



# Agenda

## Cabinet

**Wednesday, 30 July 2025 at 5.00 pm,**  
QER, Scaitcliffe House, Ormerod Street, Accrington

### Membership

Chair: Councillor Munsif Dad BEM JP (in the Chair)

Councillors Vanessa Alexander, Scott Brerton, Stewart Eaves, Melissa Fisher, Clare Pritchard, Ethan Rawcliffe and Kimberley Whitehead

### A G E N D A

#### PART A: PROCEDURAL AND INFORMATION ITEMS

1. **Apologies for Absence**
  
2. **Declarations of Interest and Dispensations**
  
3. **Minutes of Cabinet** (*Pages 5 - 32*)

To approve the Minutes of the meeting of Cabinet held on 18<sup>th</sup> June 2025.

#### PART B: PORTFOLIO ITEMS

4. **Reports of Cabinet Members**



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

**Deputy Leader of the Council, Portfolio Holder for Housing and Regeneration (Councillor Melissa Fisher)**

5. **Rough Sleeping grant funding for 2025/26: Award of grants to Maundy Relief and Stepping Stone Projects (Pages 33 - 44)**

Report attached.

6. **Procurement of Locata Pro Homelessness, Prevention and Advice (HPA2) Software System (Pages 45 - 48)**

Report attached.

**Portfolio Holder for Resources and Council Operations (Councillor Vanessa Alexander)**

7. **Prudential Indicators Monitoring and Treasury Management Strategy Update – Quarter 1 2025/26 (Pages 49 - 58)**

Report attached.

8. **Revenue Budget Monitoring 2025/2026 - Quarter 1 to end of June 2025 (Pages 59 - 68)**

Report attached.

9. **Capital Programme Monitoring 2025/26 - 1st Quarter Update to 30th June 2025 (Pages 69 - 80)**

Report attached.

10. **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 Local Government Act 1972 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.**

## **PART C: EXEMPT ITEMS**

### **Leader of the Council (Councillor Munsif Dad BEM JP)**

#### **11. New Lease of Piggy Park, Devonshire Road, Rishton (Pages 81 - 88)**

*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 Stephen Button, Chair of the Communities and Wellbeing Overview and Scrutiny Committee, to the following decision being made by Cabinet on 30<sup>th</sup> July 2025, in private, on the grounds that the decision is urgent and cannot reasonably be deferred.*

*Exempt information by virtue of Paragraph 3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)*

Report attached.

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## CABINET

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**Wednesday, 18th June, 2025**

|                       |   |
|-----------------------|---|
| <b>Present:</b>       | Councillor Munsif Dad BEM JP (in the Chair), Councillors Vanessa Alexander, Scott Brerton, Stewart Eaves, Melissa Fisher, Clare Pritchard and Ethan Rawcliffe |
| <b>In Attendance:</b> | Councillors Noordad Aziz, David Heap, Zak Khan, Dave Parkins and Steven Smithson.   |
| <b>Apologies:</b>     | Councillor Kimberley Whitehead  |

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Councillor Munsif Dad BEM JP, the Leader of the Council, welcomed the two newest Portfolio Holders to their first meeting Cabinet under the current administration. He commented that Councillor Clare Pritchard would bring her knowledge and previous experience back to the executive, while Councillor Ethan Rawcliffe would bring a fresh perspective, as the youngest serving councillor in the Borough.

**42 Apologies for Absence**

Apologies for absence were submitted on behalf of Councillor Kimberley Whitehead.

**43 Declarations of Interest and Dispensations**

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

**44 Minutes of Cabinet**

The minutes of the meeting of Cabinet held on 26<sup>th</sup> March 2025 were submitted for approval as a correct record.

In respect of Minute 399 - Accrington Stanley FC, Councillor Khan noted that a further meeting had been held with the football club after the aforementioned Cabinet meeting. He asked about the purpose of the meeting and any outcomes. The Leader responded that he would provide an update on this matter under Agenda Item 5 – reports of Cabinet Members. (Minute 46 refers).

In connection with Minute 409 – Huncoat Garden Village, Councillor Khan commented that he had not yet received the updated risk register in relation to the HGV project, which he had requested. Councillor Dad gave an undertaking to arrange for this to be sent to him.

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

**45 Minutes of Boards, Panels and Working Groups**

The minutes of the following board were presented:

| Name of Body                      | Date of Meeting             |
|-----------------------------------|-----------------------------|
| Leader's Policy Development Board | 24 <sup>th</sup> March 2025 |

**Resolved**

- To note the minutes of the board as indicated above.

## **46 Reports of Cabinet Members**

### ***Leader of the Council***

Councillor Munsif Dad BEM JP reported on the following:

#### Devolution and Local Government Reorganisation

The Leader had already been involved in a number of meetings to discuss local government reorganisation. Proposals around 3 or 4 unitary authorities models were emerging. The final submission to Government would need to be made by November. The Leader indicated that his preference was for the 3 unitary councils option, but that the model with 4 councils might be acceptable. He anticipated that firm proposals would be available by October for wider circulation and comment.

#### Accrington Neighbourhoods Board

The Council had appointed Andy Tatchell as Chair of the newly formed Accrington Neighbourhoods Board. The Board would oversee the investment of some £20m in Accrington town centre over the next 10 years, which would complement the existing Levelling Up interventions.

#### Accrington Stanley FC

The Council was continuing to work positively with the football club to address various issues. A further meeting had taken place about the licensing situation and the Council was committed to continuing its dialogue with the club. Two meetings on this matter had taken place so far and a further meeting would be held soon.

### ***Portfolio Holder for People and Communities***

Councillor Ethan Rawcliffe reported on the following:

He was currently dealing with a request from Prospects to extend the lease on Piggy Park, in Rishton. The site was maintained as community garden, which was used by Brownies, Rainbows, Cubs, churches and adult social care organisations for numerous activities. The area provided a key social hub and was also accessible to wheelchair users. The site had previously attracted £100k in external funding and this had been invested in developing the site over a period of time. The detail of the proposed lease extension was currently being worked on by the Legal and Property teams within the Council. It was envisaged that a full report would be available soon.

### ***Portfolio Holder for Resources and Council Operations***

Councillor Vanessa Alexander reported on the following:

#### Household Support Fund

The service had now recommenced and had been brought back in-house.

### ***Portfolio Holder for Environmental Services***

Councillor Stewart Eaves reported on the following:

**Waste Transfer Station**

Discussions were on-going with Lancashire County Council about the possible development of a waste transfer station

**Skip Days**

Skip days had now resumed with the first one due to be held on 12<sup>th</sup> July 2025 in St Andrews ward. Suez had ceased to support the original arrangements. A new agreement had been entered into with SB Tippers of Great Harwood, to supply skips at £500 each. This was significantly cheaper than an equivalent service offered by Suez.

**4x4 Vehicles**

The Council currently operated five 4x4 vehicles, but was in the process of reducing this number to one vehicle. This would enable the Council to be greener. It was likely that the new vehicle would be compatible with Hydrated Vegetable Oil (HVO) fuel.

***Portfolio Holder for Transformation and Town Centres***

Councillor Clare Pritchard reported on the following:

**Events**

There had been some highly enjoyable events in Accrington town centre recently. The Food Festival on 6<sup>th</sup> – 7<sup>th</sup> June had been very busy, even in the rain on the Saturday. She placed on record her thanks to Amazing Accrington and to Scott Dawson Advertising. The Eco Fest held on 14 June had also been well attended, with lots of useful information available and family friendly activities provided.

**'Nice2Share' Event**

Earlier today the Portfolio Holder had attended a ' Nice2Share' event promoted by Lancashire Constabulary. The Police had procured a digital evidence management system, which would allow businesses and members of the public to register their CCTV and other recording devices into a community portal. That should allow faster communication of evidence to the Police.

***Portfolio Holder for Business, Growth and Sustainability***

Councillor Scott Brerton reported on the following:

**Business Engagement**

Two key events had taken place recently in Hyndburn. Firstly, the Hyndburn Business Awards had been held, which had been a fantastic celebration of local businesses. The community could be rightly proud of these key enterprises. The event demonstrated a wide range of commercial activity in the Borough. Secondly, the Amazing Accrington Business Breakfast had been arranged. The Portfolio Holder had spoken at the event regarding the Council's economic development plans, which had been well received. Other contributors had included Marketing Lancashire and the chief executive of Oswaldtwistle Mills.

## Economic Development Officer

The Council was now actively recruiting for a further Economic Development Officer. Accordingly, service was now moving away from reliance on Business Lancashire with a view to arranging more promotional activities in-house. The Portfolio Holder thanked Councillor Khan for his efforts to re-establish this service during his tenure as Leader of the Council.

## Workshops

Numerous business workshops were planned in the coming months and it was pleasing to see that the content of some sessions was being supported by established local businesses, who were working with the Council to share their experience. For example, Heath Groves, CEO of Sundown Solutions Ltd, had recently shared useful information about IT systems.

Councillor Khan made a number of comments and asked some questions on the various announcements made by Portfolio Holders. These are summarised below, together with any responses given:

- Noting that the economic development function was doing well and endorsing the shift towards greater in-house involvement;
- Enquiring if, at the Business Breakfast, the Sarah Smith MP had spoken about her position regarding a proposed Strategic Rail Freight Interchange (SRFI) in Huncoat.  
*Response:* The Leader indicated that the Council had given its approval to the Huncoat Garden Village development and was clear about that direction. The MP's views would be a matter for herself;
- Asking why Suez had terminated the skip day arrangements with Council.  
*Response:* Councillor Eaves reminded members that Suez had been unable to identify drivers willing to volunteer for the weekend skip service. It was also possible that the Council's stance on Whinney Hill might have impacted negatively upon its relationship with Suez;
- Asking about the numbers of residents who were projected to access the Household Support Fund, the eligibility criteria and how the fund would be publicised.  
*Response:* The Leader reiterated that the service had only recently been internalised. Councillor Alexander added that she had just returned from leave and was not yet familiar with all of the details;
- Asking if the Portfolio Holder for Transformation and Town Centres, which was a new portfolio, would set out some ambitions for that area of responsibility.  
*Response:* The Leader remarked that the question was inappropriate, as it did not arise from the any announcements made by the Portfolio Holder;
- Asking what the other discussions with Accrington Stanley FC had covered.  
*Response:* The Leader responded that the Council had offered as much support as it possibly could to the club. Accrington Stanley were considering some work, which should solve the sound issues. When the closure of the academy had been announced representatives of the Council had met with the club. Notwithstanding the offer of support made by the Council, the club had determined that the best model was for them to close the academy. Ultimately, it was a matter for the club to approach the Council with some proposed solutions to the licensing issue. However, there was some optimism that a positive result could be achieved;
- Asking if the controlling group would consult with the public directly about local government reorganisation and, if not, how those views would be canvassed.  
*Response:* The Leader reminded members that there had been a debate at a recent Council meeting about reorganisation and that Hyndburn had agreed a 3 unitary

proposal. This had also been discussed with other Lancashire leaders. Government Guidance had been received recently. Lancashire leaders were working to try to reach a consensus and two main options were emerging. The outcome of those discussions would be brought back to the Council. The Government had indicated that it would consult on the final proposals. Councillors could seek the views of their ward residents at any time to feed into the process;

- Enquiring if the controlling group would seek to cancel the local elections in 2026. *Response:* The Leader indicated that to the best of his knowledge those elections would proceed, but the matter could be subject to a decision by the Government;
- Querying the degree of political independence of the newly appointed Chair of the Accrington Neighbourhoods Board, in view his prior links to the Labour Party. This was in contrast to the Chair of the forerunner body (the Accrington Town Centre Partnership Board), who had been fully independent. A query was raised about which other candidates had been considered for the new role.

**Response:** The Leader stated that there were a number of candidates on the shortlist. The previous Chair was no longer available. A transparent application process had been followed, which resulted in two candidates being interviewed. The person appointed was the best candidate and had a high level of experience of regeneration and political leadership.

## 47 Urgent Decisions Taken

In accordance with Executive Procedure Rule B16(c), Members considered a report on the following decisions taken under the urgency procedure:

| No. | Decision Heading   | Portfolio Holder                         | Date of Approval            |
|-----|--|--|-----------------------------|
| (a) | Game Street Pump Track, Great Harwood  | Cllr Kimberley Whitehead                 | 25 <sup>th</sup> April 2025 |
| (b) | Leisure Transformation Project - Wilson Playing Fields Site - s.278 Agreement        | Cllrs Noordad Aziz and Vanessa Alexander | 9 <sup>th</sup> May 2025    |
| (c) | Huncoat Garden Village Residential Relief Road – Appointment of Preferred Contractor | Cllr Melissa Fisher                      | 27 <sup>th</sup> May 2025   |
| (d) | Lease of Wilson Playing Field Site to Hyndburn Leisure                               | Cllr Melissa Fisher                      | 5 <sup>th</sup> June 2025   |

**Resolved** - To note the report on urgent decisions taken.

48 Portfolio Responsibilities 2025/26

The Agenda set out a copy of the Leader's document: Labour Cabinet Membership and Portfolio Holder Responsibilities for 2025/26. Councillor Dad was pleased to announce the appointment of two new members to the Cabinet. In addition, there had been some changes to Portfolio titles and a reorganisation of the some functions allocated between the Portfolios.

A summary of the appointees and their Portfolios was as shown below. Details the specific functions allocated to each Portfolio were as set out in the Agenda document.

- Councillor Munsif Dad BEM JP – Leader of the Council;
- Councillor Melissa Fisher – Deputy Leader (Designate) and Portfolio Holder for Housing and Regeneration;

- Councillor Kimberley Whitehead – Deputy Leader and Portfolio Holder for Culture, Heritage and Sport;
- Councillor Vanessa Alexander – Portfolio Holder for Resources and Council Operations;
- Councillor Scott Breton – Portfolio Holder for Business, Growth and Sustainability;
- Councillor Stewart Eaves – Portfolio Holder for Environmental Services;
- Councillor Clare Pritchard – Portfolio Holder for Transformation and Town Centres; and
- Councillor Ethan Rawcliffe – Portfolio Holder for People and Communities.

**Resolved**

**- To note the Portfolio Responsibilities for 2025/26.**

**49 Appointment of Cabinet Committees and Cabinet Groups 2025/26**

Members considered a report of Councillor Munsif Dad BEM JP, Leader of the Council, confirming the establishment of Cabinet Committees and Cabinet Groups for the 2025/26 Municipal Year and appointing members to the Committees and Groups.

Councillor Dad provided a brief introduction to the report. Some changes to appointed persons had been proposed in the light of Councillors Aziz and Walsh retirement from their Cabinet roles.

Councillor Khan expressed disappointment that two out of the three proposed Working Groups contained no Opposition representation. Councillor Dad responded that those arrangements had been carried forward from the previous administration. At that time, the Labour Group (then in opposition) had been advised that it could still feed any comments or suggestions into the Working Groups by contacting those members directly.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

In June 2015, Cabinet had established the Cabinet Committee (Scrap Metal Dealers Act 2013). The Cabinet Committee determined whether to grant, renew, revoke or vary scrap metal licences pursuant to the Scrap Metal Dealers Act 2013, where the applicant or licensee (as the case may be) had informed the Council that they wished to make oral representations. Meetings would take place only as and when required, but this body was needed to enable compliance with statutory requirements.

In December 2017, Cabinet had established the Cabinet Committee (Street Naming). The Cabinet Committee met from time to time and discharged the Council's functions in respect of the naming and renaming of streets pursuant to Sections 17 and 18 Public Health Act 1925.

In June 2012, Cabinet had established the Cabinet Waste and Recycling Group. The body acted in an advisory capacity to Cabinet and did not have any delegated or decision making powers. The Group met infrequently, but provided oversight of certain aspects of the Council's Waste Services.

On 21<sup>st</sup> September 2022, Cabinet had established the Net Zero Working Group. The Working Group's remit was to support the work of Cabinet in addressing climate change, but it did not have any delegated or decision making powers. The Group was currently active.

On 18<sup>th</sup> September 2025, Cabinet had established the Cabinet Action Fund Working Group. The group's remit was to evaluate applications for funding from the Cabinet Action Fund and to make recommendations to the Leader of the Council and Executive Director (Resources) for the payment of any grant. The delegated authority to make any payment rested with the Executive Director (Resources), following the aforementioned consultations.

The terms of reference for all of the bodies mentioned above were appended to the report. It was proposed that those bodies continue into 2025/26, with the membership as shown in Table 1, set out below. Members were reminded that the formal Committees must only comprise councillors who were Cabinet Members:-

Table 1

| <b>Committees</b>                                |  |
|--|--|
| Cabinet Committee (Scrap Metal Dealers Act 2013) | Councillor Stewart Eaves (Chair)<br>Councillors Vanessa Alexander and Melissa Fisher   |
| Cabinet Committee (Street Naming)                | Councillor Scott Brerton (Chair)<br>Councillors Melissa Fisher and Clare Pritchard<br>Councillor Marlene Haworth (attending as observer) |
| <b>Working Groups</b>                            |  |
| Cabinet Waste and Recycling Group                | Councillor Stewart Eaves (Chair)<br>Councillors Munsif Dad, Steven Smithson and Kimberley Whitehead                                      |
| Net Zero Working Group                           | Councillor Scott Brerton (Chair)<br>Councillors Steve Button and Ethan Rawcliffe   |
| Cabinet Action Fund Working Group                | Councillors Vanessa Alexander, Melissa Fisher, Kimberley Whitehead   |

*There were no alternative options for consideration or reasons*

**Resolved**

- (1) **That Cabinet agrees to the establishment of the Cabinet Committees and Cabinet Groups, as set out in Table 1 above, and with the terms of reference, as set out in Appendix 1 to the report;**
- (2) **That the membership of the Cabinet Committees and Cabinet Groups, as set out in Table 1 above, be approved.**

**50 Huncoat Garden Village - Design Code**

Members considered a report of Councillor Melissa Fisher - Deputy Leader and Portfolio Holder for Housing and Regeneration, inviting the Cabinet to review and consider the Huncoat Garden Village (HGV) Design Code for approval.

Councillor Fisher provided a brief introduction to the report. The document set out the key design standards for architects and planners. Its purpose was to ensure the provision of high quality homes and a quality environment, which would enhance Huncoat. Councillor Dad commented that engagement with stakeholders was important and that both he and Mark Hoyle, Head of Housing and Regeneration, had attended several Huncoat Forum meetings.

With the permission of the meeting, Councillor Dave Parkins spoke on this matter. He reported that a meeting of Huncoat Forum had taken place last night, at which the Design Code had been discussed. In the light of that meeting, a number of questions would be submitted to Councillor Fisher and Mr Hoyle within the next week. The Forum had expressed concern that the overall situation had worsened. Councillor Dad gave a commitment that the Council would answer any questions received.

Councillor Khan welcomed the engagement held with the public. He asked about the following:

- What sources of reference and best practice had been used to create the Design Code?
- In respect of the Design Principles, eg. the Huncoat House (p.61), why were some classified as 'required' and others as 'expected'?

Mr Hoyle responded that references had included the National Planning Policy Framework, Local Plan, HGV Masterplan and numerous local sources, such as the Huncoat Forum, walkabouts and photographic material which captured the character of the area and its landscape. There was some national best practice included, but Hyndburn was one of 16 pilot authorities. The aim was to make the Design Code right for the specific area concerned. The mandatory and expected principles would allow planners to assess any applications, with some dos and some don'ts. This allowed needs to be balanced by including what was important, whilst ensuring that the development remained commercially viable.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

Hyndburn Borough Council was one of 16 local authorities selected by the Government to be part of its pilot programme to test the application of the National Model Design Code (NMDC). The NMDC provided detailed guidance on the production of local design codes. Design codes were intended to provide detailed guidance that lead to well-designed places. Design codes were therefore typically seen as planning documents to be approved for planning purposes.

Hyndburn Borough Council had seen this as an opportunity to produce a design code that would provide detailed guidance on the design parameters, technical standards and specification to shape development for the Huncoat Garden Village (HGV) development. A copy of the Design code was made available via the following link: [Huncoat Design Code | Huncoat Garden Village](#).

The Code used qualitative and written, numerical and graphic content to set out rules designed to make high-quality place making. In the case of HGV, the Code built upon the design vision and framework set in the HGV Masterplan Framework.

The design code covered Huncoat village, including the existing settlement and the HGV project area. The design code was intended to serve as a single point of reference of material consideration that translated design quality objectives and policies from planning guidance into specific and tailored design parameters to guide and enforce the future development of Huncoat including HGV.

