
COUNCIL

Thursday, 26th September, 2024

Present: Councillor Mike Booth (Mayor), Councillors Judith Addison, Vanessa Alexander, Josh Allen, Heather Anderson, Noordad Aziz, Edward Blake, Scott Brerton, Stephen Button, Danny Cassidy, Andrew Clegg, Jodi Clements, Loraine Cox, Paul Cox, Munsif Dad BEM JP, Bernard Dawson MBE, Stewart Eaves, Peter Edwards, Shabir Fazal OBE, Melissa Fisher, Marlene Haworth, Zak Khan, Clare McKenna, Dave Parkins, Kath Pratt, Clare Pritchard, Steven Smithson, Tina Walker, Kimberley Whitehead, Clare Yates and Mohammed Younis

Apologies: Councillors Andy Gilbert, Joyce Plummer, Ethan Rawcliffe and Kate Walsh

The Mayor welcomed everyone to the September Council meeting.

158 Apologies for absence

Apologies for absence were submitted on behalf of Councillors Andy Gilbert, Joyce Plummer, Ethan Rawcliffe and Kate Walsh.

159 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations indicated on this occasion.

160 Announcements

The Mayor made the following announcements:

1) Rededication of the Accrington Pals Memorial Garden

Last Saturday the Mayor had been honoured to unveil the new statute to the Accrington Pals at the rededication of the Pals Memorial Garden on Church Street. This was a wonderful occasion for Hyndburn and it was pleasing to see so many people attending. The rejuvenation of the Gardens was the culmination of the efforts of a large number of partner organisations and a source of great pride for the Borough.

2) Civil Unrest

The Mayor was mindful of the threat of disturbances in the region, following the stabbings and tragic deaths of three young girls in Southport on 29th July 2024. He wished to thank the Police and all those who had worked closely with Lancashire Constabulary to safeguard Lancashire's townships from thuggery and racism at that time.

3) Setting the Right Tone

The Mayor reminded Members that he had shared some views at the last Council meeting about councillors' conduct during debates. The Leader of the Council and Leader of

Opposition were aware of the standards of behaviour that were expected of those present within the Council Chamber.

The Leader of the Council then made the following announcements:

4) Response to the Mayor's Announcements

The Leader echoed the Mayor's comments on the unveiling of the Pals sculpture and was pleased to see large numbers of people attending the rededication ceremony for the Memorial Garden. He wished to congratulate the organisers of and key contributors to the event.

In view of the potential threat of disruption within the Borough by far right groups, the Leader had held a number of meetings. He had worked collaboratively with Councillor Zak Khan, Leader of the Opposition, Councillor Danny Cassidy, Joint Deputy Leader of the Opposition and Councillor Shabir Fazal OBE, Green Party, to manage the situation. The work of all those involved had produced a positive impact. The situation had highlighted that Hyndburn was one community and that people would come together to listen and learn.

With the permission of the Mayor, the Leader invited Councillor Noordad Aziz, Deputy Leader and Portfolio Holder for Transformation, Education and Skills, to speak

5) Wilson Sports Village

Councillor Aziz reported that last Friday it had been announced that ISG, the lead construction contractor for the Wilson Sports Village project, had filed notice to enter administration. This had raised concerns locally about the project. ISG was a prominent national construction company, which carried out work for the Government and other organisations across the country.

The Council wished to place on record its appreciation for the dedication and hard work of the entire construction team on site and empathised with the workers, their families and the various sub-contractors engaged on this project.

The Council's contract for delivery of the overall project was with Alliance Leisure. ISG were their main contractor. Alliance had confirmed that they were in a strong position to deal with the matter and would follow an established procedure to minimise any disruption. Councillor Aziz and an officer of the Council had met with representatives of Alliance Leisure earlier in the week and they had confirmed that they were prioritising restarting the project. They were also working closely with administrators Ernst & Young LLP.

The Council was able to confirm that:

- the site remained secure;
- residents and community groups could still use the existing facilities; and
- an Action Plan would be produced to manage the restarting of the project.

The Council was committed to restarting construction and would minimise any disruption. The new Wilson Sports Village would be delivered as planned and would be a significant asset to the area.

