monitored to ensure any additional costs are minimised in year.

Other Environmental services show a positive variance of (£2,000) with staffing costs associated with the forecast pay award increases offset by additional pest control income.

The Parks & Cemetery Service is forecasting a positive variance of (£100,000), due to (£164,000) additional income from burials and cremations as a one-off due to a temporary closure of Blackburn crematorium vehicles, increased supplies and services costs of £95,000 and reduced staffing costs of (£31,000).

The Town Centre & Market Budget is predicting an adverse variance of £4,000, this includes £88,000 reduction in income given the 3 months rent free being given to the market stall holder, as well as the savings on running costs for the market hall whilst works are ongoing of (£41,000). There are also (£20,000) of staffing savings and increased costs on supplies and services of £21,000, an income shortfall of £12,000 offset by utility savings on gas and electric of (£56,000).

Waste Services are predicting an adverse variance for the year of £59,000. This is due to £50,000 for the introduction of the POPS service, £36,000 on additional agency staff costs due to recruitment and retention issues, additional licence costs £3,000, offset by additional income of (£30,000).

4.4 **Legal and Democratic Services** are indicating a forecast adverse variance of £162,000 for the year.

Service expenditure on Democratic Services is forecasting an adverse variance of £72,000 with the main variances due to additional costs of £67,000 in undertaking local elections, (£8,000) reduction in members expenses and £13,000 for Modern Government software upgrades to maintain democratic and committee reporting. The costs of local elections have increased due to inflation and additional checks and compliance that is in excess of the one-off grant received. This area will be monitored and has been highlighted as a pressure in the future forecasts.

The HR and Policy Team is also forecasting an adverse variance of £9,000, which includes some staffing regrades and costs of additional pay award.

The Legal and Land Charges functions are also forecasting an adverse variance of £86,000 which relates to a budget pressure for staffing of £87,000 relating to a backdated job evaluation appeal and land charging staffing costs, additional legal publication costs of £5,000. These budgets will continue to be monitored and highlighted as a pressure in future budget forecasts.

The Management of Legal Democratic is also forecasting a positive variance of (£6,000) in year due to the chief officers pay award being settled at 3.5% and the budgeted increase was set at 5%.

4.5 **Planning & Transportation** are predicting an adverse variance for the year of £336,000 for the year. This is due to additional spend on agency and salary costs of £262,000 due to recruitment and retention issues, plus £31,000 additional costs on energy and property rates, less an additional (£57,000) of forecast increased allotment income in year. This also takes into account £100,000 for a planning fee provision in respect of fees which may need to be repaid to the planning applicant. Management are undertaking a review of the service needs to establish ways to recruit and retain staff and reduce the requirement on expensive agency placements and reduce this adverse variance.

4.6 **Regeneration & Housing Services** are predicting an adverse variance of £91,000 at year-end.

Facilities Services has an adverse variance of £45,000 due to increase fee income for Disabled Facilities Grants of (£19,000) offset by £12,000 of additional costs for Christmas decorations and the need to undertake £52,000 worth of condition and safety surveys at the Oswaldtwistle theatre, since the lease has been returned to the Council.

The Haworth Art Gallery is predicting a positive variance of (£40,000) due to increased casual staffing costs of £15,000 offset by additional income of (£9,000) and savings on utilities for gas and electric of (£46,000).

Property Services has an adverse variance of £96,000, which is due to increased agency costs and pay award for staffing of £3,000, legal costs in acquiring the Northfield site of £48,000, increased costs in undertaking property insurance valuations of £14,000 and in other supplies and services of £9,000, savings on electricity and gas (£10,000), and a shortfall on rental income due to empty properties of £32,000.

The Strategic Housing Service is also forecasting an underspend of (£11,000) in year largely around staff savings.

4.7 **The Resource Directorate** is predicting an adverse variance of £70,000 for the year.

Customer Contact has an overall positive variance of (£487,000), which is mainly due to an update on the forecast net cost of Housing Benefit recovery based on the Mid-Year financial return with a potential increased recovery of (£310,000) expected in year, additional grant available for use in year of (£97,000), plus (£80,000) savings on

electricity and gas charges for the year. The Housing Benefit costs and income can be volatile and close monitoring will be undertaken on this area throughout the year.

Finance services is indicating an adverse variance of £150,000, which includes the corporate savings target of £132,000 and net additional staffing costs in Finance of £28,000, due to the additional costs of employing Agency staff to backfill vacant posts, offset by (£10,000) in utility savings on electricity and gas.

ICT Services has an adverse variance of £38,000, with £7,000 on staffing pay award budgets in year and £31,000 on software licences that have seen a large increase in year.

Service expenditure on Leisure is forecasting an adverse variance of £359,000, this includes £490,000 of support provided to Hyndburn Leisure, as approved at the Cabinet meeting on 6th December.

4.8 **Non Service Items** are predicting a positive variance for the year of (£1,436,000). This is due to forecast savings on borrowing and leasing costs of (£298,000). This is due to slippage in the capital programme plus additional treasury investment income of (£1,138,000) due to utilising new methods of investing funds, the increase in interest rates available and also the significant balances that the council has been able to invest largely due to slippage in the capital programme. The treasury investment income in year is now forecasted to achieve £1.472m in year; compared to the original budget of £400,000 for the year. It is expected that this additional income in year will be a one-off, as spend on the capital programme takes place in the next financial year and also interest rates are expected to reduce.

5. Forecast Underspend Movements since last Reported

5.1 The decrease in underspend from quarter 2 is summarised below:

Department	Change since last Report at QTR 2		
	QTR 2 Forecast Variance	QTR 3 Forecast Variance	Movement in Forecast Variance
	£'000	£'000	£'000
Environmental Health	70	95	25
Environmental Services	(61)	49	111
Legal and Democratic	141	162	22
Planning & Transportation	209	336	127
Regeneration & Housing	37	91	54
Resources	(430)	70	500
Total Net Cost of Services	(34)	804	837
Non-Service	(964)	(1,436)	(472)
Total Net Expenditure	(998)	(633)	365

Contribution to Reserves	-	175	175
Total Net Expenditure (after Contributions to reserves)	(998)	(458)	540

5.2 The forecast underspend against budget shows a decrease from £0.998m at QTR 2, to an underspend of £0.458m at quarter 3. This is a decrease of £0.540m and is summarised in the table below:

Main Variances / Movements	Change since last Report at QTR 2		
	QTR 2 Forecast Variance	QTR 3 Forecast Variance	Movement in Forecast Variance
	£'000	£'000	£'000
Impact of additional Pay Award over Budget	127	127	-
Additional Staffing & Agency backfill	341	398	57
Vehicle Maintenance Costs	104	149	45
Utility Contracts - Gas & Electric	(312)	(312)	-
Newly Approved POPS Service	50	50	-
Additional Costs - Oswaldtwistle Theatre	52	52	-
Additional Election Costs	67	67	-
Planning Fees Provision	-	100	100
Additional Audit Free	-	22	22
Legal Fees for Property Purchase	-	50	50
Support for Hyndburn Leisure	-	490	490
Loss of Markets Income (3 Months Rent free)	-	88	88
Savings on Market Running Costs (During Works)	-	(41)	(41)
Housing Benefits - Mid Year Estimate	(310)	(310)	-
Crematorium Income	(164)	(164)	-
Additional Grant Income	(85)	(85)	-
DFG Income	(24)	(24)	-
Allotment Income	(21)	(21)	-
Other	9	36	27
MTFS Forecast Savings Target	132	132	-
Total Net Cost of Services	(34)	804	838
<u>Non-Service</u>			
Additional Investment Income in Year	(793)	(1,071)	(278)
Interest Payable / Leasing Costs	(171)	(366)	(195)
Total Non-Service	(964)	(1,437)	(473)
Total Net Expenditure	(998)	(633)	365
<u>Contributions to Reserves</u>			
Leisure Transformation Project	-	175	175
Total Contributions to Reserves	-	175	175

	(998)	(458)	540
Total Underspend Variance / Movement			
5.3 Impact of the additional Pay Award over Budget - the NJC Pay award was finalised and paid in November 2023; the agreed pay award was a fixed increase of £1,925 and is above the 5% estimate included in the budget. The Chief Officers pay award was agreed back in May 2023 at 3.5% and the net impact of the NJC and the Chief Officers' scheme is forecast to impact in year budget by £127,000.			
5.4 Additional Staffing and Agency backfill – these costs are continuing to increase as it has been difficult recruiting to key posts in some professions and there has been a reliance upon the use of Agency staff to backfill these posts, leading to increased costs in year. Recruitment and retention has been highlighted as a key area for management to address.			
5.5 Vehicle Maintenance Costs – costs have been increasing due to inflation and the increased need for reactive repairs on the ageing fleet. Procurement for new vehicles is underway, however the lead times for some vehicles can be 12 months and are often delayed being delivered by manufacturers. Although these costs are high, there is also an offset in leasing costs incurred in year.			
5.6 Utility Contracts - Gas & Electric – the 2023/2024 budget allowed for significant increases in these contracts due to the impact from the War in Ukraine and high demand for supply. The Council successfully re-negotiated its contracts earlier in the year and has managed to release savings on the buildings operated by the Council. These rates are based on usage and provided the usage is consistent the Council should realise significant savings on these costs for the next few years.			
5.7 Newly approved POPS Service – this service was approved at the Cabinet meeting in September 2023 and the costs have been built into the expenditure forecasts for the year.			
5.8 Oswaldtwistle Theatre – the lease for this site has recently been returned to the Council and there has been a need to assess the condition of the building and ensure it meets the required compliance and safety conditions. The costs of undertaking these surveys have been built into the forecasts as a pressure and will highlight any potential capital works that may need to be undertaken in order for the theatre to reopen.			
5.9 Additional Election Costs – the costs of operating elections has risen over the past few years and these costs will need to be built into future forecasts to ensure the Council meets its statutory obligations for undertaking elections.			
5.10 Planning Fees Provision – planning fees for any applications which are not completed within 6 months have to be returned to the planning applicant. This provision is to cover any which have to be repaid.			
5.11 Additional Audit Fee – an additional fee has been raised in respect of a previous years audit, this is currently awaiting confirmation from the PSAA that it has to be paid.			
5.12 Legal Fees for Property Purchase – these are fees in respect of the purchase of land at the Northfield site.			