It would be used as a valuable tool that set out the “dos and don’ts” of creating a high quality place at Huncoat and should be used by the Council, landowners, developers, other stakeholders and consultants. The Code included a checklist which would be used when preparing planning applications for HGV.

The design code should not be confused with a design guide. A design guide was a document providing guidance on how development can be carried out in accordance with good design practice. A code was more specific and provided a set of rules rather than just guidance.

The development of the HGV Design Code had taken place in 2021-22. The Code had been in an almost complete form for two years, but its approval had been delayed until it had been fully tested. The Code had been used and therefore tested in preparing plans including planning applications for the proposed new residential relief road and the development of the former power station site for housing.

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

There was no requirement to have and use the design code, however the code should be seen as a valuable tool to drive future development design standards at Huncoat, especially HGV.

#### **Resolved**

- **That Cabinet approves the Huncoat Garden Village Design Code, as viewable online via the link set out in the report.**

### **51 Huncoat Garden Village: Update and Steps to Acquire Land and Property for the Proposed Relief Road**

Members considered a report of Melissa Fisher - Deputy Leader and Portfolio Holder for Housing and Regeneration, providing Cabinet with an update on the Huncoat Garden Village project.

The report also sought relevant delegations in respect of the acquisition of land and property to enable construction of the proposed residential relief road at Huncoat Garden Village and for delivery of the overall project following the Council entering into a Grant Funding Agreement with Homes England.

In addition, the report sought approval to start the process towards a Compulsory Purchase Order (CPO) should the Council fail to acquire the required land and property by agreement

Councillor Fisher provided a brief introduction to the report.

Approval of the report was not deemed a key decision.

#### *Reasons for Decision*

Good progress continued to be made on the HGV project, including:

- The Council had entered into the Brownfield, Infrastructure and Land (BIL) grant funding agreement with Homes England on the 31<sup>st</sup> of March 2025
- A full planning application for the proposed residential relief road had been submitted and subsequently validated on the 3<sup>rd</sup> April 2025

- The Council had claimed and recovered historic costs on the project to date, amounting to £710,569. This had been paid by Homes England on the 29<sup>th</sup> May 2025
- The Council had entered into a s274 agreement with National Highways that would facilitate the transfer of £2.19m grant funding to National Highways towards improvement works at junction 8 on the M65.
- The Design Code for the project was being presented to this Cabinet meeting for approval.
- The new, draft Local Plan had been submitted to the Secretary of State for Independent Examination on Monday, 10<sup>th</sup> March 2025. The Planning Inspectorate had appointed a planning inspector to assess its soundness and compliance with legal requirements. Public hearing sessions had been set to run over the last two weeks of September this year and a further week from the 7<sup>th</sup> of October.
- The Council had selected a preferred contractor to construct the proposed residential relief road. Stage 2 of the tender process had commenced which included progressing the road design to RIBA Stage 4, and the preferred contractor firming up its final tender price.
- The former power station site owner and their house builder partner had submitted an updated outline planning application for the site.
- The owners of the former colliery site continued to engage with several house builders.

The proposed new residential relief road route and construction area was shown red on the plan attached as Appendix 1 to the report. None of the land was in Hyndburn Council's ownership. The Council had appointed Avison Young to assist with the acquisition strategy, including discussions and negotiations on behalf of the Council to acquire the land and property. Up to now, the Council had led on, and held direct discussions with, the landowners potentially involved in the proposed road route. Should the Council be unable to acquire the land by agreement it was proposed to use the most appropriate power to compulsorily acquire the land. Should a CPO be required, the intention was to return to Cabinet later this year to seek authorisation to make a CPO.

TerraQuest had been appointed to provide Avison Young and the Council with specialist land referencing services and provide overall support for providing the appropriate CPO documents if required.

Avison Young had prepared draft heads of terms (HoTs) in respect of the land and property the Council proposed to acquire to enable construction of the relief road. At the time of writing the Council were about to appoint Pinsent Masons who would provide the Council with legal support. Pinsent Masons would review and check the HoTs before they were issued to each of the interested parties.

The authority to acquire land by agreement for the purposes of development was contained in section 227 of the Town and Country Planning Act 1990. The Council had sought Counsel's advice on the most appropriate statutory power to be exercised should a CPO be required. Counsel concluded that the most appropriate power sat within section 226 of the

Town and Country Planning Act 1990 because any land needed to be compulsorily acquired for the road would facilitate the development of the Garden Village, and therefore the proposed road "will facilitate the carrying out of development, re-development, or improvement on or in relation to the land".

*Alternative Options considered and Reasons for Rejection*

The Council could decide not to acquire the land required for the relief road. This was not recommended because acquisition was essential to enable construction of the relief road and subsequent adoption of the same by Lancashire County Council. Whilst every effort would be made to acquire the land by agreement, a CPO might be required as a last resort, especially if there were parcels of land in unknown ownership.

**Resolved**

**- That Cabinet:**

- (1) Notes the progress being made with the Huncoat Garden Village (HGV) project.**
- (2) Having concluded that the acquisition of land and property will facilitate the development of the proposed residential relief road for the Huncoat Garden Village project and that the project is likely to contribute to the achievement of any one or more of the following objectives:**
  - (a) the promotion or improvement of the economic well-being of the area;**
  - (b) the promotion or improvement of the social well-being of the area;**
  - (c) the promotion or improvement of the environmental well-being of the area,**

**resolves to delegate authority to the Head of Regeneration and Housing, following consultation with the Executive Director (Legal & Democratic Services) to negotiate and agree the terms of any necessary acquisitions and to enter into such agreements or deeds necessary for the acquisition of all or part of the land and property required to enable the development of the proposed Huncoat relief road. The statutory authority for the acquisition being pursuant to S.227 of the Town and Country Planning Act 1990.**

- (3) Authorises the Head of Regeneration and Housing to begin preparatory work to secure information as to interests in the land and property within the proposed relief road red line boundary (identified at Appendix 1 of the report) to assist with the acquisition strategy including title referencing, serving requisitions on land and property owners and the appointment of land referencing agents preliminary to the**

investigation of powers of compulsory purchase of land and property.

- (4) Having agreed to enter into a grant funding agreement with Homes England for £29,897,722 for the HGV project, approves expenditure of the Brownfield, Infrastructure and Land fund (BIL) grant and grants delegated authority to the Head of Regeneration and Housing to take all reasonable steps to deliver the HGV project including (but not limited to):
  - (a) Procuring works, goods and services, including approval of expenditure and variations (and to determine delivery mechanisms for different elements of the project); and
  - (b) Following consultation with the Portfolio Holder and the Executive Director (Legal & Democratic Services) to agree the terms of the agreements appointing the preferred consultants or contractors; and
  - (c) Obtaining all necessary permissions and consents, whether statutory or otherwise; and
  - (d) Agreeing and finalising terms for the acquisition and disposal of any land or property in connection with delivery of the HGV project, together with the terms of any necessary licenses, access agreements or easements; and
  - (e) Agreeing and finalising the terms of agreements with landowners in respect of the proposed brownfield land remediation works, proposed equalisation arrangements and any other matters associated with delivery of the HGV project and / or compliance with the requirements of the BIL grant funding agreement
  - (f) Agreeing and finalising terms with Lancashire County Council and / or National Highways in respect of highway adoption or highway improvement works
  - (g) In consultation with the Executive Director (Legal and Democratic Services) entering into legal agreements in respect of the above
- (5) That such delegations to the Head of Regeneration and Housing set out above, are limited to amounts within the HGV BIL grant funding agreement, noting that any request for additional funding from the Council will require Cabinet approval.

## 52 Draft Culture and Heritage Strategy

The Cabinet considered a report of Councillor Kimberley Whitehead, Portfolio Holder for Culture, Heritage and Sport, seeking approval of the proposed Hyndburn Culture and Heritage Strategy (2025-2030).

In the absence of Councillor Whitehead, the Leader of the Council provided a brief introduction to the report. The draft strategy was the product of a collaboration of many voices and thanks were due to all who had contributed to its development. The Culture and Heritage Investment Panel (CHIP) had also made some changes to the original document. The Strategy should help to preserve the Borough's rich heritage and enhance tourism and educational opportunities. The Strategy would link into inward investment, including the plans for the Dome, at Market Chambers.

Councillor Khan commented that the events now being held and draft Strategy were a credit to the officers and partners who supported them. He enquired about the outcome measures identified in section 6 of the document and asked if these were open-ended, or intended to be completed by the end of 2025/26. Councillor Dad responded that the Strategy had taken longer to finalise than originally anticipated and that outcome targets would need to be open-ended.

Approval of the report was not deemed a key decision.

### *Reasons for Decision*

Accrington's Town Centre Stakeholder Board had identified that culture and heritage activity should be a key strategic component of the efforts to drive regeneration in Accrington, and indeed the wider Borough. Heritage was one of the central themes in the Council's Town Centre Investment Plan (TCIP). Hyndburn's successful UKSPF bid for funding through to March 2025 had included a significant package of measures to support the arts, culture and heritage. One of these was the development of a Culture and Heritage Strategy.

CT Consults had been procured in late 2023 and over the following months had conducted research and consultation to inform a draft strategy. Their development work had included several interviews and workshops with people across the Borough and a draft strategy had been presented to the Culture and Heritage Investment Panel (CHIP) in April 2024. Some changes had been made to reflect the appointment and direction of a Cabinet Portfolio Holder for Culture, Heritage and Arts (now Culture, Heritage and Sport) following the May 2024 local elections. The draft document had then been shared widely to over 100 consultees.

A considerable amount of feedback had been received, in particular from the Towns Board and Better Places Panel (Arts Council England, Historic England and National Lottery Heritage Fund). This had led to significant changes being made to the proposed strategy following a meeting of CHIP and other local stakeholders in January 2025.

The CHIP believed that the resulting redrafted Culture and Heritage Strategy had a clearer sense of Hyndburn's assets and what made it different from other places, while focusing on links between people and between the past and the present. This reflected a recommendation from the Historic Places visit, which said, "Connecting people with their common heritage (such as textiles) - rather than focusing on differences - will be a key to this". The strategic objectives and values were similar to the original draft, although had been further refined by the CHIP. The strategy also included an action plan.

This strategy was intended for a wide range of stakeholders, including residents, community groups, cultural organisations, artists, businesses, educators, and policymakers. It:

- provided a framework for collaboration, investment, and participation, ensuring that culture and heritage played a vital role in Hyndburn's regeneration, community wellbeing, and creative growth;
- aligned with national and regional cultural investment priorities, including the UK Shared Prosperity Fund's commitment to economic growth, creative industries, and place-based regeneration;
- reflected Arts Council England's Investment Principles by ensuring inclusivity in cultural participation, supporting artist-led innovation, and embedding sustainability in Hyndburn's creative ecosystem; and
- supported the UK Government's mission to 'kickstart economic growth in every community' by investing in skills, heritage-led regeneration, and cultural entrepreneurship.

The strategy was built around three key objectives:

- Building Audiences and Cultural Participation
  - Expanding cultural access and engagement, ensuring culture was inclusive and community-driven.
- Developing Skills, Talent, and Creative Enterprise
  - Creating jobs and training opportunities in heritage conservation, creative industries, and digital storytelling.
- Connecting Contemporary Culture and Heritage
  - Repurposing historic sites as living cultural spaces and strengthening the borough's creative identity.

Rather than a traditional vision for a strategy, CT Consults proposed that Hyndburn adopted a new, values-based way of working and CHIP had agreed to this approach. Visions could change, but values were constant and could help to galvanise stakeholders and communities. The values were directly informed by Hyndburn's cultural heritage. The values were detailed within the document and were:

- Creativity: Colour, expression, and energy;
- Community: Strength in community and inclusion; and
- Connections: Connecting ideas, people, and places

*There were no alternative options for consideration or reasons*

**Resolved**

- **That Cabinet approves the Culture and Heritage Strategy, as appended to the report.**

**53 Prudential Indicators Monitoring and Treasury Management Strategy Update - Quarter 4 2024/25**

Members considered a joint report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, providing an update on the Treasury Management outturn position for 2024/25.

Councillor Alexander provided a brief introduction to the report. Councillor Khan noted the good work undertaken by the Executive Director (Resources) and his team.

Approval of the report was not deemed a key decision.

*Reasons for Decision*

The *Prudential Code for Capital Finance in Local Authorities* required the Council to set Prudential Indicators annually for the forthcoming three years to demonstrate that the Council's capital investment plans were affordable, prudent, and sustainable. The Council had adopted its 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 were 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 to above, the Council also had 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 had been included in the February 2024 report.

Prudential Indicators Monitoring

Appendix 1 to 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 outturn balance sheet position at 31<sup>st</sup> March 2025 for treasury management activities was shown in the table below.

**Forecast Treasury Balance Sheet Position 2024/25**

| Portfolio Position 2024/25 Q4        | Original Estimate<br>2024/25 | Outturn Position<br>2024/25 |
|--------------------------------------|------------------------------|-----------------------------|
|                                      | £'000                        | £'000                       |
| <b><u>EXTERNAL DEBT</u></b>          |                              |                             |
| Borrowing                            | 9,595                        | 9,595                       |
| Other Long-Term Liabilities          | 1,274                        | 1,542                       |
| Total External Debt                  | 10,869                       | 11,137                      |
| Capital Financing Requirement        | 8,798                        | 7,524                       |
| Under/(Over) Borrowing               | (2,071)                      | (3,613)                     |
| <b><u>INVESTMENTS</u></b>            |                              |                             |
| Total Short-Term Investments         | 27,722                       | 35,190                      |
| Total Long-Term Investments          | -                            | -                           |
| <b>Total Investments</b>             | <b>27,722</b>                | <b>35,190</b>               |
| <b>Net Investments / (Borrowing)</b> | <b>16,853</b>                | <b>24,053</b>               |

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 several 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 currently, 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 based on 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 using 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 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.

| <b>Portfolio Position</b>               | <b>Provisional Outturn<br/>2024/25</b> |
|---|--|
|   | <b>£'000</b>                           |
| Local Authorities                       | 30,000                                 |
| Debt Management Agency Deposit Facility | 3,110                                  |
| Money Market Funds                      | 2,000                                  |
| Lancashire County Council Call Account  | 0                                      |
| Bank Deposit Accounts                   | 80                                     |
| <b>Total Short-Term Investments</b>     | <b>35,190</b>                          |

Two further tables were included in the report, which gave further details of the investments the Council had in place at 31<sup>st</sup> March 2025 with other local authorities and any future dated loans agreed at the end of the quarter. However, there were no 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.

To ensure the Council was considering any possible risk posed by the recent increase in Section 114 Notices being issued (ie. a formal notice indicating that a council's forecast income is insufficient to meet its forecast expenditure for the next year), the authority was undertaking additional due diligence, which included:

- Reviewing local press for any signs of financial distress;
- Analysing the latest financial statements of the local authority;
- Assessing the overall financial health and stability of the local authority.

### Expected Movement in Interest Rates

The Council had appointed MUFG (formally 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, which gave MUFG'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 gradually fall, as inflation moved closer to the Bank of England's target of 2.00%.

Interest rate risk was minimised as the Council's borrowings were fixed until a trigger point, where the lender sought better rates. Current interest rates would need to rise significantly for this to occur. With rates expected to fall in the short-term this was unlikely to occur, but this would be monitored closely.

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

## Forecast Treasury Revenue Outturn – 2024/25 Q4

| Portfolio Position 2024/25                                 | Working<br>Budget<br>2024/25 | Outturn<br>2024/25<br>£'000 | Forecast<br>(Under) /<br>Over<br>Spend<br>£'000 |
|--|------------------------------|-----------------------------|---|
|  | £'000                        |                             |   |
| <b>INTEREST RECEIVABLE</b>                                 |                              |                             |   |
| Interest Receivable on Temporary Investments               | (401)                        | (1,684)                     | (1,283)   |
| <b>Total Interest Receivable</b>                           | <b>(401)</b>                 | <b>(1,684)</b>              | <b>(1,283)</b>                                  |
| <b>INTEREST PAYABLE</b>                                    |                              |                             |   |
| Interest Payable on Long-Term Borrowings                   | 513                          | 439                         | (74)  |
| Interest Payable on Finance Leases                         | 41                           | 38                          | (3)   |
| <b>Total Interest Payable</b>                              | <b>554</b>                   | <b>477</b>                  | <b>(77)</b>                                     |
| Minimum Revenue Provision                                  | 1,085                        | 930                         | (155)   |
| <b>Net (Income) / Expenditure from Treasury Activities</b> | <b>1,238</b>                 | <b>(277)</b>                | <b>(1,515)</b>                                  |

### *Interest Receivable*

The Council had invested amounts of surplus cash on a short-term, temporary basis. The Council's strategy continued to focus on the security of deposits and the liquidity of funds. 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 actual income from investment interest for the year ending 31<sup>st</sup> March 2025 was £1.684m; an increase of £1.283m against the original budget forecast.

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

Minimum revenue provision charge was forecast to be below budget due to new vehicles being delivered later than had been expected.

### 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 27<sup>th</sup> February 2024 were shown 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 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 had 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.

*There were no alternative options for consideration or reasons*

**Resolved**

- That the Cabinet notes the Treasury Management outturn position for 2024/25.

**54      Provisional Financial Outturn Position - Revenue Budget Monitoring - Financial Year 2024/25**

The Cabinet considered a report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, regarding the draft financial spending of the Council up to the end of the financial year in March 2025.

Members were advised that a further report would be provided once all the work was completed if there was any significant change to the position now reported.

Councillor Alexander provided a brief introduction to the report.

Councillor Khan commented that there were significant funds available within reserves and that the Opposition had made some suggestions about additional projects and expenditure at the Council's Budget meeting in February 2025. He asked if these funds could now be utilised. Councillors Alexander and Dad responded that the Cabinet was currently looking at its priorities and would share some information on this in the near future.

Approval of the report was not deemed a key decision.

#### Reasons for Decision

At the Full Council meeting on 27<sup>th</sup> February 2024, Council had agreed the General Fund Revenue Budget for 2024/25. This had set a budget for the Council's total revenue spend in 2024/25 of £16.122m.

The provisional revenue outturn position for the 2024/25 financial year was a total spend for the Council of £15.747m. This gave a revenue underspend on net expenditure of £0.375m compared to the budget set at the start of the year.

Additional funding of £0.058m has been realised during the year compared to that set out in the budget. This was mainly due to additional business rates top-up funding received above budget.

These brought the total net underspend for the year against the budget to £0.433m.

**Table 1: Actual Performance Against Budgets**

| Department                   | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Provisional Outturn<br>£'000 | Provisional Outturn Variance to Working Budget £'000 |
|------------------------------|--------------------------|---------------------------------|-------------------------|------------------------------|--|
| Environmental Health         | 793                      | (3)                             | 790                     | 831                          | 41   |
| Environmental Services       | 5,492                    | 134                             | 5,627                   | 5,442                        | (185)  |
| Legal and Democratic         | 1,834                    | (2)                             | 1,832                   | 1,793                        | (39)   |
| Planning and Transportation  | 725                      | (10)                            | 714                     | 656                          | (58)   |
| Regeneration and Housing     | 1,497                    | (266)                           | 1,231                   | 787                          | (444)  |
| Resources                    | 4,544                    | 50                              | 4,595                   | 5,964                        | 1,369  |
| <b>Net Cost of Services</b>  | <b>14,884</b>            | <b>(97)</b>                     | <b>14,788</b>           | <b>15,472</b>                | <b>684</b>   |
| Non-Service                  | 1,238                    | 97                              | 1,334                   | 275                          | (1,059)  |
| <b>Total Net Expenditure</b> | <b>16,122</b>            | <b>-</b>                        | <b>16,122</b>           | <b>15,747</b>                | <b>(375)</b>   |
| Funding                      | (16,122)                 | -                               | (16,122)                | (16,180)                     | (58)   |
| <b>(Under)/Overspend</b>     | <b>-</b>                 | <b>-</b>                        | <b>-</b>                | <b>(433)</b>                 | <b>(433)</b>   |

A total net underspend of £0.096m was reported to Cabinet on 22<sup>nd</sup> January 2025. The provisional outturn shows an increase to the overall net underspend of £0.337m, resulting in a total net underspend of £0.433m, compared with the working budget. Table 2, included in the report, set out details of changes in the forecast variance by service since the last report at QTR3, with further detail being provided at Appendix 1 to the report.

The Final Accounts were still being prepared and would be reviewed by External Auditors once completed. Therefore, the reported underspend of £0.433m was provisional and might change.

#### *Variance by Service*

Section 4 of the report included a narrative and additional tables (Nos 3 to 10) on Outturn by Service, Non-Service Areas and Funding for 2024/25, which provided more detailed information on the areas identified in Table 1 above. Table 11 comprised the Reserves Outturn for 2024/25, which showed that the Council had recorded an increase in its useable reserves during the year of £3.73m, giving a closing balance of £29.84m.

