

## Council Forum

Thursday, 28th July, 2022

6.00 pm

Council Chamber, Blackburn Town Hall

[Link to webcast](#)

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### AGENDA

1. **Welcome and Apologies**
2. **Prayers by the Mayor's Chaplain**
3. **Minutes Of The Previous Meeting**  
**Annual Council Minutes 2022** **4 - 13**  
**Appendix 1 Minutes**  
**Appendix 2 Minutes**
4. **Declarations of Interest**
5. **Presentation of Civic Service Awards**  
Civic Service Awards will be presented to former Councillors Mohammed Khan CBE, Maureen Bateson MBE and Yusuf-Jan Virmani in recognition of their outstanding service over many years serving on the Council.
6. **Mayoral Communications**
7. **Council Forum**  
To consider any questions from members of the public under Procedure Rule 12.
8. **Motions**  
To consider any Motions submitted under Procedure Rule 10.
9. **Local Plan 2021-2037 Submission**  
**Council Forum Report Local Plan Reg22** **14 - 22**
10. **Article 4 HMO Report**  
**Council Forum Report A4D 28.7.22 (final)** **23 - 82**  
**Appendix 1 - Article 4 Direction plan ward maps -**

|             |                                                                                                                                                                                |                      |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
|             | <b>compressed<br/>Appendix 2 - Article 4 Direction Justification Paper</b>                                                                                                     |                      |
| <b>11.</b>  | <b>Corporate Plan</b>                                                                                                                                                          |                      |
|             | <b>Corporate Plan report</b>                                                                                                                                                   | <b>83 - 86</b>       |
| <b>12.</b>  | <b>Constitutional Update</b>                                                                                                                                                   |                      |
|             | <b>Constitution update July 2022</b>                                                                                                                                           | <b>87 - 88</b>       |
|             | <i>Please see link to the amended <a href="#">Constitution</a></i>                                                                                                             |                      |
| <b>13.</b>  | <b>Review of Overview and Scrutiny Committees Structure</b>                                                                                                                    |                      |
|             | <b>Scrutiny Review</b>                                                                                                                                                         | <b>89 - 93</b>       |
|             | <b>Political balance and allocations 2022-3. Interim<br/>Appendix 2 (Noms)</b>                                                                                                 |                      |
| <b>14.</b>  | <b>Audit &amp; Governance Committee Annual Report 2021/22</b>                                                                                                                  |                      |
|             | <b>Audit Governance Committee Approved Annual Report<br/>2021.22</b>                                                                                                           | <b>94 - 140</b>      |
|             | <b>Final minutes - 29th June 2021</b>                                                                                                                                          |                      |
|             | <b>Final minutes - 26th Oct 2021</b>                                                                                                                                           |                      |
|             | <b>Audit and Assurance committee 18th January 2022.<br/>29th March 2022</b>                                                                                                    |                      |
|             | To approve the Audit & Governance Committee Annual<br>report for 2021/22.                                                                                                      |                      |
| <b>15.</b>  | <b>Update from other Committees</b>                                                                                                                                            |                      |
|             | <b>Standards Committee - Report for July 2022 Council<br/>Forum</b>                                                                                                            | <b>141 -<br/>145</b> |
|             | <b>Update from Scrutiny Committees</b>                                                                                                                                         |                      |
|             | To receive an update from the Chair of the Standards<br>Committee and a joint report from the Chairs of the<br>PEOPLE, PLACE and Policy and Corporate Resources<br>Committees. |                      |
| <b>16.</b>  | <b>Reports of the Executive Members with Portfolios</b>                                                                                                                        |                      |
| <b>16.1</b> | <b>Leader</b>                                                                                                                                                                  |                      |
|             | <b>Leader's report</b>                                                                                                                                                         | <b>146 -<br/>150</b> |
| <b>16.2</b> | <b>Finance and Governance</b>                                                                                                                                                  |                      |
|             | <b>Finance and Governance</b>                                                                                                                                                  | <b>151 -<br/>154</b> |

