
CABINET

Thursday, 12th September, 2019

Present: Councillor Miles Parkinson OBE (in the Chair), Councillors Paul Cox, Munsif Dad BEM JP, Joyce Plummer, Loraine Cox and Jenny Molineux

In Attendance: Councillors Tony Dobson, Marlene Haworth, June Harrison, Dave Parkins and Paddy Short.

106 Apologies for Absence

Apologies for absence were submitted on behalf of Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, who may attend the meeting in accordance with Executive Procedure Rule B11.

107 Declarations of Interest and Dispensations

Councillors M Parkinson, P Cox and T Dobson declared a personal interest in Agenda Item 13 – Barnfield & Hyndburn Partnership, on the basis that they served as directors on the Partnership’s Management Board. There were no reported dispensations.

108 Minutes of Cabinet

The minutes of the meeting of Cabinet held on 17th July 2019 were submitted for approval as a correct record.

In connection with Minute 68 – Housing Renewal Policy, The Leader of the Conservative Group, Councillor Tony Dobson, enquired about the promotion of and levels of awareness of the new Policy, particularly in the light of greater accessibility by those in need to additional Disabled Facilities Grant (DFG) funding. Councillor Loraine Cox, Portfolio Holder Housing and Regeneration, responded that a cross-party working group had now been established and indications were that key partners were already aware of the new Policy. The Leader of the Council indicated that the Lancashire Leaders Group had recently discussed the issue of maximising DFG funding.

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

109 Minutes of Boards, Panels and Working Groups

The minutes of the following meetings were submitted:

- Cabinet Waste and Recycling Group – 10th June 2019

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

110 Reports of Cabinet Members

Councillor Munsif Dad, Portfolio Holder Education, Leisure and Arts, reported that a family fun day had been held within the Asian community to enhance the entrance to Woodnook Vale Nature Reserve by planting wild flowers to provide a vibrant colony of native vegetation and habitat for bees and butterflies. The wild flower mix included yellow rattle seed, which suppresses the growth of grasses. The event was well attended by young people who were passionate about the project and who would continue to support the environment through litter picks.

Councillor Dobson reported that a similar scheme by Onward Homes to plant wild flowers in Oswaldtwistle had produced a spectacular display. However, the flower tubs in the town centre needed some attention. The Leader of the Council commented that the planting of traditional flower tubs had been affected by budget pressures, although it might be possible to introduce green plants which required lower levels of maintenance and to review the financial situation next spring.

Councillor Paul Cox, Deputy Leader of the Council, reported that the Council had been successful in receiving its eighth Green Flag award in connection with Rhyddings Park. That meant that Hyndburn was number one in Lancashire for Green Flag status and could be justifiably proud. Members were pleased with the awards, which could be achieved at little extra cost by harnessing the passion and desire of local people. Tribute was paid to the various 'Friends of' groups who had contributed their time and energy to the parks. The Leader of the Council reiterated that the Council was often an enabler, working with community and voluntary groups to bring investment into the Borough.

Councillor Paul Cox also reminded Members of the success of Amazing Accrington's Big Weekend held from 23rd to 25th August 2019. The festivities included Accrington's Biggest Quiz on Friday, a Pop Party on Saturday and the Fantastical Forest Parade on Sunday. Over 5,000 people had attended the events. Activities such as this were helping to generate more footfall in the town centre.

111 Core Strategy Review and Site Allocations DPD - Regulation 18(2) Consultation Summary and Representations

The Leader of the Council reported on the outcome of the second public consultation exercise held on the Core Strategy Review and Site Allocations DPD (held 26th February 2019 – 8th April 2019), and sought Cabinet approval of the next stages of work on the Local Plan. Members were also advised that a Member Briefing was due to be held on Monday 16th September 2019 on 'The Future of Housing in the Borough'.

Councillor Dave Parkins commented that he had noted that the majority of responses about Huncoat Garden Village had been positive, with only a small number of negative replies. The proposals dealt with wider issues including the provision of schools. The Leader of the Council reminded Members of Hyndburn's previous success in regeneration issues including the Pickle Factory in Oswaldtwistle and the Rishton Canalside development. Huncoat Garden Village was a much larger scale project and broad engagement would be required. The scheme would involve education and healthcare provision, as well as green spaces.

Approval of the Report was not deemed a key decision.