*There were no alternative options for consideration or reasons*

**Resolved**

- (1) That Cabinet notes the provisional outturn of spend against the Revenue Budget for 2024/25 and the underspend in year of £0.433m.
- (2) That Cabinet agrees to transfer the underspend of £0.433m into the Underspends Reserve, with future decisions on usage to be approved by Cabinet and the Leader of the Council.

**55 Capital Programme Outturn 2024/25**

The Cabinet considered a report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, which set out the Capital Programme outturn position for 2024/25, including variations to the budgets from those reported to Cabinet in January 2025.

Councillor Alexander provided a brief introduction to the report.

Councillor Khan commented that he would wish to see capital spending maximised before local government reorganisation and asked if new projects could be added to the Capital Programme. Councillor Dad confirmed that the Controlling Group would look at possible developments which would benefit the whole of the Borough.

*Approval of the report was not considered to be a key decision.*

**Reasons for Decision**

The Council had authorised new additions to the Capital Programme 2024/25 of £4.404m at its meeting on the 27<sup>th</sup> February 2024.

Since the Council meeting in February 2024, new schemes totalling £2.694m had been approved and added to the programme. The additional expenditure approved was to be fully funded from by external grants and capital receipts.

In addition, the capital spend outturn from 2023/24 had slipped £40.656m into 2024/25, of which £37.769m related to the Levelling Up scheme for Accrington Town Centre, the Leisure Estate Investment and Housing Schemes, including Disabled Facilities Grants.

A further £8.482m of capital budgets had been removed from the capital programme. As a result, the total approved Capital Programme now totalled £39.272m. The table below provided a breakdown:

**Capital Programme 2024/25**

|   | £m            |
|---|---------------|
| <b>New Additions to the Capital Programme (Reported at February Council 2024)</b> | <b>4.404</b>  |
| <b>Budget Changes</b>   |               |
| Slippage from 2023/24   | 40.656        |
| Budgets removed from the programme  | -8.482        |
| New Schemes and Additional Funding approved in year                               | 2.694         |
| <b>Current Approved Capital Programme Budget 2024/25</b>                          | <b>39.272</b> |

|   |               |
|---|---------------|
| Less Slippage to 2025/26                                | -23.236       |
| <b>Current Working Capital Programme Budget 2024/25</b> | <b>16.036</b> |

The current programme of £39.272m was not capable of being delivered in the current financial year. Therefore, uncompleted elements of £23.236m had been slipped into the future years in which it was expected to be spent.

#### *Outturn Position*

The actual expenditure to 31<sup>st</sup> March 2025 was £15.951m against the latest reparsed budget for 2024/2025 of £16.036m. This equated to 99.47% spend.

Following the reparsing of the programme budgets, the outturn showed a small underspend of £0.085m with most schemes in line with the budgeted profile and spent in year.

As shown in the table below, £23.097m of budget had been reparsed into 2025/26 and £0.139m into 2026/27. £12.577m related to the Levelling Up scheme for Accrington Town Centre, £6.793m to the Leisure Estate Investment, £0.409 to Disabled Facility Grants and the balance to miscellaneous capital schemes.

The significant elements of the programme spent in year were shown in the table below with a more detailed breakdown provided in Appendix A of the report.

#### **2024/25 Variance and Future Phasing of Capital Programme**

| Programme Area                              | Revised Programme (Qtr 4)<br>£000 | Slippage Into 2025/26+ 2026/27<br>£000 | Programme After Slippage 2024/25<br>£000 | Total Expenditure 2024/25<br>£000 | Variance (Under) / Over Spend<br>£000 |
|---|-----------------------------------|--|--|-----------------------------------|---------------------------------------|
| Operational Buildings                       | 1,164                             | (849)                                  | 312                                      | 306                               | (6)                                   |
| Parks and Open Spaces                       | 1,495                             | (971)                                  | 524                                      | 523                               | (2)                                   |
| IT Projects                                 | 282                               | (78)                                   | 205                                      | 205                               | (0)                                   |
| Recreation and Sport                        | -                                 | -                                      | -  | -                                 |                                       |
| Vehicles and Equipment                      | 766                               | (666)                                  | 101                                      | 31                                | (70)                                  |
| Community Projects                          | 528                               | (471)                                  | 58                                       | 54                                | (4)                                   |
| Planned Asset Improvement Programme         | 207                               | (167)                                  | 40                                       | 40                                | (0)                                   |
| Leisure Estate Investment Programme         | 11,866                            | (6,793)                                | 5,072                                    | 5,072                             | 0                                     |
| Public Sector Decarbonisation Scheme        | -                                 | -                                      | -  | (3)                               | (3)                                   |
| Levelling Up Fund                           | 19,689                            | (12,577)                               | 7,112                                    | 7,112                             | (0)                                   |
| UK Shared Prosperity Fund                   | 388                               | (255)                                  | 134                                      | 134                               | (0)                                   |
| Huncoat Garden Village                      | 711                               | -                                      | 711                                      | 711                               | (0)                                   |
| Housing Improvement Programme               | 2,176                             | (409)                                  | 1,767                                    | 1,767                             | (0)                                   |
| <b>Total Approved Capital Spend Budgets</b> | <b>35,272</b>                     | <b>(23,236)</b>                        | <b>16,036</b>                            | <b>15,951</b>                     | <b>(85)</b>                           |

The overall net position was that the Capital Programme at period 9 (Qtr 3) had been forecasting a total spend of £23.635m and the actual outturn of £15.951m was a reduction of £7.684m, which was largely due to the budget adjustment on the Levelling Up project.

The £15.951m outturn had largely been financed using external grant monies received and the use of capital receipts and reserves held by the Council. There had been no use of prudential borrowing in the financing of the programme and there would be no future implications on the revenue budget due to the repayment of principal and interest.

The funding of the programme 2024/25 was set out in a pie chart within the report.

Close monitoring of the capital programme had been undertaken throughout the year to ensure that the projects were kept in line with spend forecasts and were considered in the Council's cash flow forecasts. Deviations from the spending profiles and any financial implications were considered in future treasury and revenue budget forecasts.

*There were no alternative options for consideration or reasons*

**Resolved** - **That Cabinet notes the outturn position for 2024/25 of £15.951m and slippage into 2025/26 of £23.236m.**

## **56 Overview and Scrutiny Committee - Work Programme 2025/26**

Members considered a joint report of Councillors Noordad Aziz, Stephen Button and Kate Walsh, Chairs of the Resources, Communities and Wellbeing and Special Overview and Scrutiny Committees respectively, requesting that Cabinet gave consideration to and provided comments on the work programmes for Overview and Scrutiny for 2025/26.

Councillor Noordad Aziz provided a brief introduction to the report and draft work programmes and highlighted the consultations that had taken place to develop them.

Councillor Khan expressed disappointment that many of the Opposition suggestions for scrutiny topics had not been included in the draft programmes. He also commented that only a limited number of suggestions had been submitted by members of the public and queried whether more could be done to engage the public in democratic processes such as this. In addition, he queried whether suggestions for topics raised in-year could be added to the work programmes. The Leader of the Council responded that the usual broad-based consultation procedure had been followed for 2025/26, but that it might be possible to try different approaches in the future. He added that the lack of public responses might be an indicator of overall satisfaction with the controlling administration's work. Councillor Aziz provided some examples of where public feedback had influenced the choice of topics made. He also confirmed that suggestions for new topics could be accepted in-year, if appropriate.

*Approval of the report was not considered to be a key decision.*

### **Reasons for Decision**

At the beginning of each municipal year, the Council's Overview and Scrutiny Committees each agreed a work programme for the year.

The process for agreeing the work programme was set out in Overview and Scrutiny Procedure Rule C6(a), as follows;

*"The chair and vice chair of each overview and scrutiny committee will meet with the Cabinet within four weeks of each Annual Meeting to discuss the Cabinet's policy priorities for the coming year. The chairs and vice chairs will propose a draft work programme for their committee within two weeks of that meeting. The draft work programmes will be*

*submitted to the next following meeting of the Cabinet for comment and the draft work programme for each overview and scrutiny committee will then be submitted to the next following meeting of that committee (together with any comments or recommendations from the Cabinet) for approval.”*

Any comments received from Cabinet would be considered at the next meetings of the Committees.

The work programmes had been developed following consideration of the Council's guide for selecting items for scrutiny and consultation including:

- Emails to all Councillors;
- Suggestions sought from all service managers;
- Social media coverage for public suggestions; and
- An informal meeting between the Leader of the Council and the Chair and Vice-Chairs of the Scrutiny Committees.

There had been forty-six requests for items received for consideration for Scrutiny from Service Heads, Councillors and members of the public. Items of a similar nature had been merged. These items had been discussed in depth between the Scrutiny Chairs and the Leader of the Council before producing the work programmes. It should be noted that far too many suggested items had been received to be included in the work programmes and therefore, some items had been rejected on this basis.

Several items, including statutory items and previously agreed standing items, had been included in the work programmes and these were listed at the end of Appendix 1 to the report.

Items which had not been deemed suitable for Scrutiny have not been included in the programmes.

The Chairs had sought to provisionally allocate items to specific meetings. However, these might be subject to change during the year.

As in previous years, additional items could be added to the work programmes as the year progressed following scrutiny procedure rules.

The three Overview and Scrutiny Work Programmes were set out in full at Appendix 1 to the report.

All suggested items (including those rejected and reasons for rejection) could be seen in Appendix 2 to the report.

*There were no alternative options for consideration or reasons*

**Resolved**

- **That Cabinet notes, without comment, the Work Programmes for the Overview and Scrutiny Committees for 2025/26, as attached to the report.**

**57 Coach Road Solar Meadow Project**

The Cabinet considered a report of Councillor Ethan Rawcliffe, Portfolio Holder for People and Communities, seeking approval to pay a grant of £20,000 to Prospects Community Energy Limited (“PCE”) to support the Solar Meadow Project at Coach Road in

Oswaldtwistle, a community renewable energy project, to help achieve net zero in the Borough.

Councillor Rawcliffe provided a brief introduction to the report, in which he explained the background to and aims of the project. Solar panels on the site would generate enough electricity to power about 550 houses, but it was anticipated that William Blythe Limited would enter into a formal agreement to purchase the electricity produced.

Phil Vincent-Barwood MBE, Chairman of the Prospects Foundation, was in attendance. He provided additional information about the scheme. Prospects had owned the site since 2005, but the original proposals for the site were no longer considered to be viable. Accordingly, the site was now being developed as a solar meadow.

Councillor Khan asked what alternative funding sources had been considered prior to contacting the Council. Mr Vincent-Barwood responded that initial funding had been secured from the Rural Community Energy Fund, but that further funding was required for legal and technical work, including negotiations with Network Rail. The proposed end-user for the energy generated, William Blythe Limited, had not been approached about funding to help set up the scheme, but the purchase price of the electricity would take into account some of the set up costs.

*Approval of the report was not considered to be a key decision.*

#### Reasons for Decision

PCE intended that the solar meadow project would generate up to 2 megawatts of electricity, equivalent to the needs of about 550 houses, and would help to reduce carbon emissions by replacing fossil fuels with renewable energy. PCE was an independent community benefit society set up by the Prospects Foundation to develop, own and run the solar meadow project on the Foundation's 11-acre site at Coach Road in Oswaldtwistle. The Foundation was a registered charity and company limited by guarantee and would lease the site to PCE. It was understood that the lease would be completed shortly.

In January 2024, PCE had received an initial grant of £25,000 from the Net Zero Working Group to assist with the cost of a planning application for the proposed solar panels. Planning permission had been granted, subject to conditions, on 12<sup>th</sup> June 2024 and project development activity had continued since then. PCE had reached agreement with William Blythe Limited for the purchase of energy generated at the site, with any surplus being sold via the national energy network.

PCE had now requested a further grant of £20,000 from the Council to help them to progress delivery of the project. The additional funding was intended to be used to:

- Meet PCE's legal costs, technical costs and easement fees in respect of the lease of the Coach Road site;
- Meet development costs, such as costs and expenses relating to due diligence and statutory procedures.

PCE were trying to raise £1.9m million, 50% through a community share offer and 50% from ethical investors to cover the entire cost of construction of the project. PCE had appointed a co-operative society called Sharenergy Co-operative Limited (specialists in supporting community energy schemes) who would be project managing the community share offer, hopefully this autumn, with construction of the solar panels planned for 2026 in respect of the Coach Road site.

The community shares would be offered widely (nationally) and PCE hoped there would be a substantial local take-up. Community shares were a particular type of investment - a withdrawable, non-transferable equity investment into a cooperative or community benefit society. They were a form of equity because the investors received a share of the organisation and asset. They were 'withdrawable' because the investor could take their money out of the organisation if they chose to. So being not tradeable, they did not acquire a market value (though they might be sold back to the society) and delivered interest to the investor rather than a dividend.

Any surpluses generated by the community benefit society would have to be used according to the rules of the society and strictly regulated by the Financial Conduct Authority. Sharenergy were currently sending out invitations to tender to installers for up to date estimates of the capital cost of the project, to inform the business plan, share offer and loan funding.

#### *Subsidy Control Act (SCA)*

The proposed grant to PCE would qualify as a subsidy for the purpose of the Subsidy Control Act 2022 ("SCA") as it met the definition of a subsidy, namely:

- The payment would be given directly or indirectly from public resources by a public authority
- It would confer an economic advantage on one or more enterprises, namely PCE
- Benefit would be gained by the enterprise receiving the grant over one or more other enterprises with respect to the provision of goods or services
- The grant would or was capable of having an effect on competition or investment within the UK.

Officers considered that PCE could be considered to provide "services of public economic interest" ("SPEI") pursuant to section 38 SCA as its services were:

- provided for the benefit of the public; and
- would not be provided, or would not be provided on the terms required, under normal market conditions.

The Act essentially recognised that some enterprises had social value but were not usually financially viable without some form of public sector financial support. The project was also considered to be a SPEI service.

The Act usually required a detailed assessment to be produced 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. However, s38 and s39 of the Act allowed subsidy of up to £725,000 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. In particular:

- the Council would have to serve notice on PCE stating the gross amount of the SPEI assistance and asking PCE to confirm that this would not cause PCE to exceed the £725k threshold; and

- the Council could not provide grant funding to PCE until it received confirmation from PCE that the threshold would not be exceeded; and
- the Council would have to serve a further notice on PCE after the grant had been paid to confirm that it was SPEI assistance, its gross value and the date it was given.

*Alternative Options considered and Reasons for Rejection*

Cabinet could decide not to agree to the grant, or could award a lesser amount. However, if that approach was taken, the progress of the project might be delayed and the prospect of successful delivery of the project would be reduced unless alternative funding could be found from other sources.

**Resolved**

- **That Cabinet approves payment of a grant of £20,000 to Prospects Community Energy Limited to help support the development of the Coach Road Solar Meadow project, subject to compliance with the requirements of s39 Subsidy Control Act 2022 relating to the payment of SPEI subsidy (as further detailed in paragraph 3.7 of the report).**

Signed:.....

Date: .....

Chair of the meeting  
At which the minutes were confirmed

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# Agenda Item 5.

|  |   |                              |
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| <b>REPORT TO:</b>  | Cabinet   |                              |
| <b>DATE:</b>   | 30 July 2025  |                              |
| <b>PORTFOLIO:</b>  | <b>Councillor Melissa Fisher - Deputy Leader of the Council (Housing and Communities)</b>                 |                              |
| <b>REPORT AUTHOR:</b>  | Chris Gregory, Housing Strategy & Policy Manager  |                              |
| <b>TITLE OF REPORT:</b>  | Rough Sleeping grant funding for 2025/26:<br>Award of grants to Maundy Relief and Stepping Stone Projects |                              |
| <b>EXEMPT REPORT<br/>(Local Government Act 1972, Schedule 12A)</b> | <b>No</b>   | Not applicable               |
| <b>KEY DECISION:</b>   | <b>No</b>   | If yes, date of publication: |

## 1. Purpose of Report

- 1.1.1 This report outlines the Rough Sleeping Prevention and Recovery 2025 – 2026 grant and Rough Sleeping Accommodation Programme 2025 - 2026 grant funding the Council has been awarded by the Ministry of Housing, Communities & Local Government (MHCLG).
- 1.2 The report identifies how the Council proposes to utilise both funding programmes and seeks approval to enter into agreements with Maundy Relief and Stepping Stone Projects to support their activities and services in the relief and prevention of rough sleeping.

## 2. Recommendations

I recommend:

- 2.1 Cabinet notes and approves the acceptance of £145,901 Rough Sleeping Prevention and Recovery grant for 2025/26.
- 2.2 Cabinet notes and approves acceptance of £75,000 Rough Sleeping Accommodation Programme (RSAP) grant of £75,000 for 2025/26.

2.3 Approves the following grants from the Rough Sleeping Prevention and Recovery Grant award for 2025-2026 to continue and enhance support for people who are rough sleeping or at risk of rough sleeping:

- (i) a grant of £20,000 to Stepping Stone Projects for the continuation of the “A Bed Every Night” project
- (ii) a grant of £28,576 to Stepping Stone Projects for the continuation of Step Forward Hyndburn.
- (iii) a grant of £15,000 to Maundy Relief for the continuation of the emergency night shelter
- (iv) a grant of £31,000 to Maundy Relief for the continuation of the street navigator activities.

2.4 Approves an additional grant of £75,000 from the Rough Sleeping Accommodation Programme (RSAP) 2025 – 2026 to Stepping Stone Projects for the continuation of their support to occupants of 10 units of dispersed accommodation in the Borough which is provided to help people who have been rough sleeping into longer term accommodation.

2.5 Delegates authority to the Head of Regeneration and Housing, in consultation with the Executive Director (Legal and Democratic Services) to draw up, finalise and execute agreements to grant Maundy Relief and Stepping Stone Projects the funds listed above to continue the support and activities they are currently providing.

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

#### **3.1 Rough Sleeping Grant Programmes**

3.1.1 In 2018 the Government published their national Rough Sleeping Strategy and Action Plan aiming to halve rough sleeping by the end of this Parliament and eliminate it by 2027. The Government committed funding for programmes such as the Next Steps Accommodation Programme, Rough Sleeping Initiative (RSI) programme and the Rough Sleeping Accommodation Programme (RSAP).

3.1.2 Local authorities were invited to apply for funds to address rough sleeping. The RSAP and RSI programmes are designed to fund complementary interventions and activities for this purpose. There continues to be a need in the Borough for accommodation for rough sleepers as a route off the street and to prevent people from sleeping rough. Consequently, the Council submitted applications and has been successful in securing both RSI and RSAP grant funding.

3.1.3 Cabinet is asked to note that MHCLG have also consolidated what were formerly the Rough Sleeping Initiative, and the Accommodation for Ex-Offenders grants into a single 2025/26 Rough Sleeping Prevention and Recovery Grant. The awards for 2025/2026, which are based on 2024/25 funding, were announced in December 2024. The Government is looking at introducing a new homelessness strategy following the conclusion of Phase 2 of this year's Government's Spending Review.

3.1.4 Hyndburn Council has successfully worked with a number of local charitable agencies such as Stepping Stone Projects and Maundy Relief to prevent and reduce rough sleeping. The overall aim of the Council is to extend these activities.

**3.2 Rough Sleeping Initiative (RSI) Funding now called Rough Sleeping Prevention and Recovery grant (RSPR)**

3.2.1 The Rough Sleeping Prevention and Recovery Grant programme replaces the former RSI funding programme which provided additional bed spaces for rough sleepers with tailored support including help with mental health problems, addiction services, tenancy support, and access to training and employment.

3.2.2 Hyndburn's Rough Sleeping Prevention and Recovery grant allocation reflects and is based on the former RSI funding award for 2024/25.

3.2.3 The table below summarises Hyndburn's Rough Sleeping Prevention and Recovery grant award for 2025-2026:

|   |                 |
|---|-----------------|
| A Bed Every Night                                       | £20,000         |
| Flexible surge accommodation fund                       | £6,325          |
| Emergency night shelter                                 | £15,000         |
| Navigator service                                       | £31,000         |
| Step Forward Hyndburn                                   | £28,576         |
| Support into employment and training for rough sleepers | £45,000         |
| <b>Total</b>  | <b>£145,901</b> |

Table 1

The proposal is to maintain these existing activities and interventions:

- A Bed Every Night (ABEN) is an existing project which offers short term secure self-contained accommodation with support prior to securing longer term accommodation. Stepping Stone Projects provide support to occupants who live in 5 dispersed flats.
- The night shelter is an existing activity that provides emergency overnight accommodation for rough sleepers and those at imminent risk of rough sleeping.