- 5.13 **Support for Hyndburn Leisure** – following the approval of the Cabinet report on 6th December 2023, this is the inclusion of the £490,000 support payment for Hyndburn Leisure.
- 5.14 **Markets – Loss of Income and Savings on Running Costs** – as part of the Levelling Up schemes, the Accrington Market building is undergoing a renovation from January 2024. Cabinet approved giving market tenants 3 months rent free on 6th December 2023, the estimated loss of income from this is £88,000. Whilst the market building is undergoing the renovation, there will be a saving on running costs which is estimated to be £41,000. Additional savings on staffing due to vacant posts and savings on other running costs within the markets area offset with the income loss mentioned above to bring the net impact to nil.
- 5.15 **Housing Benefits – Mid Year Estimate** – the latest forecast on the recovery of Subsidy Income against the Housing benefits payments submitted to the DWP highlight that there is an in year saving of around £310,000. This figure although high represents around 1.6% variance in year as the Housing Benefits payments represent over £19m per year.
- 5.16 **Crematorium Income** – due to an unexpected closure of the Blackburn crematorium there has been a large increase in demand for the use of the Accrington crematorium and this is reflected in the latest forecasts. It is expected that this will be one-off income in year.
- 5.17 **Additional Grant Income** – this is largely for revenues and benefits services and has enabled the service to administer several streams of grants for residents.
- 5.18 **DFG Income** – this represents an allowable recharge against the DFG grant for staff time as a percentage against the level of grant administered, as the team are delivering increased levels of grant work through home improvements and adaptations this figure is now higher than originally forecast for the year.
- 5.19 **Additional Investment Income in Year** – the performance of the treasury investments has exceeded the original budget by £1,071,000 in year and this is largely down to the level of interest rates rising by over 3% during the last year. These rises along with the change in investment methods and the high cash balances the Council has held, have enabled such significant returns. All investments are carefully considered and ensure that the Council can meet its cash flow requirements and that they are secure and give the best returns possible for low risk.
- 5.20 **Interest Payable / Leasing Costs** – there is an in year saving forecast as there has been no need for any borrowing in year and also vehicle procurement delays have reduced the leasing costs. This is likely to be a one-off saving in year as capital spend and vehicle procurement will be increased when vehicles are delivered in the next financial year.
- 5.21 **Contributions to Reserves** – a contribution to reserves of £175,000 in respect of costs for the Leisure Transformation Project was approved by Cabinet on 18th October 2023.

6. Potential pressures and risks in year

6.1 Although the forecast underspend at QTR 3 stands at £0.458m, there are some real pressures and risks that need to be considered that are not currently built into any financial forecasts.

The main pressures / risks to be considered are highlighted below:

- **Waste Disposal Site / Transfer Station** – negotiations are underway with Lancashire County Council regarding their contract situation for the disposal of waste at the Whinney Hill site. This may require Hyndburn and the other East Lancashire districts to find alternative sites to dispose of their residual household waste. It is not known to date the additional costs that may be incurred by the Council, but initially these may involve surveys and legal fees around potential site options and once determined they will be reported in due course.
- **Oswaldtwistle Civic Theatre** – the recent closure of the theatre and return of the lease to the Council has resulted in the need to undertake surveys and compliance works to understand the condition of the building, prior to it being ready for potential future occupation. The facilities management team will report back the potential costs once the surveys are complete.
- **Crematorium / Cremators** – there is risk that there may be a change in legislation to enforce new systems for mercury abatement to be installed / retro fitted to the current incinerators at the crematorium. It is expected that these changes may come into place in 2 to 3 years' time and there will be a significant capital cost for works to ensure the compliance. The Parks team are currently investigating this further and will inform cabinet of the requirements as soon as the information is available. Possible considerations could be the set aside of income / surplus from the service and / or further investigation into the charging / pricing structure for cremations.
- **Leisure Trust Support** – the effects of high inflation and increases in utility costs have had an affect nationally on the operation of sports facilities with swimming pools. As mentioned above, Cabinet approved a report on 6th December 2023, recommending the Council provide the Leisure Trust with a grant of £490,000 in 2023/24, but also noting that Hyndburn Leisure had requested financial support of up to £700,000 and therefore further support may be required.

6.2 These pressures / risk may need to be considered for QTR4 as costs against the QTR 3 forecast underspend in year.

7. Medium Term Financial Strategy Forecast 2023/2024 to 2025/2026

- 7.1 The Medium Term will be affected by the forecast underspend in year and highlighted pressures. The latest strategy is in the process of being updated to reflect the latest projections and impact of inflation.
- 7.2 The forecasts included in the Medium Term Financial Strategy approved in February 2023 include the assumptions below and therefore any changes in future budget and funding decisions will have both positive and negative impacts on any surplus or shortfall projected.
- 7.3 The assumptions already contained in the current Medium Term Financial Strategy for future years 2024/2025 and 2025/2026 are:
- **5% Pay Award for all years** – the agreed pay award was above that figure in 2023/2024 and the impact of this will be reflected in future years.
 - **5% General inflation on all supplies and services** – currently inflation (CPI) is running at 3.9%. This has fallen significantly from the inflation rate of 6.7% reported last quarter. It is hoped that this fall should enable the Council to contain costs within the current budgeted resources, however the future outlook for inflation is uncertain. Should it not be possible for the Council to contain its costs within the current budgeted resources this may affect future forecasts.
 - **Forecast increase of 2% on Council tax along with a 2% growth in the Council Tax property base** – Currently the council has the option to raise the Councils element of Council Tax by a maximum of 2.99% or £5.00, whichever is highest. Raising Council Tax to the maximum will be an option that will need to be considered in the next Budget setting process to help reduce the gap on the medium term financial strategy. Council Tax currently provides approximately 40% of the Councils required Funding.
 - **3% increase in government grant funding** – The Council currently receives £2.238m in grant funding from Central Government, which is approximately 14% of the Councils required resources. The ‘Provisional Local Government Settlement 2024/25’ released by DLUHC on 18th December 2023, announced a 0.13% increase for the Council in Central Government grant funding for 2024/25 to £2.241m. The potential for reduction or removal of this funding could create a significant financial pressure in future years.
 - **3% increase in Business rates funding** – Business rates currently provides approximately 46% of the Councils required funding.
- 7.4 The Councils Medium Term Financial Strategy is currently being revised to reflect the provisional local government finance settlement for 2024/25.

8. Alternative Options Considered and Reasons for Rejection

- 8.1 Not Applicable. This report is for information purposes only.

9. Consultations

9.1 None applicable in this instance.

10. Implications

Financial implications (including any future financial commitments for the Council)	As outlined in the report.
Legal and human rights implications	Not Applicable
Assessment of risk	Not Applicable
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	Not Applicable

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

11.1 Revenue Budget Report 2023/2024 – Council 23rd February 2023
Medium Term Financial Strategy 2023/2024 to 2025/2026 – Council 23rd February 2023
Revenue Budget 2023/2024 Monitoring – Quarter 1 to end of June 2023
Revenue Budget 2023/2024 Monitoring – Quarter 2 to end of September 2023

12. Freedom of Information

12.1 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.

Appendix A – Summary of Forecast Variance in Year by Department and Section

Note: All figures are rounded to the nearest £1,000

Service Area	Original Budget	Budget Changes	Current Budget	Current Forecast	Current Forecast Variance	Breakdown of Forecast Variance		
						Variance Staffing	Variance Non-Staffing	Variance Income
Environmental Health								
Environmental Health	363	(38)	324	316	(8)	(8)	10	(11)
Environmental Protection	309	38	348	451	103	184	37	(118)
Environmental Health Total	672	-	672	767	95	176	47	(129)
Environmental Services								
Environmental Maintenance	193	(334)	(141)	(52)	89	(13)	101	1
Levelling Up	-	-	-	-	-	-	71	(71)
Other Environmental Services	76	(5)	71	69	(2)	7	1	(9)
Parks & Cemeteries	971	28	999	899	(100)	(56)	109	(154)
Town Centre & Markets	618	-	618	621	4	(20)	(76)	100
UK Shared Prosperity Funding	-	-	-	-	-	2	(1)	(1)
Waste Services	3,123	6	3,128	3,187	59	69	25	(35)
Environmental Services Total	4,980	(305)	4,675	4,725	49	(11)	229	(169)
Legal and Democratic								
Democratic Services	728	-	728	801	72	-	104	(31)
HR and Policy	585	-	585	594	9	54	24	(69)
Legal	159	-	159	245	86	71	18	(3)
Management - L&D	112	6	119	113	(6)	(5)	-	-
Legal and Democratic Total	1,585	6	1,591	1,753	162	120	145	(103)

Service Area	Original Budget	Budget Changes	Current Budget	Current Forecast	Current Forecast Variance	Breakdown of Forecast Variance		
						Variance Staffing	Variance Non-Staffing	Variance Income
Planning & Transportation								
Building Control	(1)	-	(1)	31	31	33	-	(2)
Engineers and Transportation	230	-	230	229	(1)	-	29	(31)
Green Infrastructure	73	-	73	33	(40)	-	(15)	(25)
Planning	336	-	336	682	346	231	15	100
Section 106	-	-	-	-	-	-	-	-
Planning & Transportation Total	639	0	639	975	336	265	29	42
Regeneration & Housing								
Economic Development	-	-	-	-	-	-	533	(533)
Facilities	393	-	393	438	45	1	69	(25)
Haworth Art Gallery	211	-	211	172	(40)	16	(40)	(16)
Housing Advice	197	-	197	197	-	61	860	(921)
Property	71	-	71	167	96	(29)	71	54
Selective Licensing	-	-	-	-	-	4	(5)	-
Strategic Housing	210	-	210	199	(11)	(8)	18	(21)
Regeneration & Housing Total	1,082	-	1,082	1,173	91	46	1,507	(1,462)
Resources								
Assurance	569	-	569	587	18	(1)	19	-
Covid	-	-	-	-	-	-	-	-
Customer Contact	1,369	-	1,369	882	(487)	(9)	(122)	(356)
Finance	973	(17)	956	1,106	150	65	(1)	86
ICT	550	0	550	588	38	6	19	14
Leisure	154	-	154	513	359	-	1,087	(728)
Management - Resources	918	(6)	912	904	(8)	(6)	130	(132)
Resources Total	4,533	(23)	4,510	4,580	70	56	1,132	(1,117)

Service Area	Original Budget	Budget Changes	Current Budget	Current Forecast	Current Forecast Variance	Breakdown of Forecast Variance		
						Variance Staffing	Variance Non-Staffing	Variance Income
Non-Service								
Bad Debt	-	-	-	-	-	-	-	-
Interest	215	(86)	129	(1,009)	(1,138)	-	(67)	(1,071)
MRP	677	407	1,084	786	(298)	-	(298)	-
Non-Service Total	892	321	1,213	(223)	(1,436)	-	(365)	(1,071)
Contribution to Reserves								
Contribution to Reserves	-	-	-	175	175	-	175	-
Contribution to Reserves Total	-	-	-	175	175	-	175	-
Funding								
Business Rates	(6,631)	-	(6,631)	(6,631)	-	-	-	-
Council Tax	(5,720)	-	(5,720)	(5,720)	-	-	-	-
Grants	(2,032)	-	(2,032)	(2,032)	-	-	-	-
Funding Total	(14,383)	-	(14,383)	(14,383)	-	-	-	-
Grand Total	-	-	-	(458)	(458)	652	2,899	(4,008)

Agenda Item 9.