Reason for Decision

The Core Strategy Review and Site Allocations DPD form central parts of the new Local Plan for Hyndburn; the Core Strategy sets the strategic overarching planning policy framework for the Borough, including setting housing and employment growth figures; the Site Allocations DPD will identify specific sites for development to help meet the planned growth over the plan period, and also the sites to be protected from development.

In February 2019, Council approved three consultation papers to be the subject of a public consultation exercise on the Core Strategy Review and Site Allocations DPD. The consultation papers were:

- Core Strategy Review: Regulation 18(2) Consultation Draft;
- Core Strategy Review: Growth Option and Spatial Option Justification Paper; and
- Site Allocations DPD: Regulation 18(2) Consultation Draft.

The report included further information on the following:

- The consultation process;
- Consultation responses;
- Overview of representations;
- Call for Sites update; and
- Local Plan – next steps

There were no alternative options for consideration or reasons

Resolved

- (1) That Cabinet notes the outcome of the public consultation exercise and the representations received during the second stage of public consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.**
- (2) That Cabinet agrees the 'Proposed Council Response' to representations and notes the proposed approach set out in this report on the next steps in preparing the Local Plan.**

112 Food and Safety Service Plan 2019/20

Councillor Paul Cox, Deputy Leader of the Council, reported on a proposed Food and Safety Service Plan.

Approval of the report was not deemed a key decision.

Reason for Decision

The Food and Safety Service Plan is a document that is reviewed annually to ensure the service can meet demands and set out priorities for the coming year.

The Plan has been updated to include inspection targets for 2019/20 and includes the following performance indicators:

- To complete all inspections due in 2019/20 in the required timeframes;
- To improve the % number of premises who have a food hygiene rating of zero, 1 or 2 that achieve a level of compliance within 6 months of the initial inspection (hygiene rating of 3 or above); and
- To visit all new premises within 28 days of registration upon receipt by the Council.

The Plan details work undertaken in the Borough and current levels of compliance. It also includes areas of health and safety work which are being undertaken this year in accordance with Health and Safety Executives (HSE) National Code for Local Authorities.

The Plan provides focus to the team, Councillors, food business operators and consumers. The Plan provides information on areas of work outside the Council's statutory function such as the allergen initiative and allergen workshops for food businesses.

Alternative Options Considered and Reasons for Rejection

Without a Food and Safety Service Plan the Team cannot demonstrate the demands of the service against current resources as required by the Food Standards Agency (FSA) nor can they meet their statutory requirements.

Resolved - **That Cabinet approve the proposed Food and Safety Service Plan as appended to the report.**

113 Report of Urgent Cabinet Decision - Mercer Park Skate Boarding Facility

Councillor Paul Cox, Deputy Leader of the Council, reported on an urgent decision taken under Executive Procedure Rule B16, in relation to the proposal to refurbish and improve the skate boarding facility at Mercer Park in Clayton le Moors. The decision, taken on 20th August 2019, was as follows:

That Cabinet continues to support the refurbishment and improvement of the skate boarding facility in Mercer Park as outlined in the report.

That Cabinet agrees to the Council being the accountable body in respect of the project funding in accordance with the terms and conditions of relevant funding bodies.

That Cabinet delegates authority to the Deputy Head of Environmental Services in consultation with the Portfolio Holder to take all reasonable steps to implement and complete the project, entering into necessary contractual agreements and obtaining all necessary permissions and consents.

That Cabinet agrees to waive the Contract Procedure Rules to engage Proffitts CIC as Project Manager for the delivery phase of this scheme, as set out in paragraphs 3.5 & 3.6 of the report.

Approval of the report was not deemed a key decision.

Reasons for Decision

The Friends of Mercer Park are the longest standing Friends of Group in the Borough associated with a park. Over the years the Friends of Mercer Park have worked with the Council to undertake numerous community projects and fund raising events which have benefitted the park.

The outcome of a consultation undertaken by the Friends of Mercer Park showed that local residents and young people would like to see the refurbishment of the skate park facilities in Mercer Park.

Funding bids were submitted to relevant funding bodies between July and December 2018. The outcome was that funding bids to Sport England, Lancashire Environment Fund and Tesco were all successful.

In addition to this external funding being secured, Cabinet agreed to contribute £25,000 to the project via the capital programme for financial year 2019/20, Friends of Mercer Park contributed £3,000 and Lancashire County Council contributed £600.

Proffitts CIC, a community interest company who have expertise in green space improvement projects and audience development, submitted the funding bids as a co-applicant with the Council, at no cost to the Council. This is because the mechanism used by the funding bodies allows any fees for time spent on developing a funding bid to be claimed directly from them during the delivery phase of the project.

