

Agenda



HYNDBURN

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Cabinet

**Wednesday, 18 February 2026 at 5.00 pm,
QER, Scaitcliffe House, Ormerod Street, Accrington**

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

AGENDA

PART A: PROCEDURAL AND INFORMATION ITEMS

1. **Apologies for Absence**
2. **Declarations of Interest and Dispensations**
3. **Minutes of Cabinet** (Pages 3 - 30)

To approve the Minutes of the meeting of Cabinet held on 21st January 2026. (attached)

PART B: PORTFOLIO ITEMS

4. **Reports of Cabinet Members**

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



Leader of the Council (Councillor Munsif Dad BEM JP)

5. Biodiversity Duty Report (Pages 31 - 54)

Report attached.

Portfolio Holder for Transformation and Town Centres (Councillor Clare Pritchard)

6. Market Trader Rent/Licence Fee Concessions (Pages 55 - 58)

Report attached.

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

7. Code of Corporate Governance (Pages 59 - 74)

Report attached.

PART C: EXEMPT ITEMS

Nil

CABINET

Wednesday, 21st January, 2026

Present: Councillor Munsif Dad BEM JP (in the Chair), Councillors Vanessa Alexander, Scott Brerton, Stewart Eaves, Melissa Fisher, Clare Pritchard and Kimberley Whitehead

In Attendance: Councillors Noordad Aziz and Zak Khan

Apologies: Councillor Ethan Rawcliffe

274 Apologies for Absence

Apologies for absence were submitted on behalf of Councillor Ethan Rawcliffe.

275 Declarations of Interest and Dispensations

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

276 Minutes of Cabinet

The minutes of the meetings of Cabinet held on 19th November (Special Meeting) and 3rd December 2025 were submitted for approval as correct records.

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

277 Reports of Cabinet Members

Deputy Leader of the Council and Portfolio Holder for Culture, Heritage and Sport

Councillor Kimberley Whitehead reported on the following:

Woodlands Care Home, Clayton-le-Moors

An announcement had been made this morning by the Leadership of Lancashire County Council that the authority would not be closing any of their care homes or daycare facilities across the County. However, there were some concerns being voiced by trades unions and political parties that the message was ambiguous.

Information from the Chief Executive of Lancashire County Council had clarified that staff had not been notified of any decision and that no formal position had currently been adopted by the Council. Councillor Whitehead expressed concern that there was still the threat of privatisation of the facilities and that staff still required some assurance about their future employment. She noted that hundreds of people had turned up at a protest over the weekend, including representatives from all political parties, with the exception of the Reform party.

Councillor Munsif Dad responded that, overall, this was good news and a step in the right direction. The support of the public and cross-party political groups had certainly helped. He hoped that the leadership of Lancashire County Council would listen to the feedback and would keep these facilities open. Councillor Zak Khan added that a number of Conservative councillors had also attended the protests and that he was pleased to note the latest position.

UK Town of Culture 2028

Details of the submission process for the newly created UK Town of Culture for 2028 had been published by the Government last week. This could potentially bring investment into Hyndburn. The Borough already had a Culture and Heritage Team, a Panel and Strategy, so was well placed to submit a bid. At this stage, it was unclear whether the submission would be for Hyndburn as a whole or for one town within the Borough. Lessons could be learned from neighbouring Burnley, which had recently announced its Burnley 2027 Year of Culture initiative.

Expressions of interest were required by the end of March 2026. More information about this ambitious proposal would be provided in due course.

Portfolio Holder for Business, Growth and Sustainability

Councillor Scott Brerton reported on the following:

Economic Policy Forum for Hyndburn

A meeting of the Economic Policy Forum for Hyndburn had taken place last week and had been extremely positive, even more so than last year's event. The main concerns raised included the increase in the minimum wage and commercial landlords increasing rents. Against this background, some businesses had reported having their best December in recent years. The hospitality sector had noted that recruitment was improving. Accrington and Rossendale College representatives had welcomed the Government's Industrial Strategy, which would fit well with the NW Construction Technical Excellence College (CTEC), led by Wigan and Leigh College, along with formal partners Blackpool and The Fylde College and East Lancashire Learning Group (Accrington and Rossendale College's parent organisation). The initiative could deliver 40,000 skilled workers by 2029.

Councillor Zak Khan commented that Accrington and Rossendale College was a great asset to the Borough and noted that the Chief Executive of the Group had recently been awarded a CBE. He also asked if attendees at the Forum were predominantly from the public sector. Councillor Brerton responded that there was a good cross-section of attendees at the Forum with many from the business sector.

Hyndburn Job's Fair

Hyndburn Job's Fair would return on 9th February 2026. The event had attracted 2,000 visitors last year. The Council was working closely with Scott Dawson Advertising on this event. Councillor Brerton commented that he had attended many such events in the past and that useful information had been disseminated, but that actual job availability had been limited. Accordingly, the current event organisers had sought to ensure that more job vacancies were publicised at the event. There should also be some good workshops available.

Lancashire Skills Partnership

Some positive statistics had recently been published by the Lancashire Skills Partnership. Some communications would be available shortly. The headline messages included the following:

- Hyndburn's growth was gaining in strength;
- Business 'deaths' was one of the lowest figures in the area; and
- Hyndburn was outpacing Lancashire, the North West and UK in business 'birth' rates.

The Portfolio Holder thanked all those involved in driving forward these improvements and, in particular, Salma Chaudry, Economic Development Manager and Matthew Sheppard, Economic Development Officer in the Council's Housing and Regeneration Department.

Councillor Munsif Dad commented that it was good to hear of successful businesses and business growth. Hyndburn was doing well. The controlling administration had invested in economic development within the Borough.

Councillor Zak Khan indicated that he was pleased to see the improving statistics, as these initiatives had commenced under the Conservative administration in 2023/24. He sought further clarification about the end date for the figures provided, as in his experience different feedback was coming from the business sector. This might be due, in part, to the Chancellor's Budget in Autumn 2025. Councillor Brerton responded that he could look into the end date of the statistics, if necessary, but he understood that Councillor Khan already had access to that information. He was pleased that the Opposition had acknowledged the overall positive direction of travel.

Leader of the Council

Councillor Munsif Dad BEM JP reported on the following:

Local Elections 2026

An e-mail had been received today from the Ministry of Housing Communities and Local Government (MHCLG) in connection with the postponement of the local elections in May 2025. Jane Ellis, Executive Director (Legal and Democratic Services), indicated that the Reform party was seeking a judicial review of the process of cancelling the local elections.

A hearing was due to take place on 19th to 20th February 2026, although it was unclear about when the decision would be made available. The Council's Elections Team would need a decision to be made soon, as planning for the elections would normally have started at this time, including booking rooms, staff and equipment and incurring the necessary costs. A meeting would be arranged with the Elections Manager to consider what matters could be deferred and what needed to be commenced before 20th February 2026. Ideally, the Council would aim to not incur any costs, but this might be unavoidable. Members would be kept informed as to any developments. Councillor Dad reiterated that local elections would automatically take place in Hyndburn, unless the Government decided otherwise.

The Cabinet considered a report of Councillor Munsif Dad BEM JP, Leader of the Council, informing Members of the Council Tax Base for the financial year 2026/2027.

The Leader provided a brief introduction to the report, highlighting the figure for the Borough's Council Tax Base in 2026/2027 (22,183) and the figure for Altham Parish Council (319).

Approval of the report was not deemed a key decision.

Reasons for Decision

In accordance with Section 35 of the Local Government Finance Act 1992, the Council was required to formally determine the Council Tax Base for 2026/2027 prior to 31st January 2026. This allowed the Council to notify the major preceptors (Lancashire County Council, the Police and Crime Commissioner for Lancashire and Lancashire Combined Fire Authority) by the 31st January of the Council Tax Base.

The requisite calculation (Appendices A and B to the report) had to be carried out in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012. Once determined, the Council Tax Base could not be changed and had to be used when the Council set its Council Tax for the financial year 2026/2027.

The calculation of the Tax Base for Hyndburn and Altham for 2026/2027 was included as Appendix A to the report. It was proposed that the Tax Base for Hyndburn 2026/2027 should be 22,183. This was an increase from last year's Tax Base of 20 (22,163). The 2026/2027 Tax Base for Altham, as set out in Appendix B to the report, was 319, which was a decrease from last year's Tax Base of 320.

The Local Authorities (Calculation of Council Tax Base) Regulations 2012 specified formulae for calculating the Council Tax Base which had to be set between the 1st December 2025 and the 31st January 2026.

The Council Tax Base was the measure of the number of chargeable dwellings held on the valuation list as at the 10 September 2025 and then adjusted to take account of discounts, exemptions, re-bandings and Council Tax Support to arrive at the Authority's Council Tax Band D.

The Council Tax Base also took into account the Council's intention to apply a local exemption for Lancashire County Care Leavers, up to their 25th birthday from 1st April 2026.

The report had also included a copy of a Customer First Analysis as Appendix C.

There were no alternative options for consideration or reasons.

Resolved

(1) That Cabinet notes and approves the report.

(2) That Cabinet agrees:

(a) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by the Council for its Council

Tax Base for the financial year 2026/2027 shall be 22,183.

(b) That in accordance with the Local Authorities (Calculation of Tax Base) Regulations 2012, the amount calculated by the Council for the Council Tax Base for the parish of Altham for the financial year 2026/2027 shall be 319.

279 Prudential Indicators Monitoring and Treasury Management Strategy Update - Quarter 3 2025/26

Members considered a report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, providing an update on the Council's treasury management activities for the current financial year till Quarter 3 (Q3). The report outlined the performance of investments and borrowing, assessed compliance with the approved Treasury Management Strategy, and highlighted any emerging risks or opportunities that might impact the Council's financial position. Overall, the report supported effective budget monitoring and ensured transparency and accountability in the management of public funds.

The Leader of the Council introduced this report on behalf of Councillor Alexander, due to her recent dental appointment. Councillor Dad outlined the background to the report, the level of short-term investments and interest rates secured, the Council's approach to risk, interest rate forecasts, additional interest anticipated and the impact of investment returns on the Council's overall budget.

Councillor Khan commented on Table 1 at Paragraph 4.2 and noted that the Total External Debt and Capital Finance Requirement at Q3 were broadly similar figures which offset each other.

Approval of the report was not deemed a key decision.

Reasons for Decision

Local authorities were required to manage their borrowing, investments, and cash flows in a way that was affordable, prudent, and sustainable. This was governed by the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice, which together set the framework for how councils planned and monitored their capital financing and treasury activities.

As part of this framework, councils had to set Prudential Indicators each year to support decision-making around capital investment and borrowing. These indicators helped demonstrate that the Council's plans were financially sound and that risks were being managed appropriately.

The Council also adopted a Treasury Management Strategy annually, which outlined how it would manage borrowing, investments, and cash balances throughout the year. Regular monitoring reports were required to track performance against the strategy and indicators, and to provide assurance that treasury activities remained aligned with the Council's financial objectives.

Borrowing Activities During The Period

Table 1 below showed the current borrowing position at Q3 2025/26 compared with the original estimate. The increase in finance leases relating to vehicle purchases had increased the liability and Capital Financing Requirement (CFR) totals.

Table 1 – Comparison of latest position with the original estimate as at Q3 2025/26:

Borrowing Position – Q3 2025/26	Original Estimate 2025/26 £'000	Forecast at Q3 2025/26 £'000
External Debt		
Borrowing	9,595	9,595
Other Long-Term Liabilities	1,967	4,088
Total External Debt	11,562	13,683
Capital Financing Requirement	9,190	11,311
Under(Over) Borrowing	(2,372)	(2,372)

The Council continued to operate within the borrowing limits and targets set at the start of the financial year. A key measure in the Prudential Indicators was the relationship between the Capital Financing Requirement (CFR) and the Council's gross external debt.

The CFR represented the total amount the Council had needed to borrow over time to fund capital investment — such as buildings, infrastructure, and equipment. It reflected the underlying need to borrow, even if the Council chose to use internal resources (like reserves or cash balances) instead of taking out loans. The gross external debt of £13.683m was the actual amount the Council had borrowed from external sources, such as Lender Option Borrower Option (LOBO) loans and finance leases.

In general, gross debt should not exceed the CFR. This was an important safeguard built into the Prudential Code, as it provided assurance that the Council was not borrowing more than it needed for capital purposes — and crucially, that it was not borrowing to fund day-to-day services, which was not permitted.

In 2025/26, the Council's gross debt was forecast to exceed the CFR by £2.372m, placing the authority in an over-borrowed position. This was not due to new borrowing, but was explained by:

- Historic loans that were structured with repayment at maturity (i.e. the full amount was repaid at the end of the loan term). These loans kept the gross debt figure high, while the CFR reduced each year through the Minimum Revenue Provision (MRP) — an annual charge that reflected repayment of capital.
- The implementation of International Financial Reporting Standard (IFRS) 16 – Leases, which now required all lease liabilities (e.g. for vehicles and equipment) to be shown on the balance sheet as debt. This had increased the reported level of gross debt, even though it did not represent new borrowing.
- Timing differences between capital expenditure and financing, which could temporarily affect the CFR.

Despite this technical position, no new external borrowing had been undertaken, and the Council was not borrowing to support revenue spending. The position was therefore acceptable and well understood.

Investment Activities During the Period

The Council invested surplus cash balances on a short-term basis to ensure that funds were readily available when needed, while also generating a modest return. These balances arose from timing differences — for example, when grants were received before the related expenditure was incurred, or when capital projects were delayed.

Short-term investments were typically placed in secure, low-risk instruments such as money market funds, government-backed deposits, or other approved counterparties. This approach supported the Council's priorities of:

- **Security:** protecting public funds by minimising investment risk.
- **Liquidity:** ensuring cash was available to meet day-to-day spending needs.
- **Yield:** earning interest to support the revenue budget, where possible.

The strategy aligned with the CIPFA Treasury Management Code, which required councils to manage investments prudently, balancing risk and return.

Table 2 below provided a list of counterparties and the balances invested as at Q3 2025/26.