REPORT TO:	Cabinet		
DATE:	24 January 2024		
PORTFOLIO	Cllr Peter Britcliffe – Deputy Leader of the Council & Resources		
REPORT AUTHOR:	Jody Spencer-Anforth, Head of Finance		
TITLE OF REPORT:	Capital Programme Monitoring 2023/24 – 3rd Quarter Update to 31st December 2023		
EXEMPT REPORT:	No		
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of the Report

- 1.1 This report provides an update for Cabinet of the Council's Capital Programme Monitoring. It sets out the latest phasing of the programme including the latest estimate of available resources and any additions or changes in forecast outturn since the last current position was presented to the Council Meeting 23rd February 2023.

2. Recommendations

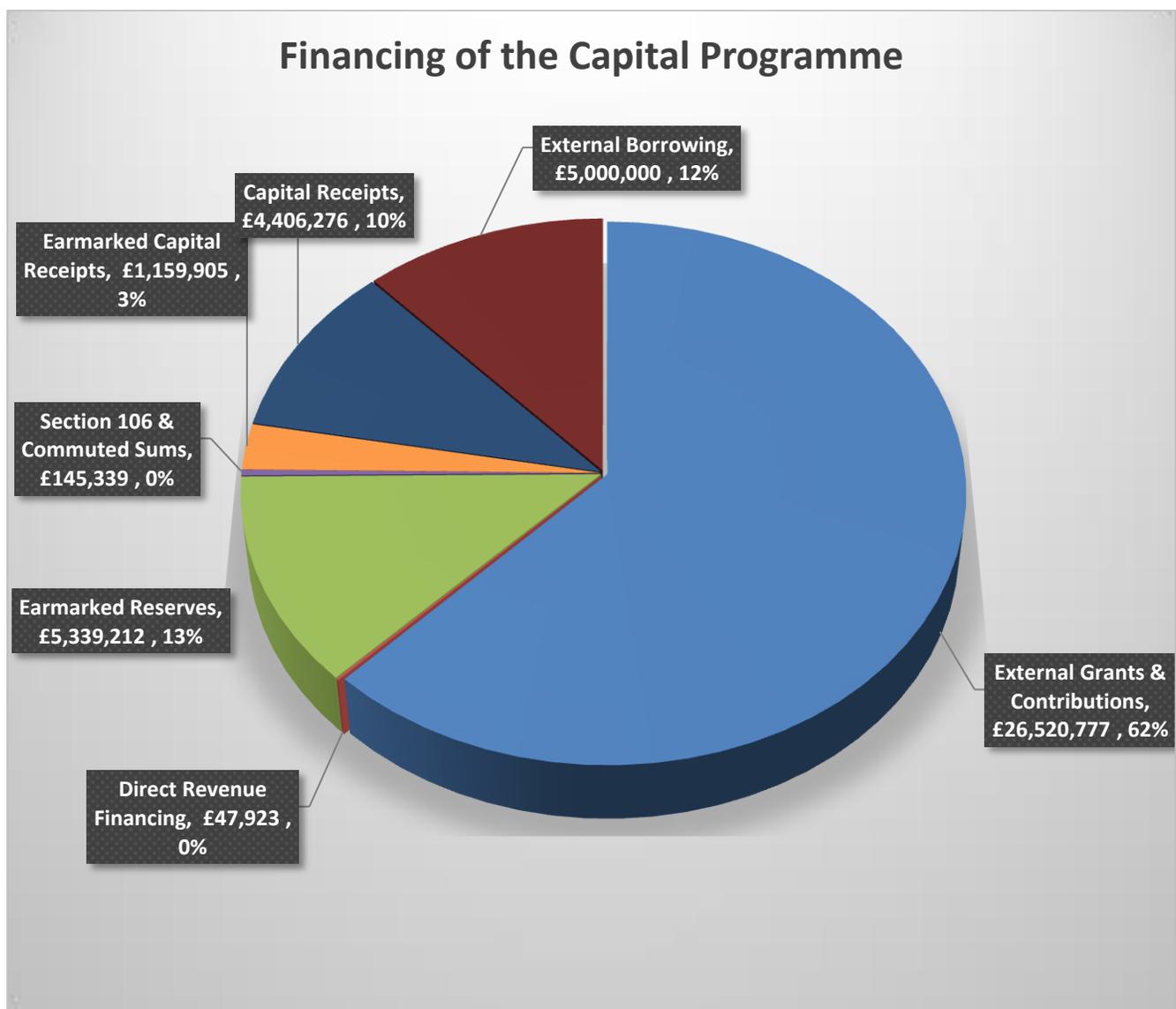
- 2.1 Cabinet notes the progress on capital expenditure to date.

3. 2023/2024 Capital Programme

- 3.1 The Council authorised new additions to the capital programme of £8.374m at its meeting on the 23rd February 2023.
- 3.2 Since the Council meeting in February 2023 new schemes totalling £1.530m have been approved and added to the programme. The additional expenditure approved is to be fully funded from by external grants and receipts that have been awarded and or / received.
- 3.3 In addition, the capital spend outturn from 2022/2023 slipped £37.615m into 2023/2024, which £35.294m relates to the Levelling Up scheme for Accrington Town Centre, the Leisure Estate Investment and Housing Schemes including Disabled Facilities Grants.
- 3.4 The approved Capital programme now totals £42.619m and is shown in the table below:

	£m
New Additions to the Capital Programme (Reported at February Council 2023)	8.374
Budget Changes	
Slippage from 2022/23	37.615
New Schemes and Additional Funding Approved in Year	1.530
Unsuccessful Grant Bids – Schemes Removed from Programme	-4.900
Current Approved Capital Programme Budget 2023/24	42.619

3.5 The financing of the programme in 2023/2024 is as follows:



3.5 As shown in the chart above there is approval to fund £5m of the capital programme through external borrowing, if required. The council continues to maximise the use of

its capital receipts, reserve balances and attempts to draw down additional external funding that will delay or potentially reduce its need for borrowing.

3.6 The current programme of £42.619m will not be capable of being delivered in the current financial year and it is proposed to now rephrase the programme into the years in which it is now expected to be spent. The phasing of the programme is now summarised as below.

3.7 Summary of the Scheme Profiles over the Medium Term Financial Strategy.

Programme Area	2023/2024	2024/2025	2025/2026	Total
	£'000	£'000	£'000	£'000
Operational Buildings	971	540		1,511
Parks & Open Spaces	1,006	290		1,297
IT Projects	566	7		574
Recreation & Sport	36	0		36
Vehicles & Equipment	34	55		89
Community Projects	134	235		369
Planned Asset Improvement Programme	272	38		309
Leisure Estate Investment Programme	268	11,992		12,260
PSDS Decarbonisation Scheme	55	0		55
Levelling Up Programme	5,642	17,116		22,758
UK Shared Prosperity Programme	263	767		1,030
Transitional Housing Programme	108	0		108
Housing Improvement Programme	1,563	660		2,223
Total	10,920	31,700	0	42,619

4. 2nd Quarter Update Position

4.1 The Actual expenditure to 31st December 2023 is £3.621m against the latest rephrased budget for 2023/2024 of £10.920m. This equates to 33.16% spend.

4.2 As shown in the table above, there is expected to be £31.70m of budget to be rephrased into 2024/2025 of which £17.116m relates to the Levelling Up scheme for Accrington Town Centre, £11.992m to the Leisure Estate Investment, £0.767m to Shared Prosperity Funded schemes, £0.660 to Disabled Facility Grants and the balance to miscellaneous capital schemes

4.3 As the programme has been rephrased, the latest forecasts are now that there will be a small underspend in year of £11,552 with all other schemes in line with the budgeted profile and are expected to be spent in year.

4.4 The significant elements of the programme to be spent in year are shown in the table below with a more detailed breakdown shown in Appendix A.

Programme Area	Budget for Year	Actual Spend to Date	Spend for Remainder of the Year	Forecast Outturn Position for the Year	Variance
	£'000	£'000	£'000	£'000	£'000
Operational Buildings	971	477	483	959	-12
Parks & Open Spaces	1,006	320	687	1,007	0
IT Projects	566	275	291	566	0
Recreation & Sport	36	35	1	36	0
Vehicles & Equipment	34	34	0	34	0
Community Projects	134	40	93	134	0
Planned Asset Improvement Programme	272	83	189	272	0
Leisure Estate Investment Programme	268	237	32	268	0
PSDS Decarbonisation Scheme	55	-25	80	55	0
Levelling Up Programme	5,642	1,290	4,353	5,642	0
UK Shared Prosperity Programme	263	0	263	263	0
Transitional Housing Programme	108	0	108	108	0
Housing Improvement Programme	1,563	856	707	1,563	0
Total	10,920	3,621	7,287	10,908	-12

% of Budget Spend	33.16%	66.73%	99.89%	-0.11%
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4.5 Close monitoring of the capital programme is undertaken throughout the year to ensure that the projects are kept in line with spend forecasts and are considered in the councils cash flow forecasts. Deviations from the spending profiles and any financial implications are taken into account in treasury and revenue budget forecasts.