|             |                                                                             |                      |
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| <b>16.3</b> | <b>Growth and Development</b>                                               |                      |
|             | <b>Growth &amp; Development</b>                                             | <b>155 -<br/>159</b> |
| <b>16.4</b> | <b>Children, Young People and Education</b>                                 |                      |
|             | <b>Children, Young People &amp; Education</b>                               | <b>160 -<br/>163</b> |
| <b>16.5</b> | <b>Environment and Operations</b>                                           |                      |
|             | <b>Final Environment Council Forum July 2022</b>                            | <b>164 -<br/>165</b> |
| <b>16.6</b> | <b>Public Health, Prevention and Wellbeing</b>                              |                      |
|             | <b>Report of the Executive Member for Public Health and Wellbeing FINAL</b> | <b>166 -<br/>169</b> |
| <b>16.7</b> | <b>Adults, Social Care and Health</b>                                       |                      |
|             | <b>Adult Social Care &amp; Health</b>                                       | <b>170 -<br/>172</b> |
| <b>16.8</b> | <b>Digital and Customer Services</b>                                        |                      |
|             | <b>Digital and CustomerServices</b>                                         | <b>173 -<br/>176</b> |
| <b>17.</b>  | <b>Questions from Members</b>                                               |                      |
|             | To consider any questions received from Members under Procedure Rule 11.    |                      |

Date Published: Wednesday, 20 July 2022  
Denise Park, Chief Executive

## ANNUAL COUNCIL Thursday 19<sup>th</sup> May 2022

**PRESENT** –*The Mayor, Councillor Derek Hardman, Councillors, Akhtar H, Akhtar P, Ali, Baldwin, Browne, Casey, Connor, Desai M, Desai S, Fazal, Fielding, Floyd, Gunn, Harling, Humphrys, Hussain I, Hussain M, Hussain S, Irfan, Imtiaz, Khan S, Khan Z, Khonat, Liddle, Mahmood, Marrow, McCaughran, McGurk, Patel Ab, Patel Alt, Raja, Rawat, Riley, Russell, Salton, Shorrocks, Sidat, Slater Jacq, Slater Jo, Slater Ju, Slater N, Smith D, Smith J, Talbot, Taylor and Whittingham.*

### **RESOLUTIONS**

#### **1 Welcome and Apologies**

Following the reading of the notice convening the meeting by the Chief Executive, there then followed Prayers by the Mayor's Chaplain. The Mayor then welcomed all to the meeting. Apologies were received from Councillors Brookfield, Gee, Rigby and Walker.

#### **2 The Election of Mayor for 2022/23**

The Chief Executive asked for nominations for the Office of Mayor of the Borough for the ensuing Council year. Councillor Suleman Khonat was nominated for Office and declared elected as the Mayor of the Borough for the 2022/2023 Municipal Year.

The newly elected Mayor then assumed the robe and Chain of Office, made and subscribed to the Declaration of Acceptance of Office and took the Chair.

#### **3 The Election of Deputy Mayor for 2022/23**

The Chief Executive asked for nominations for the Office of Deputy Mayor of the Borough for the 2022/2023 Council year. Councillor Parwaiz Akhtar was nominated for Office and the Mayor declared him elected as Deputy Mayor of the Borough for the 2022/23 Municipal Year.

The newly elected Deputy Mayor then received the Chain of Office and made and subscribed to the Declaration of Acceptance of Office.

#### **4 Tribute to the newly elected Mayor**

Councillors Riley and Desai paid tribute to the newly elected Mayor. The Mayor responded and returned thanks for his election.

#### **5 Vote of thanks to the retiring Mayor Councillor Derek Hardman**

Councillors Marrow and Riley paid tribute to the retiring Mayor and the Mayoresses/Consort, for the dedicated work they had undertaken during their term of Office, making reference to the engagements they had attended and activities undertaken in support of the Mayor's chosen charity for the year.