Table 2 – Invested balance by counterparty:

Investment Portfolio – Q3 2025/26	Balance at Q3 2025/26 £'000
Local Authorities	30,000
Debt Management Agency Deposit Facility	2,400
Money Market Funds	2,000
Bank Deposit Accounts	80
Total Short-Term Investments	34,480

A further table (Table 3) was included in the report, which gave more details of the investments the Council had in place at Q3 2025/26 with other local authorities.

The Council had one future dated loan agreed at the end of the quarter with Moray Council from 6th January 2026 to 5th January 2027 in the sum of £2m, at 4.6% interest.

To protect public funds, the Council's Finance team carried out thorough checks before agreeing to lend money to other local authorities. These checks helped ensure that any investments were secure and that the borrowing authority was financially stable.

Interest Rates

The Council had appointed MUFG (formerly Link Asset Services) as its treasury adviser. As part of their role, they provided guidance on expected movements in interest rates to support the Council's investment and borrowing decisions.

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 sets out a view that both short and long-dated interest rates would start to fall, as inflation had fallen closer to the Bank of England's target of 2.00%.

Interest rate risk was minimised as the Council’s borrowings were fixed until a trigger point, where the lender would seek 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.

Interest Receivable

The Council had invested surplus cash on a short-term, temporary basis. These investments had generated interest income above the budgeted expectations for the year. This was mainly due to:

- Higher levels of cash being held (e.g. from grants received in advance of spending);
- The Bank of England maintaining interest rates at higher levels than anticipated when the budget had been set.

As a result, the Council now expected to receive £0.737m in additional interest income by the end of March 2026. The investment strategy continued to prioritise security and liquidity, ensuring that funds were safe and available when needed.

The Council invested surplus cash in highly rated financial institutions, spreading deposits across multiple banks to reduce risk. This approach helped protect public funds in the event of an unexpected bank failure.

- Deposits were placed with banks where government guarantees were likely to apply;
- No more than £2 million was held with any single bank, except for the NatWest liquidity account, which had a limit of £3 million;
- The Council could place unlimited funds with the Government’s Debt Management Account Deposit Facility (DMADF), which offered low risk returns and flexibility.

This strategy continued to deliver a reasonable return while keeping risk to a minimum.

Interest Payable

The budget included an estimate for interest costs on potential new borrowing. However, as no new borrowing was expected to take place during the year, these interest costs would not be incurred.

Forecast Revenue Outturn – 2025/26 Q3

Table 4 below showed the forecast revenue outturn position on the Council’s Treasury Management activities as at 2025/26 Q3.

The interest forecast had increased since Q2 due to prevailing interest rates overperforming what had been expected.

Table 4 - Forecast Revenue Outturn – 2025/26 Q3

Portfolio Position	Working Budget 2025/26	Forecast Outturn 2025/26	Forecast (Under)/ Over Spend
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	£'000	£'000	£'000
INTEREST RECEIVABLE			
Interest Receivable on Temporary Lending	(700)	(1,437)	(737)
Other Interest Receivable	-	-	-
Total Interest Receivable	(700)	(1,437)	(737)
INTEREST PAYABLE			
Interest Payable on Long-Term Borrowings	440	440	-
Interest Payable on Finance Leases	41	253	212
Other Interest Payable	-	-	-
Total Interest Payable	481	693	212
Minimum Revenue Provision	1,085	1,127	42
Net (Income) / Expenditure from Treasury Activities	866	383	(483)

Performance Against Prudential Indicators

The *Prudential Code for Capital Finance in Local Authorities* required councils to set Prudential Indicators annually for the forthcoming three years. These indicators demonstrated that the Council's capital investment plans were affordable, prudent, and sustainable.

Hyndburn Borough Council had adopted its Prudential Indicators for 2025/26 at its meeting in February 2025.

In addition to setting these indicators, the Prudential Code required the Council to monitor them on a quarterly basis, using a locally determined format. These indicators were intended for internal use and were not designed for comparison between authorities.

Should it become necessary to revise any of the indicators during the year, the Executive Director of Resources would report and advise the Council accordingly.

Appendix 1 of the report provided a full list of monitoring information for each of the prudential indicators and limits. These included:

- 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.

Liability Benchmark

As part of the approved Treasury Management Strategy, the Council had set out a Liability Benchmark. This was a key tool that compared the Council's actual borrowing levels against a theoretical benchmark that represented the lowest risk level of borrowing, based on current capital and revenue plans.

The Liability Benchmark helped the Council understand whether it was likely to be a long-term borrower or a long-term investor. It did this by estimating the minimum level of external borrowing needed to:

- Fund planned capital expenditure;
- Repay existing debt; and
- Maintain only the minimum level of cash investments required for day-to-day operations.

This insight supported strategic decision-making around future borrowing and investment activity.

The inputs that determined the Liability Benchmark had been revised to include the increased capital expenditure relating to vehicle leasing and the increased draw down of useable reserves anticipated to support the revenue budget over the MTFS period.

Based on current forecasts, the Liability Benchmark suggested that the Council might need to undertake new borrowing around the year 2029. However, this was only a projection based on existing capital and revenue plans — it was not a confirmed borrowing requirement and might change as plans and funding sources evolved.

A chart illustrating the liability benchmark as at Q3 2025/26 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 Cabinet notes the treasury management activities undertaken during the period and the performance against the approved strategy.**

280 Revenue Budget Monitoring 2025/2026 - Quarter 3 to end of December 2025

Members considered a report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, providing an update on the Council's financial performance up to the end of December 2025 for the 2025/26 financial year and outlining the projected impact on the Medium-Term Financial Strategy covering the period 2025/26 to 2027/28.

The Leader of the Council introduced this report on behalf of Councillor Alexander. Councillor Dad highlighted the forecast surplus for the year 2025/2026, the cost pressures faced throughout the year offset through treasury management income streams, significant variances, the provision made to deal with any potential liabilities and the level of and use of reserves. The Leader was pleased to note that the Council's finances were on track through close budget monitoring and good management.

Councillor Khan made the following observations and asked various questions as follows:

- Waste Services were predicting an £61k underspend. Could the saving be reallocated to enforcement activity?

- The announcement at Council on 15th January 2026 about progress on the Waste Disposal contract was welcomed, as this should mean the no large financial investment would be required.
- The overall forecast underspend of £0.594m was good news. Would the controlling group consider spending this in year?
- Would the controlling group consider reducing the level of unallocated reserves?
- Could the controlling group advise what the funding deficit would be following the Fair Funding Review 2.0 and the Government's subsequent provisional financial settlement for Hyndburn?

Councillor Dad responded that further information about the draft Budget would be available at the next Cabinet meeting. The Fair Funding Review outcome would still lead to a reduction in grant income from the Government, but the change was not as significant as had been first anticipated. The full implications would be considered during the Budget setting process in February. The Council would need to manage any shortfall and hence needed to be prudent in relation to expenditure within the last few months of 2025/26.

Councillor Eaves reported that a two-year waste disposal contract had been signed by Lancashire County Council with Envirofuel Ltd. From 1st April 2026, waste would be taken to their existing processing facility at Accrington Road, Hapton, in Burnley. Councillor Dad confirmed that there would be no additional cost to Hyndburn Borough Council for this service.

Approval of the report was not deemed a key decision.

Reasons for Decision

At the Full Council meeting on 27th February 2025, Full Council had agreed the General Fund Revenue Budget for 2025/26. This had set a budget for the Council's total spend in 2025/26 of £17.313m, plus £0.121m use of reserves, in lieu of business rate receipts.

The current forecast spend to the end of the financial year in March 2026 was £17.106m, with forecast funding increasing to £17.700m. This brought the forecast underspend for the year against the budget to £0.594m. Further analysis of changes in forecast spend were shown in Section 4 of the report.

Table 1 below showed the working budget and forecast outturn by service area. During Quarter 3 2025/26 there had been a restructure of service responsibilities, however, to allow for consistency between monitoring reports all the tables in the report reflected the service structure at budget setting.

Table 1: Forecast Outturn Variance - Summary by Service Area

Service Area	Original Budget	In-Year Budget Changes	Working Budget	Forecast Outturn	Forecast Outturn Variance
	£'000	£'000	£'000	£'000	£'000
Environmental Health	941	-	941	975	34
Environmental Services	5,495	(14)	5,481	5,557	76
Legal and Democratic	1,896	-	1,896	1,933	37
Planning and Transportation	712	5	717	720	3
Regeneration and Housing	1,604	(34)	1,570	1,377	(193)
Resources	6,085	6	6,091	6,592	501
Net Cost of Services	16,733	(37)	16,696	17,154	458
Non-Service	865	5	870	(48)	(918)

Cabinet Approved Contributions	-	-	-	-	-
Corporate Savings Target	(164)	-	(164)	-	164
Total Net Expenditure	17,434	(32)	17,402	17,106	(296)
Funding	(17,434)	32	(17,402)	(17,700)	(298)
(Under)/Overspend	-	-	-	(594)	(594)

Table 2 below showed the change in forecast by service area compared to the previous quarter.

Table 2: Change in Forecast Outturn – Summary by Service Area

Service Area	Quarter 2 Forecast Outturn	Changes in Forecast Outturn During Quarter	Forecast Outturn Quarter 3
	£'000	£'000	£'000
Environmental Health	963	12	975
Environmental Services	5,328	229	5,557
Legal and Democratic	1,939	(6)	1,933
Planning and Transportation	840	(120)	720
Regeneration and Housing	1,588	(211)	1,377
Resources	6,371	221	6,592
Net Cost of Services	17,029	125	17,154
Non-Service	397	(445)	(48)
Corporate Savings Target	-	-	-
Total Net Expenditure	17,426	(320)	17,106
Funding	(17,435)	(265)	17,700
(Under)/Overspend	(9)	(585)	(594)

Table 3, which was set out in the report, showed details of the most significant changes in the forecast variance. A commentary was also provided on the affected areas, as follows:

- Staffing Costs and Pay Pressures** - The forecasted savings on staffing costs had reduced by £0.177m since Quarter 2, from £0.115m underspend to a pressure of £0.062m. This change was largely attributable to an increased reliance on agency staff to maintain service delivery, which had offset the anticipated savings from vacant posts. In addition, a pay award of 3.2% had been agreed in-year, compared to the original budget assumption of 3% for 2025/26. This had created a pressure within staffing budgets of £0.025m.
- Utilities and Operational Savings** - The forecasted savings on utility costs had increased by £0.015m since Quarter 2, rising from £0.136m to £0.151m. This improvement was primarily attributed to the implementation of a new energy contract, which had helped to stabilise prices and reduce overall expenditure. The new contract had likely contributed to the additional savings now being forecast.
- Grant Income and Housing Benefit** - A favourable movement of £0.466m had been reported in relation to grant income, shifting from a forecasted pressure of £0.230m in Quarter 2 to surplus of £0.236m in the current forecast. This change followed notification of additional grant income in the quarter, including additional Homelessness Prevention Grant and additional Housing Benefit subsidy, in addition to the use of grant income to support general services.

- **ICT Costs** - ICT and software costs had increased by £0.060m since Quarter 1, bringing the total forecast pressure in this area to £0.169m. This increase was primarily due to additional licensing and support costs associated with the ongoing modernisation of the Council's ICT infrastructure and the growing reliance on cloud-based systems to support service delivery and secure remote working.
- **Council Tax Recovery Costs** - The forecast for Council Tax recovery costs had increased by £0.080m since Quarter 2. This reflected updated assumptions around collection activity and associated costs, including potential increases in enforcement or administrative overheads linked to recovery processes.
- **Fees and Charges Income** - Fees and charges income had improved by £0.074m compared to the previous quarter. This positive movement was primarily driven by increased income from commercial property rents, as well as higher-than-anticipated income from Building Control and Planning services. These uplifts suggested stronger market demand and improved performance in these service areas.
- **Non-Service Budgets** - There had been a significant increase of £0.151m in forecast investment income since Quarter 2, bringing the total to £0.737m. This improvement was primarily due to the continuation of favourable interest rates and higher-than-anticipated cash balances, which had been sustained in part by delays in capital expenditure. The Council had also received £0.181m as part of a reconciliation exercise following the upfront payment of its employer contributions to the Pension Fund.

As explained at Quarter 2 there were new cost pressures within financing budgets, with interest payable increasing by £0.073m and the Minimum Revenue Provision (MRP) rising by £0.042m. These increases were largely attributable to a higher volume of vehicles being acquired through leasing arrangements, which had impacted borrowing costs and associated MRP charges. It was expected that these additional costs would be funded by earmarked reserve, therefore they would not adversely affect the forecast revenue outturn position.

Variance by Service Area

Section 4 of the report provided a breakdown of forecast outturn variances by service area set out in additional tables (Nos 4 to 11), as well as a supporting commentary. It highlighted the key changes since Quarter 2 and compared the current forecast against the approved working budget. For comparison purposes the various tables reflected the organisational structure prior to recent changes in service area responsibility. Figures would be amended at outturn, with budget movements shown.

The analysis aimed to provide greater transparency on the financial position of individual services and to support ongoing monitoring and management of budget pressures and savings.

Table 12 comprised the Forecast Movements in Reserves 2025/26 at Quarter 3, which showed that the Council was currently forecasting a total of £16.849m at the end of the financial year. It was anticipated that all of this amount, with the exception of £1.887m in

general reserve would be used to support the forecast shortfall in future years of the Medium Term Financial Strategy and the funding of the Capital Programme. It was recommended that the authority maintained a level of general reserve of around £1m to act as a financial cushion to cover any unknown future financial pressures.

Pressures and Risks

The forecast underspend at Quarter 3 was a surplus of £0.594m. Although this was positive position for the Council, there were some real pressures and risks that needed to be considered, which were not currently built into any financial forecasts.