Councillor Aziz noted that a statement issued by Councillor Zak Khan showing cross-party support, had recently appeared in the Lancashire Evening Telegraph.

Further communications would be issued as the situation progressed.

6) Israel/Hamas Conflict

The Leader of the Council reported that he had recently contacted The Rt Hon David Lammy MP, Secretary of State for Foreign, Commonwealth and Development Affairs about the on-going conflict in the Middle East. He read aloud a letter submitted to the Secretary of State which raised the following matters:

- the Council remained concerned about the humanitarian crisis in Gaza;
- reports from some 16 United Nations relief organisations had indicated that 83% of food aid to Gaza was now being blocked;
- this was an alarming increase from the 34% of aid blocked in 2023;
- this situation would have dire consequences, for the civilians of Gaza with families facing extreme challenges, receiving only one meal every two days;
- the conditions were inhumane and it was clear that the international community must act urgently to prevent further suffering and loss of life;
- the Secretary of State was called upon to push for an immediate cease fire and the release of hostages and civilians held without charge on both sides of the conflict; and
- the UK Government must use its influence to broker a solution and the Secretary of State was called upon to raise this matter in Parliament;

The letter invited the Secretary of State to reply and advised that a copy had also been sent to Sarah Smith MP.

There were no announcements from the Chief Executive on this occasion.

In response to a query from Councillor Shabir Fazal OBE, the Mayor indicated that he was not minded to allow any further comment or announcement under this item.

161 Confirmation of Minutes

The Minutes of the Mayor Making Council meeting held on 29th June 2024 and the Council meeting held on 11th July 2024 were provided.

Councillor Fazal noted the reference to Srebrenica at Section 2 of Minute 59 from 11th July 2024. He drew some parallels to the level of deaths currently occurring in Gaza. He referred to the Leader's letter to The Rt Hon David Lammy MP mentioned above and expressed the view that this did not go far enough in suggesting a course of action for the UK.

The Mayor noted the points being made, but indicated that, as these were not relevant to the accuracy of the minutes, it would be inappropriate to raise them now. He invited Councillor Fazal to meet with him to discuss any such issues outside of the meeting.

Resolved - **That the Minutes of the Mayor Making Council meeting held on 29th June 2024 and the Council meeting held on 11th July 2024 be approved as correct records.**

162 Question Time

Three questions had been received. The Mayor read aloud the first question as shown below.

1) Local Plan

*To the Leader of the Council (Councillor Munsif Dad BEM JP)
Submitted by Councillor Zak Khan*

“The Council has a proposed replacement Local Plan which it endorsed for statutory (Regulation 19) consultation in late 2023. The plan is due for final submission to the Planning Inspectorate in coming weeks.

Does the Leader and Labour Group intend to continue with the submission, or scrap the Local Plan in order to replace it?”

Response:

The Leader indicated that work was at an advanced stage on the development of the Local Plan 2021 – 2040. The site allocation stage had supported the need for development of some 194 dwellings per year and around 70 hectares of employment land over the lifespan of the Plan. To date there had been three rounds of consultation under Regulation 18 and two Regulation 19 consultations under the Town and Country Planning (Local Planning) (England) Regulations 2012.

The current draft version of the Local Plan supported the Council’s settled view on certain matters, including the following:

- Huncoat Garden Village;
- The Spatial Strategy;
- Climate change;
- Housing numbers;
- Whitebirk (employment land);
- Cut Lane, Rishton (residential development); and
- Clayton-le-Moors and Altham (employment land).

This version would be sent to the Planning Inspectorate in November – December 2024 and would be subject to examination in March – April 2025. At the examination stage there would be a hearing and further public consultations. If the Plan was sound it was likely to be adopted in late 2025 or early 2026.

The Council had recently received the Government’s consultation on proposed changes to the National Planning Policy Framework (NPPF) 2024. This included proposals to change the standard methodology for calculating annual housing need. The new standard method generated an annual housing need figure of 313 dwellings. It was mandatory to use this in any new Plan, but the Council could use the draft Local Plan figure if it continued to progress the existing draft Plan, given that this was at an advanced stage. The NPPF also included the Government’s proposals on its approach to brownfield, green belt and the new policy definition of “grey belt”, as well as possible increases to fees for householder applications.