The Council and Proffitts CIC were co-applicants in securing the funding for this project and Proffitts CIC has the necessary skills fulfil the Project Manager role. As such, the Council intends for Proffitts CIC to act as Project Manager for the delivery phase of the Project.

The refurbished and improved skate boarding facility will provide a much better resource for the young people of the Borough to use.

A tender exercise has been undertaken in line with the Council's Contract Procedure Rules and a successful contractor appointed. The new skate facility is expected to be completed by the end of September 2019.

Alternative Options Considered and Reasons for Rejection

Not to continue with the delivery stage of skate park refurbishment in Mercer Park Clayton le Moors. This is not recommended as grant funding has now been secured and the work can be undertaken as per the wishes of the local community.

Resolved - **To note the progress in relation to the proposal to refurbish and improve the skate boarding facility at Mercer Park in Clayton le Moors and the urgent decision taken on 20th August 2019**

114 Council Tax Support Consultation

Councillor Joyce Plummer, Portfolio Holder Resources, reported on a proposal to commence a public consultation on plans to revise Hyndburn Council's Council Tax Support Scheme for 2020/21. It was envisaged that the outcome of the consultation would be reported to the Council in January 2020.

Councillor Tony Dobson enquired about the possible provision of an All Member Briefing to consider the implications of the Funding Options highlighted.

Approval of the report was not deemed a key decision.

Reasons for Decision

In 2020/21, Council Tax Support (CTS) will be in its seventh year, having been devolved to Local Authorities nationally in 2013 following the abolition of Council Tax Benefit. In 2013, Local Authorities were given a broad remit to design their own local CTS schemes for working age claimants, with pension age claimants still subject to a national scheme allowing up to 100% CTS.

Prior to 2013, Council Tax Benefit was funded in full by the Government: when Council Tax Support was introduced, the Government reduced Hyndburn's grant by 10% of the previous year's expenditure for all claimants and rolled future funding into the Revenue Support Grant.

Along with the majority of other Local Authorities, the Council introduced a minimum payment level for working age CTS claimants in 2013/14. The scheme also included four other changes designed to make the scheme fairer and to provide streamlined administration. The Hyndburn scheme otherwise mirrored the old Council Tax Benefit scheme.

Subsequent changes to Hyndburn's CTS schemes have included provisions to mirror national changes to Housing Benefit and Universal Credit and minimum payment level increases from 20% to 27% in 2016/17 and to 30% from 2017/18. The Council's scheme has been reviewed annually to ensure that it remains sustainable and the minimum payment levels remain at 30% today.

Council Tax Support cannot be considered in isolation: any changes to the scheme must be viewed in the context of national changes to benefits, (Universal Credit in particular), overall Council Tax increases (which increase CTS expenditure) and the end of the Revenue Support Grant from 2020/21. In light of uncertainty around the Local Government Spending Review and the UK's exit from the European Union, it is considered prudent at this point to review the Council's CTS scheme and to conduct a public consultation on potential changes.

The report included further information on the following:

- Council Tax Increases;
- Universal Credit;
- Revenue Support Grant and Council Funding;
- Consultation Proposals:
 - Funding Option 1: Increase the minimum payment level;
 - Funding Option 2: Increase Council Tax levels for all taxpayers;
 - Funding Option 3: Making savings by cutting or reducing other services;
- Scheme Administration Changes; and
- Impact of CTS Scheme Changes and Wider Considerations.

Alternative Options considered and Reasons for Rejection

The Council could choose not to consult on the Council Tax Support scheme and as such no changes could be made in 2020/21. This would not allow the Council to consider the views of the local population or interested parties and would limit the authority's options to fund the Council Tax Support scheme for 2020/21 to either cutting services or raising Council Tax levels.

This report requests only that a consultation is conducted at this stage and any eventual changes to the CTS scheme will be considered in light of responses received. The option to continue with the current scheme remains after consultation.

Resolved

- (1) That Cabinet authorises the Deputy Chief Executive to commence a public consultation on plans to revise the current Council Tax Support Scheme from April 2020.**
- (2) That Cabinet notes that the consultation will run for 12 weeks from the 13th September 2019 to 5th December 2019 and will guide the final recommendations to be placed before Full Council for approval of the Council Tax Support Scheme by 31st January 2020.**

Councillor Joyce Plummer, Portfolio Holder Resources, reported on financial spending of the Council up to the end of July 2019 and the financial forecast outturn position for the Accounting Year 2019/20. Members considered a table within the report, which set out the core financial details.