The main pressures/risks to be considered were detailed below:

- **Waste Disposal Site/Transfer Station** – Negotiations were still underway with Lancashire County Council regarding their contract situation for the disposal of waste at the Whinney Hill site. This might 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 was that any costs would 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 had 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 had approved revenue costs for ensuring the site met all annual safety requirements and had set aside capital budgets to undertake works including a full roof replacement and other internal works that should prepare the theatre for reopening in the future.
- **Crematorium/Cremators** – There was a risk that there might 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 was expected that these changes might come into place in 2 to 3 years' time and there would be a significant capital cost for works to ensure compliance. The parks team were currently investigating this further and would inform Cabinet of the requirements as soon as the information was available. Cabinet had put £350,000 into reserves to date to be used for this purpose, and a further contribution of £150,000 was included in the budget for 2025/26.
- **Food Waste Collections** – From April 2026 the Council would have to provide a food waste collection for residents. A grant had been received from the Department for Environment, Food and Rural Affairs (Defra) to be used towards the capital costs of implementing the new collection (e.g. purchasing new vehicles, bins and food caddies) and procurement had been undertaken to provide the capital resources. The Council had received advice from Central Government indicating that there would be no separately identifiable new burdens funding to support the cost of providing the revenue costs of food waste collection. As such this would place additional pressure on the Council's revenue budget for 2026/27 of circa £300,000.

- **Hyndburn Leisure** – The Council had set aside funding within its Medium-Term financial strategy to provide financial assistance / subsidy to Hyndburn Leisure. This funding was part of an agreed process for reporting and monitoring and linked 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 was £700,000 in 2025/2026, £500,000 in 2026/2027 and £350,000 in 2027/2028. Prior to payment of any subsidy the Council would first have to complete a Subsidy Compliance Assessment. This had been taken to Cabinet on 3rd December 2025, which had subsequently approved payment of £700,000 in 2025/26.
- **Housing Benefit Supported / Exempt Accommodation** – The Council continued to feel pressures from unrecoverable benefit payments although it was expected to be managed in 2025/2026 within the overall revenue budget. The Council had started to take action to try to reduce these costs through introducing planning restrictions and supporting housing regulation although this did not have an immediate effect and without additional support from the Government this would continue to be a pressure for most councils nationally.

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

There were no alternative options for consideration or reasons

Resolved

- (1) **That the Cabinet notes the financial position of the Revenue Budget at Q3 of the 2025/26 financial year, as shown in Section 3 of the report.**
- (2) **That the Cabinet notes the financial pressures and risks facing the Council as at the end of December 2025, as shown in Section 5 of the report, and considers the potential longer-term impact on the Medium-Term Financial Strategy for 2025/26 to 2027/28.**

281 Capital Programme Monitoring 2025/26 - 3rd Quarter Update to 31st December 2025

Members considered a report of Councillor Vanessa Alexander, Portfolio Holder for Resources and Council Operations, providing an update on the delivery and financial performance of the capital programme as at Quarter 3 (Q3) of 2025/26, highlighting progress against budget, identifying any variances, risks or slippage, and forecasting the expected outturn. Overall, the report supported effective decision-making, ensured transparency and accountability, and informed any necessary adjustments to project timelines, funding allocations, or future financial planning.

The Leader of the Council introduced this report on behalf of Councillor Alexander. Councillor Dad highlighted the amounts of new additions to the programme at the start of the year, items carried forward from the previous year and new authorisations in year forming the final scheme approvals of £56.351m. He also outlined the slippage into future

years and forecast spend in-year as a percentage of the capital budget for 2025/26 (72.7%). In addition, he drew members attention to the sources of funding, as well as risks around the shortfall in capital receipts and from potential areas of spending not currently contained within the capital programme. The programme was central to the Council's need to maintain and develop its assets and its ambition to achieve key corporate objectives for the benefit of local residents.

Councillor Khan made the following observations and asked various questions as follows:

- Appendix 3 of the report set out slippage into future years, for example expenditure on Wilsons Playing Fields Drainage, Hyndburn Leisure Centre Efficiencies and the Market Hall development. Was this linked to a lack of staff capacity, expertise or delays affecting delivery of the project? The Conservative Group had proposed additional project staff during the last Budget process.
- In connection with Paragraph 5.2 of the report, on the Levelling Up Town Centre projects, what was the 'challenge referred to?

Councillor Dad responded that the Council's organisational review had sought to introduce more streamlined systems and structures. In general, all capital programmes gave rise to an element of slippage. However, the planned projects would all be completed in due course. The employment of additional staff would not provide a solution to slippage of the type identified. The controlling group would make additional staff available where this was necessary to support service delivery. Overall, he was confident that the programmed projects would be successfully delivered. Regarding the Levelling Up Town Centre projects, the finish date for the Market Hall would still be in 2026, but there had been a need to reconsider the facility's operator.

Councillor Pritchard added that a new operator for the Market Hall had now been identified. The initial preferred operator had parted company with the Council amicably, in part, due to insufficient funding being available to carry out the proposals as originally envisaged. Other delays had been caused by the discovery of further asbestos on site. The Council was currently seeking additional stall holders for the development and the majority of stall holders in the temporary cabins were expected to return to the Market Hall. She offered to arrange a site visit if Councillor Khan so wished. The project had been a 'challenge' and progress had been slower than the Council would have liked. However, the renovation of old buildings could often throw up unexpected complications.

Councillor Khan raised the following additional matters:

- Was an update available regarding project delivery and expenditure in Year 1 concerning the £20m Pride in Place Funding?
- He noted that, at Paragraph 5.9 of the report, the Huncoat Garden Village development was being supported by consultants. His understanding was that the controlling group had previously disapproved of the use of consultants for projects. He speculated as to whether the cost of using consultants had risen in recent years.

Councillor Dad responded that the Pride of Place Impact Fund referred to in the report was, in fact, the £1.5m offered to targeted councils across England, Scotland and Wales. This was a two year programme with £750k being allocated in each of the years 2025/26 and 2026/27. The schemes brought forward would complement those being developed by the Accrington Neighbourhoods Board from the £20m grant.

On the matter of consultants, Councillor Dad indicated that the controlling group was against engaging them unnecessarily, but inevitably there were times when the Council

needed a particular expertise which could not be provided in-house. He did not have any information to hand about whether the cost of using consultants had risen or fallen.

Approval of the report was not deemed a key decision.

Reasons for Decision

2025/26 Capital Budget

The Capital Budget for 2025/26 was year one of the Capital Programme 2025/26 – 2027/28. At the Council meeting on 27th February 2025, Members had approved a capital budget for 2025/26 of £2.726m.

A further £23.236m had been added to this budget from rephased capital projects carried forward from 2024/25. Of this, £19.370m related to major projects, such as the Levelling Up funded schemes for Accrington town centre and Leisure Estate Investment programme.

Ad hoc budget adjustments had reduced the Capital programme by £0.157m, of which, £0.178m had been removed from the Capital Programme relating to a UK Shared Prosperity Fund (UKSPF) funding adjustment. A further £0.021m of capital receipts funding had been added, which had been brought forward from 2024/25.

Approval had been received at Q1 to add a further £29.780m to the capital programme, of which, £29.187m was for the scheme at Huncoat Garden Village (HGV), which was fully funded from external grants. £0.500m related to the addition of solar panels at Market Hall, which was funded from reserves. £0.094m related to several smaller projects.

Approval had been received at Q2 to add a further £0.681m to the capital programme, of which, £0.128m was for the scheme at Wilsons Playing Fields, £0.250m related to the Market Development Works, £0.120m related to Mercer Hall Repurposing and £0.183m related to several smaller projects. These were funded from earmarked reserves.

This report requested a further £0.084m to be added to the Capital Programme at Q3. £0.111m related to further development work spend at the market which would be funded from earmarked reserves. There was also an offset (£0.027m) relating to lower spend on playground improvements.

Details of all in-year budget adjustments could be found in Appendix 1 of the report.

Several projects had been identified to be rephased into future years of the Capital Programme, which totalled £26.310m, of which, Huncoat Garden Village was £26.076m.

Therefore, the Capital Budget for 2025/26 now totalled £30.041m, as shown in Table 1 below:

Table 1 – Capital Budget 2025/26 Reconciliation

Capital Budget 2025/26	Amounts
	£'000
Budget Approvals (Council Feb-25)	2,726
Slippage b/f from 2024-25	23,236
Budget Adjustments in Year	-157
Schemes Approved in Year (QTR1)	29,780
Schemes Approved in Year (QTR2)	681
Schemes Recommended for Approval (QTR3)	84
Proposed Capital Programme 2025-28	56,351
Less Approved Slippage into Future Years	-26,310
Proposed Capital Budget 2025-26	30,041

A more detailed set of tables showing movements by service area were provided at Appendix 2 of the report.

The proposed financing of the Capital Budget of £30,041m for 2025/26 was shown as a pie chart (Chart 1) in the report.

Following all budget adjustments, as detailed above, this had resulted in a proposed revised Capital Programme of £56.351m, which could be seen in Table 2 below:

Table 2 – Capital Programme Budgets by Service Area:

Programme Area - Budgets	Proposed Capital Budget 2025/26	Proposed Capital Budget 2026/27	Proposed Capital Budget 2027/28	Proposed Capital Programme
	£'000	£'000	£'000	£'000
Community Projects	728	0	0	728
Housing Improvement Programme	1,769	0	0	1,769
Huncoat Garden Village	3,110	22,261	3,815	29,186
IT Projects	527	0	0	527
Leisure Estate Investment	6,921	0	0	6,921
Levelling Up Town Centre	13,460	0	0	13,460
Operational Buildings	1,156	234	0	1,390
Parks & Open Spaces	1,216	0	0	1,216
Planned Asset Improvements	217	0	0	217
UK Shared Prosperity Fund	255	0	0	255
Vehicles & Equipment	683	0	0	683
Total Approved Capital Spend Budgets	30,041	22,495	3,815	56,351

As shown above, £22.495m had been rephased to 2026/27 and £3.815m to 2027/28, reflecting the forecasted expenditure in those years.

The proposed financing of the Capital Programme of £56.351m for 2025/26 – 2027/28 was shown as a pie chart (Chart 2) in the report.

2025/26 Capital Budget – Q3 Forecast Outturn

As of 31st December 2025, actual and committed expenditure totalled £18.995m, representing 63.23% of the rephased 2025/26 budget of £30.041m. Table 3 below showed the committed expenditure and forecasted outturn by service area.

Table 3 - 2025/26 Capital Budget – Q3 Forecast Outturn:

Programme Area - Budgets	Proposed Capital Budget 2025/26	Actuals & Commitments - Q3	Forecast Outturn - Q3	Forecast Variance - Q3
	£'000	£'000	£'000	£'000
Community Projects	728	325	630	98
Housing Improvement Programme	1,769	1,162	1,619	150
Huncoat Garden Village	3,110	2,836	3,006	105
IT Projects	527	438	524	3
Leisure Estate Investment	6,921	5,859	6,521	400
Levelling Up Town Centre	13,460	7,209	7,209	6,251
Operational Buildings	1,156	92	735	421
Parks & Open Spaces	1,216	614	993	222
Planned Asset Improvements	217	10	100	117
UK Shared Prosperity Fund	255	201	255	0
Vehicles & Equipment	683	251	270	413
Total Approved Capital Spend Budgets	30,041	18,995	21,861	8,180

Further forecast expenditure of £8.180m was anticipated before the end of the financial year, resulting in a total forecast outturn figure of £21.861m. This represented 72.77% of the allocated budget and an underspend of £8.180m against the 2025/26 proposed budget.

Of the £8.180m underspend on the 2025/26 budget, most was due to natural slippage of capital projects, or where projects had not commenced - mainly due to the absence of funding. Subject to Cabinet approval at year end, these projects would be rephased to subsequent years.

The largest area of slippage related to the LUF-funded Market Development Works due to complete July 2026, for which a more detailed cashflow was being developed by the contractor for the final works. While a more detailed cashflow was being developed by the contractor, initial estimates proposed that £6.251m of budget would be slipped into next year.

A further £0.192m of the £8.180m underspend on the 2025/26 budget related to delayed civic theatre refurbishment works and £0.153m slippage in fire safety improvements works.

The Leeds/Liverpool cycle path works £0.195m had slipped till next year. The food waste collection caddies should be received by the year end preventing an underspend.

The capital programme was closely monitored throughout the financial year to ensure spending stayed in line with forecasts and was accurately reflected in the Council's cash flow. Any significant variances would be reviewed, and their financial impact would be factored into future treasury management and budget planning.

A more detailed breakdown of the forecast outturn for 2025/26 was shown in Appendix 3 of the report.

Major Schemes

The Capital Programme included several major schemes that required robust and continuous monitoring to ensure they were delivered on time, within budget, and that all external funding was both secured and claimed promptly. The following had been identified as key major schemes currently requiring close oversight:

- **Levelling Up Town Centre** – The redevelopment of Market Hall, Market Chambers, and Burtons Chambers remained a challenge for the Council. However, enhanced monitoring and management arrangements had ensured that key milestones were being met, with the project progressing on time and within budget.

The programme had a remaining budget of £13.460m. This was funded by £10.617m from the Levelling Up Fund and other grants, the majority of which had already been claimed. The balance of £2.843m would be met from available capital receipts and revenue reserves, ensuring the Council had the necessary resources in place to deliver the scheme as planned.

At the time of writing, the contractor was working with the Council to finalise the spend profile. Nonetheless, the programme remained on track for completion at the end of Q2 of the 2026/27 financial year.

- **Leisure Estate Investment** – Comprised two key projects: the construction of the Cath Thom Leisure Centre and efficiency works at Hyndburn Leisure Centre. The overall programme budget was £6.921m, which included provision for future pitch drainage works.

Construction of the Cath Thom Leisure Centre was now complete, with final accounts and outstanding project costs currently being finalised, with any minor overspends covered by the £0.128m underspend reserve previously approved by Cabinet.

The Hyndburn Leisure Centre efficiency project of £0.767m was expected to underspend by approximately £0.100m which would be slipped into next year. This, along with the £0.300m budget allocated for Wilson Playing Fields pitch drainage works was expected to be slipped into the 2026/27 financial year.