5. Financial Risks of the Capital Programme

5.1 Capital Receipts

The financing of the programme is reliant on using receipts of £4.406m, which have been generated from the sale of Council land and buildings. To date the Council still needs to sell land and buildings to the value of £2.364m to achieve all its required financing from capital receipts. It is expected that all of these receipts will be achieved by the end of 2024/2025. It is crucial that the planned sales continue to be progressed to ensure the required financing is in place.

This is a medium level risk

5.2 External Grants and Contributions

The Capital Programme is reliant on £26.678m in external funding, with the Council providing additional match funding of over £16m. It is crucial that the external funding

is secured and grant works are claimed on a frequent basis. To date £6.738m has been received, leaving £19,940m still to be received / claimed over the next two years.

The majority of external funding is to be provided by:

- **Levelling Up Project (LUF)** – this scheme is largely funded by a government grant of £20m and a further £1.5m contribution from Lancashire County Council. To date the Council has received just over £4m of this funding and further claims are being submitted on a quarterly basis to minimise the impact on cash flow. The government has prepaid some elements of this grant in order to assist councils with their cash flows.
- **UK Shared Prosperity** – This scheme relates to £1.030m of which the council has already received the allocation of £274,000 for 2023/2024. All these works must be completed within the agreed timescales to ensure that there is no threat of clawback.
- **Disabled Facilities Grant** – this scheme is funded from grant monies from the Better Care Fund via Lancashire County Council and includes £2.148m of funding which the council has received.
- **Leisure Estate Investment Programme** – The extent of this programme was dependent on the Council being successful in obtaining external funding of around £2m. We have now received confirmation that these bids have been successful and therefore this scheme is being taken forward as has been reported.

This is a medium level risk

5.3 External Borrowing

The Capital Programme has approval for £5m of external borrowing as part of the Leisure Transformation Programme. The impact of inflation has seen some significant increases in interest rates for borrowing and these rises will have an impact on the revenue budget for interest costs if there is a need for the Council to borrow to fund this project. External borrowing will only occur at the end of any project and will be reduced wherever possible by the use of any additional capital receipts, other external funding available and through increased reserves / in year surpluses achieved through good financial management.

This is a medium level risk

5.4 Major Schemes in Capital Programme

The programme contains some major schemes that require close monitoring to ensure they are on target and that any external financing has been secured and is being claimed frequently. Major schemes include:

- Levelling Up Programme - with £5.642m in year and £17.116m in 2024/2025.

- Disabled Facilities Grant - with £1.488m in year and £0.660m in 2024/25
- UK Shared Prosperity Grant – with £0.263m in year and £0.767m in 2024/2025.
- Leisure Estate Investment Programme - £0.269m in year with further works in 2024/2025 of £11,992m following the success of external funding bids.
- Asset Programme works £2.988m in year and £1.110m in 2024/25. These works include maintenance of operational buildings and the continued investment in Parks and Playgrounds

6. **Conclusion**

- 6.1 The capital programme has significantly grown over the past two financial years to a current programme totalling £42.619m. Although the programme is approximately 62% funded from external grants and contributions, it nevertheless puts a strain on the Councils staffing resources to be able to procure and deliver these projects. It is therefore key to ensure that projects are well planned and phased to deliver within the required timeframes.
- 6.2 The Programme will continue to be carefully monitored and it may require further revisions in its phasing in the future.

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

- 7.1 Not applicable

8. **Consultations**

- 8.1 Not applicable

9. **Implications**

Financial implications (including mainstreaming) As outlined in this report

Legal and human rights implications None

Assessment of risk None

Equality and diversity implications None
A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.

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

Council 23rd February 2023 – New Additions to the Capital Programme 2023/24

11. Freedom of Information

- 11.1 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

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
	Operational Buildings					
300007	Haworth Art Gallery Lighting & Wedding Venue	17,770	17,765		17,765	(5)
301150	Oakhill Park Service Building (Improve Welfare Facilities + Drainage)	8,280	8,280		8,280	
301296	External Security Improvements	13,225	462	12,763	13,225	
302314 400214	Fire Assessment Building Alterations Various Buildings	27,455	18,766	8,689	27,455	
400229	Willows Lane - Roofing, Gutter Replacement & Boundary Wall	45,000	450	44,550	45,000	
400230	Willows Lane Stores Upgrade Work	566		566	566	
400231	CCTV Upgrade Various Buildings	34,729	348	34,381	34,729	
400321	Acc Town Hall External Improvements	1,970	1,970		1,970	
401309	Fire Assessment Building Alterations Acc Crematorium	50,000		50,000	50,000	
401933	Accrington Townscape Heritage Initiative	14,847	(3,878)	6,842	2,964	(11,883)
401941	Internal Development of Accrington Market Hall - Replace Passenger Lift - consultancy + design element	12,310	10,750	1,560	12,310	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
401941	Internal Development of Accrington Market Hall - Replace Passenger Lift - works element	237,690		237,690	237,690	
403100	Cremators Acc Crematorium	6,997		6,997	6,997	
403011	Accrington Cemetery Welfare & Depot Facilities PH2 = £266,500	427,979	399,252	28,727	427,979	
501308	CVMU Yard and Roadway Resurfacing	22,500	22,500		22,500	
601500	Toilet Facilities Acc Market Hall	50,000		50,000	50,000	
	TOTAL Operational Buildings	971,318	476,665	482,765	959,430	(11,888)

Parks & Open Spaces						
301126	Bullough Park Play Area Improvements	15,000	11,926	3,074	15,000	
301129	Rhyddings Park	32,534		32,534	32,534	
301147	Bolton Avenue MUGA	1,627	(266)	1,893	1,627	
301151	Oakhill Park Tennis Court Refurbishment	48,695	47,774	921	48,695	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
301152	Mercer Park Play Area CLM	165,000	4,400	160,600	165,000	
301153	Chess in Parks	5,000		5,000	5,000	
301213	Memorial Park Heritage Lottery Project	272,610	61,846	210,764	272,610	
301283	Cutwood Park Paths	35,876		35,876	35,876	
301285	Baxenden Woodland Improvements 2023/24	10,921	1,077	9,844	10,921	
301291	Lowerfold Play Area	2,420	2,420		2,420	
301292	PlanT Treescapes	783	789		789	6
301293	Knuzden Recreation Ground Play Area + MUGA	106,314	103,981	2,658	106,639	325
301295	Artificial Cricket Wicket - Bullough Park	14,000	12,442	1,558	14,000	
301297	King George V Pavillion and Pitches	9,755		9,755	9,755	
301298	Memorial Park LUF Green Spaces	66,500	56,693	9,807	66,500	
401313	Nook Lane / Bury Meadows Acquisition Osw - 2023/24	57,584	15,388	42,196	57,584	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
401705	Pleck Meadow Access Improvements & Wetland Creation	1,642	1,424	218	1,642	
	Gatty Park Polytunnels & Greenhouse Replacement	0				
	Milton Close Play Area Gt Harwood	160,000		160,000	160,000	
	TOTAL Parks & Open Spaces	1,006,261	319,894	686,698	1,006,592	331

IT Projects						
400112	Tech Refresh Annual Replacement Programme	25,059	14,454	10,605	25,059	
400143	Financial System Software	257,820	210,382	47,438	257,820	
400145	Computer Aided Facilities Management (CAFM) System	118	118		118	
400146	Tech Refresh - Upgrade QE Conference Room	15,000	13,170	1,830	15,000	
400147	Wi-Fi Upgrade Scaitcliffe House	5,906	2,765	3,141	5,906	
400148	ICT Replacement Microsoft Dynamics - CRM Digital Services	197,321	34,189	163,132	197,321	
400150	Cloud based Revenue & Benefits System	65,200		65,200	65,200	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
	TOTAL IT Projects	566,424	275,078	291,346	566,424	

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
	Recreation & Sport					
302247	HLC Roof Works & Electric Sub Station • addnl works to support PSDS scheme	0	(900)	900		
302252	Stanley Sports Hub - contribution to the extension of indoor sports facility	36,000	36,000		36,000	
	TOTAL Recreation & Sport	36,000	35,100	900	36,000	

	Vehicles & Equipment					
502059	Gang Mower	34,247	34,247		34,247	
	TOTAL Vehicles & Equipment	34,247	34,247		34,247	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
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Community Projects						
301909	War Memorial Restoration /	0				
600052	Christmas Decoration Replacement	18,321	12,750	5,571	18,321	
	Leeds Liverpool Canal Cycle Path	0				
401706	Fly-Tipping Intervention	50,000	655	49,345	50,000	
401917	Woodland Culvert Manchester Rd & Shelly Gardens	30,000	25,000	5,000	30,000	
401945	Accrington Town Centre Paving + reserve	3,609	1,100	2,509	3,609	
	Subtotal misc schemes	101,930	39,505	62,425	101,930	0

Local Area Management Capital Improvement Schemes						
6****	Local Area Management Capital Improvement Schemes	42,238		30,962	30,962	
301283	Cutwood Park Paths - cont to main scheme	(5,876)				
301295	Cricket Wicket Bullough Park - cont to main scheme	(5,400)				
680017	Hyndburn Food Pantry	864	864		864	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
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	Subtotal Local Area Management	31,826	864	30,962	31,826	
	TOTAL Community Projects	133,756	40,369	93,387	133,756	

Planned Asset Improvement Programme						
404***	Planned Asset Improvement Programme - Unallocated	29,048		29,048	29,048	
301902	Oswaldtwistle War Memorial - Lighting Upgrade	18,330	1,250	17,080	18,330	
301910	Rishton War Memorial - Lighting Upgrade	25,103	25,103		25,103	
404160	HAG Re-roof	5,000	5,000		5,000	
404186	Replacement Boilers	0				
404182	Electrical Works Various Buildings	25,057	25,057		25,057	
404178	Lift Improvements	20,000		20,000	20,000	
404190	Legionella Upgrades	20,000	3,685	16,315	20,000	
404194	HAG Potting Shed RE-roof	5,535	5,535		5,535	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
404198	Oakhill Tennis Pavilion	16,395	16,395		16,395	
404199	Mercer Park Bowls Pavilion	34,840		34,840	34,840	
404200	Walls around Parks & Open Spaces	36,250	810	35,440	36,250	
404201	Fences	36,250		36,250	36,250	
	TOTAL Planned Asset Improvement Programme	271,808	82,835	188,973	271,808	