Approval of the report was not deemed a key decision.

Reason for Decision

The spend for the first 4 months of the financial year to the end of July 2019 is £3,587,000 compared to a Budget of £3,651,000 giving a positive variance of £64,000 over the first 4 months of the year.

The current forecast spend to the end of the financial year in March 2020 is £10,960,000 compared to a Budget of £10,994,000. This forecast produces a positive variance of £34,000 by the end of the financial year. There are small adverse forecasts on the outturn position for Planning & Transportation and Regeneration & Property Services, but larger adverse forecasts on Environmental Services and Policy & Corporate Governance. All other areas are indicating a break even or surplus for the year.

Environmental Services

Environmental Services are predicting a year end adverse variance of £87,000. This stems from salary savings of £7,000 on Food Safety, £10,000 of additional expenditure on salaries on Waste Services and £2,000 of additional miscellaneous costs and £9,000 of less income generation against £103,000 of positive variance against Budgets on Recycling. Parks & Cemeteries are predicting a break-even year end position, while the Town Centre and Market Halls Budget is indicating an overall adverse variance of £176,000, comprising £190,000 reduced income at the Market Hall and income from CCTV down by £10,000 less £13,000 of salary savings and £11,000 of miscellaneous cost savings.

Culture & Leisure Services

Culture and Leisure Services are indicating a breakeven position by the year-end.

Planning & Transportation

Planning & Transportation are predicting an adverse variance for the year of £21,000. This is due to a predicted shortfall in income compared to budget on Building Control of £65,000. Elsewhere on the Budget there are £17,000 of staff saving and £46,000 of additional income less £19,000 of miscellaneous additional expenditure.

Regeneration & Property Services

Regeneration & Property Services are predicting an adverse variance of £8,000 at year-end with salary costs up by £109,000 over the year compared to budget and expected additional costs of £41,000, less £142,000 of additional income.

Policy & Corporate Governance

Policy & Corporate Governance are predicting an adverse variance of £171,000. This stems from salary savings of £75,000 less the Corporate Savings Target for the year of £165,000, predicted increases of £150,000 on Housing Benefit Costs, along with £21,000 of additional miscellaneous costs less £90,000 of additional income.

Non Service Items

The current estimate for the year is a positive variance of £321,000.

There were no alternative options considered or reasons proposed for rejection

Resolved - **That Cabinet notes the report and asks the Corporate Management Team to continue to identify savings and increase income over the coming year to boost the overall surplus of the Council.**

116 Payments & Income Management System (PARIS) Replacement

Councillor Joyce Plummer, Portfolio Holder Resources, reported on a proposal to waive standing order G7, as to contracts over £75,000, to upgrade the Council's Payments and Income Management System. The contract would be for a period of five years.

Approval of the report was not deemed a key decision.

Reason for Decision

The existing software supplier is unable to support the outdated Paris software beyond the 12th January 2020 and the tight timescale to implement and test a new software system with the same functionality that also meets the requirements of the Payment Card Industry Data Security Standard (PCI DSS), means that officers have to identify a successful supplier by the 30th September 2019.

The report refers to the corporate software known as Paris used throughout the Council for the collection of debit and credit card payments via the Council's website, mediated payments processed by Council staff over the phone and the 24/7 automated telephone service. Additionally the software receives and processes all payment files from the Council's bank accounts, Pay Points, Enforcement Agents and the Department for Work and Pensions. The processing of these files includes validation and production of separate cash files for numerous services and systems in use throughout the Council, including an interface to the main accounting system. The overall annual income that is processed is over £180m, which includes significant amounts in Council Tax and business Rates on behalf of the major preceptors, the Government, Lancashire County Council, the Lancashire Police and Crime Commissioner and the Lancashire Combined Fire Authority.

This area of business is subject to the ever increasing demands of the Payment Card Industry Data Security Standard (PCI DSS) and the upgrade will result in the provision of a fully hosted (by the supplier) solution which will meet the required standards and reduce the burden on the Council to demonstrate on-going compliance with these requirements through the required annual self-assessment process which is required by the Council's Merchant Acquirer (Worldpay). The consequences of any data breach could involve an imposition of significant fines on the Council, cause reputational damage, and even lead to the withdrawal of the Councils' ability to process debit and credit card payments.