At the Annual Council Meeting the controlling group had announced that all major plans were under review. A working group had been set up to carry out this review and the matter should be determined within the next few months.

Councillor Khan asked the following supplemental question in accordance with Council Procedure Rule A2-2.2(vi):

“Who are you consulting and how will you examine their comments? What factors will you take into consideration?”

The Leader responded that the working group would primarily look at the options in relation to Huncoat Garden Village, which was a major part of the Local Plan. The controlling group would listen to residents. The Leader had already attended Huncoat Forum to listen to local concerns. The Council had also been involved in a dialogue with Homes England. The final decision would need to be in the best interests of Hyndburn.

2) Oswaldtwistle Civic Theatre

*To the Leader of the Council (Councillor Munsif Dad BEM JP)
Submitted by Councillor Josh Allen*

“Back in January this Council committed, unanimously to reopening the Civic Theatre.

Please could the Council Leader/Portfolio Holder provide an update on Oswaldtwistle Civic Theatre? The centre is a vital asset to Hyndburn and its residents and has now been closed for over a year.”

Response:

The Leader indicated that this was an important venue. The background was that Hyndburn Arts Limited had signed a lease to operate the Theatre to 2030. However, in 2023 the charity had gone into liquidation and the building had been handed back to the Council.

Council officers had immediately carried out intensive health and safety work to ensure the Council complied with its legal and insurance obligations. An independent survey was carried out in February 2024, but was not conclusive and further investigations would be required before an accurate scope of the works and costs could be ascertained.

As a comparison, a similar project at Colne Municipal Hall had an original budget of £1.56M, but an additional £700k had been required to complete the project. This scheme had not included the new heating and lighting systems expected to be required at Oswaldtwistle Civic Theatre.

In 2023/24 the Council had spent £52k on a number of surveys and immediate health and safety works at the Civic Theatre. In the current financial year over £14k had been spent on repairs, maintenance, energy and security. No further work would be carried out until instructions were received from Cabinet about the future of the building. However, the Council was already talking to organisations who might potentially lease the building.

The controlling group had inherited many financial priorities, but did want to see the building re-open. The theatre must be properly managed and safe to use.

Councillor Allen asked the following supplemental question in accordance with Council Procedure Rule A2-2.2(vi):

“The theatre was close to the hearts of all of Hyndburn. Councillor Judith Addison had raised a concern with him, namely that any deal made with a new operator should not overburden them with the full maintenance costs of the property. It was important to properly re-evaluate the terms of any new lease.

In addition, residents would not wish to see the theatre's primary use changed."

The Leader agreed with the comments made above. He noted that Councillor Addison had been a member of the charity's board, but that Hyndburn Arts Limited had not let the Council know of their financial difficulties soon enough. In summary, this building required a lot of investment, but did remain a high priority.

3) Huncoat Garden Village

*To the Leader of the Council (Councillor Munsif Dad BEM JP)
Submitted by Councillor Steven Smithson*

"Is there an update on the Huncoat Garden Village housing project?"

The Leader commented that he had recently read out a statement on this matter at Cabinet. The main details were repeated as follows:

The Council had now received an offer from Homes England of £30m from the Brownfield, Infrastructure and Land Fund (BIL) to advance the Huncoat Garden Village (HGV) project.

The Cabinet was committed to reviewing all major projects under development to ensure that they met the Borough's needs. Accordingly, a Cabinet Working Group would be established to lead on engagement with all relevant stakeholders, including Homes England.

The Council wished to thank all stakeholders for their contributions to date. Any decisions taken would ultimately need to be in the best interests of Hyndburn.

The Leader had recently been invited to a meeting of the Huncoat Forum by Councillor Dave Parkins, at which residents had posed some challenging questions. One criticism from residents was that their views had not been taken on board so far. However, they did recognise the need for new local housing generally. The community had expressed its thanks that the Leader had taken time to meet with them.

The Cabinet would review this important decision in the very near future.