- **Huncoat Garden Village** – Huncoat Garden Village remained a major strategic scheme for the Council, fully funded by a £29.187m grant from Homes England. Forecast expenditure was phased over three financial years, with £3.110m in 2025/26, £22.261m in 2026/27, and £3.816m in 2027/28.

Current activity was focused on progressing key preparatory work, including planning, legal, and land acquisition processes. Consultants were supporting the Council across several workstreams, including the residential relief road design, Compulsory Purchase Order (CPO) documentation, landowner negotiations, and overall programme management. These activities were essential to enabling delivery of the scheme in line with the agreed programme.

Funding Risks

Capital Receipts

Capital Receipts and Funding Position - At Q3 2025/26, Grants represented £19.451m, Capital Receipts £4.249m, Reserves £6.291m, s106 and Revenue £0.500m to total £30.041m of capital funding for the programmes of works and projects. The total proposed

capital budget £30.041m was reduced due to proposed slippage of £7,766m into 2026/27. This reduced the need for the full capital receipts this year and brought it down to a need for £0.961m.

2025/26 Forecast - The proposed capital budgets for the next few years were 2025/26 £30.041m, 2026/27 £22.495m and 2027/28 £3.815m. Even though the capital receipt requirement had fallen this year as outlined above for future years the authority still needed £2.053m of new capital receipts to fund the proposed capital budgets.

Future Requirements and Risks - In 2026/27, further capital receipts were required to fund all approved projects. Funding for these future commitments had not yet been identified and excluded any new capital bids submitted for that year. Progress was being made on planned asset disposals to generate the necessary receipts, but delays might require temporary use of reserves or pausing elements of the programme.

Next Steps - Officers would continue to review the Council's operational asset base to identify further disposal opportunities. The funding strategy and associated risks would be monitored closely to ensure the programme remained deliverable and financially sustainable.

This was a high-level risk.

External Grants and Contributions

- **Levelling Up Project (LUF)** – this scheme was primarily funded through a government grant, supplemented by a contribution from Lancashire County Council. A total of £10.617m in grant funding was required to complete the scheme. To date, the Council had received £9.634m, with further claims being submitted on a quarterly basis to help manage cash flow effectively.

To support local authorities, the Government had prepaid certain elements of the grant, easing short-term cash flow pressures.

- **Huncoat Garden Village** – The Council had been awarded a Government grant of £29.187m to support this scheme. Grant claims were submitted monthly, following the incurrance of eligible expenditure, to help manage the Council's cash flow.

To date, the Council had received over £2.0m in grant funding. Homes England had structured the grant to allow for prepayment of certain elements, further supporting local authority cash flow management.

- **Disabled Facilities Grant** – The Council received grant funding from the Better Care Fund via Lancashire County Council, which included £1.360m of funding for 2025/26. All grant funding had been received.
- **Leisure Estate Investment Programme** – The Council had been successful in obtaining external funding of around £2.64m from Sport England. Most of this grant had already been received by the Council, with the final claim recently submitted.

- **Pride of Place Impact Fund** – The Council had been awarded £1.5m through the Pride in Place Impact Fund. As of December 2025, no decisions had been made regarding allocation. Schemes would be developed collaboratively with officers, Cabinet, the local MP, and the community to ensure the funding delivered maximum benefit across the Borough. All funds would have to be spent by 31st March 2027.

This was a low-level risk.

Conclusion

The Capital Programme had grown substantially over the past two financial years and now totalled £56.351m. While approximately 78% of this funding was secured through external grants and contributions, the increased scale and complexity of the programme were placing significant demands on the Council’s staffing and delivery capacity.

To ensure successful delivery within agreed timescales and budgets, it was essential that all projects were strategically planned, adequately resourced, and appropriately phased. Effective programme management and coordination would be critical to maintaining progress and achieving intended outcomes.

The Programme would continue to be carefully monitored, and it might require further revisions in its phasing in the future.

There were no alternative options for consideration or reasons

Resolved

- (1) **That Cabinet notes the financial position of the Capital Budget at Q3 of the 2025/26 financial year, as shown in Section 4 of the report.**
- (2) **That Cabinet approves the in-year addition to the Capital Programme of £0.084m of capital projects, as shown in Appendix 1 of the report.**

282 The Introduction of Food Waste Collections

Members considered a report of Councillor Stewart Eaves, Portfolio Holder for Environmental Services, updating Cabinet about progress made relating to the introduction of weekly food waste collections to all domestic properties in Hyndburn by 1st April 2026.

Councillor Eaves gave a brief introduction to the report and commented that the roll out of caddies was going well. He was looking forward to the commencement of the pilot scheme for councillors. Councillor Dad added that the Council would keep a close watch on how the new service was performing and any ‘teething problems’ would be addressed quickly.

Councillor Khan welcomed the new service and commented that many councils already collected food waste. He noted that this would be new to the people of Hyndburn and asked whether vulnerable groups such as the elderly would have wrap-around support. Councillor Eaves responded that support was available for those in need and added that the Council would be sensitive to the fact that the system was new to residents. However, most people should adapt quickly.

Councillor Brerton added that, although some sections of the public were against food waste collection, the feedback received locally on social media had been mostly positive. This comment was echoed by Councillor Khan. The Leader was pleased to note that the caddies were now being rolled out to all residents. Councillor Eaves summed up by stating that any negative feedback had been outweighed by the positive comments received and that, overall, the scheme was the right thing to do for the environment.

Approval of the report was not deemed a key decision.

Reasons for Decision

Section 57 of the Environment Act 2021 had named food waste as a recyclable waste stream for the first time. It also stated that recyclable household waste which was food waste must be collected at least once per week.

Further guidance from the Government had stated that the provision of food waste collections had to be in place by 1st April 2026 for each local authority in England.

To help facilitate this the Department for Environment, Food and Rural Affairs (Defra) had provided some funding to help local authorities with the cost of introducing and continuing with food waste collections. There were three tranches of funding: capital funding for the procurement of vehicles and containers, transitional funding to roll out food waste containers and information about collections and revenue funding to pay for the future costs of food waste collections.

To date Defra had provided local authorities with the capital funding and the transitional funding. The revenue element had been included in the financial settlement for the financial years 2026/27 and beyond.

Lancashire County Council, as waste disposal authority, had informed district councils that they intended to process food waste via anaerobic digestion rather than in-vessel composting. As such, food waste could not be mixed with green waste and would have to be collected separately. This would mean each household would need a kitchen caddie for food waste collection and a kerb side caddie to facilitate the collection of food waste by Waste Services collection crews.

The Council (as collection authority) would provide a kitchen caddie and kerb side caddie to each household in the Borough. In addition, the Council would provide each household with a roll of food waste bags to line the kitchen caddie, as lining the kitchen caddie with a food waste bag made recycling food waste more convenient as well as more hygienic for the resident.

The Council would deliver a kitchen caddie, kerbside caddie, roll of food waste bags and a calendar/information leaflet to each household in the Borough during January and February 2026. Food waste collections would then start on 1st April 2026.

To facilitate the collection of food waste the Council had ordered some new collection vehicles. These new vehicles would allow the Council to collect food waste at the same time as collecting waste and recycling from residents. As food waste had to be collected each week, this meant food waste would be put out for collection at the same time and on the same day as residents' wheelie bin collection for that week (whether it be grey, brown or blue wheelie bin).

As stated in Paragraph 3.5 of the report, Lancashire County Council as disposal authority had advised that the disposal method for food waste was via anaerobic digestion (AD) units. For AD units to work properly part of the process required food waste bags to be removed before the food waste went into the AD plant. As such bio-degradable bags were not necessary and the Council had purchased recycled plastic food waste bags instead.

Alternative Options Considered and Reasons for Rejection

Not to introduce food waste collections on 1st April 2026. This had been rejected because it was a legal requirement set out in the Environment Act 2021 and on average 25% of grey bin waste was food waste, so recycling food waste reduced the amount of non-recyclable waste going to landfill or being incinerated.

Resolved - **That Cabinet notes the report on the introduction of food waste collections.**

283 Fixed Penalty Notice Charges

Members considered a report of Councillor Stewart Eaves, Portfolio Holder for Environmental Services, seeking approval to increase the fines for breaching section 33(1)(a) of the Environmental Protection Act 1990 (fly tipping on public land) and for breaching section 46(1), (3)(c), or (d), or (4) of the Environmental Protection Act 1990 (not using the correct waste receptacles when disposing of waste which was a section 46 requirement)

Councillor Eaves gave a brief introduction to the report noting that the proposals had taken some 12 months to finalise and outlining the increases to the fines for the different types of breaches indicated.

Councillor Munsif Dad welcomed the proposals. Councillor Pritchard spoke about the impacts of fly tipping on certain wards and noted that despite the best efforts of the Waste Services Team to clean up after these incidents, illegally dumped litter reappeared on almost a daily basis. Councillor Fisher also welcomed the new charges and enquired about how the changes were being communicated to the public. Councillor Eaves responded that he would work with the Council's Communications Manager to provide some appropriate publicity. Members noted that there had been a short feature on the BBC regional news yesterday, which had highlighted increased penalties in both Hyndburn and Sefton Councils.

Councillor Zak Khan confirmed his support for penalising offenders and for publicising the increased fines in order to deter potential offenders. However, he was concerned that criminals would find a way to circumvent these measures. Before issuing fixed penalty notices, first the Council would need to collect sufficient evidence. He agreed that the Waste Services Team did a good job, but asked if more support could be made available, for example:

- There were only 2 enforcement officers for the Borough. Should additional staffing be provided?
- Where did the fines income go and could this be used in a way which deterred further fly tipping?
- As noted at Minute 280 above, Waste Service currently had a £61k underspend. Hyndburn residents might prefer this to be spent. Could this be utilised to deter fly tipping?

Councillor Eaves responded that the controlling administration would continue to consider a wide range of options to deter fly tipping. He had already looked into the possible employment of another enforcement officer, but recruitment was likely to be problematic due to uncertainties around local government reorganisation. The Leader of the Council confirmed that any income received from fines would be invested back into the Waste Services Team.

Approval of the report was not deemed a key decision.

Reasons for Decision

Hyndburn Borough Council had for many years had a proactive approach to the waste and recycling collection service provided to Borough residents.

Recycling was important because it conserved natural resources, saved energy, reduced pollution and reduced the amount of waste sent to landfill or incinerated.

The Council's Waste Services Team was the most efficient district Council in Lancashire for the collection of dry recyclate (glass, cans, plastic, paper and cardboard) having a 26% recycling rate for those items.

In addition to collecting glass, cans, plastic, paper and cardboard directly from residents, the Council also collected green waste, batteries and textiles. On 1st April 2026 the Council would start to collect food waste directly from residents adding another recycling stream.

Hyndburn also had a free bulky waste collection service whereby residents either rang the Council to book a collection or booked online. The Council would collect bulky waste items directly from residents' properties and collected items such as sofas, arm chairs, mattresses, fridges, freezers, electrical items, metal items and wooden items. They were collected because bulky waste items could be recycled to differing degrees.

During financial year 2024/25 Waste Services had handled 9,346 bulky waste jobs and collected 16,889 bulky waste items for free directly from residents' properties. However, despite the bulky waste service being available during the same period (i.e. from April 2024 to March 2025) there had been 2,631 reported incidents of fly tipping in Hyndburn. While this number had been a 10% reduction of incidents from the previous year, it was still too many.

The 2,631 incidents varied from single black bags to loads tipped off a vehicle. However, in general there were two main types of fly tipping in the Borough. Firstly, dumped items or black bags full of waste being left in back streets, and secondly fly tipped loads tipped off the back of vehicles.

Waste enforcement staff went out on a daily basis to deal with fly tipping and waste items being dumped in black bags. During the financial year 2024/25 waste enforcement staff had issued 1,159 advice notices, 512 targeted letters, 292 warning letters and issued 87 Fixed Penalty Notices. The current level of fixed penalty notice (FPN) issued in Hyndburn was £75 for a breach of a section 46 requirement of the EPA 1990 (typically leaving waste out in black bags as opposed to using the correct waste receptacles) and £400 for breach of section 33 (1)(a) of the EPA 1990 (larger fly tipping incidents).

However, despite each household having waste and recycling bins which were collected regularly and a free bulky waste collection service which would collect waste directly from

residents' properties there were still a significant number of fly tipping incidents in the Borough. It was believed that the level of FPN was inadequate to act as a deterrent to stop people from not adhering to the law.

The Council had some discretion as to what level the FPN was set at and since 1990 when the EPA was first introduced the upper level of fine had increased. It was therefore proposed that the Council increased its current level for FPNs as follows:

- (i) That for breaching a section 46 requirement of the EPA 1990 the FPN value be increased to £80 per incident (the maximum amount allowed);
- (ii) That for breaching section 33 (1)(a) of the EPA 1990 the FPN value be increased to £1,000 per incident (the maximum amount allowed)

Alternative Options Considered and Reasons for Rejection

To leave the FPN value at their current levels. This was not recommended as the current levels were not acting as a deterrent to stop people fly tipping or dumping waste in black bags.

Resolved

(1) That Cabinet notes the report.

(2) That Cabinet increases the fines for breaches of section 33(1)(a) and section 46 requirements of the Environmental Protection Act 1990 (EPA 1990) as set out in Paragraph 3.10 of the report.

284 Equality and Diversity Strategy 2026-30

Members considered a report of Councillor Ethan Rawcliffe, Portfolio Holder for People and Communities, seeking approval for the adoption of the Equality and Diversity Strategy 2026-2030.

In the absence of Councillor Rawcliffe, Councillor Kimberley Whitehead, Deputy Leader and Portfolio Holder for Culture, Heritage and Sport, gave a brief introduction to the report. She noted that the strategy had last been reviewed in 2020 and that there was now an opportunity to update elements of the document, particularly in the light of data from the 2011 Census. The strategy provided a framework for decision making and would embed equality across the evaluation of major projects and day to day services. The strategy was not just about legal compliance, but was about the Council being fair and effective.