Access to the accommodation, subject to space, is available year-round. Based at Maundy Relief in the centre of Accrington, the accommodation is in three single rooms with two shared bathrooms. Users can access showers, a washing machine and a kitchenette and are provided with an evening meal and breakfast.

- The navigator service is a continuation of an existing activity and is provided by Maundy Relief. It provides an outreach activity that proactively seeks out rough sleepers in their locations and offers immediate emergency support with food, clothing and overnight accommodation in Maundy's night shelter.
- Supporting Step Forward Hyndburn which is a 12 bedroom project for single male homeless cases including rough sleepers and those at risk of rough sleeping. On reviewing the project it was concluded that there is need to provide 24/7 on-site management, security and support, so this grant supports the running and management of the project.
- Looking at initiatives and activities which lead to employment and training for rough sleepers to help rebuild their lives. It is proposed that this grant will be used to procure initiatives and activities.
- Flexible surge accommodation provides funds to improve access to a wider range of accommodation, such as deposits/rent upfront payments to secure private rented accommodation for rough sleepers and those at risk of rough sleeping. It also provides funding for cold weather payments. This activity will be directly administered via the Council's Housing Advice and Homelessness Team.

### **3.3 Rough Sleeping Accommodation Programme (RSAP)**

- 3.3.1 The Rough Sleeping Accommodation Programme (RSAP) is another programme which was introduced in 2021 to reduce rough sleeping.
- 3.3.2 This Programme provides for both capital and revenue funding to meet the cost of longer term accommodation and support to help rough sleepers rebuild their lives. Local Authorities are expected to work with accommodation providers and specialist agencies to end rough sleeping, especially where local authorities are no longer a landlord.
- 3.3.3 In 2021 Hyndburn secured £175,833 funding for the period 2021 to 2024 to provide access to accommodation and support for rough sleepers and those at risk of rough sleeping. This was covered in a report which went to the Cabinet meeting held on 22<sup>nd</sup> June 2022. Approval was granted to enter into a grant agreement with Stepping Stone Projects to deliver support to rough sleepers living in five properties.
- 3.3.4 The Department for Levelling Up, Housing and Communities (DLUC) invited Councils including those who had already been awarded grant to submit further proposals and bids for 2022/2023 and 2023/2024 for the Rough Sleeping Accommodation

Programme (RSAP). Proposals could include securing additional grant to support existing RSAP projects.

- 3.3.5 Hyndburn made a submission and was awarded additional revenue grant to expand the existing RSAP project so that an additional 5 people who have been rough sleeping or at risk of rough sleeping can be accommodated with support. This grant covered the cost of support provided by Stepping Stone Projects and helped furnish accommodation.
- 3.3.6 Hyndburn's RSAP award for 2025/2026 is based on 2024/25 funding.

| RSAP Grant Programme                              | 2025/2026 |
|---|-----------|
| Rough Sleeping Accommodation Programme            | £75,000   |
| Support to occupants in 10 units of accommodation |           |

Table 2

The proposal is to make a further grant payment of £75,000 to Stepping Stone Projects for the continuation of their support to occupants of 10 units of dispersed accommodation in the Borough which is provided to help people who have been rough sleeping into longer term accommodation

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

- 4.1 The award to Hyndburn Council for 2025/26 is a continuation of funding to maintain services and activities to prevent and respond to homelessness. For this reason, no alternative proposals are suggested or recommended.
- 4.2 RSAP and RSI funded interventions support Hyndburn's Prevention of Homelessness and Rough Sleeping Strategy. It is widely recognised that housing and support for vulnerable people provides a quicker and more effective service to ensure vulnerable residents can move forward with their lives, and in the case of rough sleeping, preventing a cycle of rough sleeping.
- 4.3 As these agreements are considered grants, they are not subject to the Council's Contracts Procedure Rules as no procurement is taking place. We propose to award the funding by way of grants to Stepping Stones and Maundy Relief as set out in the report because both organisations already do work to prevent and relieve rough sleeping, and the grant will support both organisations and enable them to extend and enhance the activities they already provide successfully in the Borough.

## **5. Consultations**

5.1 The Council's Homelessness Strategy was subject to extensive consultation with a wide range of stakeholders. The activities currently provided by Maundy Relief and Stepping Stone Projects to tackle and reduce the levels of rough sleeping in the Borough support agreed actions within Hyndburn's homelessness and rough sleeping strategy.

5.2 The Council continues to engage and consult with a range of stakeholders via the Hyndburn in Homeless Forum.

## **6. Implications**

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| <b>Financial implications (including any future financial commitments for the Council)</b> | <p>There is no direct revenue implication for the Council. The cost of the grants to Maundy Relief and Stepping Stone Projects is being met through the Council's 2025/2026 Rough Sleeping Grant Programmes awards:</p> <p>RSPR Grant £145,901<br/>RSAP Grant award £75,000</p> <p>The Council will not have to repay this grant funding so long as it is used in accordance with grant conditions and there is no underspend.</p>  |
| <b>Legal and human rights implications</b>   | <p>The funding has been awarded to the Council via a grant determination letter (dated December 2024).</p> <p>The Council's Legal Services Department will draw up grant agreements with Maundy and Stepping Stone Projects to give effect to Cabinet's decision.</p> <p>The award of grants may be a subsidy for the purpose of the Subsidy Control Act 2022. To constitute a subsidy, the granting of financial assistance must be given to an enterprise which is engaging in economic activity that confers an economic advantage. Charities can be deemed as an 'enterprise' if they are undertaking commercial activities. For the purposes of the Subsidy Control regime, an economic activity entails the offering of goods and services on the market.</p> |

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|  | <p>However, in this instance the definition of a subsidy is not met as both Maundy Relief and Stepping Stone Projects are not considered to be engaging in economic activities.</p> <p>This grant funding will enable both Maundy Relief and Stepping Stone Projects to extend their activities to provide specialist support and assistance to prevent and relieve rough sleeping.</p> <p>In the circumstances, the activities being funded can be considered non-economic and, by virtue of section 7(2) Subsidy Control Act 2022, Maundy Relief and Stepping Stone Projects would not be acting as enterprises in connection with their activities, so no subsidy would arise.</p>   |
| <b>Assessment of risk</b>  | <p>The Council's biggest risk is to ensure compliance with the grant requirements. This will be done by the grant agreements which will specify how the grant is spent; provide for grant clawback in the event of non-compliance or non-delivery and set out how the Council will monitor the use of the funding.</p>  |
| <b>Equality and diversity implications</b><br><p>A <u><a href="#">Customer First Analysis</a></u> should be completed in relation to policy decisions and should be attached as an appendix to the report.</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"> <li>• eliminate unlawful discrimination, harassment and victimisation; and</li> <li>• advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and</li> <li>• foster good relations between those who share a relevant protected characteristic and those who don't.</li> </ul> <p>For these purposes the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.</p> <p>No Customer First Analysis analysis has been completed for the continuation of these existing services.</p> <p>For information, the Customer First Analysis</p> |

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|  | which accompanied the Cabinet Report on Rough Sleeping Grant Funding for the 19 <sup>th</sup> October 2022 meeting is attached as an appendix to this report. |
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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.*

Cabinet Report Rough Sleeping Grant Funding  
Date 19<sup>th</sup> October 2022

Cabinet Report RSAP  
Date 22<sup>nd</sup> June 2022

Hyndburn's Homelessness Strategy  
<https://www.hyndburnbc.gov.uk/download-package/homeless-strategy-action-plan-2020-2025/>

**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.

## **Appendix: Customer First Analysis - Support into employment and training for rough sleepers Hyndburn project**

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| <p><b>1. Purpose</b></p> <ul style="list-style-type: none"><li>• What are you trying to achieve with the policy / service / function?</li></ul> <p>Hyndburn Council has been awarded grant funding under the Department of Levelling Up, Housing and Communities (DLUHC) Rough Sleeping Initiative (RSI) funding programme for 2022-25 which includes an element of funding for providing training and employment opportunities for rough sleepers and those at risk of rough sleeping.<br/>Grant funding profile awarded to deliver training and employment:<br/>2022/23 £33,250<br/>2023/24 £45,000<br/>2024/25 £45,000</p> <p>Training and employment opportunities targeted at rough sleeping would help with stabilising their lifestyle and integrating them into the community</p> <p>Government grant funding awards has enabled Hyndburn Council to develop a housing and support pathway for rough sleepers and those at risk of rough sleeping to help rebuild lives and thereby prevent rough sleeping.</p> <p>This approach supports the Government's commitment in halving rough sleeping (in this Parliament) and then ending it (by 2027) .</p> |
| <ul style="list-style-type: none"><li>• Who defines and manages it?</li></ul> <p>A Hyndburn training and employment project targeted at rough sleepers who are receiving housing and support has been developed by the Council with inputs from and collaboration with Maundy Relief, Stepping Stone Projects, Department for Works and Pension and Onward Homes.<br/>It envisaged that a voluntary organisation will be appointed to provide training and employment opportunities over a period of three years through appropriate procurement route</p> <p>A steering group would be set up involving the aforementioned organisations to oversee and steer the project. A grant agreement would be required for payment of the funding from the council and the appointed organisations and this would include a schedule of service deliverables ,outcomes and monitoring requirements<br/>The council's Housing Strategy &amp; Policy Manager would chair the steering group and be the named contact for the purpose of the grant agreement.<br/>Contractual arrangements and the approach of the Steering Group will include the</p>                    |

requirements to be sensitive and responsive to any differences between client's needs based on protected characteristics, to reduce any barriers to people within the cohort accessing services

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

Training and employment opportunities will be targeted at those clients who are within Hyndburn's housing and support pathway

The appointed organisation for delivering training and employment opportunities will engage with clients and organisation who can provide support to agree individual training and employment plan for each client.

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

A project risk log will be in place to identify any key risks and mitigation steps.

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

Information about training and employment opportunities will be made available to clients and local agencies. 121 meeting between clients and the organisation appointed to provide training and employment opportunities will be fundamental in explaining what opportunities are available and the benefits of getting involved. The impact of the project will be assessed and reported to the training and employment steering group. This will include client feedback.

## **2. Evidence**

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

HBC will put in place monitoring requirements which the appointed T&E organisation must report on monthly.

HBC will oversee delivery of project deliverables

DLUHC will also require reports on impact and benefits

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

The appointed T&E organisation will provide information on customer satisfaction

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| <p>with the service including complaints</p>  |
| <ul style="list-style-type: none"> <li>• What existing data do you have on the people that use the service and the wider population?</li> </ul> <p>HBC has data for homelessness cases through its on line portal for homelessness applications and information from organisations who are providing housing and support for RS clients</p>   |
| <ul style="list-style-type: none"> <li>• What other information would it be useful to have? How could you get this?</li> </ul> <p>None</p>  |
| <ul style="list-style-type: none"> <li>• 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)?</li> </ul> <p>The appointed T&amp;E organisation equalities monitoring form will provide occupants' details</p>  |
| <ul style="list-style-type: none"> <li>• Are you using partners, stakeholders, and councillors to get information and feedback?</li> </ul> <p>Feedback on the T&amp;E project from partners and stakeholders will emerge from quarterly Hyndburn homelessness meetings</p>  |
| <p><b>3. Impact</b></p>   |
| <ul style="list-style-type: none"> <li>• Are some people benefiting more – or less – than others? If so, why might this be?</li> </ul> <p>RSI grant funding is conditional on meeting the needs of rough sleepers and those at risk of rough sleeping .So the beneficiaries of this service are this cohort</p>   |
| <p><b>4. Actions</b></p>  |
| <ul style="list-style-type: none"> <li>• 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?</li> </ul> <p>RSI grant funding is conditional on meeting the needs of rough sleepers and those at risk of rough sleeping.</p> <p>There will be conditions within the funding agreement between HBC and the appointed T&amp;E organisation to ensure that RSI is only used for the purpose for which it is provided</p> |

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| <ul style="list-style-type: none"> <li>• Is it discriminatory in any way?<br/>No</li> <li>• Is there a possible impact in relationships or perceptions between different parts of the community?</li> </ul> <p>Information can be made available to explain the purpose of the T&amp;E project.</p>  |
| <ul style="list-style-type: none"> <li>• What measures can you put in place to reduce disadvantages?</li> </ul> <p>The project aims to provide rough sleepers or those at risk of rough sleeping access to T&amp;E opportunities to overcome the disadvantages associated with rough sleeping and homelessness.</p>  |
| <ul style="list-style-type: none"> <li>• Do you need to consult further?<br/>No</li> </ul>   |
| <ul style="list-style-type: none"> <li>• Have you identified any potential improvements to customer service?</li> </ul> <p>The T&amp;E Steering Group will keep the project under review and implement any identified service improvements.</p>  |
| <ul style="list-style-type: none"> <li>• Who should you tell about the outcomes of this analysis?<br/><i>We will share the analysis with the appointed T&amp;E organisation to assist with any service improvements. We will also report service analysis to the Homeless in Hyndburn Forum</i></li> <li>• Have you built the actions into your Business Plan with a clear timescale?<br/>No</li> <li>• When will this assessment need to be repeated?<br/>No further assessment is envisaged</li> </ul> |

**Name:** \_\_\_\_\_ Chris Gregory \_\_\_\_\_ **Signed:** \_\_\_\_\_

**Service Area:** \_\_\_\_\_ Regeneration & Housing \_\_\_\_\_  
**Dated:** \_\_\_\_\_ 6/10/2022 \_\_\_\_\_

# Agenda Item 6.

|  |   |                              |
|--|---|------------------------------|
| <b>REPORT TO:</b>  | Cabinet   |                              |
| <b>DATE:</b>   | 30 July 2025  |                              |
| <b>PORTFOLIO:</b>  | <b>Councillor Melissa Fisher - Deputy Leader of the Council (Housing and Communities)</b> |                              |
| <b>REPORT AUTHOR:</b>  | Chris Gregory, Housing Strategy & Policy Manager  |                              |
| <b>TITLE OF REPORT:</b>  | Procurement of Locata Pro Homelessness, Prevention and Advice (HPA2) software system      |                              |
| <b>EXEMPT REPORT<br/>(Local Government Act 1972, Schedule 12A)</b> | <b>No</b>   | Not applicable               |
| <b>KEY DECISION:</b>   | <b>No</b>   | If yes, date of publication: |

## 1. Purpose of Report

- 1.1 To seek approval to waive the Council's Contract Procedure Rules in respect of the direct procurement of the Locata Pro Homelessness, Prevention and Advice (HPA2) software, which is currently the homelessness management and reporting software system used by the Council.

## 2. Recommendations

I recommend that Cabinet:

- 2.1 Agrees to waive the Council's Contract Procedure Rules in respect of the purchase of Locata Pro Homelessness, Prevention and Advice software from Locata (Housing Services) Ltd
- 2.3 Delegates authority to the Head of Regeneration and Housing in consultation with the Executive Director (Legal and Democratic Services) to draw up, finalise and execute a contract with Locata (Housing Services) Ltd in respect of the purchase.

## 3. Reasons for Recommendations and Background

- 3.1 The introduction of the Homelessness Reduction Act 2017(HRA) placed new legal duties on local authorities and amended existing homelessness legislation set out in the Housing Act 1996.

- 3.2 The HRA (enacted in 2018) places prevention at the heart of homelessness service delivery. It introduced new duties for local housing authorities to intervene earlier and work to prevent and relieve homelessness, regardless of whether or not households are in priority need.
- 3.3 The Council entered into a contract with Locata (Housing Services) Ltd in 2018 for a 2 year term with an option to renew annually for a further 2 years. This contract expired in April 2022. The Council has continued to use this system on an out of contract annual fee with Locata (Housing Services) Ltd.
- 3.4 The Council needs a homelessness management system on a daily basis to manage all homelessness casework. The Locata system provides reports on homelessness statistics, data and information on active and closed homelessness cases. Continuous software system support is essential to ensure continuity of service delivery, compliance with the requirements of the H R A and a tool which supports auditing of the service. The data is also used to understand the level of homelessness both locally and nationally, informs policy making and can support grant funding and bids for new interventions.
- 3.5 The Housing Advice and Homelessness service is currently facing significant pressures, which include the additional work of dealing with homeless applications from asylum seekers who have received a positive asylum decision, households arriving under the family reunion scheme and an increasing number of very complex homeless cases. Therefore, this is not an ideal time to consider changing an essential software. In addition, given the prospect of local government reorganisation, the disruption of a possible move to a new provider does not appear to be an appropriate use of time and resources. The new agreement with Locata will run for 2 years (at a cost of £12,000 per annum), with an option to extend for a further 2 years. This fits well with the reorganisation timescale and will enable a successor organisation to easily move to a single provider of this information.
- 3.6 The Council requires a homelessness case management and reporting system to ensure it can report on all statutory homelessness assessments in compliance with the requirements of the Homelessness Reduction Act.

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

- 4.1 A procurement exercise for a homelessness management and reporting system was considered but rejected for the reasons set out in 3.5 above. Cabinet could ask for the contract to be procured but this is not recommended for the reasons given.

#### **5. Consultations**

5.1 No consultations have taken place other than with the Housing Advice and Homelessness team who support the retention of the Locata software system.

## 6. Implications

|   |   |
|---|---|
| <b>Financial implications (including any future financial commitments for the Council)</b>  | <p>There is no direct revenue implication for the Council. The cost of the software system will be met through the Council's Homeless Prevention Grant (HPG):</p> <p>£12,000 fee for 2025/ 2026 to be met from the HPG Grant for 2025/2026. (Hyndburn's award confirmed via a grant determination letter dated December 2024.)</p> <p>£12,000 fee for 2026/2027 to be met from the Homeless Prevention Grant (HPG) award for 2026/27.</p> |
| <b>Legal and human rights implications</b>  | The Council's Legal Services Department will draw up a contract to reflect the requirements of the software system and role and obligations of Locata (Housing Services) Ltd.   |
| <b>Assessment of risk</b>   | The Council's biggest risk is to ensure a software system supports the delivery of the homelessness service and our legal duties under the Homelessness Reduction Act. The contract with Locata (Housing Services) Ltd will specify the requirements of the Council and responsibilities of Locata and how the contract will be monitored.  |
| <b>Equality and diversity implications</b><br><i>A <a href="#">Customer First Analysis</a> should be completed in relation to policy decisions and should be attached as an appendix to the report.</i> | No customer services analysis completed for the continuation of existing services.  |

## 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.

# Agenda Item 7.

|                         |  |                              |
|-------------------------|--|------------------------------|
| <b>REPORT TO:</b>       | CABINET : COUNCIL  |                              |
| <b>DATE:</b>            | 30 <sup>th</sup> July 2025   |                              |
| <b>PORTFOLIO:</b>       | Councillor Vanessa Alexander – Resources & Council Operations  |                              |
| <b>REPORT AUTHOR:</b>   | C Worthington – Principal Accountant / A Martin – Principal Accountant<br>M Dyson – Executive Director - Resources |                              |
| <b>TITLE OF REPORT:</b> | Prudential Indicators Monitoring and Treasury Management Strategy Update – Quarter 1 2025/26                       |                              |
| <b>EXEMPT REPORT:</b>   | <b>No</b>  |                              |
| <b>KEY DECISION:</b>    | <b>No</b>  | If yes, date of publication: |

## 1. PURPOSE OF REPORT

1.1 This report updates Cabinet on the Treasury Management activities since the start of this financial year.

## 2. RECOMMENDATION(S)

2.1 To note the Treasury Management activities and position during the first quarter of 2025/26.

## 3. REASONS FOR RECOMMENDATION(S)

3.1 To keep Cabinet updated on the Treasury Management activities during the year.

## 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 2025/2025 at its meeting in February 2025.

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 on a quarterly basis.

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 (Resources) will report and advise the Council further.

4.4 '*Treasury Management*' relates to the borrowing, investing and cash activities of the authority, and the effective management of any associated risks. In February 2025 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 2025 report.

## 5. PRUDENTIAL INDICATORS MONITORING

5.1 Appendix 1 shows the monitoring information for each of the prudential indicators and limits. They relate to:

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

## 6. TREASURY MANAGEMENT UPDATE

6.1 The forecast balance sheet position at 30<sup>th</sup> June 2025 for treasury management activities is shown in the table below.