Councillor Smithson asked the following supplemental question in accordance with Council Procedure Rule A2-2.2(vi):

"Would the Huncoat Garden Village project allow the development of over 300 new homes per year? This was a shovel ready project and a perfect opportunity to achieve this and to achieve the housing aims of the Labour Government."

The Leader responded that the local target was 194 homes per year in the emerging Local Plan. However the controlling group wished to talk to residents first and, if this was the right project, the controlling group would take it forward.

163 Appointments to Committees and Outside Bodies

Members were invited to consider and give effect to requests for various appointments from the political groups, as set out on the Agenda.

Decision (1) **To approve the following appointments and changes to appointments to Committees and Outside Bodies:**

- **Labour – the appointment of the following members to the Planning (Trees) Sub-Committee: Councillors Scott Brerton, Stephen Button and Bernard Dawson;**
- **Labour – a change to the membership of the Judicial Committee (Private Hire and Hackney Carriage Licensing), to replace Councillor Dave Parkins with Councillor Vanessa Alexander;**
- **Labour – a change to an appointment in the list of Outside Bodies in connection with Lancashire County Council’s Health and Adult Services Scrutiny Committee, to replace Councillor Jodi Clements with Councillor Heather Anderson; and**
- **Conservative - the appointment of the following members to the Planning (Trees) Sub-Committee: Councillors Judith Addison and Peter Edwards.**

(2) To delegate authority to the Planning (Trees) Sub-Committee to appoint its Chair and Vice-Chair for the Municipal Year 2024/25.

164 Town Twinning with Khust, Ukraine

Members considered a report of Councillor Kimberley Whitehead, Portfolio Holder for Culture, Heritage and Arts, outlining a proposal for the Council to twin Accrington with Khust, West Ukraine.

Councillor Whitehead provided a briefing introduction to the proposals.

Khust was a popular destination city situated in western Ukraine, boasting a population of a similar size to Accrington (with 90% of the population being Ukrainian, as well as a mix of Russian, Hungarian and Roma ethnicities). The city benefited from a thriving leisure and tourism industry, bolstered by a rich industrial heritage in artistic wares like basket weaving and food production/processing, specialising in goods like the trade of honey.

The proposal to twin with Khust had initially been brought forward by one of the residents in Hyndburn on the Homes for Ukraine scheme, neurologist Dr Valeyrie Hrymchak. In August 2023, Hyndburn Council had hosted an initial virtual meeting between Chief Executive, David Welsby, the then Leader of the Council Marlene Haworth, the Mayor and Mayoress of Hyndburn, Council officers and representatives from Khust, including the Mayor of Khust. The following week, Hyndburn Council had hosted a civic event at Haworth Art Gallery to welcome Khust representatives Professor Mykhailo Oros and Assistant Professor Luidmyla Varha. Both events had served to initiate a working relationship between Hyndburn Council and Khust Council. A presentation in support of twinning was also provided at Council on 2nd November 2023.

On 5th August 2024 a further meeting had taken place between Council representatives and Professor Mykhailo Oros and Assistant Professor Luidmyla Varha at the Town Hall, Accrington, to reaffirm the Council’s commitment to town twinning and to discuss progress. The meeting had been hosted by the Mayor and included the Leader of the Council,

Portfolio Holders for Housing and Communities, Business and Growth and Culture, Heritage and Arts, key officers, along with a local sponsor under the Homes for Ukraine Scheme, members of the Ukrainian community in Hyndburn and the Operations Manager from Maundy Relief. Attendees spoke of their common aims and growing sense of friendship and noted the opportunities that town twinning might bring to both communities.

Professor Oros presented the Mayor with a gift from Khust in the form a painting of a landscape in the Transcarpathian region of Ukraine. The outcome of the meeting was very positive and resulted in a letter being sent by the Leader of the Council to Khust City Council to thank them for the gift and to confirm the Council's commitment to twinning.