To improve the Council's PCI DSS compliance and protect both the Council and its customers from potential data breaches, it is necessary to upgrade both the Payments and Income Management systems.

Upgrading the Payments and Income Management systems will provide the Council with the tools to better consolidate all its payment processes and improve compliance to PCI DSS going forward, as well as satisfying a number of other business requirements which the current systems do not meet.

Failure to place a contract for a replacement system by 30th September will almost certainly place the Council in a position where it cannot accept debit and credit card payments from 13th January, 2020 for an unknown period. This is a category 1 risk to the Council from a financial and reputational perspective.

The report included further information on the following matters;

- Current contract and existing system;
- Proposed replacement solution;
- Evaluation of quotations;
- Main issues and procurement options; and
- Financial / budget implications.

Alternative Options considered and Reasons for Rejection

Alternative methods of procuring a supplier were considered not acceptable due to the restrictive timescale and the lack of alternative providers beyond the three from whom quotations are to be sought.

Resolved

- (1) That the Cabinet waive contract standing orders G7 (for contracts with a value of over £75,000) in not using the open tendering procedure with regard to this purchase on the grounds that it represents best value for money for the Council and the timescale does not allow a full tendering process.**
- (2) Authorise the Deputy Chief Executive to accept the most economically advantageous proposal from three quotations and to award the successful supplier with a contract for a period of five years.**

117 Proposed Disposal of the Charter Street Site, Accrington

Councillor Loraine Cox, Portfolio Holder Regeneration and Housing, reported on a proposal to approve the disposal of the Council's interest in the site at Charter Street, Accrington, for residential development, including accommodation for households on the Council's housing register, with priority for homeless households and veterans.

Councillor Tony Dobson indicated that he had been initially unsure about the proposal to discount the land and to provide additional one bed apartments in the Borough. However, the Opposition Group was now happy to support the development based upon the model proposed. The Leader of the Council commented that Councillor Paddy Short, Armed Forces Champion, had worked hard to bring this scheme to fruition. The Council had previously signed the Armed Forces Covenant. Given that the North West was a significant recruitment area for the Armed Forces, there was a strong argument for supporting this development. A quality design would be produced in partnership with the Council.

Councillor Paddy Short indicated that he had been involved in this project for over two years. He explained the background to Building for Humanity CIC and its proposals to work with veterans and those requiring support around mental health issues. Councillor Munsif Dad also commented that the proposals tied in closely with his Lancashire County Council and Borough Council responsibilities and that he viewed this as an exciting development, which would also reduce fly tipping in the area.

Approval of the report was not deemed a key decision.

Reason for Decision

Over the last two years the Council has been in discussions with a local Community Interest Company known as Building for Humanity. It is a not for profit construction company set-up in Hyndburn, but with its temporary address registered in Cornwall. Building for Humanity aims to provide affordable housing for deprived households on low income including homeless households and veterans.

Building for Humanity has identified the Charter Street site, which is in the Council's ownership, for the development of affordable housing for rent and a small number of affordable sales including shared ownership. The proposed development will comprise of:-

- 15 one bedroom apartments;
- 15 two bedroom apartments;
- 3 four bedroom town houses; and
- 12 x 2 and 3 bedroom semi-detached houses.

The Council is proposing to discount the land and therefore the purchaser would need to agree the standard of accommodation with the Council to ensure high

standards that are consistent with Homes England's Design and Quality Standards, and that the apartments are self-contained with full facilities and not bedsits.

The accommodation is a proposed mix of housing for sale, shared ownership and rent with the apartments let at affordable rents. In return for a discounted land value, Building for Humanity would be required to grant the Council at least 50% nomination rights to the rented accommodation for initial lets and all relets.

To date, Building for Humanity has not developed any accommodation units and therefore has no track record in developing and managing rented accommodation. For this reason the Council has insisted Building for Humanity have key reassurances in place to develop a residential scheme of this scale, which includes:

- Written testimonials and commitments of finance from individual personal backers;
- Offer of funding in principle subject to legal and financial terms from a specialist finance broker and lender; and
- Partnership with a construction company with a track record in construction and development.

There has been very limited interest in the Charter Street site for development for commercial, industrial or housing uses. The only interest within the last ten years has been for a similar housing project, by a charity, for a combined industrial and housing use. The site has a number of constraints that make it unattractive for development, including:

- Steel works immediately south, and adjacent to the site;
- Railway immediately to the north of the site;
- Potentially contaminated land; and
- Restricted access with no site frontage.