### Forecast Treasury Balance Sheet Position 2025/26

| Portfolio Position 2024/25 Q1 | Original Estimate<br>2025/26<br>£'000 | Position 30 June 2025<br>£'000 |
|-------------------------------|---------------------------------------|--------------------------------|
|                               |                                       |                                |
| <b>EXTERNAL DEBT</b>          |                                       |                                |
| Borrowing                     | 9,595                                 | 9,595                          |
| Other Long-Term Liabilities   | 1,967                                 | 2,207                          |
| <b>Total External Debt</b>    | <b>11,562</b>                         | <b>11,802</b>                  |
| Capital Financing Requirement | 9,190                                 | 9,430                          |
| <b>Under/(Over) Borrowing</b> | <b>(2,372)</b>                        | <b>(2,372)</b>                 |
| <b>INVESTMENTS</b>            |                                       |                                |
| Total Long-Term Investments   | -                                     | -                              |
| Total Short-Term Investments  | -                                     | 38,440                         |
| <b>Total Investments</b>      | <b>-</b>                              | <b>38,440</b>                  |

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 the Capital Financing Requirement exceeds gross debt. However, in 2025/26 the gross

debt exceeds the Capital Financing Requirement. This is due to the Council having historical debt with a maturity repayment profile (meaning all principal is paid at the loans maturity date) but the accounting treatment requires that the Capital Financing Requirement is reduced each year by the payment of Minimum Revenue Provision (MRP). Other Liabilities in prior years reflect finance liabilities relating to vehicles and plant and in the current year reflect the transfer of all leases onto the balance sheet to comply with the new IFRS 16 – Leases accounting standard.

- 6.3 The requirement to have Capital Financing Requirement 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 Investment balances were higher than had been forecast when the Prudential Indicators and strategy were set. This is mainly due to grants received in advance of capital spend being incurred, as well as slippage in the capital programme.
- 6.6 The Capital Programme 2025/26 is expected to be funded by the use of Government Grants (including Levelling Up Fund and UK Shared Prosperity Fund) and other external financing. It has 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 is expected to be required during the year.

## 7. INVESTMENT ACTIVITIES DURING THE PERIOD

- 7.1 During the first quarter of the year the Council has invested funds with other Local Authorities, the Government's Debt Management Agency Deposit Facility and uses Money Market Funds and Bank deposit accounts.

| Portfolio Position 30 June 2025         | Position 30 June 2025<br>£'000 |
|---|--------------------------------|
| Local Authorities                       | 26,000                         |
| Debt Management Agency Deposit Facility | 10,360                         |
| Money Market Funds                      | 2,000                          |
| Lancashire County Council Call Account  | 0                              |
| Bank Deposit Accounts                   | 80                             |
| <b>Total Short-Term Investments</b>     | <b>38,440</b>                  |

7.2 The table below shows the investments the Council had in place at 30th June 2025 with other local authorities:

| Local Authority                          | Date From | Date To   | Amount £'000  | Interest Rate |
|--|-----------|-----------|---------------|---------------|
| <b>Loans Outstanding at 30 June 2025</b> |           |           |               |               |
| Rushmoor Borough Council                 | 08-Jul-24 | 07-Jul-25 | 2,000         | 5.200%        |
| Liverpool City Council                   | 15-Apr-25 | 15-Jul-25 | 2,000         | 4.550%        |
| Central Bedfordshire Council             | 15-May-25 | 15-Jul-25 | 2,000         | 4.200%        |
| Eastbourne Borough Council               | 21-Jan-25 | 21-Jul-25 | 2,000         | 5.500%        |
| Cheltenham Borough Council               | 22-Apr-25 | 22-Jul-25 | 2,000         | 4.300%        |
| Cheshire East Council                    | 22-Apr-25 | 22-Jul-25 | 2,000         | 5.250%        |
| Wirral MBC                               | 28-May-25 | 28-Jul-25 | 2,000         | 4.250%        |
| Suffolk CC                               | 14-Feb-25 | 14-Aug-25 | 2,000         | 5.480%        |
| London Borough of Waltham Forest         | 23-Jun-25 | 23-Dec-25 | 2,000         | 4.250%        |
| Surrey CC                                | 14-May-25 | 16-Feb-26 | 2,000         | 4.150%        |
| West Northamptonshire Council            | 27-May-25 | 25-May-26 | 2,000         | 4.150%        |
| North Lanarkshire Council                | 13-Jun-25 | 12-Jun-26 | 2,000         | 4.200%        |
| Eastleigh Council                        | 19-Jun-25 | 18-Jun-26 | 2,000         | 4.300%        |
| <b>Total Local Authority Loans</b>       |           |           | <b>26,000</b> |               |

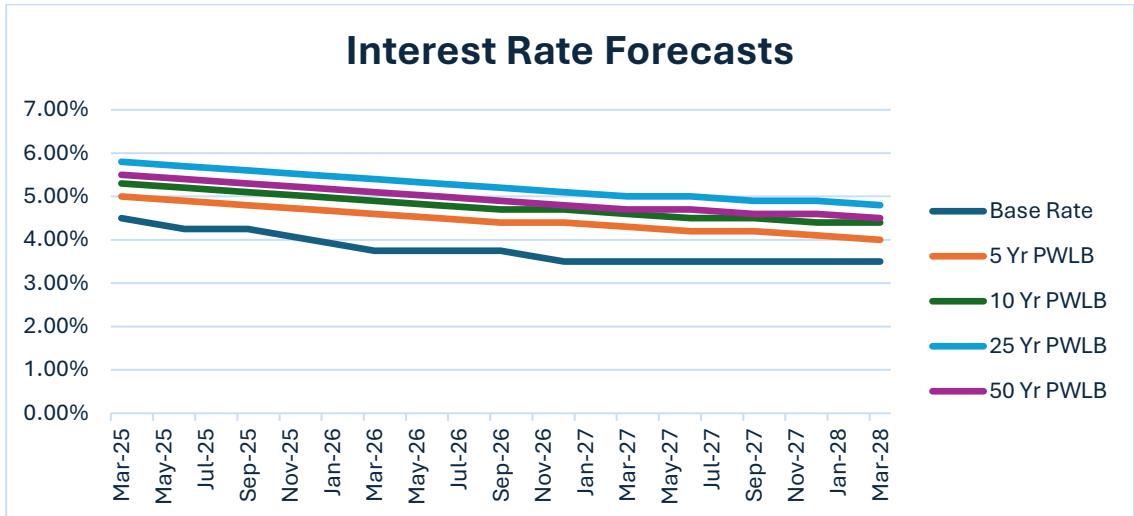
7.3 The Council also had a number of future dated loans agreed at the end of the quarter:

| Local Authority                                 | Date From | Date To   | Amount £'000 | Interest Rate |
|---|-----------|-----------|--------------|---------------|
| <b>Future Dated Loans Agreed</b>                |           |           |              |               |
| Broxbourne Council                              | 07-Jul-25 | 07-May-26 | 2,000        | 4.150%        |
| Cheshire East Council                           | 22-Jul-25 | 22-Oct-25 | 2,000        | 4.200%        |
| <b>Total Future Dated Local Authority Loans</b> |           |           | <b>4,000</b> |               |

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

## 8. EXPECTED MOVEMENT IN INTEREST RATES

8.1 The Council appointed MUFG (formally 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 graph gives Link's latest available view of the expected future movement in interest rates.



Link interest rate forecasts as at 10/02/2025.

8.2 The latest forecast sets out a view that both short and long-dated interest rates will start to fall, as inflation has fallen closer to the Bank of England's target of 2.00%.

8.3 Interest rate risk is minimised as our borrowings are fixed until a trigger point, where the lender seeks better rates. Current interest rates would need to rise significantly for this to occur. With rates expected to fall in the short-term this is unlikely to occur, but this will be monitored closely.

8.4 The revenue outturn position on the Council's Treasury Management activities is shown in the table below.

**Forecast Treasury Revenue Outturn – 2025/26 Q1**

| Portfolio Position 2024/25                                 | Working Budget 2025/26<br>£'000 | Forecast Outturn 2025/26<br>£'000 | Forecast (Under)/ Over Spend<br>£'000 |
|--|---------------------------------|-----------------------------------|---------------------------------------|
| <b>INTEREST RECEIVABLE</b>                                 |                                 |                                   |                                       |
| Interest Receivable on Temporary Lendings                  | (700)                           | (797)                             | (97)                                  |
| Other Interest Receivable                                  | -                               | -                                 | -                                     |
| <b>Total Interest Receivable</b>                           | <b>(700)</b>                    | <b>(797)</b>                      | <b>(97)</b>                           |
| <b>INTEREST PAYABLE</b>                                    |                                 |                                   |                                       |
| Interest Payable on Long-Term Borrowings                   | 440                             | 440                               | -                                     |
| Interest Payable on Finance Leases                         | 41                              | 41                                | -                                     |
| Other Interest Payable                                     | -                               | -                                 | -                                     |
| <b>Total Interest Payable</b>                              | <b>481</b>                      | <b>481</b>                        | <b>-</b>                              |
| Minimum Revenue Provision                                  | 1,085                           | 1,085                             | -                                     |
| <b>Net (Income) / Expenditure from Treasury Activities</b> | <b>866</b>                      | <b>769</b>                        | <b>(97)</b>                           |

8.5 **Interest Receivable**

8.6 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, mainly due to higher levels of funds being held and the Bank of England maintaining interest

rates at higher levels than were anticipated when the budget was set. The Council's strategy continues to focus on the security of deposits and the liquidity of funds. The additional interest forecast to be generated is now expected to be £97,000 for the year ending March 2026.

8.7 The Council continues to invest surplus cash in 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. The council can place unlimited funds with the Government Debt Management Agency Deposit Facility (DMADF). This allows greater flexibility for placing of funds with potential for higher returns with minimal risk.

#### **8.8 Interest Payable**

An estimate of interest on additional borrowing was included in the budget, no new borrowing is expected to be required during the year.

#### **8.9 Minimum Revenue Provision**

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

### **9. PERFORMANCE AGAINST PRUDENTIAL INDICATORS**

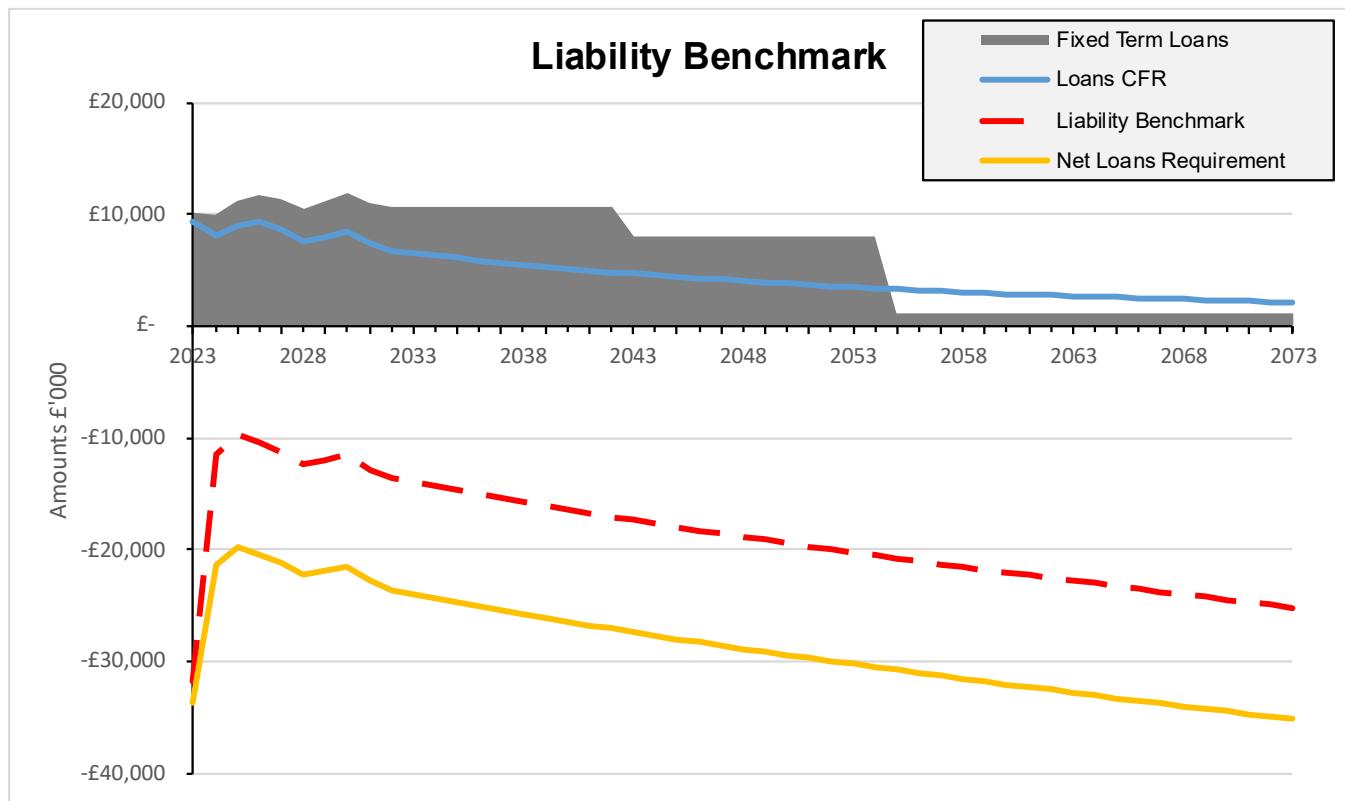
9.1 The Council's performance to date, and current forecasts for the year, against the Prudential Indicators set in the Treasury Management Strategy approved by full Council on 27<sup>th</sup> February 2025 are shown in **Appendix 1**. The Council has remained within the Prudential Indicators set out in the approved Treasury Management Strategy.

9.2 **Liability Benchmark**

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

9.4 The liability benchmark is a useful tool to help establish whether the Council is 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 represents an estimate of the cumulative amount of external borrowing the Council must 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.

9.5 There have been no significant changes to the inputs to this calculation, therefore there have been no updates to this indicator. The chart below reflects that presented in the approved Treasury Management Strategy.



## 10. ALTERNATIVE OPTIONS CONSIDERED AND REASONS FOR REJECTION

None applicable.

## 11. CONSULTATIONS

None applicable in this instance.

## 12. 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.<br>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  |

### 13. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985:

#### List of Background Papers

- The Local Government Act 2003 and related regulations
- The Prudential Code for Capital Finance in Local Authorities (CIPFA 2021)
- The Treasury Management Code of Practice (CIPFA 2021)
- Prudential Indicators, Treasury Management and Investment Strategy (Including Capital Strategy) approved at full Council 27<sup>th</sup> February 2025

### 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.

| Indicator   | As Approved February 2025  |             |             | As at 30 June 2025                |        |      | Comments   |
|---|----------------------------|-------------|-------------|-----------------------------------|--------|------|--|
| Estimated Capital Expenditure   | £26.054M                   |             |             | £34.353M                          |        |      | The current figure takes account of additional slippage in the capital programme where spend will now be incurred in 2025/26.  |
| Estimated Capital Financing Requirement at Year End                                       | £9.19M                     |             |             | £9.43M                            |        |      | Capital Financing Requirement is a prescribed measure of the capital expenditure incurred historically by the authority which has been financed by external or internal borrowing.   |
| Estimated Ratio of Financing Costs to Net Revenue Stream                                  | 10.20%                     |             |             | 9.00%                             |        |      |  |
| External Debt Prudential Indicators (Operational Boundary and Authorised Borrowing Limit) | Operational Boundary       | £20M        |             | Borrowing to Date                 | £M     |      | Borrowing has been within both the Operational Boundary and Authorised Borrowing Limit throughout the year.  |
|   | Authorised Borrowing Limit | £35M        |             | Long-Term Borrowing               | 9.595  |      |  |
|   |                            |             |             | Finance Lease Debt                | 2,207  |      |  |
|   |                            |             |             | Total                             | 11,802 |      |  |
| Variable Interest Rate Exposure   | 100%                       |             |             | Exposure to Date                  |        | 43%  | In 2016/17 Barclays notified the Council that the debt held by Barclays was being converted into fixed rate debt from its original agreement as a LOBO.<br>All remaining LOBO debt is classified as having a variable interest rate. |
| Fixed Interest Rate Exposure  | 100%                       |             |             | Exposure to Date                  |        | 57%  |  |
| Prudential Limits for Maturity Structure of Borrowing                                     |                            |             |             | Actual Maturity Structure to Date |        |      | Borrowings of £4.12M are subject to LOBO (Lender Option Borrower Option) agreements. As they have call periods at 6 monthly intervals they are classed as borrowing under 12 months.   |
|   | Period                     | Lower Limit | Upper Limit | Period                            | £M     | %    |  |
|   | < 1 Year                   | 0%          | 75%         | < 1 Year                          | 4.120  | 43%  |  |
|   | 1-2 Years                  | 0%          | 75%         | 1-2 Years                         | -      | 0%   |  |
|   | 2-5 Years                  | 0%          | 75%         | 2-5 Years                         | -      | 0%   |  |
|   | 5-10 Years                 | 0%          | 75%         | 5-10 Years                        | -      | 0%   |  |
|   | >10 Years                  | 0%          | 75%         | >10 Years                         | 5.405  | 57%  |  |
|   |                            |             |             | Total                             | 9.525  | 100% |  |
| Total Investments for Longer than 364 Days  | £3M                        |             |             | No Long-Term Investments Made     |        |      |  |

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# Agenda Item 8.

|  |  |                              |
|--|--|------------------------------|
| <b>REPORT TO:</b>  | Cabinet  |                              |
| <b>DATE:</b>   | 30 July 2025   |                              |
| <b>PORTFOLIO:</b>  | Councillor Noordad Aziz – Deputy Leader<br>Councillor Vanessa Alexander – Resources and Council Organisation |                              |
| <b>REPORT AUTHOR:</b>  | Martin Dyson, Director of Finance  |                              |
| <b>TITLE OF REPORT:</b>  | Revenue Budget Monitoring 2025/26 – Quarter 1 to end of June 2025  |                              |
| <b>EXEMPT REPORT (Local Government Act 1972, Schedule 12A)</b> | <b>No</b>  | Not applicable               |
| <b>KEY DECISION:</b>   | <b>No</b>  | If yes, date of publication: |

## 1. Purpose of Report

- 1.1 The report informs Cabinet of the financial spending of the Council up to the end of the June 2025 for the financial year 2025/26 and the forecast impact on the Council's Medium Term Financial Strategy for 2025/26 to 2027/28.

## 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 pressures and risks highlighted in section 5 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 2025/26

- 3.1 At the Full Council meeting on 27<sup>th</sup> February 2025, Council agreed the General Fund Revenue Budget for 2025/26. This set a budget for the Council's total spend in 2025/26 of £17.313M.
- 3.2 The current forecast spend to the end of the financial year in March 2026 is £17.430M. This brings the forecast underspend for the year against the budget to £0.005M. Further analysis of changes in forecast spend are shown in section 4 of the report.

**Table 1: Actual Performance Against Budgets**

3.3 Details of the most significant changes in the forecast variance are shown in the table below.

| Department                     | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|--------------------------------|--------------------------|---------------------------------|-------------------------|---------------------------|--|
| Environmental Health           | 941                      | -                               | 941                     | 933                       | (8)  |
| Environmental Services         | 5,495                    | (14)                            | 5,481                   | 5,330                     | (151)  |
| Legal and Democratic           | 1,896                    | -                               | 1,896                   | 1,887                     | (9)  |
| Planning and Transportation    | 712                      | 10                              | 722                     | 876                       | 154  |
| Regeneration and Housing       | 1,604                    | -                               | 1,604                   | 1,604                     | -  |
| Resources                      | 6,086                    | -                               | 6,086                   | 6,028                     | (58)   |
| <b>Net Cost of Services</b>    | <b>16,734</b>            | <b>(4)</b>                      | <b>16,730</b>           | <b>16,658</b>             | <b>(72)</b>  |
| Non-Service                    | 865                      | 4                               | 869                     | 772                       | (97)   |
| Cabinet Approved Contributions | -                        | -                               | -                       | -                         | -  |
| Corporate Savings Target       | (164)                    | -                               | (164)                   | -                         | 164  |
| <b>Total Net Expenditure</b>   | <b>17,435</b>            | -                               | <b>17,435</b>           | <b>17,430</b>             | <b>(5)</b>   |
| Funding                        | (17,435)                 | -                               | (17,435)                | (17,435)                  | -  |
| <b>(Under)/Overspend</b>       | -                        | -                               | -                       | <b>(5)</b>                | <b>(5)</b>   |

**Table 2: Main Changes in Forecast Variance**

| Main Variances / Movements                                       | Changes Since Last Report - Original Budget |                                      |                               |
|--|---|--------------------------------------|-------------------------------|
|  | Original Budget Forecast Variance<br>£'000  | Forecast (Under)/Over Spend<br>£'000 | Movement in Variance<br>£'000 |
| Savings on staffing costs  | -   | (126)                                | (126)                         |
| Savings on utility costs   | -   | (108)                                | (108)                         |
| Additional grant income  | -   | (78)                                 | (78)                          |
| Additional costs of ICT and Software                             | -   | 85                                   | 85                            |
| Additional costs related to unrecoverable Housing Benefit Claims | -   | 175                                  | 175                           |
| Other  | -   | (20)                                 | (20)                          |
| <b>Total Net Cost of Services</b>                                | -   | <b>(72)</b>                          | <b>(72)</b>                   |
| <b><u>Non-Service</u></b>  |   |                                      |                               |
| Additional Investment Income                                     | -   | (97)                                 | (97)                          |
| Reduction in Interest Payable                                    | -   | -                                    | -                             |
| Reduction in Minimum Revenue Provision                           | -   | -                                    | -                             |
| <b>Total Non-Service</b>   | -   | <b>(97)</b>                          | <b>(97)</b>                   |
| <b>Total Corporate Savings Target</b>                            | -   | <b>164</b>                           | <b>164</b>                    |
| <b>Total (Under)/Overspend</b>                                   | -   | <b>(5)</b>                           | <b>(5)</b>                    |

#### 4. Variance by Service

4.1 The narrative below provides more detail on the variances from the original budget and the forecast outturn at Quarter 1.