C7 -	Leisure Estate Investment Project					
	Wilsons Playing Fields £387,500 allocated to HLC	(41,023)		(41,023)	(41,023)	
302250	WPF Leisure Estate Investment Project	165,409	107,244	58,165	165,409	
	Leisure Estate Transformation - Zero Carbon Impact on Wilson Site	0				
302251 C241	MHLC Leisure Estate Investment Project	2,500	2,500		2,500	
302255	WPF Development Contract	0				

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
	Total WPF	126,886	109,744	17,142	126,886	
302249	HLC Leisure Estate Investment Project	108,495	103,872	4,623	108,495	
302233	HLC Mechanical & Electrical Plant Replacement	0				
	Amenity Lighting Large Scale Project - Car Park Lighting HLC	0				
	Wilson Playing Fields Storage & Welfare Facilities	0				
302248	Hyndburn Leisure 3G Pitch Full Replacement	9,740	316	9,424	9,740	
	Total HLC	118,235	104,188	14,047	118,235	
302253	3G Pitch Floodlights	23,151	22,572	579	23,151	
		23,151	22,572	579	23,151	
	TOTAL Leisure Investment Project	268,272	236,504	31,768	268,272	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
	PSDS Decarbonisation Scheme					
302246	PSDS - Hyndburn Leisure Centre	55,303	(20,922)	76,225	55,303	
302246	PSDS - Hyndburn Leisure Centre - Project Management Support	0	(2,865)	2,865		
405018	PSDS - Scaticliffe House	0	(954)	954		
	TOTAL PSDS Decarbonisation Scheme	55,303	(24,741)	80,044	55,303	

C5 -	Levelling Up Fund					
	Accrington Town Centre Levelling Up Project	0				
601000	Market Hall £20,000 = 2022/23 £1,000,000 = 2023/24 £9,980,000 = 2024/25	2,621,361	258,948	2,362,413	2,621,361	
601001	Market Chambers £60,000 = 2022/23 £960,000 = 2023/24 £2,380,000 = 2024/25	986,793	857,694	129,099	986,793	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
601002	Burton Chambers £1,000,000 = 2022/23 £6,000,000 = 2023/24 £2,100,000, = 2024/25	2,034,066	172,905	1,861,161	2,034,066	
	TOTAL Levelling Up Fund	5,642,220	1,289,547	4,352,673	5,642,220	

C6 - UK SPF						
C6 -	UK Shared Prosperity Fund (excluding admin fee)	0				
602001	Accrington PAL's Garden	262,727		262,727	262,727	
	Improve Town Centre Car Parks / Planting	0				
	Market Chambers Arts, Culture & Heritage Centre	0				
	TOTAL SPF	262,727		262,727	262,727	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
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Transitional Housing Programme						
	Transitional Housing Programme	28,384		28,384	28,384	
CHY800	Phoenix 1D	80,000		80,000	80,000	
	TOTAL Transitional Housing Programme	108,384		108,384	108,384	

Housing Improvement Programme						
172003	Clearance - Pendle St PH1	0				
172028	Lower Woodnook Housing Renewal Scheme	0				
172400	Disabled Facilities Grant	1,247,782	710,872	536,910	1,247,782	
172401	Disabled Facilities Grant - Private Contribution	894	894		894	
172403	DFG Affordable Warmth Grant	180,000	94,026	85,974	180,000	
172404	DFG Emergency Works Grant	50,000	25,345	24,655	50,000	

Appendix 1

Code	Scheme	Net Available Budget 2023/24	Expenditure to 31/12/23	Projection to 31/3/24	Total Expenditure 2023/24	Variance (under) / over
172405	DFG Home Security Grant	10,000		10,000	10,000	
179504	LCC Affordable Warmth Grant	74,341	24,528	49,813	74,341	
	Total Housing Improvement Programme	1,563,017	855,665	707,352	1,563,017	
	TOTAL EXPENDITURE ALL SCHEMES	10,919,737	3,621,163	7,287,017	10,908,180	(11,557)

Agenda Item 10.

REPORT TO:		CABINET : COUNCIL	
DATE:		24 th January 2024 / 27 th February 2024	
PORTFOLIO:		Councillor Peter Britcliffe - Deputy Leader of the Council, Resources	
REPORT AUTHOR:		C Worthington – Principal Accountant / A Martin – Principal Accountant J Spencer-Anforth – Head of Finance	
TITLE OF REPORT:		Prudential Indicators Monitoring and Treasury Management Strategy Update – QTR3 Update 2023/2024	
EXEMPT REPORT:	No		
KEY DECISION:	No	If yes, date of publication:	

1. PURPOSE OF REPORT

This report updates Cabinet on activities in this area since the start of this financial year.

2. RECOMMENDATION(S)

2.1 To note the report.

3. REASONS FOR RECOMMENDATION(S)

3.1 To keep Cabinet updated on the activities in the report.

4. BACKGROUND

4.1 The *Prudential Code for Capital Finance in Local Authorities* requires the Council to set Prudential Indicators annually for the forthcoming three years to demonstrate that the Council's capital investment plans are affordable, prudent and sustainable. The Council adopted its prudential indicators for 2023/2024 at its meeting in February 2023.

4.2 The Prudential Code requires 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 full-year report to Cabinet compliments a more regular review by the Executive Director (Resources).

4.3 The indicators are 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 will report and advise the Council further.

4.4 *'Treasury Management'* relates to the borrowing and cash activities of the authority, and the effective management of any associated risks. On 23rd February 2023 in the same report referred to at 4.1 above the Council also set out and then approved its current Treasury Management Strategy. This was 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 2023 report.

5. PRUDENTIAL INDICATORS MONITORING

5.1 Table 1 and Table 2 (**Appendix 1**) show the monitoring information for each of the prudential indicators, limits and statements. They relate 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
- Other particular indicators for Treasury Management.

6. TREASURY MANAGEMENT UPDATE

6.1 Current Treasury Position

Portfolio Position 2023/24	Original Estimate 2023/24 £000	Forecast Outturn 2023/24 £000
External Debt		
Debt at 1 st April	9,595	9,595
Expected Change in Debt	-	-
Other Long Term Liabilities	552	469
Gross Debt at 31 st March	10,147	10,064
Capital Financing Requirement (CFR)	8,381	8,307
Under / (over) borrowing	(1,766)	(1,757)
TOTAL INVESTMENTS (other than short-term)	-	-

6.2 As can be seen from the above table we are performing within the original targets set at the start of the year. Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. In general the requirement is that CFR exceeds gross debt. However in 2023/24 the gross debt will exceed CFR. This is due to the annual payment of Minimum Revenue Provision (MRP). Other Liabilities reflect the transfer of contract hire leases to balance sheet to comply with IFRS16.

- 6.3 The requirement to have CFR exceed Gross Debt centres around providing an assurance that borrowing is not taking place for Revenue purposes. However, as the Council is not borrowing additional funds at this time, this is not an issue.
- 6.4 The current position of the treasury function, and its expected change in the future, introduces risk to the Council from an 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.
- 6.5 The Capital Programme 2023/24 has been funded by the use of Government Grants (including New Homes Bonus Grant and S31 Grants) and other external financing. It has 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. No borrowing capital borrowing is forecast in year.

7 Expected movement in interest rates

- 7.1 The Council appointed Link Asset Services as treasury adviser to the Council and part of their service is to assist the Council in formulating a view on interest rates. The following table gives Link’s latest available view of the expected future movement in interest rates.

Link Group Interest Rate View 07.11.23													
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26
BANK RATE	5.25	5.25	5.25	5.00	4.50	4.00	3.50	3.25	3.00	3.00	3.00	3.00	3.00
3 month ave earnings	5.30	5.30	5.30	5.00	4.50	4.00	3.50	3.30	3.00	3.00	3.00	3.00	3.00
6 month ave earnings	5.60	5.50	5.40	5.10	4.60	4.10	3.60	3.40	3.10	3.10	3.10	3.10	3.10
12 month ave earnings	5.80	5.70	5.50	5.20	4.70	4.20	3.70	3.50	3.30	3.30	3.30	3.30	3.30
5 yr PWLB	5.00	4.90	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.60	3.50	3.50	3.50
10 yr PWLB	5.10	5.00	4.80	4.70	4.40	4.20	4.00	3.80	3.70	3.70	3.60	3.60	3.50
25 yr PWLB	5.50	5.30	5.10	4.90	4.70	4.50	4.30	4.20	4.10	4.10	4.00	4.00	4.00
50 yr PWLB	5.30	5.10	4.90	4.70	4.50	4.30	4.10	4.00	3.90	3.90	3.80	3.80	3.80

Link interest rate forecasts as at 07/11/2023.

- 7.2 The latest forecast expects the MPC will keep bank rate at 5.25% until the middle of 2024 to combat on-going inflationary and wage pressures. It is not anticipated that the bank rate will increase above 5.25%.
- 7.3 The Council’s exposure to interest rate movements is largely neutralised currently as our borrowings are effectively at a fixed rate until a trigger point is reached, where the lender believes a better rate can be achieved elsewhere. Interest rates would have to exceed 5.00% however although they are now at 5.25% nothing has been triggered. The above table indicates that rates are not going to go above 5.25% so appears unlikely that the borrowings will hit their trigger point.
- 7.4 The Council has invested amounts of surplus cash on a short-term, temporary basis. The interest received from these investments is above the budgeted expectations for the full year to 31st December, mainly due to the Bank of England increasing the interest rates. Our strategy continues to focus on the security of deposits and the liquidity of funds. The additional interest generated as a result of rate increases and change in investment policy is now forecast at £1.472m for the year ending March 2024. This increase has been used to offset the additional inflation pressures in the current year and future year’s financial forecasts.
- 7.5 The Council continues to invest surplus cash in the top rated financial institutions. We continue to spread our money around a number of institutions to ensure that we are not potentially damaged by the unforeseen collapse of any one bank. Deposits are also held with banks where we believe that the respective governments are likely to be able to guarantee deposits in

the event of bank failure. This strategy is continuing to yield an appropriate rate of return, though at a lower rate, as there is less risk attached to these deposits. We also operate 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.