Members welcomed the strategy. Councillor Fisher spoke of her experience of a close family member with ADHD who was often labelled as 'naughty' during her childhood. Hyndburn's strategy would recognise such neurodivergence. Councillor Dad highlighted the Council's recognition and adoption of definitions for antisemitism and islamophobia, noted at Section 3.5 of the strategy.

Councillor Khan commented that the strategy was a core document, but had been in need of an update as Hyndburn's demography had changed over time. In particular, he noted the 5% increase in the ethnic minority population and the better understanding of disability leading to increasing numbers of residents and staff identifying themselves as having a disability. However, he did express some scepticism about impact of the strategy alone. The Actions set out at Section 9 of the strategy tended to focus on monitoring and training. He expressed a desire to understand what outcomes would be achieved, such as what the

document might mean in practice for someone who was disabled, or gay, or from the ethnic minority population and whether community cohesion be enhanced. Overall, he believed that the Borough was harmonious, as had been evident following the stabbings and deaths in Southport in July 2024.

Councillor Pritchard also noted the increasing numbers of residents with a disability and commented that disability covered a wide range of conditions. There were many disabled people in work. The Borough had a good record of cohesion and inclusivity, but sometimes it was difficult for neurodivergent individuals to feel included. She welcomed the revised strategy and the Council's track record on equality and diversity.

Councillor Whitehead added that the strategy was not a comprehensive list of all the work taking place around inclusivity. It was part of many other Council strategies and was embedded in other activities too. The wider outcomes were reported to overview and scrutiny. She agreed that no strategy should be produced just for the sake of it, but should lead to real outcomes.

The Leader of the Council summed up by noting that there would be challenges within the Borough from time to time. The incident in Southport had tested community cohesion nationally and locally. In Hyndburn, diverse groups had come together to maintain good relationships. The Council had a proactive approach to equality and diversity and Hyndburn was a cohesive community.

Approval of the report was not deemed a key decision.

Reasons for Decision

The Council's previous Equality and Diversity Strategy had covered the period 2020-2025. This new strategy updated the authority's approach for 2026-2030 and reflected significant changes in both the local context and the legislative landscape.

The strategy was underpinned by comprehensive 2021 Census data, which provided an up-to-date picture of Hyndburn's diverse communities. Key demographic changes since the 2011 Census included:

- Population growth to 82,234 residents;
- Increase in ethnic minority population from 12.3% to 17.3%;
- Significant increase in residents aged 65+ from 12,809 to 15,006;
- 20.8% of residents were disabled under the Equality Act.

The strategy incorporated recent legislative developments including the Worker Protection (Amendment of Equality Act 2010) Act 2023, which had come into force in October 2024 and placed enhanced duties on employers to prevent sexual harassment, and the Domestic Abuse Act 2021.

New content in this strategy included recognition of neurodiversity and neurodivergence, reflecting growing understanding of conditions such as autism, ADHD, dyslexia and dyspraxia. The strategy also addressed contemporary challenges including digital exclusion, the ongoing impacts of the cost-of-living crisis on residents with protected characteristics, and the need to embed equality considerations in major regeneration projects.

The strategy maintained the Council's established approach of using Customer First Analyses (the authority's equality impact assessment process) to ensure equality

considerations were embedded in decision-making. It set out specific actions covering areas including workforce monitoring, training, accessibility, hate crime awareness, support for refugees and asylum seekers, and monitoring of service delivery.

The Public Sector Equality Duty under the Equality Act 2010 required the Council to have due regard to eliminating prohibited conduct, advancing equality of opportunity, and fostering good relations between people who shared protected characteristics and those who did not. This strategy demonstrated how the Council would meet these duties across all its functions including employment, service delivery, budget setting, procurement and regulatory activities.

Alternative Options Considered and Reasons for Rejection

The Council could choose not to adopt a refreshed strategy and continue operating under the 2020-2025 strategy. This option was rejected as the previous strategy was now out of date. Failing to update the authority's strategy would not demonstrate its commitment to equality and diversity or support effective compliance with the Public Sector Equality Duty.

- Resolved**
- **That Cabinet approves the Equality and Diversity Strategy 2026-2030 as set out at Appendix 1 to the report.**

Signed:.....

Date:

Chair of the meeting
At which the minutes were confirmed

Agenda Item 5.

REPORT TO:	Cabinet		
DATE:	18 February 2026		
PORTFOLIO:	Councillor Munsif Dad BEM JP - Leader of the Council		
REPORT AUTHOR:	Adam Birkett, Head of Planning and Transportation		
TITLE OF REPORT:	Biodiversity Duty Report		
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 The Environment Act 2021 introduced a strengthened 'biodiversity duty' requiring all public authorities in England to consider what they can do to conserve and enhance biodiversity. Local authorities and local planning authorities are required to publish a biodiversity report which sets out how they will comply with this duty and the actions they can take. Thereafter, authorities must publish an updated report within 5 years of the end date of the previous reporting period.
- 1.2 The end date of the first reporting period should be no later than 1 January 2026, and the report must be published within 12 weeks of the period's end. Therefore, for a reporting period ending 1 January 2026, the publication deadline is 26 March 2026

2. Recommendations

- 2.1 That Cabinet approves the Biodiversity Duty Report for publication in accordance with the requirements of the Environment Act 2021.
- 2.2 That Cabinet delegates authority to the Head of Planning and Transportation to make minor amendments to the Council's Biodiversity Duty Report in consultation with the Portfolio Holder.

3. Reasons for Recommendations and Background

- 3.1 The Council has a statutory duty to conserve and enhance biodiversity (habitats and species) as set by the Environment Act 2021 and the amended Natural Environment and Rural Communities Act 2006 (NERC Act). This is known as 'the biodiversity duty'.

- 3.2 A key effect of the Environment Act was to amend S40 of the NERC Act from a duty to “conserve’ to a requirement to both ‘conserve’ and ‘enhance’, with the aim to provide for the enhancement or improvement of biodiversity, not just its maintenance in its current state.
- 3.3 To comply with the Biodiversity Duty the Council as a public authority, must
- Consider what it can do to conserve and enhance biodiversity.
 - Agree policies and specific objectives based on its consideration.
 - Act to deliver its policies and achieve its objectives.
 - Report on its biodiversity duty actions.
- 3.4 Government guidance provided advice on complying with the duty and reporting on this compliance. The end date of the first reporting period is stated as ‘no later than 1st January 2026’.
- 3.5 The Council must publish a Biodiversity Duty Report within 12 weeks of the period’s end to inform progress on actions taken. Therefore, for a reporting period ending 1 January 2026, the publication deadline is 26 March 2026.
- 3.6 The end date of subsequent reporting periods should be no later than 5 years after the end of the previous reporting period i.e. the next reporting window will close no later than 1 January 2031.
- 3.7 By law, the report must include:
- a summary of the action the Council has taken to comply with the biodiversity duty
 - how the Council plans to comply with the biodiversity duty in the next reporting period
 - any other information the Council considers appropriate
- 3.8 Reports from local planning authorities must also include the following biodiversity net gain (BNG) information:
- the actions the Council has taken to meet BNG obligations
 - details of BNG resulting, or expected to result, from biodiversity gain plans the Council has approved
 - how the Council plans to meet BNG obligations in the next reporting period
- 3.9 The attached Biodiversity Duty Report (Appendix 1) has followed advice provided by Defra to define its structure and content.
- 3.10 The Biodiversity Duty Report summaries the actions the Council has taken to comply with the biodiversity duty and demonstrates that the Council has existing policy, strategy and practices that meet this duty.

Examples include:

- The Council's Corporate Strategy prioritises making the Council's activities and operations Net Zero by 2030 and promotes making the most of the natural environment through enhancement of habitats, positive land management and partnership working.
- The Council's Development Plan, comprising the Hyndburn Core Strategy (2012), Development Management DPD (2018), Accrington Area Action Plan and emerging Local Plan 2040, contains policies that seek to conserve and enhance biodiversity.
- Undertaking of woodland planting initiatives on Council owned and privately owned land in the Borough.
- Positive management of existing nature reserves and woodlands (e.g. Brookside (Bury Meadows) and Bullough Park).
- Implementation of differential mowing regimes in the Council's parks, with areas left to rewild and work scheduled to remove dead, dying, diseased or otherwise dangerous trees and their replacement on Council owned land.

3.11 Separate to the Biodiversity Duty, The Environment Act introduced a mandatory requirement for a minimum of 10% 'Biodiversity Net Gain' (BNG) from major development sites from 12th February 2024 and for small sites from 2nd April 2024 (amended from November 2023). This requires new developments to leave the natural environment in a better state than beforehand. Developers must deliver a minimum 10% increase in biodiversity value compared to the pre-development habitat, aiming to enhance ecological connectivity and create habitats.

3.12 BNG is measured using Defra's biodiversity metric and is managed and secured through the planning process. Officers have, and will continue to, work constructively with developers to ensure that developments avoid the most harmful impacts, ensure that unavoidable harm is adequately mitigated, and that on-site biodiversity is integrated and enhanced as part of good design principals.

3.13 Aligned with the Biodiversity Duty and Biodiversity Net Gain requirements, the Council completed Biodiversity Baseline Assessments for all sites allocated for development within the emerging Local Plan 2040 which will cover the period 2021 to 2040. The Local Plan allocates land for housing and employment development in the Borough to meet identified needs. In summary, the assessments identified that:

- Based on the loss of all existing habitats on each site, development of the six employment sites would result in a loss of 442.21 habitat units and 13.04 hedgerow units.

- Based on the loss of all existing habitats on each site, development of the five gypsy and traveller sites would result in a loss of 11.51 habitat units and 0.35 hedgerow units.
- Development of the nineteen housing sites would result in the loss of 782.81 habitat units and 19.82 hedgerow units.

3.14 This indicative habitat baseline provides an opportunity for the Council to predict the 'worst case' scenario loss of biodiversity due to development up to 2040. The Council is then able to estimate the amount of 'habitat gain sites' that may be required within the Borough to offset the estimated biodiversity net loss.

3.15 A habitat gain site (or Biodiversity Gain Site) is a designated area of land, registered with Natural England, specifically developed or enhanced to create a measurable increase in biodiversity value. These sites, often secured for at least 30 years via legal agreements (e.g. s106 or conservation covenants), provide "biodiversity units" to compensate for habitat loss elsewhere.

3.16 In the event that developments (or developers) are unable to achieve the required 10% Biodiversity Gain Site on-site (or off-site on their own land), landowners, including the Council, can register their land as 'habitat gain sites' where the resultant biodiversity units can be sold to developers or other entities needing to compensate for habitat loss on their development sites.

3.17 The Council has considered its own land assets, with a view to creating local habitat gain sites. The Council has assessed 29 Council-owned sites, and completed 29 Habitat Management and Monitoring Plans, one for each site.

3.18 In summary the total number of baseline habitat units was 2,256.54 and 5.68 hedgerow units. Habitat creation and enhancement over a 30-year period could result in an increase of 718.62 habitat units and 9.32 hedgerow units.

3.19 Further work is ongoing to investigate the potential to register Council-owned habitat gain sites, although the mechanism to register sites is complex and the demand for biodiversity units must first be established.

4. Alternative Options considered and Reasons for Rejection

4.1 No alternative options have been identified. Failure to publish a Biodiversity Duty Report would mean the Council is failing in its legal duty.

5. Consultations

5.1 Consultation has taken place with the Council’s Environmental Initiatives Team and Corporate Policy Team.

6. Implications

Financial implications (including any future financial commitments for the Council)	N/a
Legal and human rights implications	These are set out in paragraph 3 above.
Assessment of risk	Not to approve the publication of the appended Biodiversity Duty Report would mean the Council is not fulfilling its legal duty.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	Not applicable as no new policy or service change is proposed.

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

7.1 Defra guidance [‘Reporting your biodiversity duty actions’](#) and [‘Complying with the biodiversity duty’](#).

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.



Hyndburn
Borough Council

Biodiversity Duty Report

March 2026

1. Introduction

- 1.1. Biodiversity, defined as the variety of all living organisms and the ecosystems of which they are part, underpins environmental resilience, climate adaptation, public health, and economic wellbeing. The natural environment within and surrounding Hyndburn is one of its key assets and provides essential ecosystem services including flood mitigation, urban cooling, carbon storage, recreation, and wellbeing benefits.
- 1.2. Under the Environment Act 2021, all public authorities in England are subject to a strengthened Biodiversity Duty, requiring them to consider what action they can take to conserve and enhance biodiversity in the exercise of their functions.
- 1.3. This document constitutes Hyndburn Borough Council's first Biodiversity Net Gain Duty Report and covers the period 1 January 2023 to 1 January 2026 and is split into three sections:

Section 2: The Council's policies, objectives and actions to enhance and conserve biodiversity and what it has delivered

Section 3: The Council's future actions

Section 4: Biodiversity Net Gain (BNG) information

- 1.4. Section 40A of the Natural Environment and Rural Communities Act 2006 (as amended by the Environment Act 2021) places a duty on public authorities to:
 - Consider what actions they can take to conserve and enhance biodiversity
 - Have regard to relevant national strategies, including the Environmental Improvement Plan
 - Periodically report on actions taken to comply with the duty
- 1.5. The duty is ongoing and applies across all functions of the authority. Section 103 of the Environment Act states that local authorities will be required to publish biodiversity reports, which summarise the action taken to comply with the duty, and a summary of the authorities' plans for complying with the duties over a period of five years.

- 1.6. Action that the Council takes for biodiversity will contribute to the achievement of national goals and targets on biodiversity. The Environment Improvement Plan published in January 2023, sets out government plans for significantly improving the natural environment. By 2030, the government has committed to:
- Halt the decline in species' abundance.
 - Protect 30% of UK land.
- 1.7. By 2042, the government has committed to:
- Increase species' abundance by at least 10% from 2030, surpassing 2022 levels.
 - Restore or create at least 500,000 ha of a range of wildlife rich habitats.
 - Reduce the risk of species' extinction.
 - Restore 75% of our one million hectares of terrestrial and freshwater protected sites to favourable condition, securing their wildlife value for the long term.