##### 4.2 **Environmental Health**

4.2.1 The forecast outturn position for Environmental Health a small underspend of £0.008M.

**Table 3: Environmental Health – Forecast Outturn 2025/26 Quarter 1**

| Department                        | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|-----------------------------------|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Environmental Health              | 365                      | -                               | 365                     | 361                                 | (4)  |
| Environmental Protection          | 576                      | -                               | 576                     | 572                                 | (4)  |
| <b>Total Environmental Health</b> | <b>941</b>               | <b>-</b>                        | <b>941</b>              | <b>933</b>                          | <b>(8)</b>   |

##### 4.3 **Environmental Services**

4.3.1 The forecast outturn position for Environmental Services is an underspend of £0.151M.

**Table 4: Environmental Services – Forecast Outturn 2025/26 Quarter 1**

| Department                          | Working Budget<br>£'000 | Original Budget<br>£'000 | Changes in Forecast Outturn During Quarter<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|-------------------------------------|-------------------------|--------------------------|---|-------------------------------------|--|
| Environmental Maintenance           | (9)                     | (5)                      | (4)   | (9)                                 | -  |
| Levelling Up                        | -                       | -                        | -   | -                                   | -  |
| Other Environmental Services        | 152                     | 152                      | (10)  | 142                                 | (10)   |
| Parks and Cemeteries                | 1,240                   | 1,250                    | (67)  | 1,183                               | (57)   |
| Town Centre and Markets             | 592                     | 592                      | (58)  | 534                                 | (58)   |
| UK Shared Prosperity Funding        | -                       | -                        | -   | -                                   | -  |
| Waste Services                      | 3,506                   | 3,506                    | (26)  | 3,480                               | (26)   |
| <b>Total Environmental Services</b> | <b>5,481</b>            | <b>5,495</b>             | <b>(165)</b>  | <b>5,330</b>                        | <b>(151)</b>   |

The main variances are as follows:

4.3.2 Parks and Cemeteries are forecasting an underspend on salaries of £0.029M, the positions are filled as at quarter 2 therefore no further saving is expected in this area. In addition, the Council received additional income of £0.028M from Lancashire County Council for highways and mowing services.

4.3.3 There is also an underspend on Town Centre and Markets related to funding received for utilities and NNDR, the gain however is offset by loss of Markets income.

4.3.4 Waste services have reported a savings on employee costs of £0.013M and additional income on Eurobin collections of £0.015M.

#### 4.4 Legal and Democratic Services

4.4.1 The forecast outturn position for Legal and Democratic Services is an underspend of £0.009M.

**Table 5: Legal and Democratic Services – Forecast Outturn 2025/26 Quarter 1**

| Department                          | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|-------------------------------------|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Democratic Services                 | 790                      | -                               | 790                     | 774                                 | (16)   |
| Human Resources and Policy          | 676                      | -                               | 676                     | 677                                 | 1  |
| Legal                               | 304                      | -                               | 304                     | 311                                 | 7  |
| Management - Legal and Democratic   | 126                      | -                               | 126                     | 125                                 | (1)  |
| <b>Total Legal &amp; Democratic</b> | <b>1,896</b>             | -                               | <b>1,896</b>            | <b>1,887</b>                        | <b>(9)</b>   |

4.4.2 The main variance within Democratic Services relates to a vacancy in the Registration of Electors service; the post is likely to be appointed to in Quarter 2.

#### 4.5 Planning and Transportation

4.5.1 The forecast outturn position for Planning and Transportation is an overspend of £0.154M.

**Table 6: Planning and Transportation – Forecast Outturn 2025/26 Quarter 1**

| Department                                 | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|--|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Building Control                           | 18                       | -                               | 18                      | 48                                  | 30   |
| Engineers and Transportation               | 218                      | -                               | 218                     | 218                                 | -  |
| Green Infrastructure                       | 66                       | 9                               | 75                      | 47                                  | (28)   |
| Planning                                   | 411                      | -                               | 411                     | 563                                 | 152  |
| Section 106                                | (1)                      | 1                               | -                       | -                                   | -  |
| <b>Total Planning &amp; Transportation</b> | <b>712</b>               | <b>10</b>                       | <b>722</b>              | <b>876</b>                          | <b>154</b>   |

The main areas of variance are as follows:

4.5.2 The forecast overspend on Building Control relates to 2 agency staff members offset in part by vacant posts.

4.5.3 The underspend on Green Infrastructure is due to additional allotment income of £0.031M received during 2025/26, offset in part by an increased water charges for allotments of £0.005M and a small amount of additional income for garage rents, £0.002M.

4.5.4 The Planning department are forecasting an overspend on staffing costs following the engagement of agency workers in the Development Management and Planning Policy services (£0.219M), this is offset in part by savings on vacant posts of £0.069M. There has also been a charge for refunds due to delayed planning applications in 2024/25.

## 4.6 Regeneration and Housing

4.6.1 The provisional outturn position is anticipated to be in line with budget.

**Table 7: Regeneration and Housing – Forecast Outturn 2025/26 Quarter 1**

| Department                              | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|---|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Economic Development                    | -                        | -                               | -                       | -                                   | -  |
| Facilities                              | 604                      | -                               | 604                     | 604                                 | -  |
| Haworth Art Gallery                     | 218                      | -                               | 218                     | 218                                 | -  |
| Housing Advice                          | 297                      | -                               | 297                     | 297                                 | -  |
| Property                                | 197                      | -                               | 197                     | 197                                 | -  |
| Selective Licensing                     | -                        | -                               | -                       | -                                   | -  |
| Strategic Housing                       | 288                      | -                               | 288                     | 288                                 | -  |
| <b>Total Regeneration &amp; Housing</b> | <b>1,604</b>             | <b>-</b>                        | <b>1,604</b>            | <b>1,604</b>                        | <b>-</b>   |

## 4.7 Resources

4.7.1 The forecast outturn position for Resources is an underspend of £0.058M.

**Table 8: Resources – Forecast Outturn 2025/24 Quarter 1**

| Department                    | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|-------------------------------|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Assurance                     | 590                      | -                               | 590                     | 524                                 | (66)   |
| Benefits and Customer Contact | 1,569                    | (35)                            | 1,534                   | 1,618                               | 84   |
| Finance                       | 1,245                    | 35                              | 1,280                   | 1,246                               | (34)   |
| ICT                           | 824                      | -                               | 824                     | 826                                 | 2  |
| Leisure                       | 917                      | -                               | 917                     | 917                                 | -  |
| Management - Resources        | 941                      | -                               | 941                     | 897                                 | (44)   |
| <b>Total Resources</b>        | <b>6,086</b>             | <b>-</b>                        | <b>6,086</b>            | <b>6,028</b>                        | <b>(58)</b>  |

The main variances are as follows:

- 4.7.2 The Assurance service is reporting an underspend following the receipt of additional government grants during 2025/26 to support the external audit process.
- 4.7.3 The Benefits and Customer Contact service are forecasting additional spend of £0.084M which is due primarily to non-recoverable Housing Benefit claims at £0.175M, which is offset by savings on vacant posts and a small amount of additional grant funding.
- 4.7.4 The underspends across Finance and Management – Resources relate to savings on employee costs.

#### **4.8 Non-Service and Corporate Savings Target**

- 4.8.1 The forecast outturn position for Non-Service income and expenditure is an underspend of £0.097M.
- 4.8.2 When Council set the budget for 2025/26 in February 2025, savings of £0.164M were required to be able to set a balanced budget. In the forecast outturn any underspends are included in the department areas and therefore no figure should be included in the savings target line.

**Table 9: Non-Service – Forecast Outturn 2025/26 Quarter 1**

| Department                            | Original Budget<br>£'000 | In Year Budget Changes<br>£'000 | Working Budget<br>£'000 | Forecast Outturn Quarter 1<br>£'000 | Forecast Outturn Variance to Working Budget<br>£'000 |
|---------------------------------------|--------------------------|---------------------------------|-------------------------|-------------------------------------|--|
| Interest                              | (220)                    | -                               | (220)                   | (317)                               | (97)   |
| Minimum Revenue Provision             | 1,085                    | -                               | 1,085                   | 1,085                               | -  |
| Revenue Contribution to Capital       | -                        | 4                               | 4                       | 4                                   | -  |
| Movement in Bad Debt Provision        | -                        | -                               | -                       | -                                   | -  |
| <b>Total Non-Service</b>              | <b>865</b>               | <b>4</b>                        | <b>869</b>              | <b>772</b>                          | <b>(97)</b>  |
| Corporate Savings Target              | (164)                    | -                               | (164)                   | -                                   | 164  |
| <b>Total Corporate Savings Target</b> | <b>(164)</b>             | <b>-</b>                        | <b>(164)</b>            | <b>-</b>                            | <b>164</b>   |

The main variances are as follows:

- 4.8.3 The Council is currently forecasting to receive additional treasury investment income of £0.097M. This is due to interest remaining higher for longer than was forecast when preparing the budget. Also, cash levels have remained higher than expected due to slippage in the capital programme.

## 4.9 Funding

4.9.1 There are currently no expected variances on the Council's funding.

**Table 11: Funding – Forecast Outturn 2025/26 Quarter 1**

| Department           | Original Budget | In Year Budget Changes | Working Budget  | Forecast Outturn Quarter 1 | Forecast Outturn Variance to Working Budget |
|----------------------|-----------------|------------------------|-----------------|----------------------------|---|
|                      | £'000           | £'000                  | £'000           | £'000                      | £'000                                       |
| Council Tax          | (6,064)         | -                      | (6,064)         | (6,064)                    | -   |
| Non-Domestic Rates   | (8,568)         | -                      | (8,568)         | (8,568)                    | -   |
| Government Grants    | (2,803)         | -                      | (2,803)         | (2,803)                    | -   |
| <b>Total Funding</b> | <b>(17,435)</b> | -                      | <b>(17,435)</b> | <b>(17,435)</b>            | -   |

## 4.10 Reserves

4.10.1 The Council is currently forecasting a reduction of £8.474M in its usable reserves during the year, bringing them to £21.751M at the end of the year. Movements in reserves are shown in the table below.

**Table 12: Reserves – Forecast Movements in Reserves 2025/26**

| Reserve  | Opening Balances | Transfers to/From Reserves | Capital Contributions | Used for Capital Financing | Closing Balances |
|--|------------------|----------------------------|-----------------------|----------------------------|------------------|
|  | £'000            | £'000                      | £'000                 | £'000                      | £'000            |
| General Fund - Unallocated                             | 2,464            | (500)                      | -                     | -                          | 1,964            |
| <b>Total Unallocated Reserves</b>                      | <b>2,464</b>     | <b>(500)</b>               | <b>-</b>              | <b>-</b>                   | <b>1,964</b>     |
| Planning S106 Fund                                     | 294              | -                          | -                     | -                          | 294              |
| Invest to Save   | 696              | (88)                       | -                     | (47)                       | 561              |
| Communities for Health Funding                         | 53               | -                          | -                     | -                          | 53               |
| Dilapidations Reserve                                  | 26               | -                          | -                     | -                          | 26               |
| Revenue Funding for Capital Schemes                    | 2,638            | 1,985                      | -                     | (3,459)                    | 1,164            |
| Collection Fund Volatility Reserve                     | 545              | (121)                      | -                     | -                          | 424              |
| Climate Change Reserve                                 | 548              | 102                        | -                     | -                          | 650              |
| Balances Set Aside to Fund Specific Future Expenditure | 4,291            | (505)                      | -                     | (244)                      | 3,542            |
| Levelling Up and Leisure Investment                    | 6,592            | (113)                      | 385                   | (4,546)                    | 2,318            |
| <b>Total Earmarked Reserves</b>                        | <b>15,683</b>    | <b>1,260</b>               | <b>385</b>            | <b>(8,296)</b>             | <b>9,032</b>     |
| Capital Receipts Reserve                               | 2,422            | -                          | 595                   | (1,249)                    | 1,768            |
| Capital Grants Unapplied                               | 9,656            | -                          | 15,840                | (16,509)                   | 8,987            |
| <b>Total Reserves</b>                                  | <b>30,225</b>    | <b>760</b>                 | <b>16,820</b>         | <b>(26,054)</b>            | <b>21,751</b>    |

4.10.2 As shown in the table above, the most significant movements in reserves are the forecast spending on the capital programme.

## 5 Potential Pressures and Risks in Year

5.1 Although the forecast underspend at Quarter 1 is relatively small at £0.05M, 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 detailed below:

- **Waste Disposal Site/Transfer Station** – Negotiations are still 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. The assumption for any new arrangements is that any costs will be contained within the budgets set aside within the Medium-Term Financial Strategy.
- **Oswaldtwistle Civic Theatre** – The 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 Council has approved revenue costs for ensuring the site meets all annual safety requirements and has set aside capital budgets to undertake some of the works that would be required. The facilities management team continue to undertake surveys and will report back the potential costs once the surveys are complete.
- **Crematorium/Cremators** – There is a 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 compliance. The parks team are currently investigating this further and will inform cabinet of the requirements as soon as the information is available. Cabinet have put £200,000 into reserves to date to be used for this purpose, and a further contribution of £150,000 is included in the budget for 2025/26.
- **Food Waste Collections** – From April 2026 the Council must provide a food waste collection for residents. A grant has been received from DEFRA to be used towards the capital costs of implementing the new collection (e.g. purchasing new vehicles, bins and food caddies), procurement has been undertaken to provide the capital resources, and it is expected that a further grant will be provided to assist with the additional ongoing revenue costs.
- **Hyndburn Leisure** – The Council has set aside funding within its Medium-Term financial strategy to provide financial assistance / subsidy to Hyndburn Leisure. This funding is part of an agreed process for reporting and monitoring and links to an efficiency savings plan with the trust to reduce this subsidy in future financial years. The budget subsidy approved in the Medium-Term Financial strategy is £700,000 in 2025/2026, £500,000 in 2026/2027 and £350,000 in 2027/2028. Prior to payment of any subsidy the Council must first complete a

Subsidy compliance assessment and will then seek approval from Cabinet to make any payment(s).

- **Housing Benefit Supported / Exempt Accommodation** – The Council continues to feel pressures from unrecoverable benefit payments although it is expected to be managed in 2025/2026 within the overall revenue budget. The Council has started to take action to try to reduce these costs through introducing planning restrictions and supporting housing regulation although this does not have an immediate effect and without additional support from the government this will continue to be a pressure for most councils nationally.
- **Pay Award** – A pay award offer has been put forward by the National Employers. This is an increase of 3.2% for NJC scale points 2 to 43 inclusive and on all pay points above the maximum of the pay spine but graded below deputy chief officer. This is compared to a 3% estimate included in the budget. Union members have been balloted on the proposed pay award and all 3 unions have voted to reject it, therefore, due to the uncertainty, no changes in relation to the pay award have been included in these forecasts.

5.2 These pressures/risks may need to be considered over the course of the Medium-Term Financial Strategy against the forecast underspend for the year.

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

6.1 Not Applicable. This report is for information purposes only.

## **7 Consultations**

7.1 None applicable in this instance.

## **8 Implications**

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

## **9 Local Government (Access to Information) Act 1985:**

9.1 **List of Background Papers**

**10 Freedom of Information**

10.1 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 9.

| <b><u>AGENDA ITEM</u></b> |           |   |
|---------------------------|-----------|---|
| <b>REPORT TO:</b>         |           | Cabinet   |
| <b>DATE:</b>              |           | 30 July 2025  |
| <b>PORTFOLIO</b>          |           | Councillor Vanessa Alexander – Resources & Council Operations                                 |
| <b>REPORT AUTHOR:</b>     |           | Ben Cookson – Head of Finance   |
| <b>TITLE OF REPORT:</b>   |           | <b>Capital Programme Monitoring 2025/26 – 1st Quarter Update to 30<sup>th</sup> June 2025</b> |
| <b>EXEMPT REPORT:</b>     | <b>No</b> |   |
| <b>KEY DECISION:</b>      | <b>No</b> | If yes, date of publication:  |

## **1. Purpose of the Report**

1.1. This report provides Cabinet with an updated overview of the Council's Capital Programme Monitoring position at Q1. It outlines the latest phasing of the programme, including revised estimates of available resources, and highlights any additions or changes to the forecast outturn since the previous monitoring report presented to Council on 27 February 2025.

## **2. Recommendations**

2.1. The financial position of the capital programme at Q1 2025/26 is noted.

2.2. The capital budget for 2025/26 is increased by £500k to support decarbonisation initiatives. The additional budget will enable the installation of photovoltaic cells to the roof of Market Hall.

## **3. 2025/26 Capital Programme**

3.1. At the Council meeting on the 27<sup>th</sup> of February 2025, Members approved a capital budget for 2025/26 of £2.726m.

3.2. A further £23.236m was added to this budget from reprieved capital projects carried forward from 2024/25. Of these reprieved budgets, £19.370m relates to major projects, such as the Levelling Up funded schemes for Accrington town centre and leisure estate investment programme.

3.3. Member approval has also been received to add a further £29.270m to the capital programme. Of which, £29.187m is for the scheme at Huncoat Garden Village (HGV), which is fully funded from external grants and capital receipts.

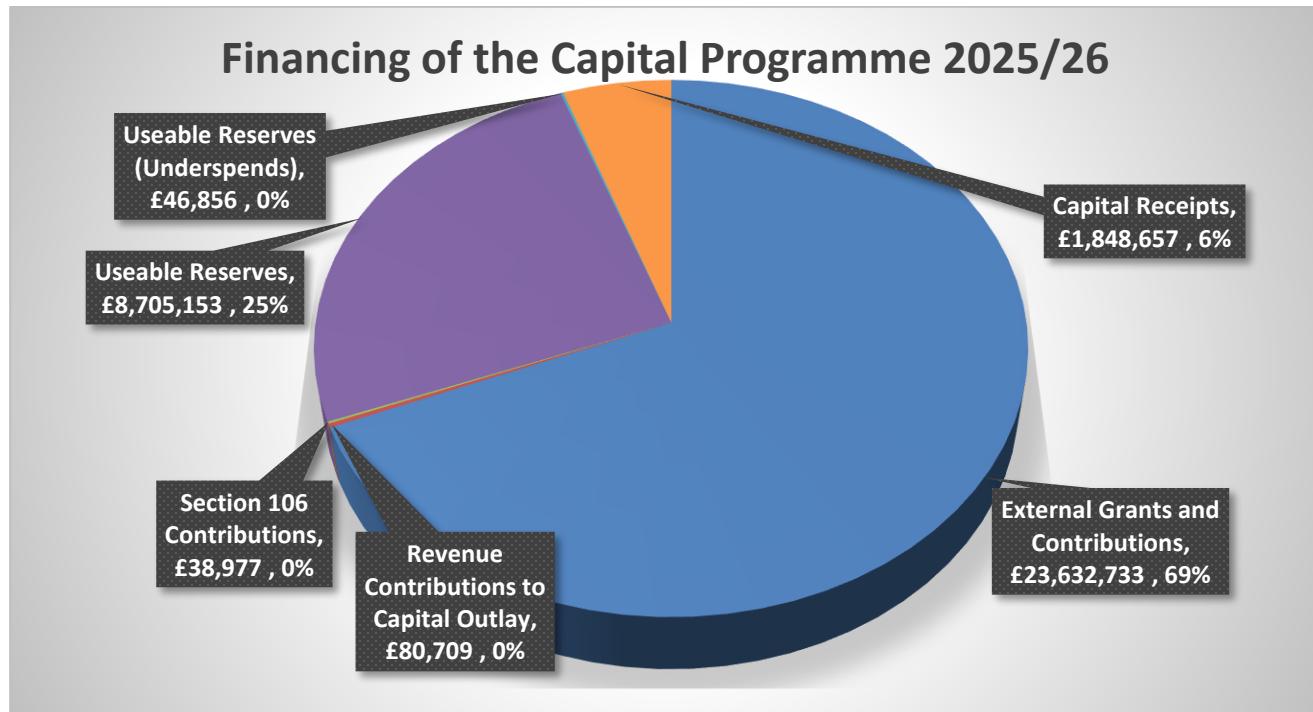
3.4. At its meeting on 27<sup>th</sup> of February 2025, the Council approved an increase of £0.250m to the Climate Change reserve to fund decarbonisation initiatives. Subsequently, a decarbonisation scheme has been identified as part of the Levelling Up Fund (LUF) project at Market Hall, which includes the installation of photovoltaic panels on the building's roof with a cost of £0.500m. Although funding has been allocated, the scheme has not yet received formal approval for inclusion in the Capital Programme and therefore, this report seeks that endorsement.