7.6 The council updated its policy on external investment by increasing the maximum limit for investment with the Governments Debt Management Agency Deposit Facility (DMADF) from £2m to unlimited. This has allowed greater flexibility for placing of funds with potential for higher returns with minimal risk. This update change in policy was updated in the Treasury Management Strategy that was approved at full Budget Council in February 2023.

8. ALTERNATIVE OPTIONS CONSIDERED AND REASONS FOR REJECTION

None applicable.

9. CONSULTATIONS

None applicable in this instance.

10. IMPLICATIONS

Financial (Including any future financial commitments for the Council)	There are none arising directly from this report.
Legal and human rights implications	The Local Government Act 2003 (part 1) and associated regulations gave statutory recognition to the Prudential Code - therefore there is a statutory backing to the background and local purpose of the report. Treasury Management activities of local authorities are prescribed by statute – the source of powers is, in England & Wales, the 2003 Act. ‘Statutory Guidance’ on investment is given by the MHCLG to local authorities.
Assessment of risk	There are inherent risks in capital finance and treasury management. When appropriate the risks are identified and assessed as part of the various recommendations made on Prudential Capital Finance and in the Council’s Treasury Management Strategy.
Equality and diversity implications	There are no specific implications for customers’ equality and diversity arising directly from the recommendations in this report

12. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

- Background papers are the legislation referred to in section 10 above, and the report approved by Council on 24th February 2022 & 23rd February 2023.
- Part 1 of the Local Government Act 2003 and related regulations
- The Prudential Code for Capital Finance in Local Authorities (CIPFA 2017)
- The Council’s Policy Statement on Treasury Management (Full Council February 2022 & February 2023)
- The Councils Policy on Treasury Management Practices (Full Council February 2022 & February 2023)

13. FREEDOM OF INFORMATION

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.

Contact Officer(s):

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Amanda Martin, Principal Accountant (Capital), tel 380668 (internal 2668)

TREASURY MANAGEMENT INDICATORS

Prudential Indicators – actual and projected	Original Indicator Estimate 2023/24 £'000	Actual 9 months £'000	Projected Outturn 2023/24 £'000	Note
External Debt - Gross Borrowing	10,147	10,064	10,072	1
Authorised limit for external debt	35,000	35,000	35,000	
Operational boundary for external debt	20,000	20,000	20,000	
Maximum principal sum invested >364 days	0	0	0	
Limit on fixed interest rate for net borrowing	100%	57%	57%	2
Limit on variable interest rate for net borrowing	100%	43%	43%	2
Maturity structure of borrowing limits (Upper Limit)				
Under 12 months	43%	43%	43%	3
12 months - 24 months	0%	0%	0%	
24 months - 5 years	0%	0%	0%	
5 years - 10 years	0%	0%	0%	
10 years and above	57%	57%	57%	

1. Includes the minor portion of borrowing from Charities (Internal Borrowing) - approximately £70k. The debt is based on the capital value of mainly loans outstanding and does not include accrued interest or effective rate of interest adjustment (accounting adjustments to be made).
No temporary borrowing is expected.
The figure also reflects the liability for finance leases. Several leases have had their terms extended rather than be replaced due to the Coronavirus situation.
Contract hire leases are also included in this figure to comply with IFRS requirements
2. In 2016/17 Barclays notified Hyndburn that they will class £5.4m LOBO debt as fixed rate debt. The interest rate has remained the same. The balance of debt outstanding remains as LOBO's which are classed as variable.
3. Borrowings of £4.12m are via LOBO agreements. As they have a call period of 6 month intervals they are classed as borrowing under 12 months. £5.4m former Barclays LOBO's are classed as long term debt.

TABLE 2**CAPITAL FINANCE PRUDENTIAL INDICATORS**

	Original Indicator Estimate 2023/24 £'000	Latest Estimate 2023/24 £'000	Note
Prudential Indicators - Latest Estimate			
Capital Financing Requirement (CFR)	8,381	8,307	1
Estimated Capital Expenditure	46,262	10,963	2
Ratio of Financing Costs to Net Revenue Stream	4%	4%	

1. The capital financing requirement (CFR) includes the finance lease position for the Council. CFR is a prescribed measure of the capital expenditure incurred historically by an authority which has to be financed.

The reduction in CFR reflects the extension of several vehicle leases (extension costs are chargeable to revenue) until an electric (or otherwise) alternative of this vehicle is leased.

2. Various schemes have underspent. Slippage has been requested for some of these schemes.

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Agenda Item 11.

REPORT TO:	Cabinet		
DATE:	24 January 2024		
PORTFOLIO:	Councillor Kathleen Pratt – Regeneration & Housing		
REPORT AUTHOR:	Helen McCue Melling Regeneration & Property Manager		
TITLE OF REPORT:	Disposal of Land, Dale Street, Accrington, BB5 0AL		
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. **Purpose of Report**

- 1.1 To seek Cabinet approval for the sale of the open space land South of Dale Street and the land North of Dale Street Accrington BB5 0AL, shown edged red on the attached plans in Appendices 1 & 2.

2. **Recommendations**

It is recommended that Cabinet:

- 2.1 Approves the disposal of the two plots of open space land at Dale Street, Accrington BB5 0AL shown edged red on the plans attached to this report
- 2.2 Delegates authority to the Head of Regeneration and Housing in consultation with the Director of Legal and Democratic Services to finalise the terms and conditions of the proposed disposal.

3. **Reasons for Recommendations and Background**

- 3.1 Vacant land south of Dale Street and land north of Dale Street prompted interest from local developers requesting to purchase them for redevelopment subject to compliance with planning requirements.

3.2 In December 2022, the two sites were advertised for sale on the Council's website seeking offers on an informal tender basis. Three offers for the combined sites were received, these were:

1. £17,000
2. £120,000
3. £200,000

3.3 The highest offer of £200,000 was rejected as this offer was conditional on the inclusion

of other plots of land elsewhere in the Borough. The combined offer is significantly below market value and as such is considered unacceptable

3.4 The 2nd highest offer of £120,000 comprises £100,000 for the land south of Dale Street and £20,000 for the land north of Dale Street with both the individual and combined offers deemed market value.

3.5 Both plots are public open space and therefore the Council followed the requirements of Section 123 (2A) of the Local Government Act 1972, by advertising its intention to sell the land on 13th January and 20th January 2023. No objections were received.

4. Alternative Options considered and Reasons for Rejection

4.1 The Council could choose not to accept the offer and not dispose of the land but this could be mean forgoing an opportunity for development of the site which has been vacant for many years and is a focus for fly-tipping.

4.2 The sites could be remarketed to see if an increased offer would be made. This should be rejected as they were advertised for sale which has tested the value in the open market and the preferred offer for each site is deemed market value. Recent offers fall well below this offer

5. Consultations

5.1 Councillor Kathleen Pratt, portfolio holder

6. Implications

Financial implications (including any future financial commitments for the Council)	The disposal of this site will generate a capital receipt of £120,000 and save time and money on future property management and clearing away any subsequent fly tipping. The development of the site for housing will
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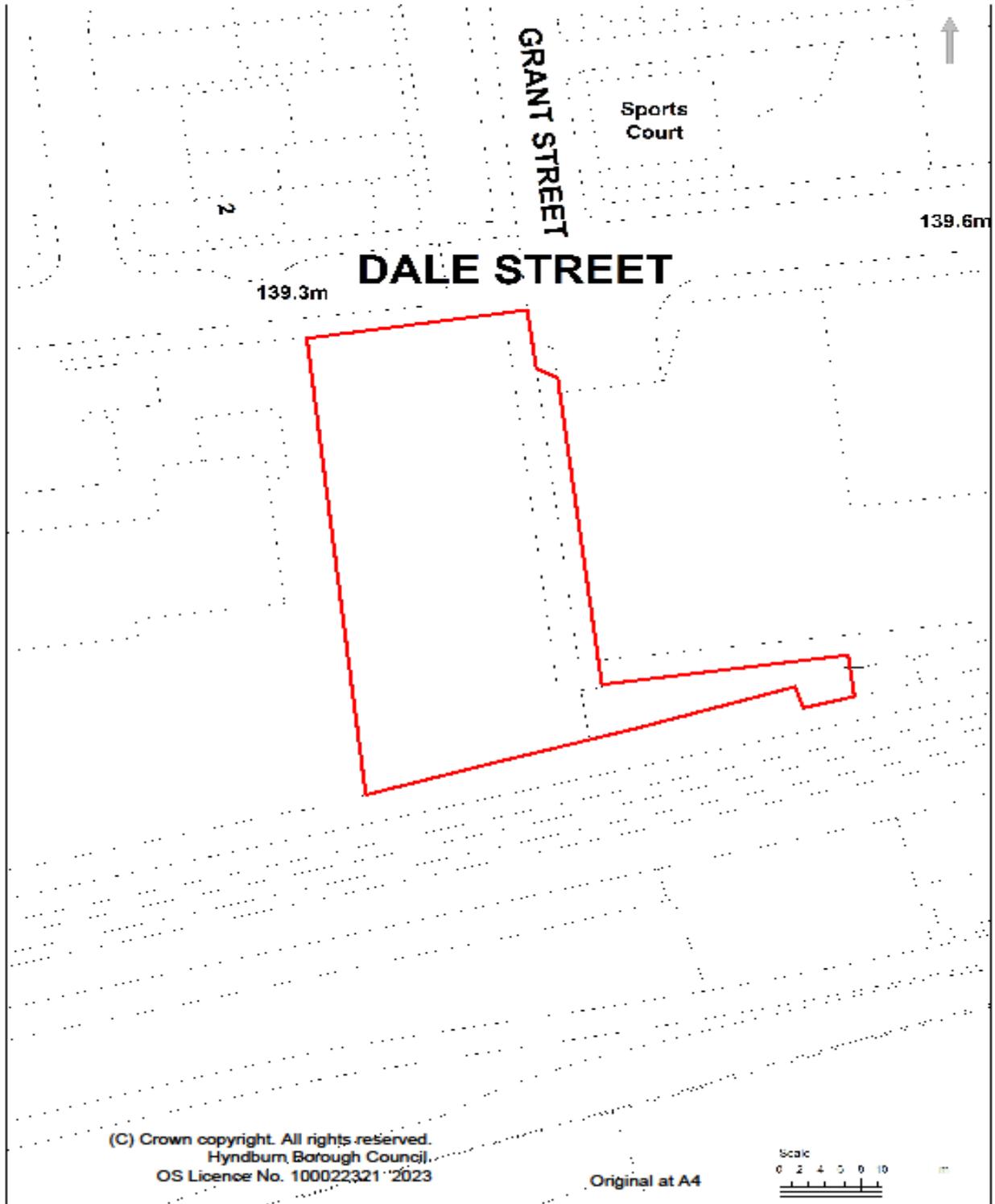
	generate revenue income via Council Tax receipts.
Legal and human rights implications	<p>The Council has the power to dispose of land without the consent of the Secretary of State provided the sale is for the best price that can be reasonably obtained pursuant to S123 of the Local Government Act 1972. This sale is considered to be at market value.</p> <p>Before the Council can dispose any land considered to be open space it must first cause notice of its intention to do so to be advertised in two consecutive weeks in the local press and to consider any objections made. The proposed disposal has been advertised and no objections received.</p>
Assessment of risk	The Council agreed to allow time for the developer to apply for outline planning approval in case housing use was refused. Outline planning approval for housing was granted 12 th December 2023 but the site will still be subject to a full planning application.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	N/A