2. The Council's policies, objectives and actions

- 2.1. Whilst the publication of biodiversity reports is a new requirement, the Council does have several existing initiatives, strategies and policies that show how we are, and will continue to, meet the biodiversity duty.
- **Hyndburn Development Plan** - comprising the Hyndburn Core Strategy (2012), Development Management DPD (2018), Accrington Area Action Plan and emerging Local Plan 2040, contain a number of policies that seek to conserve and enhance biodiversity.
 - **Hyndburn Corporate Strategy** - prioritises making the Council's activities and operations Net Zero by 2030 and promoting making the most of the natural environment through enhancement of habitats, positive land management and partnership working.

- **Draft Climate Strategy and Action Plan** – builds on the requirements of the Corporate Strategy, setting out specific actions necessary to deliver priorities.
- 2.2. The recently published Lancashire Local Nature Recovery Strategy (LNRS) will be taken into account when considering the Council's future actions for conserving and enhancing biodiversity.
 - 2.3. LNRSs identify areas where habitat creation, restoration or enhancement would be most beneficial for nature recovery and wider environmental outcomes. In particular, the LNRS will be a 'material consideration' in the planning system when determining planning applications and must be considered during the preparation of future Local Plans for the Borough.
 - 2.4. Table 1 below sets out the Council's objectives and actions taken during the reporting period to conserve and enhance biodiversity in the exercise of their functions.

Table 1: Council's actions to enhance and conserve biodiversity

Ref	Objective	Action	Work Completed
O1	Embed biodiversity in decision-making	Ensure biodiversity considerations are integrated across Council policies, strategies, and decisions.	<p>A Scrutiny Green Review and a Climate Net Zero Working Group were established to increase transparency and gain momentum for the green agenda.</p> <p>The Council are part of a Lancashire-wide climate officers working group to understand best practice and learn from other authorities.</p>
		Provide training and resources for Councillors and Council employees about Biodiversity Net Gain and nature recovery.	Planning Officers have attended webinars, in-person training and bespoke training on BNG insofar as it relates to applications for planning permission.
O2	Improve evidence and monitoring	Develop a proportionate biodiversity baseline and monitoring approach	Baseline assessments have been produced for the emerging Local Plan site allocations and additional enhancement sites.
		Revise planning validation requirements to take account of BNG	<p>A revised Validation Checklist was consulted on for a period of 6 weeks in Spring 2025 and was adopted for Development Management purposes in June 2025.</p> <p>The Validation Checklist sets out requirements additional to the minimum statutory BNG information requirements.</p>
		Take the Local Plan through to adoption in 2026, incorporating support for the enhancement of biodiversity in the spatial vision,	The Local Plan has been subject to several stages of public consultation between 2018 and 2024. Following approval by Council, it was submitted to the Secretary of State for examination in March 2025. An independent Inspector was appointed to examine the Plan,

Ref	Objective	Action	Work Completed
		key objectives, strategic planning and development management policies.	and Public Hearing Sessions were held between 16 and 25 September 2025. There remains the requirement to undertake consultation on the 'Main Modifications' to the Plan and to formally adopt subject to the Inspector's final report.
		Establish a baseline value for biodiversity on the main areas of council owned land and consider how to enhance its biodiversity value going forward.	<p>The Council engaged ecological consultants to undertake baseline assessments of the emerging Local Plan site allocations and additional enhancement sites in 2024.</p> <p>On the enhancement sites, the assessments will form the basis of further discussions relating to the identification of BNG receptor sites. They will also be used to inform applicants of biodiversity enhancement opportunities on allocated development sites.</p>
O3	To Make the Council's Activities and Operations Net Zero by 2030	Carry out annual carbon footprint studies and deliver on energy reduction / carbon insetting across all Council activities.	The Council commissioned One Carbon World to carry out a Carbon footprint study to help identify the Council's carbon emissions and was awarded the One Carbon World Carbon Neutral Gold Standard.
		Remove fossil fuel from Council owned assets focussing on high emitters and buildings at risk, such as the Market Hall.	<p>Successful Public Sector Decarbonisation Scheme funding bid, used to decarbonise the Leisure Centre, Scaitcliffe House and part of the Crematorium by up to 74% of their carbon emissions.</p> <p>By securing £2.3 million investment from the Public Sector Decarbonisation Scheme together with capital investment, the Council has successfully decarbonised the three highest emitting buildings: Scaitcliffe House (Co2 emissions by 67%), Hyndburn Leisure Centre (by 71%) and the Cemetery (by 10%).</p>

Ref	Objective	Action	Work Completed
			<p>Since 2022, the Council has decarbonised a number of buildings including the Leisure Centre and moved over to a 100% green renewable energy tariff for the remaining buildings. This has resulted in zero carbon emissions from electricity usage.</p> <p>The Council has converted 54 council vehicles (including bin lorries) from diesel fuel to Hydro-treated vegetable oil (HVO). The change will see up to a 90% reduction in Co2 emissions from the vehicles, meaning cleaner air for the local community and a smaller carbon footprint for the Council.</p>
		Prepare for and implement food waste collections.	Food waste collections will become mandatory from 1 April 2026.
		Implement BNG requirements into planning decisions, as required by the Environment Act 2021.	Statutory BNG requirements came into effect in Spring 2024 and all planning applications have since been determined in accordance with the requirements of the legislation.
		Promote and protect our green open spaces including our Green Flag accreditations to enable our communities to enjoy and participate in natural spaces.	The Council support sustainable actions such as not using pesticides in green flag parks, harvesting rainwater, use of natural oil in chainsaws, recycle green waste, recycle all paper, cardboard, plastic containers, tin and glass, allow areas to be re-wilded, replace old petrol tools with new electric tools, replace felled trees.

Ref	Objective	Action	Work Completed
			<p>Community planting of new wildflower meadow at Cutwood Park, Rishton.</p> <p>Implementation of differential mowing regimes in the Council's parks, with areas left to rewild.</p> <p>Work schedule to remove dead, dying, diseased or otherwise dangerous trees and their replacement on Council owned land.</p>
O4	To Protect and Enhance Green Open Spaces and the Natural Environment	Plant a tree for every household in Hyndburn (30,000 plus) and scale up woodland coverage from 9% to 12% across the borough for flood management and habitat connectivity.	<p>Over 14,000 trees planted on Council land between 2022 and 2025. External grants of around £150k have been secured for the costs of planting and other enhancements.</p> <p>Nearly 15,000 trees planted on privately owned land since 2023. External investment of some £176k has been secured from Woodland Trust and Countryside Stewardship.</p>
		Deliver Biodiversity Net Gain by creating and enhancing habitats in association with new development and ensuring the natural environment is left in a measurably better state than it was prior to development.	The Council funded natural solutions programmes delivered by external organisations (2x woodland programmes and river regeneration)
		Ensure the positive management and enhancement of nature reserves and woodlands,	The Council acquired the green site, Brookside (known locally as Bury Meadows), at the end of 2022 to tackle and achieve radical climate changes by improving biodiversity, habitat recovery and

Ref	Objective	Action	Work Completed
		including Brookside and Bullough Park.	<p>carbon capture throughout the site. Initial improvements and master planning work is underway.</p> <p>Upgrades to Bullough Park are underway, including wetland and woodland creation.</p> <p>The Council has created 3 Local Nature Reserves (LNR's) in Hyndburn, 2 of these being the biggest in the whole of Lancashire. These include Peel Park & the Coppice LNR and Woodnook Vale LNR in Accrington.</p>
		Identify potential sites on Council owned land which could be used as BNG receptor sites, engaging with Lancashire County Council, LNRS partners, and local stakeholders.	Early stage of consideration, with initial discussions taking place with Lancashire Wildlife Trust.
		Engage with landowners to encourage them to register their land on the National BNG Register to support the provision of BNG opportunities in the Borough.	None to date.
		Participate in the production of the Local Nature Recovery Strategy (LNRS) for Lancashire,	Lancashire County Council published the LNRS on Friday 16 January 2026 and it is now a material consideration in the determination of planning applications.

Ref	Objective	Action	Work Completed
		alongside other local and unitary authorities.	
		Peat Restoration Programme	Desk study and landowner contact completed which has identified 220 hectares of land that may have peat soils. Next stage is detailed landowner discussions and soil testing to explore the capacity for peat restoration work.

3. The Council's future actions

- 3.1. The following is a list of actions the Council aims to undertake over the next monitoring period which should be no later than 5 years after the end of the previous reporting period (so by 1st January 2031). The inclusion of actions at this stage does not mean that any firm commitment has been made, but signals that these actions will be considered and reviewed as part of the Council's Biodiversity Duty.
- 3.2. It should be noted that Lancashire will shortly be undergoing Local Government Reorganisation (LGR). The government plans to replace the current two-tier system of district and county councils with new unitary authorities - single councils responsible for all local services. The new councils taking over all services from 1 April 2028.

Table 2: Council's future actions

Prepare and adopt a Biodiversity Strategy and Action Plan
Embed biodiversity considerations within governance and reporting structures
Implement of Masterplan proposals at Brookside, including grant bid submissions.
Expansion of differential mowing regime to other Council parks.
New locations for tree planting to be identified and planting implemented on Council land.
Further woodland planting schemes to be discussed with private landowners – planting schemes with 4 farms currently under discussion.
Further investigation into registration of Council land as BNG receptor sites.
Progression of the Peat Restoration Programme (completion of testing and development of delivery programme).
River regeneration scheme developed to conceptual design stage - consideration to be given to funding and delivery options.

4. Biodiversity net gain information

- 4.1. Separate to the Biodiversity Duty, The Environment Act introduced a mandatory requirement for a minimum of 10% 'Biodiversity Net Gain' (BNG) from Major development sites from 12th February 2024 and for small sites

2nd April 2024 (amended from November 2023) and Nationally Significant Infrastructure Projects from May 2026 to ensure that new developments enhance biodiversity and create new green spaces for local communities to enjoy. BNG is measured using Defra's biodiversity metric.

- 4.2. The Council has, and will continue to, work constructively with developers to ensure that developments avoid the most harmful impacts, take account of the Biodiversity Gain Hierarchy, ensure that unavoidable harm is adequately mitigated, and that on-site biodiversity is integrated and enhanced as part of good design principals, taking into account the LNRS for Lancashire.
- 4.3. During 2024 the Council completed Biodiversity Baseline Assessments for all sites allocated for development within the emerging Local Plan 2040 which will cover the period 2021 to 2040. The Local Plan allocates land for housing and employment development in the Borough to meet identified needs. In summary, the assessments identified that:
 - Based on the loss of all existing habitats on each site, development of the six employment sites would result in a loss of 442.21 Habitat units and 13.04 Hedgerow units.
 - Based on the loss of all existing habitats on each site, development of the five gypsy and traveller sites would result in a loss of 11.51 Habitat units and 0.35 Hedgerow units.
 - Development of the nineteen housing sites would result in the loss of 782.81 Habitat units and 19.82 Hedgerow units.
- 4.4. This indicative habitat baseline provides an opportunity for the Council to predict the 'worst case' scenario loss of biodiversity due to development up to 2040. In consideration the Council is able to estimate the amount of 'habitat banks' that may be required within the Borough to account for the estimated biodiversity net loss.
- 4.5. The Council has considered its own land assets, with a view to creating local habitat banks. The Council has assessed 29 Council-owned sites, and completed 29 Habitat Management and Monitoring Plans, one for each site. In summary the total number of baseline habitat units was 2,256.54 and 5.68 hedgerow units.

- 4.6. Habitat creation and enhancement over a 30-year period could result in an increase of 718.62 habitat units and 9.32 hedgerow units. It was found that 3 sites would create the greatest habitat value uplift:
- Peel Park and the Coppice (+163.29 Habitat Units)
 - Woodnook Vale (+114.89 Habitat Units)
 - Brookside (+97.81 Habitat Units)
- 4.7. Further work is ongoing to investigate the potential to register Council-owned BNG gain sites.

Biodiversity Net Gain – Statistics

- 4.8. The following tables provide a summary of eligible planning permissions granted under the Town and Country Planning Act 1990 requiring biodiversity net gain during the report period, and details of BNG resulting, or expected to result, from biodiversity gain plans that the Council has approved.
- 4.9. As set out in the BNG The Biodiversity Gain Requirements (Exemptions) Regulations 2024, there are several exemptions to the mandatory requirements. This includes:
- Development below a de minimis threshold
 - Householder Development
 - Biodiversity Gain Sites
 - Small Scale Self-Build and Custom Housebuilding
- 4.10. From the date on which the mandatory BNG requirements came into force (Major development sites from 12th February 2024 and for small sites 2nd April 2024), the Council has granted a total of 27 planning applications to which the mandatory BNG requirements apply. In such circumstances, the developer must create a 'biodiversity gain plan' that shows how BNG will be achieved.
- 4.11. During this period, only 1 Biodiversity Gain Plan has been approved.

Table 3: The number of eligible planning permissions granted under the Town and Country Planning Act 1990 requiring biodiversity net gain

	Jan – Dec 2024	Jan – Dec 2025	Total
Total number of planning permissions granted in the reporting period where an exemption to the biodiversity net gain condition applies	103	99	202
Total number of planning permissions granted that require biodiversity net gain in the reporting period	11	16	27
Total number of biodiversity gain plans approved in the reporting period	0	1	1
Total number of biodiversity gain plans approved in the reporting period securing BNG through on-site units only	0	1	1
Total number of biodiversity gain plans approved in the reporting period securing BNG through off-site units only	0	0	0
Total number of biodiversity gain plans approved in the reporting period securing BNG through statutory credits only	0	0	0
Total number of biodiversity gain plans approved in the reporting period securing BNG through a combination of on-site and off-site units	0	0	0
Total number of biodiversity gain plans approved in the reporting period securing BNG through a combination of on-site units and statutory credits	0	0	0
Total number of biodiversity gain plans approved in the reporting period securing BNG through a combination of off-site units and statutory credits	0	0	0
Total number of biodiversity gain plans approved in the reporting period securing BNG through a combination of on-site, off-site units and statutory credits	0	0	0
Number of Biodiversity Gain Plans approved that are meeting monitoring requirements and habitat delivery expectations for 'significant' on-site gains	0	N/A Habitat creation not yet completed.	N/A Habitat creation not yet completed.