The site extends to a gross area of approximately 2.25 acres. The majority of the site is covered by one registered title in the Council's ownership, but there may be some minor unregistered titles to the edge of the site but not significant at this stage. In addition, the site is subject to restrictive covenants in favour of the adjoining railway, Network rail etc. Any development proposals will require prior consent from these. The actual site proposed for disposal may need to be adjusted to the north of the site to allow for the existing footpath and cycle way to be retained and therefore there is likely to be some adjustment to the site boundary, which would be agreed with the purchaser during legal transaction.

The Council has valued the site for residential purposes at approximately £200,000. The Council are proposing to dispose of the site to Building for Humanity at nil value which would represent a sale at an under value. In return, the Council would expect to set minimum design expectations and benefit from nomination rights for households on the housing register.

The Council is permitted to sell land at an under value if it is satisfied that the disposal promotes the social, environmental or economic wellbeing of the Borough

or part of it or its residents. In this case, the proposed disposal meets the wellbeing criteria for the following reasons:

- Environmental – this is a less than attractive site that cannot be described as a good quality open space and therefore through development of the site there is an opportunity to improve on the local built environment.
- Social – development of the site will provide much needed new housing accommodation for households in housing need including households on the Council’s housing register.
- Economic – development of the site would help support the wider economy of Hyndburn.

Alternative Options considered and Reasons for Rejection

The Council could choose at this stage not to agree in principle to disposal of the site to Building for Humanity; however, this could mean forgoing an opportunity to provide new housing for households in housing need including homeless households and veterans.

Resolved

- (1) That Cabinet notes the proposal made for the Council’s interest in the Charter Street site and agrees, in principle, to the proposed disposal of the site to Building for Humanity at nil value (being satisfied that the proposed disposal promotes the social, environmental or economic wellbeing of the Borough or part of it or its residents as set out in paragraph “3.8” of the report) subject to recommendations (2) and (3) below.**
- (2) That Cabinet approves the advertisement of the Council’s intention to dispose of public open space in accordance with Section 123 (2A) of the Local Government Act 1972**
- (3) That Cabinet delegates authority to the Head of Regeneration and Housing as follows:**
 - i) to consider any responses received and, following consultation with the Portfolio Holder for Housing and Regeneration, to decide whether to proceed with the disposal of the Charter Street Site**
 - ii) subject to a decision being taken to proceed with the sale of the Charter Street site following consideration of the comments received in response to the consultation referred to in recommendation (2) above, to determine the terms of the disposal of the Charter Street site to**

Building for Humanity, including design standards, disposal mechanism and the site boundaries, following consultation with the Executive Director (Legal and Democratic Services) and provided the sale is made subject to the following preconditions:

- a) The purchaser securing full planning consent for a residential development within nine months of this in principle Cabinet decision to dispose of the site that is acceptable to the purchaser and the landowner, and**
 - b) The purchaser commencing development within 6 months of securing a satisfactory planning consent for residential development.**
 - c) For the rented accommodation, the purchaser agreeing to grant the Council a minimum 50% nomination rights in perpetuity i.e. new lets and re-lettings of accommodation, and**
 - d) The purchaser becoming a registered provider with the Regulator of Social Housing before the transfer of ownership can be concluded.**
- (4) That, following agreement and finalising terms for the disposal of the Council's interest in the Charter Street site, Cabinet authorises the Executive Director (Legal and Democratic Services) to finalise and execute all legal documents and arrangements to secure the disposal of the Charter Street site to the purchaser.**

118 Requests for Funding for the Operational Management of Council Buildings

The Leader of the Council introduced a report of Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, which set out that Committee's recommendations with regards to three individual requests for financial support towards the operational management of Council buildings.

The Leader of the Council confirmed that a letter had been sent to Mercer House 1842 requesting further information, following the meeting of the Overview and Scrutiny Committee, but no response had been received to date. Accordingly, the Cabinet would not consider this matter further today, but it was hoped that information would be available later in the year. The matter might also be referred back to the Resources Overview and Scrutiny Committee at that time.

Councillor Marlene Haworth reported that she had attended the Overview and Scrutiny Committee meetings and was satisfied that the issues had been handled fairly and professionally by the Chair and the Committee and that recommendations had been proposed which ensured the use of public money was properly accounted for. Councillor Munsif Dad indicated his support for the work of Hyndburn Arts Ltd and commented that Oswaldtwistle Civic Theatre and Arts Centre remained an important venue in the Borough. In the interests of transparency, the Leader of the Council indicated that Gayle Knight, Managing Director of Hyndburn Arts was a member of the Labour Party and her husband was a serving Borough Councillor. However, her involvement with the Arts Centre pre-dated her political connections. In addition, the Management Board of the company comprised cross-party representation. The Centre worked across the Borough and further afield to provide a vibrant arts and cultural offer. The public were rallying to support the Centre and a special show would be provided soon by local actress and celebrity, Julie Hesmondhalgh.