3.5. Several projects have been identified to be rephased into future years, which total £21.212m. Of which, HGV is £20.980m.

3.6. The proposed Capital Budget for 2025/26 now totals £34.353m, shown in the table below:

|  | £m            |
|--|---------------|
| <b>Capital Budget (Approved at February Council 2025)</b>    | 2.726         |
| <b>Budget Changes</b>  |               |
| Slippage from 2024/25  | 23.236        |
| Budgets removed from the programme                           | -0.178        |
| New Schemes approved in year – Huncoat Garden Village        | 29.187        |
| New Schemes approved in year – Other.                        | 0.094         |
| New schemes requested in this report – decarbonisation works | 0.500         |
| <b>Current Approved Capital Programme Budget 2025/26</b>     | 55.565        |
| Less Slippage to 2026/27                                     | -21.212       |
| <b>Current Working Capital Programme Budget 2025/26</b>      | <b>34.353</b> |

3.7. The financing of the programme in 2025/2026 is as follows:



3.8. The current capital programme of £55.565m, including rephasing into future years is shown in the table below:

| Programme Area                              | 2025/26       | 2026/27       | 2027/28      | Total<br>£000 |
|---|---------------|---------------|--------------|---------------|
|   | £000          | £000          | £000         |               |
| Operational Buildings                       | 1,128         | 234           | -            | 1,362         |
| Parks and Open Spaces                       | 1,131         | -             | -            | 1,131         |
| IT Projects                                 | 497           | -             | -            | 497           |
| Recreation and Sport                        | -             | -             | -            | -             |
| Vehicles and Equipment                      | 669           | -             | -            | 669           |
| Community Projects                          | 608           | -             | -            | 608           |
| Planned Asset Improvement Programme         | 217           | -             | -            | 217           |
| Leisure Estate Investment Programme         | 6,793         | -             | -            | 6,793         |
| Levelling Up Fund Schemes                   | 13,077        | -             | -            | 13,077        |
| UK Shared Prosperity Fund                   | 255           | -             | -            | 255           |
| Huncoat Garden Village                      | 8,209         | 17,163        | 3,815        | 29,187        |
| Housing Improvement Programme               | 1,769         | -             | -            | 1,769         |
| <b>Total Approved Capital Spend Budgets</b> | <b>34,353</b> | <b>17,397</b> | <b>3,815</b> | <b>55,565</b> |

#### **4. 1st Quarter Update Position**

4.1. The actual and committed expenditure to 30th June 2025 is £4.412m, against the latest rephased budget for 2025/2026 of £34.353m. This equates to 12.84% spend.

4.2. As shown in the table above, £17.397m of budget has been rephased into 2026/2027, and £3.815m into 2027/28, to reflect forecast expenditure in future years.

4.3. The rephased capital budget for 2025/26 is shown in the table below with a more detailed breakdown shown in Appendix 1.

4.4. A summary of the new additions approved at Council in February 2025, together with new schemes approved in year and proposed known slippage to 2026/27 and 2027/28 are shown in Appendix 2.

| Programme Area                      | Total Budget<br>£000 | Spend and Commitments to Date<br>£000 | Forecast Spend for Remainder of Year<br>£000 | Forecast Outturn Position for the Year<br>£000 | Variance (Under) / Overspend<br>£000 |
|-------------------------------------|----------------------|---------------------------------------|--|--|--------------------------------------|
|                                     |                      |                                       |  |  |                                      |
| Operational Buildings               | 1,128                | (4)                                   | 1,132  | 1,128  | -                                    |
| Parks and Open Spaces               | 1,131                | 131                                   | 1,000  | 1,131  | -                                    |
| IT Projects                         | 497                  | 78                                    | 419  | 497  | -                                    |
| Recreation and Sport                | -                    | -                                     | -  | -  | -                                    |
| Vehicles and Equipment              | 669                  | 232                                   | 437  | 669  | -                                    |
| Community Projects                  | 608                  | 395                                   | 213  | 608  | -                                    |
| Planned Asset Improvement Programme | 217                  | 3                                     | 214  | 217  | -                                    |
| Leisure Estate Investment Programme | 6,793                | 1,600                                 | 5,193  | 6,793  | -                                    |
| Levelling Up Fund Schemes           | 13,077               | 1,054                                 | 12,023                                       | 13,077   | -                                    |
| UK Shared Prosperity Fund           | 255                  | 174                                   | 81   | 255  | -                                    |
| Huncoat Garden Village              | 8,209                | 141                                   | 8,068  | 8,209  | -                                    |
| Housing Improvement Programme       | 1,769                | 608                                   | 1,161  | 1,769  | -                                    |
| <b>Total</b>                        | <b>34,353</b>        | <b>4,412</b>                          | <b>29,941</b>                                | <b>34,353</b>                                  | <b>-</b>                             |
| <hr/>                               |                      |                                       |  |  |                                      |
| <b>% of Budget Spend</b>            |                      | <b>12.84%</b>                         | <b>87.16%</b>                                | <b>100.00%</b>                                 | <b>0.00%</b>                         |

4.5. The capital programme will be subject to close monitoring throughout the financial year to ensure that project expenditure remains aligned with approved forecasts and is accurately reflected in the Council's cash flow projections. Any deviations from planned spending profiles, along with their financial implications, will be assessed and incorporated into future treasury management and revenue budget forecasts as appropriate.

## **5. Financial Risks of the Capital Programme**

### **5.1. Capital Receipts**

The financing of the Capital Programme is dependent on securing £2.082m in capital receipts from the sale of Council-owned land and buildings. To date, £1m has been generated, leaving a balance of £1.082m to be achieved. However, due to £0.234m of capital expenditure being reprofiled into 2026/27, the revised target for 2025/26 is £0.842m.

Progress is being made on the disposal of the assets identified to generate these receipts. Should any of these sales be delayed, the Council may need to either pause elements of the Capital Programme or temporarily use alternative reserves to maintain delivery. It is therefore essential that the planned disposals are prioritised to ensure the necessary funding is secured.

Officers will continue to review the Council's operational asset base to identify further opportunities for capital receipts and will regularly assess the risks associated with this funding strategy.

**This is a medium-level risk.**

### **5.2. External Grants and Contributions**

The Capital Programme is reliant on £44.611m in external funding. It is therefore crucial that the external funding is secured, and grant income for eligible works is claimed on a frequent basis. To date £9.601m has been received, leaving £35.009m still to be received / claimed over the next three years.

Most of the external funding is allocated to the following projects:

- **Levelling Up Project (LUF)** – this scheme is largely funded by a government grant and a further contribution from Lancashire Council. To complete the scheme £10.617m grant was required. The Council has received £7.145m of this funding to date 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 to assist councils with their cash flows.
- **Huncoat Garden Village** – The Council will receive a grant of £29.187m for this scheme. Grant claims are submitted once expenditure has been incurred and can be submitted monthly to minimise the impact on cash flow. To date, the Council has received over £2.0m of funding for this scheme.
- **Disabled Facilities Grant** – the Council receives grant funding from the Better Care Fund via Lancashire County Council which includes £1.360m of funding for 2025/26, which the council is expecting to be received shortly.
- **Leisure Estate Investment Programme** – The Council was successful in obtaining external funding of around £2.64m from Sport England. Most of this

grant has already been received by the Council, with the remainder to be claimed at a later stage of this scheme.

**This is a medium level risk.**

### **5.3. Major Schemes in Capital Programme**

The Capital Programme includes several major schemes that require close and ongoing monitoring to ensure they remain on schedule, within budget, and that any external funding is both secured and claimed in a timely manner. Key projects currently identified as major schemes include:

- Levelling Up Programme - with £13.077m in year. This figure includes additional Council works incorporated into the Levelling Up programme.
- Disabled Facilities Grant - with £1.769m in year.
- UK Shared Prosperity Grant – with £0.255m in year.
- Leisure Estate Investment Programme – Forecast £6.796m in year.
- Huncoat Garden Village – with £8.208m in year and ££17.163m in 2026/27
- Asset Planned Programme works £0.217m in year. These works include maintenance of operational buildings and the continued investment in Parks and Playgrounds

### **5.4. Levelling Up Programme - Additional Enhancements Identified**

Additional enhancements have been identified that extend beyond the original scope of the Levelling Up Fund (LUF) bid submitted in 2022. At present, no additional funding has been secured to support these works. The initial estimated cost of these enhancements is approximately £1.85m at current prices, based on the assumption that they will be delivered as part of the existing project plan. Of this total, £0.500m has been allocated for the installation of solar photovoltaic panels on the roof of Market Hall, which is included in this report as a recommended addition to the 2025/26 Capital Programme.

The remaining enhancements, which members may also wish to consider for inclusion are –

**£0.600m** - Market Chambers External Works – these works will be required to be completed before a future Delivery Stage National Heritage Lottery Bid for submission in May 2026.

**£0.300m** - Burton Chambers Roof Works – this is the additional cost of fully replacing the roof as opposed to the minor repairs included in the original specification.

**£0.340m** - Market Hall – additional layout alteration requests.

**£0.110m** - additional fees and risk allowances on the above elements.

**£1.35m Total**

The tender bids for Phase 2 fit-out works on the LUF projects are currently under evaluation. A successful bidder is expected to be appointed by late August. Once the evaluation is complete and the bid costs are compared to the available budget, the Council will be able to confirm whether any funds remain for additional enhancements. If no surplus is available, further capital funding will need to be identified to support any enhancements that members may wish to include in the capital programme.

## **6. Conclusion**

- 6.1. The Capital Programme has expanded significantly over the past two financial years and now totals £55.565m. Although approximately 69% of the programme is funded through external grants and contributions, the scale and complexity of the programme place considerable pressure on the Council's staffing resources to effectively procure and deliver projects. It is therefore essential that all projects are carefully planned and appropriately phased to ensure delivery within required timescales and to maximise the use of available resources.
- 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**

|   |                            |
|---|----------------------------|
| <b>Financial implications (including mainstreaming)</b>   | As outlined in this report |
| <b>Legal and human rights implications</b>  | None                       |
| <b>Assessment of risk</b>   | None                       |
| <b>Equality and diversity implications</b><br><i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i> | None                       |

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

Council 27th February 2025 – Capital Programme 2025/26

## **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 20

## Appendix 1

| Scheme  | Budget Approved at Council Feb 2025 | Slippage from Prior Year | Approved Budget Additions in Year | Other Budget Adjustments | Slippage to Following Year | Net Budget Available 2025/26 | Spend to Date at 30th June 2025 | Commitments at 30th June | Forecast Spend for Remainder of Year | Total Forecast Expenditure in 2025/26 | Variance (Under) Over Spend |
|---|-------------------------------------|--------------------------|-----------------------------------|--------------------------|----------------------------|------------------------------|---------------------------------|--------------------------|--------------------------------------|---------------------------------------|-----------------------------|
|   | £                                   | £                        | £                                 | £                        | £                          | £                            | £                               | £                        | £                                    | £                                     | £                           |
| <b>OPERATIONAL BUILDINGS</b>                    |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                             |
| External Security Lighting                      | -                                   | 12,298                   | -                                 | -                        | -                          | 12,298                       | -                               | -                        | 12,298                               | 12,298                                | -                           |
| Fire Risk Assess Works Various                  | -                                   | 228,287                  | -                                 | -                        | -                          | 228,287                      | 1,003                           | -                        | 227,284                              | 228,287                               | -                           |
| CCTV Upgrade                                    | -                                   | 24,339                   | -                                 | -                        | -                          | 24,339                       | -                               | -                        | 24,339                               | 24,339                                | -                           |
| ATH External Improvements                       | -                                   | 168,682                  | -                                 | 65,000                   | (233,682)                  | -                            | -                               | -                        | -                                    | -                                     | -                           |
| Roof Access Equipment - Accrington Town Hall    | 65,000                              | 65,000                   | -                                 | (65,000)                 | -                          | 65,000                       | -                               | -                        | 65,000                               | 65,000                                | -                           |
| Cemetery Welfare and Depot Fac                  | -                                   | -                        | -                                 | -                        | -                          | -                            | (6,247)                         | -                        | 6,247                                | -                                     | -                           |
| Fire Assessment Building Alterations            | -                                   | 50,000                   | -                                 | -                        | -                          | 50,000                       | -                               | -                        | 50,000                               | 50,000                                | -                           |
| Willows Lane Security Barrier                   | -                                   | 4,403                    | -                                 | -                        | -                          | 4,403                        | -                               | -                        | 4,403                                | 4,403                                 | -                           |
| Oswaldtwistle Civic Theater Refurbishment Works | 250,000                             | 267,000                  | -                                 | -                        | -                          | 517,000                      | -                               | 2,250                    | 514,750                              | 517,000                               | -                           |
| Fencing Accrington Cemetery                     | -                                   | 30,000                   | -                                 | -                        | -                          | 30,000                       | -                               | -                        | 30,000                               | 30,000                                | -                           |
| QE Room Roof                                    | -                                   | -                        | -                                 | -                        | -                          | -                            | (896)                           | -                        | 896                                  | -                                     | -                           |
| Crematorium - Internal Repairs and Decoration   | 25,000                              | -                        | -                                 | -                        | -                          | 25,000                       | -                               | -                        | 25,000                               | 25,000                                | -                           |
| Dill Hall Cemetery Road Extension               | 35,000                              | -                        | -                                 | -                        | -                          | 35,000                       | -                               | -                        | 35,000                               | 35,000                                | -                           |
| Mercer Park Bowling CCTV                        | 45,000                              | -                        | -                                 | -                        | -                          | 45,000                       | -                               | -                        | 45,000                               | 45,000                                | -                           |
| Bullough Park Pavilion Demolition               | 40,000                              | -                        | -                                 | -                        | -                          | 40,000                       | -                               | -                        | 40,000                               | 40,000                                | -                           |
| Lee Lane Cemetery TAO & Water Supply            | 52,000                              | -                        | -                                 | -                        | -                          | 52,000                       | -                               | -                        | 52,000                               | 52,000                                | -                           |
| <b>TOTAL OPERATIONAL BUILDINGS</b>              | <b>512,000</b>                      | <b>850,009</b>           | -                                 | -                        | (233,682)                  | <b>1,128,327</b>             | <b>(6,140)</b>                  | <b>2,250</b>             | <b>1,132,217</b>                     | <b>1,128,327</b>                      | -                           |
| <b>PARKS AND OPEN SPACES</b>                    |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                             |
| Rhyddings Park Play Area                        | -                                   | 90,660                   | -                                 | -                        | -                          | 90,660                       | 62,110                          | 23,515                   | 5,035                                | 90,660                                | -                           |
| Memorial Parks                                  | -                                   | -                        | -                                 | -                        | -                          | -                            | (8,064)                         | -                        | 8,064                                | -                                     | -                           |
| Mercer Park Play Area CLM                       | -                                   | -                        | -                                 | -                        | -                          | -                            | (2,287)                         | -                        | 2,287                                | -                                     | -                           |
| King George V Pavilion and Pitches              | -                                   | 595,442                  | -                                 | -                        | -                          | 595,442                      | -                               | 14,013                   | 581,429                              | 595,442                               | -                           |
| Milton Close Play Area                          | -                                   | 1,593                    | -                                 | -                        | -                          | 1,593                        | 110                             | -                        | 1,483                                | 1,593                                 | -                           |
| Foxhill Bank Boundary Enhancement               | -                                   | 1,593                    | -                                 | -                        | -                          | 1,593                        | (460)                           | -                        | 2,053                                | 1,593                                 | -                           |
| Gatty Park Polytunnels & Greenhouse Replacement | -                                   | 20,000                   | -                                 | -                        | -                          | 20,000                       | -                               | -                        | 20,000                               | 20,000                                | -                           |
| Leeds Liverpool Canal Cycle Path                | -                                   | 235,000                  | -                                 | -                        | -                          | 235,000                      | -                               | -                        | 235,000                              | 235,000                               | -                           |
| Bullough Park Woodland Enhancement              | -                                   | 20,541                   | -                                 | -                        | -                          | 20,541                       | 2,536                           | 39,419                   | (21,414)                             | 20,541                                | -                           |
| Clayton Woodland Upgrades                       | -                                   | 5,930                    | -                                 | -                        | -                          | 5,930                        | -                               | -                        | 5,930                                | 5,930                                 | -                           |
| Oakhill Park Bowling Green Railings             | -                                   | -                        | 40,000                            | -                        | -                          | 40,000                       | 596                             | -                        | 39,404                               | 40,000                                | -                           |
| Lowerfold Park Footpaths                        | 20,000                              | -                        | -                                 | -                        | -                          | 20,000                       | -                               | -                        | 20,000                               | 20,000                                | -                           |
| Gatty Park Play Area Partial Refurbishment      | 100,000                             | -                        | -                                 | -                        | -                          | 100,000                      | -                               | -                        | 100,000                              | 100,000                               | -                           |
| <b>TOTAL PARKS AND OPEN SPACES</b>              | <b>120,000</b>                      | <b>970,759</b>           | <b>40,000</b>                     | -                        | -                          | <b>1,130,759</b>             | <b>54,541</b>                   | <b>76,947</b>            | <b>999,271</b>                       | <b>1,130,759</b>                      | -                           |
| <b>IT PROJECTS</b>                              |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                             |
| Tech. Refresh Annual Replacement                | 50,000                              | -                        | -                                 | -                        | -                          | 50,000                       | 27,047                          | 17,700                   | 5,253                                | 50,000                                | -                           |
| New Financial Package                           | -                                   | 16,740                   | -                                 | -                        | -                          | 16,740                       | -                               | -                        | 16,740                               | 16,740                                | -                           |
| CAFM System                                     | -                                   | 5,181                    | -                                 | -                        | -                          | 5,181                        | 4,775                           | -                        | 406                                  | 5,181                                 | -                           |
| Wi-Fi Upgrade                                   | 17,000                              | -                        | -                                 | -                        | -                          | 17,000                       | -                               | 8,428                    | 8,572                                | 17,000                                | -                           |
| CRM Digital Services                            | -                                   | 38,812                   | -                                 | -                        | -                          | 38,812                       | 79                              | -                        | 38,733                               | 38,812                                | -                           |
| Assure Software Planning-Building Control       | -                                   | 16,856                   | -                                 | -                        | -                          | 16,856                       | -                               | 16,856                   | (0)                                  | 16,856                                | -                           |
| Nutranix Hardware                               | 120,000                             | -                        | -                                 | -                        | -                          | 120,000                      | -                               | 2,950                    | 117,050                              | 120,000                               | -                           |
| Committee Management Software                   | 35,000                              | -                        | -                                 | -                        | -                          | 35,000                       | -                               | -                        | 35,000                               | 35,000                                | -                           |
| Civica Migration Environmental Health           | 197,500                             | -                        | -                                 | -                        | -                          | 197,500                      | -                               | -                        | 197,500                              | 197,500                               | -                           |
| <b>TOTAL IT PROJECTS</b>                        | <b>419,500</b>                      | <b>77,589</b>            | -                                 | -                        | -                          | <b>497,089</b>               | <b>31,901</b>                   | <b>45,934</b>            | <b>419,254</b>                       | <b>497,089</b>                        | -                           |
| <b>VEHICLES AND EQUIPMENT</b>                   |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                             |
| Food Waste Collection                           | -                                   | 665,610                  | -                                 | -                        | -                          | 665,610                      | -                               | 228,500                  | 437,110                              | 665,610                               | -                           |
| Tipper PN13 FEH                                 | -                                   | -                        | 3,650                             | -                        | -                          | 3,650                        | 3,650                           | -                        | -                                    | 3,650                                 | -                           |
| <b>TOTAL VEHICLES AND EQUIPMENT</b>             | <b>-</b>                            | <b>665,610</b>           | <b>3,650</b>                      | -                        | -                          | <b>669,260</b>               | <b>3,650</b>                    | <b>228,500</b>           | <b>437,110</b>                       | <b>669,260</b>                        | -                           |
| <b>COMMUNITY PROJECTS</b>                       |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                             |
| Gt Harwood Green Space Project Accelerator Fund | -                                   | 439,792                  | -                                 | 9,999                    | -                          | 449,791                      | 448,313                         | (83,999)                 | 85,476                               | 449,791                               | -                           |
| Christmas Decorations                           | 20,000                              | -                        | -                                 | -                        | -                          | 20,000                       | -                               | -                        | 20,000                               | 20,000                                | -                           |
| War Memorial Restoration                        | 55,000                              | -                        | -                                 | -                        | -                          | 55,000                       | -                               | -                        | 55,000                               | 55,000                                | -                           |
| Maden Street Clock Tower Lighting Replace       | 12,000                              | -                        | -                                 | -                        | -                          | 12,000                       | -                               | -                        | 12,000                               | 12,000                                | -                           |
| Newark St Landscaping Project Phoenix           | -                                   | -                        | 40,000                            | -                        | -                          | 40,000                       | -                               | 30,484                   | 9,516                                | 40,000                                | -                           |
| Local Area Management - Not Defined             | -                                   | 30,962                   | -                                 | -                        | -                          | 30,962                       | -                               | -                        | 30,962                               | 30,962                                | -                           |
| <b>TOTAL COMMUNITY PROJECTS</b>                 | <b>87,000</b>                       | <b>470,754</b>           | <b>40,000</b>                     | <b>9,999</b>             | -                          | <b>607,753</b>               | <b>448,313</b>                  | <b>(53,515)</b>          | <b>212,955</b>                       | <b>607,753</b>                        | -                           |