This proposal presented a unique opportunity for Hyndburn to foster international relationships, promote economic development and enhance cultural exchange. The benefits of town twinning with Khust included:

- **Economic development opportunities:** There might be trade and investment opportunities arising from establishing strong connections between Ukrainian businesses and entrepreneurs and their Hyndburn counterparts.
- **Tourism and hospitality:** Town Twinning could significantly boost tourism and hospitality industries in both locations. Encouraging tourists from each town to visit the other could lead to increased revenue for businesses, such as hotels, restaurants and attractions. Cultural exchange and tourism could contribute to job creation.
- **Education and skills:** Partnership with Khust could facilitate educational skills exchange programmes. Collaborations between schools, colleges, universities and vocational institutions could enhance learning opportunities for residents, equipping them with international perspectives and skills, crucial in today's economy.
- **Community cohesion:** Twinning with Khust would provide a platform for communities to engage in meaningful cultural exchanges. Residents from both towns could share traditions, arts and customs, fostering understanding and appreciation for diverse cultures. Such interactions could promote tolerance, reduce prejudice and contribute to a more inclusive and harmonious society.
- **Solidarity and Friendship:** The twinning initiative would enable Accrington to stand in solidarity now, and in the future, both in times of challenge and times of celebration. Collaborative projects and events could strengthen the sense of friendship between communities, creating lasting bonds that would transcend geographical boundaries.
- **Social and civic engagement:** Engaging in joint initiatives and community projects could enhance civic participation among residents. Working together on issues of mutual interest could empower individuals to contribute positively to the development of both towns.

In conclusion, the proposed Town Twinning presented an exciting opportunity to forge connections that extended beyond borders, showed solidarity, stimulated economic growth in the future and promoted community cohesion. This initiative aligned with Hyndburn's ongoing commitment to creating a prosperous and inclusive future for residents that had a global reach.

The Leader of the Council thanked Councillor Haworth for her earlier involvement in this project and confirmed that it was the intention to offer her a seat on the proposed Working Group. He recalled the successful event held approximately two months ago at the Town Hall. It was anticipated that the project would gather more momentum when it became possible to safely visit Ukraine. Councillor Haworth thanked the Leader of his kind words. She also spoke in praise of Professor Oros. She was confident that the people of Khust would welcome visitors from Hyndburn. Councillor Aziz noted that across Britain, gateway signs to towns and cities proudly displayed the names of their twin. Councillor Khan also spoke in favour of twinning.

Councillor Fazal raised some concerns about the perception of taking sides in an area of conflict and whether the wider Hyndburn public had been consulted. He also raised the future possibility of twinning with Bethlehem given its significance for both Christianity and Islam.

Councillor Addison reminded members that Oswaldtwistle had twinned with Falkenberg, Sweden, some years ago.

Councillor Whitehead summed up and outlined her personal connection to Ukraine through the work of her brother in that country and her own efforts running the East Lancashire 4 Ukraine group.

Decision

- (1) That this Council supports the establishment of a Town Twinning relationship between Accrington, Hyndburn and Khust in Ukraine.**
- (2) That the Council requests that the Leader of the Council write to the Leader of Khust Council to establish a formal dialogue with a view to developing an on-going relationship between the two councils.**
- (3) That a working group be established, to include both officers and elected members, with the terms of reference as set out at Appendix 1 to the report, to further explore projects and initiatives that could align with aims of the report. The primary goal of the working group would be to connect Khust officials with the relevant individuals or organisations, for example education or business leaders.**

165 Prudential Indicators Monitoring and Treasury Management Strategy Update - Quarter 1 2024/25

Members considered a joint report of Councillor Noordad Aziz, Deputy Leader and Portfolio Holder for Transformation, Education and Skills, and Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, updating Cabinet on Treasury Management activities since the start of this financial year. The report had previously been considered and noted by the Cabinet at its meeting held on 30th July 2024.

Councillor Aziz provided a brief introduction to the report.

The *Prudential Code for Capital Finance in Local Authorities* required the Council to set Prudential Indicators annually for the forthcoming three years to demonstrate that the

Council's capital investment plans were affordable, prudent, and sustainable. The Council had adopted its prudential indicators for 2024/2025 at its meeting in February 2024.

The Prudential Code required the Council, having agreed at least a minimum number of mandatory prudential indicators (including limits and statements), to monitor them - in a locally determined format on a quarterly basis.