Table 4: The overall expected gains and losses from biodiversity gain plans approved during the reporting period

Overall expected gains and losses	Area Total or Average	Hedgerow Total or Average	Watercourse Total or Average
Total number of pre-development biodiversity units approved on-site broken down by area/hedgerow/watercourse	0.10	0.00	0.00
Total number of post-development biodiversity units approved on-site broken down by area/hedgerow/watercourse	0.11	0.12	0.00
Total net unit change in biodiversity units, on-site broken down by area/hedgerow/watercourse	0.01	0.12	0.00
Average percentage (%) change in biodiversity units, on-site	11.94	Cannot be calculated	0.00
Total number of baseline biodiversity units approved off-site broken down by area/hedgerow/watercourse	0.00	0.00	0.00
Total number of post-intervention biodiversity units approved off-site broken down by area/hedgerow/watercourse	0.00	0.00	0.00
Total net unit change in biodiversity units, off-site broken down by area/hedgerow/watercourse	0.00	0.00	0.00
Average percentage (%) change in biodiversity units, off-site	0.00	0.00	0.00
Total number of biodiversity units offset using statutory credits broken down by area/hedgerow/watercourse	0.00	0.00	0.00
Total net unit change in biodiversity units (including any units offset using credits)	0.00	0.00	0.00
Average percentage (%) change (including statutory credits)	0.00	0.00	0.00

Table 5: The composition of gains split by area habitat type

Habitat Type - Area	Total biodiversity units at baseline	Total hectares at baseline	Total biodiversity units post - development	Total hectares post - development	Net change in biodiversity units	Net change in hectares
Cropland	-	-	-	-	-	-
Grassland	0.10	0.05	0.07	0.01	-0.03	-0.04
Heathland and Scrub	-	-	-	-	-	-
Lakes	-	-	-	-	-	-
Sparsely Vegetated Land	-	-	-	-	-	-
Urban	0.00	0.00	0.00	0.04	0.00	0.04
Wetland	-	-	-	-	-	-
Woodland and Forest	-	-	-	-	-	-
Intertidal sediment	-	-	-	-	-	-
Coastal Saltmarsh	-	-	-	-	-	-
Rocky Shore	-	-	-	-	-	-
Coastal Lagoons	-	-	-	-	-	-
Intertidal Hard Structures	-	-	-	-	-	-
Watercourse footprint	N/A		N/A		N/A	
Individual Trees	0.00	0.00	0.04	0.01	0.04	0.01
Total	0.10	0.05	0.11	0.06	0.01	0.01

Table 6: The composition of gains split by hedgerow and line of trees type

Habitat type - hedgerows and lines of trees	Total biodiversity units at baseline	Total kilometres at baseline	Total biodiversity units post - development	Total kilometres post - development	Net change in biodiversity units	Net change in kilometres
Species-rich native hedgerow with trees - associated with bank or ditch	-	-	-	-	-	-
Species-rich native hedgerow with trees	-	-	-	-	-	-
Species-rich native hedgerow - associated with bank or ditch	-	-	-	-	-	-
Native hedgerow with trees - associated with bank or ditch	-	-	-	-	-	-
Species -rich native hedgerow	0.00	0.00	0.12	0.03	0.12	0.03
Native hedgerow - associated with bank or ditch	-	-	-	-	-	-
Native hedgerow with trees	-	-	-	-	-	-
Ecologically valuable line of trees	-	-	-	-	-	-
Ecologically valuable line of trees - associated with bank or ditch	-	-	-	-	-	-
Native hedgerow	-	-	-	-	-	-
Line of trees	-	-	-	-	-	-
Line of trees associated with bank or ditch	-	-	-	-	-	-
Non-native and ornamental hedgerow	-	-	-	-	-	-
Total	0.00	0.00	0.12	0.03	0.12	0.03

5. Conclusion

- 5.1. This Report demonstrates that Hyndburn Borough Council has given due regard to biodiversity in line with its statutory duty under the Environment Act 2021.

Agenda Item 6.

REPORT TO:		Cabinet	
DATE:		18 February 2026	
PORTFOLIO:		Councillor Clare Pritchard – Transformation and Town Centres	
REPORT AUTHOR:		Steve Riley, Executive Director (Environment)	
TITLE OF REPORT:		Market Trader Rent/Licence Fee Concessions	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. **Purpose of Report**

- 1.1 For Cabinet to consider continuing the support for market traders decanted into the temporary cabins on the market square through licence fee concessions and continuing the support provided to the Official Accrington Stanley Supporters Trust.

2. **Recommendations**

- 2.1 Cabinet approves the extension of the current 100% reduction of the rent and licence fees payable by market traders in the temporary market cabins on the town square until the cabins are removed from the town square for the Market Hall reopening, as detailed in paragraph 3.2 of the report.
- 2.2 Cabinet approves the extension to the current storage unit rents and service charges for the temporary storage units until the cabins are removed from the town square for the Market Hall reopening, as detailed in paragraph 3.2 of the report.
- 2.3 Cabinet notes the proposed rent and service charge concessions will reduce income levels for the market budget in the next financial year by circa £2,930 per month and it is unlikely any efficiency or other cost savings within the market service budget will offset this.
- 2.4 Cabinet approve the extension of financial support to the Official Accrington Stanley Supporters Trust, (OASST) as detailed in paragraph 3.4 of the report, in respect of their temporary unit within the Arndal Centre, to continue until the Market Hall reopening.

3. **Background**

- 3.1 The Council agreed to support those market traders temporarily relocated on the town square whilst the Market Hall redevelopment works were undertaken. A report presented in March 2025, saw Cabinet give approval to provide rent and licence fees concessions for 12 months from 1st April 2025 or until the temporary cabins are removed whichever comes first.

3.2 This 12-month agreement is coming to an end and this report proposes the Council maintains its zero-rent lease/fee charge for the temporary cabins with all other charges remaining as per the current concession levels. If approved by Cabinet, this would maintain the following charges until the cabins are removed from the town square for the Market Hall reopening:

- £0.00 (zero charge) per calendar month for market cabin rent/licence fee
- £9.00 per sqft per calendar month for service charges.
- £25 per calendar month for trader storage units located under the rear pavilion at the Market Hall (no services provided to these storage units).
- £120.00 per calendar month as a combined rent and service charge for the trader who has a dedicated cold room and prep room.

Continuing with these concessions would result in loss of income to the Council of circa £2,930 per month and assumes traders continue to pay the service charge and where applicable, storage unit rent, cold/prep room rent.

3.3 If approved, the extension will be given on the same terms as the 2024/25 concession through new leases, and traders will be required to continue to pay all service charges and, where applicable, storage unit rents and any other payments via direct debit.

3.4 The Council also agreed to assist the OASST by meeting the cost of the monthly rent for their unit in the Arndale Centre, which is currently £275.41 (£3,301.68 in total for the financial year 2024/25). The approval for this arrangement is also coming to an end and this report proposes the Council agrees to continue meeting the cost of OASST's rental payments. If approved this financial support would be in line with the other market traders in the temporary cabins on the town square and the support would continue until the cabins are removed from the town square for the Market Hall reopening. OASST has confirmed its lease with the Arndale is on a 'rolling' 3-month agreement.

4.0 State Aid/Subsidy Control

4.1 The Subsidy Control Act 2022 will apply, although the individual subsidies are likely to be exempt subsidies on the basis that they represent minimal financial assistance ("MFA") for the purpose of the Subsidy Control Act 2022. MFA subsidy can be given without the need to assess whether the subsidy complies with the subsidy control principles provided the amount of subsidy in the current financial year and the two preceding financial years does not exceed £315k per recipient. In this regard, the Council will be required to serve a pre-award notice on each of the traders before the leases/licences are completed to confirm the amount of the subsidy and seeking confirmation from the traders that the MFA threshold will not be exceeded. The leases/licences / rental subsidy can only be granted once the traders / OASST have responded and the Council will be required to serve a post award confirmation notice after completion to confirm the amount of subsidy provided by the Council, the date it was given and that it was minimal financial assistance for the purpose of the Subsidy Control Act 2022.

5. Alternative Options considered and Reasons for Rejection

5.1 The Council could let the current rent/licence fee concessions expire and revert back to the previous levels. This is not recommended because the Market Hall is anticipated to reopen for the Christmas light switch-on event in 2026 and whilst there is no guarantee all traders will wish to return, these traders could remain until the cabins are removed from the town square and decanted back into the Market Hall.

6. Consultations

6.1 The Portfolio Holders for Resources and Council Operations, Portfolio Holder for Town Centre and Markets, the Council’s Chief Executive, Section 151 officer and Executive Director (Legal and Democratic Services) have all been consulted about these proposals.

7. Implications

<p>Financial implications (including any future financial commitments for the Council)</p>	<p>Based on the current number of market traders, continuing the rent concession will reduce the market budget income by circa £2,930 per month and supporting OASST will increase costs by £275 per month. Provision for this has been made when setting the Council’s annual revenue budget.</p>
<p>Legal and human rights implications</p>	<p>The subsidy control implications are considered in paragraph 4 of this report. In summary, the rent concessions represent a subsidy for the purpose of the Subsidy Control Act 2022 but the subsidy can be given lawfully if the requirements relating to minimal financial assistance are met.</p> <p>Notwithstanding that the concession will not be best consideration, there is no need to obtain the consent of the secretary of state pursuant to s123 Local Government Act 1972 as the lease/licence arrangement will not fall within the definition of “disposal” for the purposes of this Act.</p> <p>Traders will be provided with new lease/agreements for 9 months from 1 April 2026, until the cabins are removed from the town square for the Market Hall reopening.</p>
<p>Assessment of risk</p>	<p>The Council could maintain the existing level of rent or let them expire and return to the previous level of rents but there is a risk that some traders would give notice to leave. However, as highlighted in earlier reports, the</p>

	Council cannot support every market trader business and there may be some that are simply no longer economically viable, no matter what the level of rents/service charges the Council made.
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	N/A

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

- 8.1 Cabinet report 26 March 2025 – Market Trader Rent/Licence Fee Concessions
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2900&Ver=4>
- Cabinet Report of the 19 October 2022 – Market Hall Rent Concessions
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2697&Ver=4>
- Cabinet Report of the 8 December 2021 – Rent Concession for the Indoor Market Hall Traders
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2614&Ver=4>
- Cabinet Report of the 14 July 2021 - Temporary Rent Concession for the Indoor Market
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2610&Ver=4>
- Cabinet Report of the 21 October 2020 – Temporary Rent Concession for the Indoor Market Hall Traders due to Coronavirus
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2573&Ver=4>
- Cabinet Report of the 13 November 2019 – Accrington Markets – Review of Rents and Charges
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2465&Ver=4>
- Cabinet report 29 August 2018: Accrington Market – Review of Charges
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2368&Ver=4>
- Cabinet Report of the 14th of February 2018: - Market Hall Rents and Charges Review
<https://democracy.hyndburnbc.gov.uk/ieListDocuments.aspx?CId=133&MId=2192&Ver=4>

Agenda Item 7.

REPORT TO:		CABINET	
DATE:		18th February 2026	
PORTFOLIO:		Councillor Vanessa Alexander - Resources and Council Operations	
REPORT AUTHOR:		Jane Ellis Executive Director (Legal & Democratic Services)	
TITLE OF REPORT:		Code of Corporate Governance	
EXEMPT REPORT (Local Government Act 1972, Schedule 12A)	No	Not applicable	
KEY DECISION:	No	If yes, date of publication:	

1. Purpose of Report

- 1.1 To seek approval for a new code of corporate governance.

2. Recommendations

- 2.1 That Cabinet approves the draft code of corporate governance appended to this report.

3. Reasons for Recommendations and Background

- 3.1 The Chartered Institute of Public Finance Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE) recommend that all local authorities should document their governance arrangements to demonstrate compliance with the “seven core principles of good governance” which CIPFA and SOLACE have jointly developed. Our neighbouring authorities already have codes in place and it has been suggested that the codes may be useful starting points or points of reference for the work to develop governance arrangements both for the local government reorganisation process and for the emerging successor authorities.

- 3.2 The seven core principles are as follows:

- i. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- ii. Ensuring openness and comprehensive stakeholder engagement.
- iii. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- iv. Determining the interventions necessary to optimise the achievement of the intended outcomes.
- v. Developing the entity’s capacity, including the capability of its leadership and the individuals within it.
- vi. Managing risks and performance through robust internal control and strong public financial management.
- vii. Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

3.3 The Council is committed to having an effective governance framework and, using the CIPFA / SOLACE principles, has developed a Code of Corporate Governance which identifies the arrangements the Council has in place to support good governance. The code also identifies activity planned for the next 12 months to further strengthen the Council’s governance arrangements

3.4 The Council’s governance framework will be reviewed annually to ensure its ongoing effectiveness.

4 Alternative Options considered and Reasons for Rejection

4.1 The Council could decide not to adopt a code pf corporate governance. This is not recommended as it would be contrary to CIPFA guidance and recognised good practice.

5 Consultations

5.1 The draft code was shared with service managers and other key staff and their comments and suggestions have been incorporated.

6 Implications

Financial implications (including any future financial commitments for the Council)	None
Legal and human rights implications	None
Assessment of risk	None, although having a code and keeping the same under review will help to highlight areas of risk and areas for improvement or review within the Council’s governance arrangements.
Equality and diversity implications	Not applicable

<p>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</p>	
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7 Local Government (Access to Information) Act 1985: List of Background Papers

7.1 None.

8 Freedom of Information

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

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Hyndburn Borough Council

Code of Corporate Governance

January 2026

Introduction: What is Corporate Governance?