| Scheme  | Budget Approved at Council Feb 2025 | Slippage from Prior Year | Approved Budget Additions in Year | Other Budget Adjustments | Slippage to Following Year | Net Budget Available 2025/26 | Spend to Date at 30th June 2025 | Commitments at 30th June | Forecast Spend for Remainder of Year | Total Forecast Expenditure in 2025/26 | Variance (Under)/ Over Spend |
|---|-------------------------------------|--------------------------|-----------------------------------|--------------------------|----------------------------|------------------------------|---------------------------------|--------------------------|--------------------------------------|---------------------------------------|------------------------------|
|   | £                                   | £                        | £                                 | £                        | £                          | £                            | £                               | £                        | £                                    | £                                     | £                            |
| <b>PLANNED ASSET IMPROVEMENT PROGRAMME</b>              |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Planned Asset Improvement Programme - Not Defined       | 50,000                              | 71,999                   | -                                 | -                        | -                          | 121,999                      | -                               | -                        | 121,999                              | 121,999                               | -                            |
| Replacement Boilers Various                             | -                                   | 47,500                   | -                                 | -                        | -                          | 47,500                       | 2,767                           | -                        | 44,733                               | 47,500                                | -                            |
| Walls POS   | -                                   | 18,809                   | -                                 | -                        | -                          | 18,809                       | 540                             | -                        | 18,269                               | 18,809                                | -                            |
| Fences  | -                                   | 28,334                   | -                                 | -                        | -                          | 28,334                       | -                               | -                        | 28,334                               | 28,334                                | -                            |
| <b>TOTAL PLANNED ASSET IMPROVEMENT PROGRAMME</b>        | <b>50,000</b>                       | <b>166,642</b>           | <b>-</b>                          | <b>-</b>                 | <b>-</b>                   | <b>216,642</b>               | <b>3,307</b>                    | <b>-</b>                 | <b>213,335</b>                       | <b>216,642</b>                        | <b>-</b>                     |
| <b>LEISURE ESTATE INVESTMENT PROGRAMME</b>              |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Wilsons Playing Fields Dev Contract                     | -                                   | 5,726,565                | -                                 | -                        | -                          | 5,726,565                    | 1,370,543                       | 500                      | 4,355,522                            | 5,726,565                             | -                            |
| Wilsons Playing Fields Sports Pitch Drainage            | -                                   | 300,000                  | -                                 | -                        | -                          | 300,000                      | -                               | -                        | 300,000                              | 300,000                               | -                            |
| HLC Efficiency Works                                    | -                                   | 766,532                  | -                                 | -                        | -                          | 766,532                      | 228,975                         | -                        | 537,557                              | 766,532                               | -                            |
| <b>TOTAL LEISURE ESTATE INVESTMENT PROGRAMME</b>        | <b>-</b>                            | <b>6,793,097</b>         | <b>-</b>                          | <b>-</b>                 | <b>-</b>                   | <b>6,793,097</b>             | <b>1,599,519</b>                | <b>500</b>               | <b>5,193,078</b>                     | <b>6,793,097</b>                      | <b>-</b>                     |
| <b>LEVELLING UP FUND SCHEMES</b>                        |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Market Hall - LUF                                       | -                                   | 5,961,567                | -                                 | -                        | -                          | 5,961,567                    | 485,390                         | -                        | 5,476,177                            | 5,961,567                             | -                            |
| Market Chambers - LUF                                   | -                                   | 1,111,963                | -                                 | -                        | -                          | 1,111,963                    | 172,899                         | 3,641                    | 935,423                              | 1,111,963                             | -                            |
| Burton Chambers - LUF                                   | -                                   | 4,442,554                | -                                 | -                        | -                          | 4,442,554                    | 391,967                         | -                        | 4,050,587                            | 4,442,554                             | -                            |
| Indoor Market Hall Redevelopment                        | -                                   | 239,250                  | -                                 | -                        | -                          | 239,250                      | -                               | -                        | 239,250                              | 239,250                               | -                            |
| Market Hall Fire Compliance Works                       | -                                   | 322,000                  | -                                 | -                        | -                          | 322,000                      | -                               | -                        | 322,000                              | 322,000                               | -                            |
| Market Hall Facade Works                                | -                                   | 500,000                  | -                                 | -                        | -                          | 500,000                      | -                               | -                        | 500,000                              | 500,000                               | -                            |
| Market Hall Solar Panels                                | -                                   | -                        | 500,000                           | -                        | -                          | 500,000                      | -                               | -                        | 500,000                              | 500,000                               | -                            |
| <b>TOTAL LEVELLING UP FUND SCHEMES</b>                  | <b>-</b>                            | <b>12,577,334</b>        | <b>500,000</b>                    | <b>-</b>                 | <b>-</b>                   | <b>13,077,334</b>            | <b>1,050,256</b>                | <b>3,641</b>             | <b>12,023,436</b>                    | <b>13,077,334</b>                     | <b>-</b>                     |
| <b>UK SHARED PROSPERITY FUND</b>                        |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Accrington PALS Garden                                  | -                                   | -                        | -                                 | -                        | -                          | -                            | (3,389)                         | -                        | 3,389                                | -                                     | -                            |
| Other Town Centre Greening SPF                          | 177,800                             | 254,859                  | -                                 | (177,800)                | -                          | 254,859                      | 22,067                          | 155,541                  | 77,251                               | 254,859                               | -                            |
| <b>TOTAL UK SHARED PROSPERITY FUND</b>                  | <b>177,800</b>                      | <b>254,859</b>           | <b>-</b>                          | <b>(177,800)</b>         | <b>-</b>                   | <b>254,859</b>               | <b>18,678</b>                   | <b>155,541</b>           | <b>80,640</b>                        | <b>254,859</b>                        | <b>-</b>                     |
| <b>HUNCOAT GARDEN VILLAGE</b>                           |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Huncoat Garden Village                                  | -                                   | -                        | 29,186,653                        | -                        | (20,977,993)               | 8,208,660                    | 136,993                         | 4,500                    | 8,067,167                            | 8,208,660                             | -                            |
| <b>TOTAL HUNCOAT GARDEN VILLAGE</b>                     | <b>-</b>                            | <b>-</b>                 | <b>29,186,653</b>                 | <b>-</b>                 | <b>(20,977,993)</b>        | <b>8,208,660</b>             | <b>136,993</b>                  | <b>4,500</b>             | <b>8,067,167</b>                     | <b>8,208,660</b>                      | <b>-</b>                     |
| <b>HOUSING IMPROVEMENT PROGRAMME</b>                    |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| Disabled Facilities General                             | 1,359,906                           | -                        | -                                 | (221,759)                | -                          | 1,138,147                    | 151,075                         | 377,336                  | 609,737                              | 1,138,147                             | -                            |
| DFG Affordable Warmth Grant                             | -                                   | 109                      | -                                 | -                        | -                          | 109                          | 1,530                           | -                        | (1,421)                              | 109                                   | -                            |
| Emergency Works Grant                                   | -                                   | 22,100                   | -                                 | -                        | -                          | 22,100                       | 13,215                          | -                        | 8,885                                | 22,100                                | -                            |
| -   | -                                   | -                        | -                                 | -                        | -                          | -                            | -                               | -                        | -                                    | -                                     | -                            |
| DFG Hospital Discharge Grant                            | -                                   | 6,619                    | -                                 | -                        | -                          | 6,619                        | -                               | -                        | 6,619                                | 6,619                                 | -                            |
| DFG - LCC Unit in Gt Harwood                            | -                                   | 300,000                  | -                                 | -                        | -                          | 300,000                      | -                               | -                        | 300,000                              | 300,000                               | -                            |
| DFG - Health & Wellbeing Board                          | -                                   | 28,241                   | -                                 | 221,759                  | -                          | 250,000                      | 55,069                          | -                        | 194,931                              | 250,000                               | -                            |
| Affordable Warmth Intervention                          | -                                   | 52,330                   | -                                 | -                        | -                          | 52,330                       | 9,991                           | -                        | 42,339                               | 52,330                                | -                            |
| <b>TOTAL HOUSING IMPROVEMENT PROGRAMME</b>              | <b>1,359,906</b>                    | <b>409,399</b>           | <b>-</b>                          | <b>-</b>                 | <b>-</b>                   | <b>1,769,305</b>             | <b>230,880</b>                  | <b>377,336</b>           | <b>1,161,089</b>                     | <b>1,769,305</b>                      | <b>-</b>                     |
| <b>VEHICLE &amp; PLANT ANNUAL REPLACEMENT PROGRAMME</b> |                                     |                          |                                   |                          |                            |                              |                                 |                          |                                      |                                       |                              |
| <b>TOTAL FOR ALL SCHEMES</b>                            | <b>2,726,206</b>                    | <b>23,236,052</b>        | <b>29,770,303</b>                 | <b>(167,801)</b>         | <b>(21,211,675)</b>        | <b>34,353,085</b>            | <b>3,571,898</b>                | <b>841,634</b>           | <b>29,939,553</b>                    | <b>34,353,085</b>                     | <b>-</b>                     |

## Appendix 2

| CAPITAL APPROVALS / FORECAST                      |                  |                  | Approved         |                  |                  | Forecast         |                  |                  | Forecast        |                                |                  |                  |            |                  |                 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|--------------------------------|------------------|------------------|------------|------------------|-----------------|
| Description                                       | 2025/26          |                  |                  | 2026/27          |                  |                  | 2027/28          |                  |                 | New Additions All Years Totals |                  |                  |            |                  |                 |
|   | Total Cost       | External Funding | Council Funding  | Total Cost       | External Funding | Council Funding  | Total Cost       | External Funding | Council Funding | Total Cost                     | External Funding | Council Funding  | Total Cost | External Funding | Council Funding |
| Fire Risk Assessment Works                        | -                | -                | -                | 250,000          | -                | 250,000          | 250,000          | -                | 250,000         | 500,000                        | -                | 500,000          |            |                  |                 |
| Fire Risk Assess Works Various - slippage 2026/27 |                  |                  |                  | 143,844          | -                | 143,844          | -                | -                | -               | 143,844                        | -                | 143,844          |            |                  |                 |
| Accrington Town Hall                              | 65,000           | -                | 65,000           | -                | -                | -                | -                | -                | -               | 65,000                         | -                | 65,000           |            |                  |                 |
| Christmas Decorations Replacement                 | 20,000           | -                | 20,000           | 20,000           | -                | 20,000           | 20,000           | -                | 20,000          | 60,000                         | -                | 60,000           |            |                  |                 |
| Crematorium - Internal Repairs and Decoration     | 25,000           | -                | 25,000           | -                | -                | -                | -                | -                | -               | 25,000                         | -                | 25,000           |            |                  |                 |
| Disabled Facilities Grant                         | 1,359,906        | 1,359,906        | -                | 1,359,906        | 1,359,906        | -                | 1,359,906        | 1,359,906        | -               | 4,079,718                      | 4,079,718        | -                |            |                  |                 |
| Planned Asset Improvement Programme               | 50,000           | -                | 50,000           | 115,000          | -                | 115,000          | 100,000          | -                | 100,000         | 265,000                        | -                | 265,000          |            |                  |                 |
| War Memorial Restoration Programme                | 55,000           | -                | 55,000           | 120,000          | -                | 120,000          | -                | -                | -               | 175,000                        | -                | 175,000          |            |                  |                 |
| Accrington Town Hall External Improvements Addi   | -                | -                | -                | 315,970          | -                | 315,970          | -                | -                | -               | 315,970                        | -                | 315,970          |            |                  |                 |
| Dill Hall Cemetery Road Extension                 | 35,000           | -                | 35,000           | -                | -                | -                | -                | -                | -               | 35,000                         | -                | 35,000           |            |                  |                 |
| Lowerfold Park Footpaths                          | 20,000           | -                | 20,000           | -                | -                | -                | -                | -                | -               | 20,000                         | -                | 20,000           |            |                  |                 |
| Higham Play Area Partial Refurbishment            | 100,000          | 30,000           | 70,000           | -                | -                | -                | -                | -                | -               | 100,000                        | 30,000           | 70,000           |            |                  |                 |
| Mercer Park Bowling CCTV                          | 45,000           | 22,500           | 22,500           | -                | -                | -                | -                | -                | -               | 45,000                         | 22,500           | 22,500           |            |                  |                 |
| Bullough Park Pavilion Demolition                 | 40,000           | -                | 40,000           | -                | -                | -                | -                | -                | -               | 40,000                         | -                | 40,000           |            |                  |                 |
| Mercury Abatement Works                           | -                | -                | -                | 1,000,000        | -                | 1,000,000        | -                | -                | -               | 1,000,000                      | -                | 1,000,000        |            |                  |                 |
| Oakhill Park Bowling Green Fence                  | -                | -                | -                | 40,000           | -                | 40,000           | -                | -                | -               | 40,000                         | -                | 40,000           |            |                  |                 |
| Nutanix   | 120,000          | -                | 120,000          | 52,000           | -                | 52,000           | 52,000           | -                | 52,000          | 224,000                        | -                | 224,000          |            |                  |                 |
| Committee Management Software                     | 35,000           | -                | 35,000           | -                | -                | -                | -                | -                | -               | 35,000                         | -                | 35,000           |            |                  |                 |
| ICT Technology Refresh - Annual Replacement Prc   | 50,000           | -                | 50,000           | 50,000           | -                | 50,000           | 50,000           | -                | 50,000          | 150,000                        | -                | 150,000          |            |                  |                 |
| WiFi Upgrade Scaitcliffe House                    | 17,000           | -                | 17,000           | -                | -                | -                | -                | -                | -               | 17,000                         | -                | 17,000           |            |                  |                 |
| Civica Migration re Env Health                    | 197,500          | -                | 197,500          | -                | -                | -                | -                | -                | -               | 197,500                        | -                | 197,500          |            |                  |                 |
| Maden Street Clock Tower Lighting Replacement     | 12,000           | -                | 12,000           | -                | -                | -                | -                | -                | -               | 12,000                         | -                | 12,000           |            |                  |                 |
| UK Shared Prosperity Fund - Craig Greening Projec | 177,800          | 177,800          | -                | -                | -                | -                | -                | -                | -               | 177,800                        | 177,800          | -                |            |                  |                 |
| Lee Lane Cemetery Tap & Water Supply              | 52,000           | -                | 52,000           | -                | -                | -                | -                | -                | -               | 52,000                         | -                | 52,000           |            |                  |                 |
| Oswaldtwistle Civic Theatre                       | 250,000          | -                | 250,000          | -                | -                | -                | -                | -                | -               | 250,000                        | -                | 250,000          |            |                  |                 |
| <b>Cabinet Approval February 2025</b>             | <b>2,726,206</b> | <b>1,590,206</b> | <b>1,136,000</b> | <b>3,466,720</b> | <b>1,359,906</b> | <b>2,106,814</b> | <b>1,831,906</b> | <b>1,359,906</b> | <b>472,000</b>  | <b>8,024,832</b>               | <b>4,310,018</b> | <b>3,714,814</b> |            |                  |                 |

| ADDITIONAL SCHEMES APPROVED IN YEAR   |                   |                   | 2025/26         |                 |                  | 2026/27         |            |                  | 2027/28         |                   |                   | New Additions All Years Totals |            |                  |                 |
|---|-------------------|-------------------|-----------------|-----------------|------------------|-----------------|------------|------------------|-----------------|-------------------|-------------------|--------------------------------|------------|------------------|-----------------|
| Description   | Total Cost        | External Funding  | Council Funding | Total Cost      | External Funding | Council Funding | Total Cost | External Funding | Council Funding | Total Cost        | External Funding  | Council Funding                | Total Cost | External Funding | Council Funding |
| Oakhill Park Bowling Green Fence - scheme brought forward from 2026/27 to 2025/26 | 40,000            | -                 | 40,000          | (40,000)        | -                | (40,000)        | -          | -                | -               | -                 | -                 | -                              |            |                  |                 |
| Tipper PN13 FEH   | 3,650             | -                 | 3,650           | -               | -                | -               | -          | -                | -               | 3,650             | -                 | 3,650                          |            |                  |                 |
| Newark St Landscaping   | 40,000            | -                 | 40,000          | -               | -                | -               | -          | -                | -               | 40,000            | -                 | 40,000                         |            |                  |                 |
| Gt Harwood TC (Greening Project)  | 9,999             | -                 | 9,999           | -               | -                | -               | -          | -                | -               | 9,999             | -                 | 9,999                          |            |                  |                 |
| Huncoat Garden Village  | 29,186,653        | 29,186,653        | -               | -               | -                | -               | -          | -                | -               | 29,186,653        | 29,186,653        | -                              |            |                  |                 |
| Market Hall Solar Panels - Pending Approval                                       | 500,000           | -                 | 500,000         | -               | -                | -               | -          | -                | -               | 500,000           | -                 | 500,000                        |            |                  |                 |
| <b>Additional Schemes Approved Since February 2025</b>                            | <b>29,780,302</b> | <b>29,186,653</b> | <b>593,649</b>  | <b>(40,000)</b> | <b>-</b>         | <b>(40,000)</b> | <b>-</b>   | <b>-</b>         | <b>-</b>        | <b>29,740,302</b> | <b>29,186,653</b> | <b>553,649</b>                 |            |                  |                 |

| SLIPPAGE                  |                   |                   | 2026/27         |                  |                  | 2027/28         |                   |                   | Total Slippage All Years |  |  |  |  |  |  |
|---------------------------|-------------------|-------------------|-----------------|------------------|------------------|-----------------|-------------------|-------------------|--------------------------|--|--|--|--|--|--|
| Description               | Total Cost        | External Funding  | Council Funding | Total Cost       | External Funding | Council Funding | Total Cost        | External Funding  | Council Funding          |  |  |  |  |  |  |
| ATH External Improvements | 233,682           | -                 | 233,682         | -                | -                | -               | 233,682           | -                 | 233,682                  |  |  |  |  |  |  |
| Huncoat Garden Village    | 17,162,672        | 17,162,672        | -               | 3,815,321        | 3,815,321        | -               | 20,977,993        | 20,977,993        | -                        |  |  |  |  |  |  |
| <b>TOTAL SLIPPAGE</b>     | <b>17,396,354</b> | <b>17,162,672</b> | <b>233,682</b>  | <b>3,815,321</b> | <b>3,815,321</b> | <b>-</b>        | <b>21,211,675</b> | <b>20,977,993</b> | <b>233,682</b>           |  |  |  |  |  |  |

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# Agenda Item 11.

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

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