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

'*Treasury Management*' related to the borrowing, investing and cash activities of the authority, and the effective management of any associated risks. In February 2024, in the same report referred above, the Council had also set out and then approved its current Treasury Management Strategy. This had been 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 had been included in the February 2024 report.

Prudential Indicators Monitoring

Appendix 1 of the report set out the monitoring information for each of the prudential indicators and limits. They related to:

- External debt overall limits;
- Affordability (e.g. implications for Council Tax);
- Prudence and sustainability (e.g. implications for external borrowing);
- Capital expenditure; and
- Other indicators for Treasury Management.

Treasury Management Update

The forecast balance sheet position at 30th June 2024 for treasury management activities was shown in the table below.

Forecast Treasury Balance Sheet Position 2024/25

Portfolio Position 2024/25 Q1	Original Estimate 2024/25 £'000	Position 30 June 2024 £'000
<u>EXTERNAL DEBT</u>		
Borrowing	9,595	9,595
Other Long-Term Liabilities	1,274	1,274
Total External Debt	10,869	10,869
Capital Financing Requirement	8,798	8,929
Under/(Over) Borrowing	(2,071)	(1,940)
<u>INVESTMENTS</u>		
Total Long-Term Investments	-	-
Total Short-Term Investments	-	32,961

Total Investments	-	32,961
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The table demonstrated that the Council was performing within the original targets set at the start of the year. Within the prudential indicators there were a number of key indicators to ensure that the Council operated its activities within well-defined limits. In general, the requirement was that the Capital Financing Requirement exceeded gross debt. However, in 2024/25 the gross debt exceeded the Capital Financing Requirement. This was due to the Council having historical debt with a maturity repayment profile (meaning all principal was paid at the loans maturity date) but the accounting treatment required that the Capital Financing Requirement was reduced each year by the payment of Minimum Revenue Provision (MRP). Other Liabilities in prior years reflected finance liabilities relating to vehicles and plant and in the current year reflected the transfer of all leases onto the balance sheet to comply with the new IFRS 16 – Leases accounting standard.

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

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

Investment balances were higher than had been forecast when the Prudential Indicators and strategy had been set. This was mainly due to grants received in advance of capital spend being incurred, as well as slippage in the capital programme.

The Capital Programme 2024/25 was expected to be funded by the use of Government Grants (including Levelling Up Fund and UK Shared Prosperity Fund) and other external financing. It had also been supported during the year by greater use of internal sources of capital finance (including capital receipts and use of the Council's reserve balances). No external borrowing was expected to be required during the year.

Investment Activities During the Period

During the first quarter of the year the Council had invested funds with other Local Authorities, the Government's Debt Management Agency Deposit Facility and used Money Market Funds and Bank deposit accounts. First quarter investments were as shown in the table below:

Portfolio Position 30 June 2024	Position 30 June 2024
	£'000
Local Authorities	20,000
Debt Management Agency Deposit Facility	7,450
Money Market Funds	2,000
Lancashire County Council Call Account	1,800
Bank Deposit Accounts	1,711
Total Short-Term Investments	32,961

Two further tables were included in the report which gave details of the investments the Council had in place at 30th June 2024 with other local authorities and a list of future dated loans agreed at the end of the quarter.

The Council's Finance team had a number of checks in place before any loans to other local authorities were agreed, to prioritise the security of any funds invested.

Expected Movement in Interest Rates

The Council had appointed Link Asset Services as treasury adviser to the Council and part of their service was to assist the Council in formulating a view on interest rates. A graph was included in the report giving Link's latest available view of the expected future movement in interest rates. The latest forecast set out a view that both short and long-dated interest rates would start to fall, as inflation had fallen closer to the Bank of England's target of 2.00%.

The Council's exposure to interest rate movements was largely neutralised currently as its borrowings were effectively at a fixed rate until a trigger point was reached, where the lender believed a better rate could be achieved elsewhere. Interest rates would have to exceed current levels before this was likely to happen. The aforementioned graph indicated that this was unlikely to happen in the next few years as interest rates were expected to fall, although this would continue to be closely monitored.

The revenue outturn position on the Council's Treasury Management activities was as set out in the table below.