Approval of the report was not deemed a key decision.

Reason for Decision

The Resources Overview and Scrutiny Committee were asked to review three individual requests from external organisations for financial support towards the operational management of Council buildings.

The requests were as follows:

Hyndburn Arts Ltd – requesting £30,000 towards the operational management of the Civic Theatre and Arts Centre. The main reason for the request was due to a number of unforeseen circumstances, particularly the cancellation of several high profile events (which was out of the control of Hyndburn Arts Ltd) occurring in a short space of time.

Churchfield House Ltd – requesting £10,000 towards the operational management of Churchfield House, Great Harwood. The main reason for the request was due to an unexpected water bill of over £6,000. In order to prevent this happening year on year, Churchfield House Ltd will apply for charitable status which requires a certain level of reserves to be held.

Mercer House 1842 – requesting £5,000 towards the operational management of Mercer House and the Arthur Wilson Centre. The main reason for the request was for maintenance needs.

The three organisations were invited to report to the Resources Overview and Scrutiny Committee on 30th July 2019 and to respond to questions. The Committee asked a series of questions in advance of the meeting to all three organisations, designed to increase understanding of the financial circumstances of the requesting bodies. Additional questions were also asked by Committee members at the meeting.

After the meeting on 30th July 2019, the Chair of the Committee received some further information relating to the request from Hyndburn Arts Trust. The Chair therefore called this particular request back to Overview and Scrutiny for further review at a meeting on 5th September 2019. At this meeting, additional financial information was provided by the Trust. Upon consideration of this further information and questioning of the Director, the Committee decided to amend their original recommendation (which was to award £30,000 urgently) to awarding the full amount in instalments.

The Committee thoroughly reviewed all information made available to them over the course of the two meetings and are confident that the recommendations made are in the best interests of the Council.

Alternative Options considered and Reasons for Rejection

Cabinet may choose to agree to any or none of the recommendations made by the Resources Overview and Scrutiny Committee.

Resolved

- (1) That Cabinet grant £30,000 of funding to Hyndburn Arts Ltd over 3 instalments, subject to the following:**

Tranche 1: £10,000.00 to be released immediately

Tranche 2: £10,000.00 to be released subject to the following (expected to be on or after 31st October 2019)

- 1. A documented plan to be submitted to the next Overview and Scrutiny meeting undertaking a review of the board of directors including a skills audit to identify any skills gap on the board as well a strategy to attract new board members to offer advice and guidance in addressing any shortfall identified in the Skills Audit.**
- 2. With assistance from Finance Officers at Hyndburn BC revamp and overhaul the finance report that is submitted to the board to include commentary as well as submission in a timely manner. This report on a bimonthly basis will be submitted to O&S with a review by the finance officer to state it agrees to underlying records.**
- 3. To have a set schedule of monthly board meetings out to March 2020.**

- 4. To start and give a time frame for when the accounts for Year Ending 31/03/19 will be finalised and submitted to Companies House.**
- 5. To provide an update on the fundraising plan and provide commentary where variances have occurred.**
- 6. To undertake a review of cost savings measures and submit to board for discussions as well as create an action plan.**
- 7. To highlight any funding opportunities that Hyndburn Arts have bid for and the outcome.**

Tranche 3: £10,000.00 (19th December 2019)

- 1. To have met all the conditions set out in Tranche 2 and submit evidence of this to O&S over a 3 month period to highlight the changes.**
 - 2. To provide the forecast 2020/21 using the new format from the financial review.**
- (2) That Cabinet provide urgent funding of £10,000 to Churchfield House Ltd to contribute towards the unexpected water costs and application for charitable status, on the understanding that should Churchfield House Ltd manage to negotiate a reduction in their water bill, the remaining balance is returned to the Council.**
- (3) That Cabinet notes that, due to a failure by Mercer House 1842 to provide the financial and other background information requested by the Resources Overview and Scrutiny Committee, that Committee was unable to make a recommendation with regards to Mercer House 1842's request for £5,000 and therefore referred the request back to Cabinet to make further enquiries and to determine the matter.**
- (4) That Cabinet notes that a request for further information from Mercer House 1842, as referred to in (3) above has been made on behalf of the Cabinet.**
- (5) That Cabinet notes that, over the next 2 years, the Resources Overview and Scrutiny Committee intends to invite all organisations, charities or**

community groups which manage Council buildings to report on usage and their financial position.