Corporate governance is the system of rules, practices, and processes by which an organisation is directed and controlled. Corporate governance refers to how the Council governs itself and to what purpose. It defines who has authority and accountability and how decisions are made. In summary, it is a toolkit that enables the Council to deal more effectively with the many and varied challenges of running an organisation as diverse as a local authority. Governance is about how the Council ensures that it does the right things in the right way and in a timely, open, honest, and accountable manner.

The Council's corporate governance framework comprises its culture and values, as well as the rules, practices and procedures, by which the Council is directed and controlled and through which it accounts to, engages with, and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The Council is committed to having an effective governance framework and has developed a Code of Corporate Governance which identifies the arrangements the Council has in place to support good governance. The Code is based on the seven core principles of good governance produced by the Chartered Institute of Public Finance Accountancy (CIPFA) and the Society of Local Authority Chief Executives (SOLACE). The seven core principles are as follows:

- A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law
- B. Ensuring openness and comprehensive stakeholder engagement.
- C. Defining outcomes in terms of sustainable economic, social, and environmental benefits.
- D. Determining the interventions necessary to optimise the achievement of the intended outcomes.
- E. Developing the entity's capacity, including the capability of its leadership and the individuals within it.
- F. Managing risks and performance through robust internal control and strong public financial management.
- G. Implementing good practices in transparency, reporting, and audit, to deliver effective accountability.

The Council's governance framework will be reviewed annually to ensure its ongoing effectiveness.

Principles of Good Governance

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law	
Behaving with integrity	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • The Council has a set of corporate values • Code of conduct for councillors. • Supplementary codes of conduct for members dealing with planning and licensing matters • Members’ Registers of Interests published on the Council’s website. • Members Register of Gifts and Hospitality • Annual code of conduct training for councillors and training on the code of conduct is included in the induction programme for all new councillors • Standards Committee in place, together with procedures for dealing with complaints about members • Annual training for the members of the Planning Committee and Judicial Committee • Code of Conduct for Employees. • Member / Officer relations protocol • Equality, & Diversity Policy. • Equality Impact Assessments. • Anti-Fraud, Bribery and Corruption Policy. • Criminal Facilitation of Tax Evasion Policy • Economic Crime & Corporate Transparency Act 2023 Policy • Anti-Money Laundering Policy • Whistleblowing Policy. • Induction programme for members and staff 	<ul style="list-style-type: none"> • Review planning and licensing code of conduct • Implement any Government changes to standards procedures • Carry out annual review of complaints about members and annual review of standards procedures • Carry out annual review of complaints and report to Standards Committee re annual letter from the Local Government Ombudsman • Review whistleblowing policy and procedures • Determine governance and reporting arrangements for the local government reorganisation process (e.g. terms of reference for any joint committee)

<ul style="list-style-type: none"> Complaints procedure and regular training for staff re complaint handling 	
<p>Demonstrating strong commitment to ethical values</p>	
<p>How we achieve this</p>	<p>Priorities for 2026/27</p>
<ul style="list-style-type: none"> Annual Governance Statement published. Standards Committee oversight of governance and member conduct, including an annual report relating to complaints about members. Complaints policy and procedure, together with regular training for staff in dealing with complaints and annual reporting to Standards Committee about number, type and outcome of complaints received. Mandatory code of conduct training for all members. Annual training programme for members and staff, supported by corporate training budgets. Equality, & Diversity Policy. Equality Impact Assessments carried out when required and presented to Cabinet and Council to support the decision-making process. Registers of Interests are maintained for members and staff Declarations of interest made as a standard item at Council, Cabinet and Committees. Whistleblowing Policy Internal Audit reports produced in accordance with the Global Internal Audit Standards. Annual Internal Audit Report and Opinion Employment policies and procedures embed ethical values and fairness, e.g. Recruitment Policy, Dignity At Work Policy, Grievance Procedure etc Three Overview & Scrutiny Committees and annual scrutiny work programme Safeguarding policies for children and vulnerable adults, DBS checking processes, and mandatory safeguarding training requirements. 	<ul style="list-style-type: none"> Annual report to Standards Committee re complaints about councillors Annual report to Standards Committee re complaints received about council services Review Whistleblowing Policy and procedures

Respecting the rule of law	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • Legal support provided to all services. • Experienced and suitably trained in-house legal team. • Legal attendance at Cabinet, Council and Committee’s. • Council Committees serviced by appropriately qualified Democratic Services Officers • Reports to Council, Cabinet etc include a review of legal implications. • “Golden Triangle” of statutory officers in place and meet regularly to discuss governance issues • Experienced and suitably trained Internal Audit Team. Annual Audit Plan produced and reported against annually. • Audit Team conforms to the Global Internal Audit Standards • Anti-fraud, Bribery and Corruption Policy. • Annual fraud risk assessment. • Regular training for staff on fraud and corruption policies • Joint working arrangements with relevant stakeholders (National Fraud Initiative, National Anti-Fraud Network, Action Fraud UK, • Department for Work and Pensions DWP) to investigate potential fraud. • Data protection policy and regular data protection training for staff and members 	<ul style="list-style-type: none"> • Repeat data protection training for staff and members • Repeat procurement training for relevant staff • Agree a data sharing agreement for the local government reorganisation process

Principle B: Ensuring openness and comprehensive stakeholder engagement	
Openness	
How we achieve this	Priorities for 2026/27

<ul style="list-style-type: none"> • Council website reviewed regularly and kept up to date e.g. online council tax information. • Council website publishes agenda's, reports and minutes of Council, Cabinet and Committee meetings, as well as a timetable of meetings • Public attendance at Council, Cabinet and Committee meetings • Publication of the Forward Plan with details of upcoming key decisions • Question Time at Council meetings to deal with questions from councillors and the public • Arrangements for public speaking by applicants and objectors at Planning Committee meetings • Publication Scheme and timely responses to FOI, EIR and subject access requests • Data Protection Policy • Privacy notice • Whistleblowing Policy. • Annual Governance Statement. • Compliance with the Transparency Code of Practice e.g publication of a contract register, spending over £250 etc • Standards report templates require documented consideration of a range of issues in support of the recommendations made • Scheme of delegation to officers published on the Council's website • Register of Members Interests published on the Council website and available for inspection • Overview & Scrutiny Committee's and call-in procedure 	<ul style="list-style-type: none"> • Improve content of the contracts register • Develop a grants register • Review whistleblowing policy • Annual review of the scheme of delegation to officers • Microphones to be acquired for use in Council, Cabinet meetings etc to increase accessibility • Improve quality of the Forward Plan and briefing to be given to be given to service managers • Repeat FOI training for staff and annual report on performance in response to information requests to be presented to corporate management team • Review and update the privacy notice
<p>Engaging comprehensively with stakeholders</p>	
<p>How we achieve this</p>	<p>Priorities for 2026/27</p>
<p>Communications Strategy and a range of methods used to communicate with residents / customers</p> <p>Call in mechanism for scrutinising member decisions.</p> <p>Co-optees on Overview & Scrutiny Committees with a range of backgrounds</p>	<ul style="list-style-type: none"> • Work with Neighbourhood Board to produce a clear governance protocol

Forward Plan with details of upcoming key decisions Council website provides service information and is increasingly interactive e.g. online forms, chatbot etc	
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Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • The Council’s Corporate Strategy • Policy framework – Licensing Policy etc • Local Plan (and new local plan expected to be adopted in 2026) • Regular financial reporting to Cabinet • Medium term financial strategy in place • Agreed key performance indicators in place and data collected annually • Annual appraisal process with each employee identifies key tasks linked to Corporate Strategy objectives • Regular meetings between senior officers and members. • Equality impact assessments • Climate change action plans and working group • Sustainability built into procurement guidelines 	

Principle D: Determining the interventions necessary to optimise achievement of intended outcomes	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • Corporate Strategy • Medium Term Financial Strategy and Annual Budget process. • Risk registers in place and reviewed / updated regularly 	<ul style="list-style-type: none"> • Review and update the Financial Procedure Rules • Review and update the Budget Procedure Rules

<ul style="list-style-type: none"> • Regular budget monitoring report to Cabinet • Annual appraisal for all staff which identifies priorities and training requirements • Annual training programme and training budget, both for staff and councillors • Induction programme for all new staff and newly elected councillors • Scheme of delegation to officers and clarity of decision-making arrangements • Range of HR policies in place to support the health and wellbeing of staff • Constitution provides a framework for decision-making e.g. Contract Procedure Rules, Finance Procedure Rules etc • Regular updates from each service area to corporate management team • Business continuity plans in place for each service area • LGA corporate peer review in 2025 and action plan to implement recommendations • Three overview & scrutiny committees, each with an annual workplan and oversight of Cabinet decisions 	<ul style="list-style-type: none"> • Review and update the Contract Procedure Rules (e.g. re new freedoms to ring-fence below-threshold procurement to SME's or local businesses) • Repeat procurement training • Annual review and updating of the scheme of delegation to officers
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<p>Principle E: Developing the Council's capacity, including the capability of its leadership and the individuals within it</p>	
<p>Developing the Council's capacity</p>	
<p>How we achieve this</p>	<p>Priorities for 2026/27</p>
<ul style="list-style-type: none"> • Workforce Strategy / People Strategy • Service Plans • Procurement of consultants to provide specialist advice and services not available in-house • Medium term financial strategy 	<ul style="list-style-type: none"> • Consider capacity requirements re local government reorganisation (e.g. possible joint working protocols with other Lancashire authorities, input into the various LGR working / task groups)

<ul style="list-style-type: none"> Asset management arrangements 	
Developing the capability of the Council’s leadership and other individuals	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> People Strategy / Workforce Plan Annual training programme and training budget, both for staff and councillors Induction programme, both for staff and councillors Annual appraisal meeting for all staff which identifies training needs Staff online training programmes (HYVE) Annual Scrutiny training for councillors. Training for Audit Committee Councillors External training providers used where appropriate. Regular service manager meetings Various people management policies support employee health and wellbeing including attendance, welfare and health initiatives and provision of Occupational Health and counselling services. Health and safety advice and guidance through risk assessments and implementation of policies and procedures. Workplace Health and Wellbeing Group in place implementing a range of mental wellbeing initiatives via an action plan. Friendly Faces programme 	<ul style="list-style-type: none"> Repeat staff training re FOI, procurement, data protection and report writing Annual training for members re code of conduct and for those carrying out planning and licensing functions Ongoing training for staff re local government reorganisation requirements

Principle F: Managing risks and performance through robust internal control and strong public financial management	
Managing risks	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> Risk Management Policy. Risk registers in place for strategic and operational risks and these are both reviewed regularly Annual Internal Audit Plan is risk based 	

<ul style="list-style-type: none"> • Business Continuity Plans. • Audit Committee has oversight of the effectiveness of the Council’s governance, control, and risk management arrangements. • Standard template for Cabinet and Council reports requires information about risk 	
Managing performance	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • Annual appraisal for each employee which identifies key tasks and training needs • Service Plans • Each service area reports twice a year to corporate management team in respect of performance, achievement of key performance indicators and upcoming objectives • Three Overview & Scrutiny Committees, each with an annual work plan • Constitution provides a framework to for lawful and consistent decision-making • Budget monitoring reports presented to each Cabinet meeting • Annual training budget and training programme, both for members and employees 	
Robust internal control	
How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • Risk Management Policy. • Annual Audit Letter and Annual Governance Statement. • Internal Audit Plan approved and monitored by Audit Committee. • Internal Audit Reports produced throughout the year • Annual Internal Audit Report and Opinion • Regular review of the risk registers • Anti-Fraud, Bribery and Corruption Policy. • Economic Crime & Corporate Transparency Act 2023 Policy • Proactive counter fraud activity through the National Fraud Initiative (NFI) data matching exercises. 	<ul style="list-style-type: none"> • Review whistleblowing policy • Deliver anti-fraud training to staff

<ul style="list-style-type: none"> • Whistleblowing Policy • Role of Audit Committee within the Council’s constitution. • Designated Data Protection Officer, data protection policy and data protection training for members and staff • Data breach investigation and reporting process. • Data Sharing Protocols agreed with external partners • Digital transformation strategy, cyber security policy and incident response plans • FOI and subject access request performance reporting. • Roles of monitoring officer and section 151 officer, plus regular “golden triangle” discussion of governance issues with the chief executive 	
<p>Strong public financial management</p>	<p>Priorities for 2026/27</p>
<p>How we achieve this</p>	
<p>Financial monitoring reports presented to each Cabinet meetings. Regular member briefings on finance / budget matters Medium Term Financial Strategy. Budget & Policy Framework Procedure Rules in Constitution. Financial Procedure Rules in Constitution. External Audit oversight Audit Committee oversight Treasury Management Strategy Internal Audit Team and internal audit reports Suitably qualified and experienced section 151 officer Regular financial reports to each service manager, supported by meetings with the accountant for that service area Overview & Scrutiny oversight of financial matters</p>	<ul style="list-style-type: none"> • Review Finance Procedure Rules • Review Budget and Police Framework Rules

<p>Core Principle G: Implementing good practices in transparency, reporting, and audit to deliver effective accountability</p>
<p>Implementing good practice in transparency, reporting and audit</p>

How we achieve this	Priorities for 2026/27
<ul style="list-style-type: none"> • Report writing template and report writing training • Compliance with the requirements of the Transparency Code of Practice • Council, Cabinet and committee agenda's reports and minutes of meetings available on website. • External Audit Reports and Value for Money activity and reporting. • Internal Audit Plan is risk based. • Annual Internal Audit report and opinion • Audit function conforms with the Global Internal Audit Standards • Written report produced by the Internal Audit Team following each audit • Financial Monitoring Reports presented to each Cabinet meeting. • Statement of Accounts and Annual Audit Letter. • Medium Term Financial Strategy. • Complaints procedures and regular staff training in handling complaints • Roles of the three Overview & Scrutiny Committee's, each with an annual work plan • Whistleblowing policy • LGA peer review in 2025 and action plan in place to implement its recommendations 	<ul style="list-style-type: none"> • Improve contracts register to make it a more complete record • Review Whistleblowing Policy • Review and update the RIPA policy