Forecast Treasury Revenue Outturn – 2024/25 Q1

Portfolio Position 2024/25	Working Budget 2024/25 £'000	Forecast Outturn 2024/25 £'000	Forecast (Under)/ Over Spend £'000
<u>INTEREST RECEIVABLE</u>			
Interest Receivable on Temporary Lendings	(401)	(810)	(409)
Other Interest Receivable	-	-	-
Total Interest Receivable	(401)	(810)	(409)
<u>INTEREST PAYABLE</u>			
Interest Payable on Long-Term Borrowings	513	440	(73)
Interest Payable on Finance Leases	41	41	-
Other Interest Payable	-	-	-
Total Interest Payable	554	481	(73)
Minimum Revenue Provision	1,085	1,085	-
Net (Income) / Expenditure from Treasury Activities	1,238	756	(482)

Interest Receivable

The Council had invested amounts of surplus cash on a short-term, temporary basis. The interest received from these investments was above the budgeted expectations for the full year, mainly due to higher levels of funds being held and the Bank of England maintaining interest rates at higher levels than had been anticipated when the budget had been set. The Council's strategy continued to focus on the security of deposits and the liquidity of funds. The additional interest forecast to be generated was now expected to be £810,000 for the year ending March 2025.

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

Interest Payable

An estimate of interest on additional borrowing had been included in the budget. No new borrowing was expected to be required during the year.

Minimum Revenue Provision

There was currently no change in the forecast Minimum Revenue Provision charge for the year.

Performance Against Prudential Indicators

The Council's performance to date, and current forecasts for the year, against the Prudential Indicators set in the Treasury Management Strategy approved by full Council on 27th February 2024 were set out in Appendix 1 of the report. The Council had remained within the Prudential Indicators set out in the approved Treasury Management Strategy.

Liability Benchmark

The Council's Treasury Management Strategy had also set out a Liability Benchmark. This compared the Council's actual borrowing against an alternative strategy. The liability benchmark was calculated showing the lowest risk level of borrowing.

The liability benchmark was a useful tool to help establish whether the Council was likely to be a long-term borrower or a long-term investor in the future, and so shape its strategy focus and decision making. The liability benchmark itself represented an estimate of the cumulative amount of external borrowing the Council would have to hold to fund its current capital and revenue plans, while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

There had been no significant changes to the inputs to this calculation, therefore there had been no updates to this indicator. A chart illustrating the liability benchmark was provided in the report which reflected that presented in the approved Treasury Management Strategy.

Councillor Khan enquired if the information took into account the findings from the Leisure Services Review. Councillor Aziz indicated that the review was on-going, but that the report was currently being finalised and would be presented to Cabinet in the next few months.

Councillor Fazal asked if any of the Council's investments were in organisations which sold arms to Israel. Councillor Aziz responded that the Council did not invest directly in stocks and shares, as funds were placed in banks, local authorities or Government deposits.

Resolved - **That the Council notes the Treasury Management activities and position during the first quarter of 2024/25.**

166 Appointment of Co-optees

Members considered a report of the Chairs of the Overview and Scrutiny Committees setting out the recommendations for the appointment of co-opted members to the Overview and Scrutiny Committees.

The Councils Constitution, Overview and Scrutiny Procedure Rule C2 stated:

“Up to four members of the public may be appointed to each Overview and Scrutiny Committee as non-voting co-optees, if they are deemed to have relevant experience of matters falling within the remit of that Overview and Scrutiny Committee.

- (i) Co-optees may be appointed following nomination by a councillor or following an application received directly from a member of the public.
- (ii) Applications received directly from the public will be considered first at the relevant Overview and Scrutiny Committee. The Committee will consider the knowledge and experience of the applicant relevant to the terms of reference or work programme of the Committee. If the majority of the Overview and Scrutiny members support the appointment of the applicant, the proposed appointment will be presented to Council for approval.
- (iii) Nominations received from councillors will be presented to the Council for approval, if supported by the Chair of the relevant Overview and Scrutiny Committee. In reaching a decision, the Council will consider the knowledge and experience of the nominee relevant to the terms of reference or work programme of the Committee.”