119 Exclusion of the Public

Resolved

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

120 Report of Urgent Cabinet Decision - Waive contract procedure rules to extend the current contract to install and maintain Christmas Decorations and Amenity Lighting in Hyndburn

In accordance with Regulation 5(6)(a) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, approval was given by Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, to the following decision being made by Cabinet on 12th September 2019 in private, on the grounds that the decision was urgent and could not reasonably be deferred.

Reason for Urgency

Time was of the essence to award the extension to the contract in advance of the Christmas period. Executive Procedure Rule B16(c) requires the urgent decision, the reason for it and for the use of urgency, to be reported to the next meeting of the Cabinet.

Exempt Information under the Local Government Act 1972, Schedule 12A, Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Leader of the Council, had submitted an exempt report on an urgent decision taken under Executive Procedure Rule B16, in relation to the proposal to waive the Council's Contract Procedure Rules to permit the extension of the current contract in place to install, maintain and remove Christmas decorations and carry out safety checks to amenity lighting throughout the Borough of Hyndburn. The decision, taken on 20th August 2019, was set out in the exempt report.

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

Reasons for Decision

The reasons for the decision were set out in the exempt report.

Alternative Options Considered and Reasons for Rejection

The alternative options considered and reasons for rejection were set out in the exempt report.

Resolved - **To note the urgent decision taken on 20th August 2019 to waive Contract Procedure Rules to extend the current contract to install and maintain Christmas decorations and amenity lighting in Hyndburn**

121 Barnfield & Hyndburn Partnership

In accordance with Regulation 5(6)(a) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, approval was given by Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, to the following decision being made by Cabinet on 12th September 2019 in private, on the grounds that the decision was urgent and could not reasonably be deferred.

Reason for Urgency

It is considered that it would not be prudent to await the next meeting of the Cabinet on 13th November 2019, in order to approve the closure of the Partnership, in view of the need to progress the necessary legal, accounting and audit work required in a timely manner.

Exempt Information under the Local Government Act 1972, Schedule 12A, Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The Leader of the Council had submitted an exempt report seeking approval from Cabinet on a proposal to close the Barnfield & Hyndburn Partnership.

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

Reasons for Decision

The reasons for the decision were set out in the exempt report.

Alternative Options Considered and Reasons for Rejection

The alternative options considered and reasons for rejection were set out in the exempt report.

Resolved - **That the recommendations as set out in the exempt report be approved.**

122 Emergency Decision to Waive Contract Procedure Rules to Appoint a Fire Safety Consultant

In accordance with Regulation 5(6)(a) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012,

approval was given by Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, to the following decision being made by Cabinet on 12th September 2019 in private, on the grounds that the decision was urgent and could not reasonably be deferred.

Reason for Urgency

The current fire consultancy arrangements are due to end in the very near future. To appoint a Fire Safety Consultant who will ensure continuity of approach, it would not be prudent to await the next meeting of the Cabinet on 13th November 2019 before taking a decision on this matter.

Exempt Information under the Local Government Act 1972, Schedule 12A, Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Councillor Loraine Cox, Portfolio Holder Regeneration and Housing, had submitted an exempt report seeking approval from Cabinet on a proposal to waive Contract Procedure Rules and to appoint the Council's most recently used consultant as Fire Safety Consultant until 31st December 2021.

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

Reasons for Decision

The reasons for the decision were set out in the exempt report.

Alternative Options Considered and Reasons for Rejection

The alternative options considered and reasons for rejection were set out in the exempt report.

Resolved - **That the recommendations as set out in the exempt report be approved.**

123 Loan to Hyndburn Leisure Ltd

In accordance with Regulation 5(6)(a) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, approval was given by Councillor Noordad Aziz, Chair of the Resources Overview and Scrutiny Committee, to the following decision being made by Cabinet on 12th September 2019 in private, on the grounds that the decision was urgent and could not reasonably be deferred.

Reason for Urgency

In order to maximise the financial benefits to both parties of the revised funding arrangements, as soon as possible, it is not considered prudent to await the meeting of the Cabinet on 13th November 2019 before taking a decision on this matter.