The Mayor presented badges to Councillor Derek Hardman and badges to the Mayoresses and Consort. Councillor Hardman responded to the tributes received and reflected on the many key events over the Mayoral year and thanked all those people who had supported him during 2022/23.

*At this point there was a short recess to allow the Mayor and guests to leave the meeting.*

(The Deputy Mayor, Councillor Parwaiz Akhtar, in the Chair.)

## **6 Minutes of the Council Forum Meeting held on 24<sup>th</sup> March 2022**

**RESOLVED** – The Minutes of the Council Forum meeting held on 24<sup>th</sup> March 2022 were agreed as a correct record.

## **7 Declarations of Interest**

No Declarations of Interest were received.

## **8 Election Results May 2022**

The results of the recent elections were submitted. Councillor Phil Riley welcomed the new and returning Members and made reference to former Councillor Yusuf Jan-Virmanji, who would be invited to receive the Civic Service Award at a future Council meeting.

## **9 Appointment of Leader of the Council**

Members received a report which advised that with the retirement of Councillor Mohammed Khan CBE, the Council was required to make an appointment to the position of Leader of the Council. The appointment of the Leader of the Council was a full Council function in accordance with the provisions of the Local Government Act 2000 (as amended).

Councillor Quesir Mahmood moved that Councillor Phil Riley be appointed Leader of the Council, which was seconded by Councillor Julie Gunn.

### **RESOLVED -**

1. The Council appoints Councillor Phil Riley as Leader of the Council from 19<sup>th</sup> May 2022, in accordance with Article 7.03 of the Constitution.
2. The Council notes that any changes to the portfolios made by the Leader will be reflected by necessary amendments to the constitution.

## **10 Council Appointments 2022/23**

The Chief Executive referred to her report on the composition and political balance of the Council as detailed in Appendix 1 and asked that Council approve Council Appointments for 2022/23.

The report outlined the political composition and balance of the Council, and proportionality of seats which was also referred to in Appendix 1 of the report.

Applying the principles of the Local Government and Housing Act 1989 and the Local Government (Committees and Political Groups) Regulations 1990 (“the Regulations”), the proportional distribution of seats on Committees between political groups was as set out in Appendix 2. Regulation 15 stated that where a political group had failed to express its wishes in relation to the appointments within the period of three weeks beginning with the date on which notice was given, the authority / committee may make such appointments to those seats as they think fit.

It was therefore anticipated that, where group leaders had not yet notified the proper officer (the Chief Executive) of their appointments to seats, that those appointments be made and notified within three weeks of this Annual Council meeting.

It was proposed that the remit, number of Committees and membership of each of the Overview & Scrutiny Committees was looked at, to ensure that there was sufficient capacity to conduct effective scrutiny of Council and relevant health business, with a report back to Council during 2022/23.

Councillor Phil Riley referred to a document that had had been circulated ahead of the meeting, outlining proposed Portfolio changes that would be reflected in the next Constitution update.

## **RESOLVED –**

That Council:

- 1) notes the composition and political balance on the Council following the local elections on 5<sup>th</sup> May 2022, as referred to in paragraph 3 above and further detailed **Appendix 1**
- 2) notes the appointment of the Executive Board Members and the Deputy Leaders;
- 3) notes the Shadow Executive Members;
- 4) approves the appointments to be made to the positions detailed in Paragraph 2, subsection 3; and
- 5) notes the provisions relating to political balance, referred to in Paragraph 3.

(Note: That in the event the Group nominations are not available before the Annual Meeting the decisions on appointment of Members to Committees can be delegated to the Group Leaders to agree the appointments and confirm to the proper officer within the period stated in the Regulations).

- 6) authorises the Chief Executive in consultation with the three Chairs of the Overview & Scrutiny Committees to review the structure of the

overview & scrutiny committees, and present a report to Council at a future date; and

7) notes the Portfolio changes referred to.