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

- 7.1 *Copies of documents included in this list must be open to inspection and, in the case of reports to Cabinet, must be published on the website.*

8. Freedom of Information

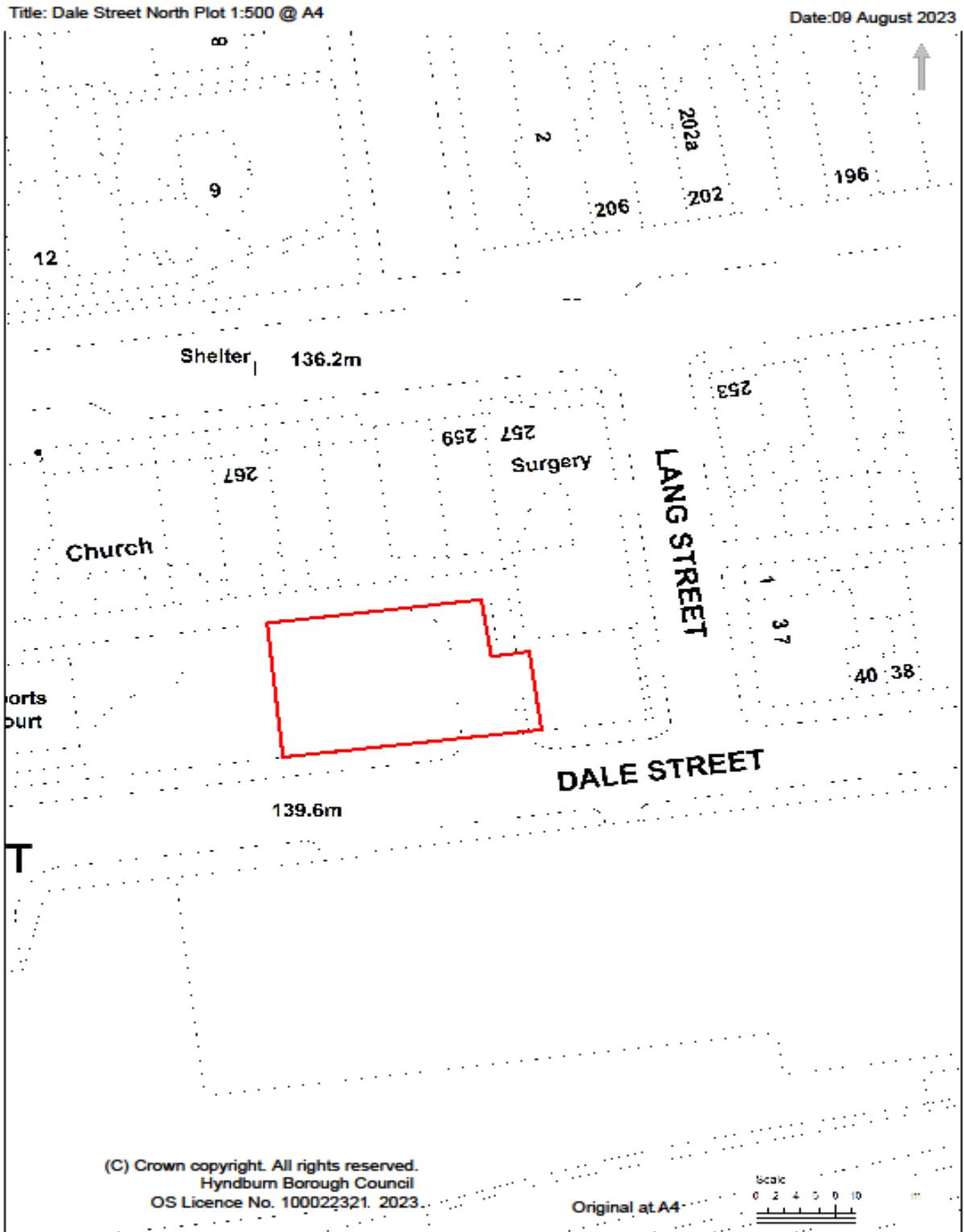
- 8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.



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Agenda Item 12.

REPORT TO:	Cabinet		
DATE:	24 January 2024		
PORTFOLIO:	Councillor Sajid Mahmood - Communities Health & Wellbeing		
REPORT AUTHOR:	Ben Caulfield, Scrutiny and Policy Officer		
TITLE OF REPORT:	Weight Management Services		
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. **Purpose of Report**

- 1.1 For Cabinet to make a decision on the future provision of Weight Management Services in Hyndburn.

2. **Recommendations**

- 2.1 That Cabinet agrees to enter into a collaboration agreement with Lancashire County Council for the provision of Weight Management Services in Hyndburn from 1st April 2024 until 31st March 2029;
- 2.2 That Cabinet accepts the £66,770 annual grant for the delivery of Weight Management Services from Lancashire County Council;
- 2.3 That Cabinet agrees to waive the Council's Contract Procedure Rules to appoint Hyndburn Leisure to deliver Weight Management Services on behalf of the Council for 1 year from 1st April 2024 to 31st March 2025 for a fee of £66,770; and
- 2.4 That Cabinet agrees to delegate authority to the Executive Director (Resources) to negotiate and agree all terms relating to the above.

3. **Reasons for Recommendations and Background**

- 3.1 In early 2023, Lancashire County Council invited the 12 District Councils to submit expressions of interest to collaborate with the County on the future delivery of weight

management services across Lancashire. The Council (alongside all the other Districts) submitted our expression of interest and have been in discussions since then over future delivery of the service.

- 3.2 The levels of obese and overweight adults and children in Lancashire continues to increase and working collaboratively provides the opportunity to reshape and redesign the service in Hyndburn. In Hyndburn, 71.7% of adults are overweight or obese. In children, the figure is 24.6% for reception year and 42.4% for Year 6. All of these are significantly higher than the Lancashire and National averages.
- 3.3 Since the transfer of public health services from NHS to Local Authority, Councils in Lancashire have provided Tier 2 weight management services, tackling obesity with community-based support. These programs typically run for around 12 weeks and often operate in group settings. Participants receive expert guidance on diet, nutrition, and lifestyle changes, with a strong focus on behaviour change generally centred around exercise.
- 3.4 These programmes empower individuals to manage their weight, improve their well-being, and reduce their risk of weight-related health issues. Though limited in duration, they act as a crucial springboard for lasting change, helping individuals find their footing on the path to a healthier life.
- 3.5 Locally, Tier 2 Weight Management Services have been delivered by Hyndburn Leisure since 2016, initially via procurement by LCC and more recently appointed by Hyndburn Borough Council to deliver the services on our behalf. The current agreement between LCC and Hyndburn Borough Council, and reciprocal agreement between Hyndburn Borough Council and Hyndburn Leisure expires on 31st March 2024.
- 3.6 LCC have now taken the decision to collaborate directly with District Councils for the delivery of a new weight management service for the next 5 years. District Councils may deliver services in house or appoint a provider to deliver the service on its behalf. The new service will combine weight management with PASTA, a programme currently commissioned by LCC and delivered by Hyndburn Leisure which aims to encourage and empower families to make choices to lead a healthier lifestyle through participation in an active play and cooking session. Participants prepare and eat/or take home a nutritious and budget conscious family meal each week, and have the opportunity to understand the importance of good nutrition and physical activity.
- 3.7 The Council does not have the resources or expertise to deliver the service in house, and therefore we must appoint a provider to deliver the service on our behalf.
- 3.8 Hyndburn Leisure have a proven track record of delivering weight management services, and in 2022/23 over 200 adults completed their 12 week programme (third highest in Lancashire) and have the staff resource and expertise required to deliver the new service going forward.

3.9 The report recommends that the Council waives its Contract Procedure rules to appoint Hyndburn Leisure to deliver the new service from 1st April 2024 for one year for the following reasons:

- Proven track record of weight management service delivery since 2016 and PASTA service delivery since 2023
- Time and resources required for the Council to go to full tender for this service would not allow for the service to be up and running by 1st April 2023.
- Potential TUPE implications involving Hyndburn Leisure staff currently delivering the service.
- The pending review on the most appropriate model for delivering Leisure services within Hyndburn that will be undertaken over the next 3 to 4 months (Cabinet decision on 6th December 2023) means it would be prudent to only enter into a 1 year agreement for the delivery of the service at present, rather than the full 5 years.