The Communities and Wellbeing Overview & Scrutiny Committee had considered 2 nominations for 4 vacant co-optee positions at its meeting on 15th July 2024. The Committee had voted to recommend that Council appoint Jean Battle and Jackie Rawstron as co-optees. There remained two vacant co-optee posts on this Committee.

The Resources Overview & Scrutiny Committee had considered 2 nominations for 4 vacant co-optee positions at its meeting on 16th July 2024. The Committee had voted to recommend that Council appoint Richard Downie and Tim O’Kane as co-optees. There remained two vacant co-optee posts on this Committee.

The Special Overview & Scrutiny Committee had considered 1 nomination submitted by report and 1 nomination submitted at the meeting for 2 vacant co-optee positions at its meeting on 22nd July 2024. The Committee had voted to recommend that Council appoint

Shahed Mahmood and Andy Tatchell as co-optees. There were no remaining co-optee vacancies on this Committee.

Councillors Jodi Clements, Heather Anderson, Steven Button, Paul Cox, Bernard Dawson, Dave Parkins and Clare Pritchard spoke in favour of particular nominees. Councillors Zak Khan and Shabir Fazal raised no objection to the individual nominees, but expressed concern that the appointments were being politicised, rather than being used to bring in a fresh perspective to the committees. Councillor Whitehead responded that there was a good mix of nominees who were experienced and trusted individuals, while others brought new skills to the role.

Decision

- (1) That Council approves the appointment of Jackie Rawstron and Jean Battle as co-optees to the Communities and Wellbeing Overview & Scrutiny Committee.**
- (2) That Council approves the appointment of Richard Downie and Tim O’Kane as co-optees to the Resources Overview & Scrutiny Committee.**
- (3) That Council approves the appointment of Shahed Mahmood and Andy Tatchell as co-optees to the Special Overview & Scrutiny Committee.**
- (4) That Council approves that the above appointments cover a period of 2 municipal years until the end of 2025/26.**
- (5) That Council thanks Stacy Walsh, Miles Parkinson, Stewart Eaves, June Harrison, Joan West and Ynot Aspire for their prior service in co-optee roles on the Council’s Overview and Scrutiny Committees.**
- (6) That Council notes that there currently remains two vacancies on the Resources Overview & Scrutiny Committee and two vacancies on the Communities and Wellbeing Overview & Scrutiny Committee. Nominees for these vacancies will be considered at the next Scrutiny Committees.**

167 Minutes of Cabinet

The minutes of the meeting of the Cabinet held on 30th July 2024 were submitted. The following matters were raised.

In respect of Minute 99 – Reports of Cabinet Members, Councillor Steven Smithson and Stewart Eaves offered their congratulations to the Pest Control Team for their success at the National Pest Awards 2024.

Also on Minute 99, Councillor Shabir Fazal, welcomed the proposed scheme regrading Warm Homes, particularly in the light of the recent restrictions on the winter fuel allowance.

Councillor Dad responded that the winter fuel restrictions were due to funding pressures inherited by the new Government. Councillor Clare Pritchard added that a WARM Matters drop-in event was due to be held at Hyndburn Leisure Centre on 15th October 2024 from 10am to 2pm.

Resolved - **That the Minutes be received and noted.**

168 Minutes of Committees

The Minutes of the following meetings were submitted:

Meeting (Municipal Year 2024/25)	Date
Planning Committee	12 th June 2024
Audit Committee	24 th June 2024
Planning Committee	9 th July 2024
Cabinet (Street Naming) Committee	11 th July 2024
Communities and Wellbeing Overview and Scrutiny Committee	15 th July 2024
Resources Overview and Scrutiny Committee	16 th July 2024
Licensing Sub-Committee	18 th July 2024
Special Scrutiny Committee	22 nd July 2024
Judicial Committee (Private Hire and Hackney Carriage Licensing)	31 st July 2024
Planning Committee	14 th August 2024
Standards Committee	15 th August 2024
Planning Committee	11 th September 2024

Resolved - **That the Minutes be received and noted.**

The Mayor thanked all for their attendance and closed the meeting.

Signed:.....

Date:

Chair of the meeting
at which the minutes were confirmed