4. Alternative Options considered and Reasons for Rejection

4.1 **Cabinet does not agree to collaborate with Lancashire County Council for the provision of Weight Management Services from 1st April 2024 – This is rejected as it would put a vital service used by residents of Hyndburn at risk.**

4.2 **Cabinet does not agree to waive Contract Procedure rules to appoint Hyndburn Leisure to deliver the service on our behalf from 1st April 2024 for one year – This is rejected for the reasons mentioned in paragraph 3.9.**

4.3 **Cabinet decides to deliver the service in house – this is rejected due to lack of resource and expertise to deliver the service directly**

5. Consultations

5.1 Numerous consultations have been held with LCC.

5.2 The Executive Director (Resources) and Portfolio Holders for Resources and Leisure have been consulted.

6. Implications

Financial implications (including any future financial commitments for the Council)	The Council will receive £66,770 per year for the next 5 years from Lancashire County Council upon agreement to collaborate. The Council pay £66,770 to deliver the service on our behalf for 1 year. For subsequent years it is likely that the Council will pay the full
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	amount of £66,770 to the service provider each year.
Legal and human rights implications	TBC
Assessment of risk	Due to the pending review on future models of leisure provision, the Council intends to appoint Hyndburn Leisure for only the first year at present in order to reduce any risk to the Council. A reciprocal agreement between the Council and Hyndburn Leisure will pass on all relevant conditions of the collaboration agreement between the Council and LCC to the appointed service provider.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	TBC

**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.

Agenda Item 13.

REPORT TO:	Cabinet		
DATE:	24 th January 2024		
REPORT OF:	Councillor Peter Edwards, Chair of the Communities and Wellbeing Overview and Scrutiny Committee		
REPORT AUTHOR:	Ben Caulfield, Scrutiny and Policy Officer		
TITLE OF REPORT:	Matters Arising from Overview and Scrutiny – Grant to Citizens Advice East Lancashire		
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 To inform Cabinet of the vital support provided to residents by Citizens Advice East Lancashire and seek Cabinet support to continue to provide financial and other support to the service.

2. Recommendations

- 2.1 **To consider the recommendations of the Communities and Wellbeing Overview and Scrutiny Committee, which met on 13th December 2023, in connection with funding for Citizens Advice (Paragraph 3.7 refers).**

3. Reasons for Recommendations and Background

- 3.1 At its meeting on 13th December 2023, the Communities and Wellbeing Overview and Scrutiny Committee carried out a short review of the service provided by Citizens Advice East Lancashire, who submitted an annual report to the Committee.
- 3.2 In their report and presentation to the Committee, members were informed that Rossendale and Hyndburn Citizens Advice merged with Burnley and Pendle Citizens Advice in July 2023 to create Citizens Advice East Lancashire. They reported the following information:

- People's health, education, work and social lives have been affected in ways that could never have imagined before COVID-19 and the current cost of living crisis. The Citizens Advice service is a charity and has delivered independent and impartial advice for over 80 years. . The Citizens Advice service across Hyndburn have many specialist caseworkers who can provide information, signposting and complex casework in welfare benefits, energy costs, money & debt, and housing.
- They remain located in the New Era centre on Paradise Street and receive a grant from Hyndburn Borough Council of £25,000 per year. This enables 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
 - Money and Pensions Service for debt and money advice
- Advice was given to 1642 Hyndburn residents in the past 12 months and over 2000 Hyndburn residents were unable to make contact via telephone this year due to unprecedented demand for the service and lack of paid advisors. Volunteers also work on the advice line but the cost of recruiting, training and supervising a volunteer is over £1,000 each. They have a team of 20 volunteers and 46 full time paid advice staff across East Lancashire. Energy related queries followed by debt and personal independence payments have been the top three enquiry issues since October 2022. They have had the highest ever number of people contacting them for charitable support and food bank assistance, with a 120% increase since early 2022.

3.3 In addition to the grant from Hyndburn Borough Council, Rossendale, Burnley and Pendle Councils also provide grants.

3.4 The following achievements were highlighted by Citizens Advice:

- 1642 Hyndburn residents advised
- Benefit gains - over £250,000 of additional income brought into Hyndburn via new benefit claims, winning appeals, successfully challenging decisions
- Debts written off via insolvency options - £302,114
- Debt repayments rescheduled - £93,105
- Social Value - For every £1 invested in Citizens Advice, they calculate that they deliver over £14 in public value, through economic and social benefits. The CAB consider that they save government and public services money by helping stop problems occurring or escalating, and reduce pressure on public services like health, housing or out-of-work benefits.
- Launched a dedicated food and fuel voucher line on the 3rd of October 2022 which receives over 200 calls per week from residents wanting help with a food or fuel voucher

- 3.5 Due to the current economic climate and cost of living crisis, Citizens Advice reported that demand for their services (and other similar local services) is at never before seen levels, and the Scrutiny Committee were very much in favour of the Council providing support to the service were possible.
- 3.6 The Council provided a grant of £25,000 in 2023/24 to support the services provided by Citizens Advice Rossendale and Hyndburn, and have provided a grant for many years previously.
- 3.7 The Committee noted the report, presentation and responses to the questions posed. It also agreed to make the following recommendations to the Cabinet:
- (i) **That Cabinet agrees to include a minimum grant in line with the previous year for Citizens Advice East Lancashire in its 2024/25 budget proposals (Note that actual approval of the grant will be subject to Council approval of the 2024/25 Revenue Budget); and;**
 - (ii) **That Cabinet considers an increase in the grant to Citizen’s Advice East Lancashire in its 2024/25 budget proposals due to the current demand on the service from Hyndburn residents.**

4. Alternative Options considered and Reasons for Rejection

- 4.1 Cabinet may accept or reject any recommendation from Overview and Scrutiny Committees. Should Cabinet reject the first recommendation, it is likely that Citizens Advice East Lancashire would need to significantly scale back the support offered to Hyndburn residents in 2024/25.

5. Consultations

- 5.1 None

6. Implications

Financial implications (including any future financial commitments for the Council)	A minimum of £25,000 revenue funding for 2024/25 (This is the same amount as the previous year and will be subject to the Council’s budget approval process). Any additional support agreed may have additional financial implications
Legal and human rights implications	A new grant agreement will be required between Hyndburn Borough Council and Citizens Advice East Lancashire

Assessment of risk	There is low risk to the Council
<p>Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i></p>	<p>Citizens Advice value diversity, promote equality and challenge discrimination as part of their core business.</p> <p>The Council is subject to the public sector equality duty introduced by the Equality Act 2010. When making a decision in respect of the recommendations in this report Cabinet must have regard to the need to:</p> <ul style="list-style-type: none"> • eliminate unlawful discrimination, harassment and victimisation; and • advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and • foster good relations between those who share a relevant protected characteristic and those who don't. <p>For these purposes the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. To assist the Cabinet in this regard a Customer First Analysis has been carried out as part of the review process and is attached as an Appendix to this report. Cabinet is advised to consider the Customer First Analysis and its obligations in respect of the public sector equality duty when making a decision in respect of the recommendations contained in this report.</p>

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

- 7.1 *Agenda, reports and minutes of the Communities and Wellbeing Overview and Scrutiny Committee on 13th December 2023*
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=129&MId=2821&Ver=4>

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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Hyndburn Borough Council
Customer First Analysis

What is it for?

Our corporate values include putting the customer first, providing opportunities for bright futures and narrowing inequality across the Borough.

From 1 April 2011, a new legal duty applies to all public authorities. It covers these protected characteristics:

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race;
- religion or belief;
- gender;
- sexual orientation; and, for some aspects,
- marriage and civil partnerships.

The duty means that – as previously - we should analyse the effect of existing and new policies and practices on equality. It does not specify how we should do this. However, legal cases on the meaning of the previous general equality duties make it clear that we must carry out the analysis **before making the relevant policy decision**, and include consideration as to whether we can reduce any detrimental impact.

The framework overleaf – our Customer First Analysis - is suggested when making a written record of the analysis. This replaces Equality Impact Assessments.

The Analysis should be **proportionate** to the policy decision being taken. In some cases the written record will be a quick set of bullet points or notes under each heading, to deal with any questions which are relevant (or briefly explain why if they aren't). Others will need to be much more detailed. A meaningful Analysis will help the Council make the best decision or formulate a policy which best meets our customers' needs.

Please return completed Customer First Analyses to Human Resources. I can guide you through the process if this would be helpful.

If you have any suggestions for improving this process, please let me know.

Kirsten Burnett
Head of HR

Customer First Analysis

1. Purpose

- What are you trying to achieve with the policy / service / function?

Cabinet to commit to including Minimum £25k grant funding in its 2024/25 Budget Proposals for Citizens Advice East Lancashire.

- Who defines and manages it?

Cabinet

- Who do you intend to benefit from it and how?

Hyndburn residents. Citizens Advice East Lancashire is available to all Hyndburn residents.

- What could prevent people from getting the most out of the policy / service / function?

Lack of funding. Should not grant funding not be provided the current level of service for Hyndburn residents could not be maintained.

- How will you get your customers involved in the analysis and how will you tell people about it?

Not applicable

2. Evidence

- How will you know if the policy delivers its intended outcome / benefits?

Citizen's Advice East Lancashire will report annually to the Communities and Wellbeing Overview and Scrutiny Committee

- How satisfied are your customers and how do you know?

Customer satisfaction information could be requested from the organisation.

- What existing data do you have on the people that use the service and the wider population?

Individual user data is not available to the Council due to data protection.

- Are you breaking down data by equality groups where relevant (such as by gender, age, disability, ethnicity, sexual orientation, marital status, religion and belief, pregnancy and maternity)?

No

- Are you using partners, stakeholders, and councillors to get information and feedback?

No

3. Impact

- Are some people benefiting more – or less - than others? If so, why might this be?

The service is available to all Hyndburn residents.

4. Actions

- If the evidence suggests that the policy / service / function benefits a particular group – or disadvantages another - is there a justifiable reason for this and if so, what is it?

No

- Is it discriminatory in any way?

No

- Is there a possible impact in relationships or perceptions between different parts of the community?

No

- Do you need to consult further?

No

- Have you identified any potential improvements to customer service?

Not applicable

- Who should you tell about the outcomes of this analysis?

Cabinet

- Have you built the actions into your Business Plan with a clear timescale?

Not applicable

- When will this assessment need to be repeated?

Not applicable

Name: Ben Caulfield Signed: B Caulfield

UNCLASSIFIED

Service

Area: _____ **Policy** _____ **Dated:** 20/12/2023 _____

If applicable, please attach copy of – or website link to - the cabinet report for reference.

Don't forget to return your written record to HR.

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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