## **11 Mayoralty 2022/23**

Members received a report which confirmed the arrangements for the Mayoralty in 2022/2023, namely that Councillor Suleman Khonat be appointed as Mayor and Councillor Parwaiz Akhtar be appointed as Deputy Mayor for 2022/2023.

### **RESOLVED –**

That Annual Council:

1) Confirms the appointment of Councillor Suleman Khonat as Mayor of the Borough for 2022/23; and

2) Confirms that in accordance with the rotation arrangements agreed at Annual Council in 22<sup>nd</sup> July 2021 that the Labour Group nominates the Deputy Mayor for 2022/23 and notes the appointment made earlier in the meeting of Councillor Parwaiz Akhtar.

## **12 Appointments to Outside Bodies and Partnership Bodies 2022/23**

The Chief Executive submitted a report on the appointment of representatives to serve on Outside Bodies and Partnership Bodies in 2022/23.

Due to the need to make early appointments to the Lancashire Combined Fire Authority and the Lancashire Police and Crime Panel, the Leader moved that the status quo continue in terms of membership for those two bodies.

### **RESOLVED –**

3.1 That following usual practice and subject to the background information in this report, appointments to Outside and Partnership Bodies for 2022/23 be delegated to Group Leaders to agree as soon as possible.

3.2 With reference to 3.1 above, in the event that any appointments cannot be agreed by the Group Leaders, they will be referred to Council for determination.

3.3 That Council approves the following appointments:

- Lancashire Police & Crime Panel: Councillor Quesir Mahmood

- Lancashire Combined Fire & Rescue Authority: Councillor David Smith, Councillor Zamir Khan and Councillor Jean Rigby.

Signed at a meeting of the Council Forum  
On Thursday 28<sup>th</sup> July 2022  
(being the ensuing meeting of the Council) by



## COUNCIL APPOINTMENTS FOR 2022/2023

This is the pro-forma for appointments in 2022/2023

### The Executive Members and Assistant Executive Members

| EXECUTIVE BOARD                                                                |                                             |                                                  |
|--------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------------|
| <b>Leader of the Council and Chair of Executive Board</b>                      | Phil Riley                                  |                                                  |
| <b>The following appointments have been made by the Leader of the Council:</b> |                                             |                                                  |
| <b>Deputy Leaders of the Council</b>                                           | 1: Quesir Mahmood (senior)<br>2: Julie Gunn |                                                  |
| <b>Vice Chair of Executive Board</b>                                           | Quesir Mahmood                              |                                                  |
| PORTFOLIOS                                                                     | Executive Member                            | Assistant Executive Member                       |
| <b>Adult Social Care &amp; Health</b>                                          | Mustafa Desai                               | Jackie Floyd<br>Sonia Khan<br>Saj Ali            |
| <b>Public Health, Prevention &amp; Wellbeing</b>                               | Damian Talbot                               | Brian Taylor<br>Zamir Khan                       |
| <b>Children's, Young People &amp; Education</b>                                | Julie Gunn                                  | Katrina Fielding<br>Tasleem Fazal<br>Abdul Patel |
| <b>Environment and Operations</b>                                              | Jim Smith                                   | Jim Casey<br>Shaukat Hussain                     |
| <b>Growth &amp; Development</b>                                                | Quesir Mahmood                              | Zainab Rawat<br>Jim Shorrocks                    |
| <b>Digital &amp; Customer Services</b>                                         | Mahfooz Hussain                             | Elaine Whittingham                               |
| <b>Finance &amp; Governance</b>                                                | Vicky McGurk                                | Dave Harling<br>Salim Sidat                      |
| <b>The remainder of appointments are for completion by the Group Leaders.</b>  |                                             |                                                  |
| Opposition Member on Executive Board                                           |                                             |                                                  |
| John Slater                                                                    |                                             |                                                  |

## 4. Appoint Members of Committees

| Committee                                                                                                                                                    | Labour                                                                                                                                           | Conservative                                | Lib Dem     | IND |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------|-----|
| <b>Policy &amp; Corporate Resources Overview and Scrutiny</b><br><br><b>Membership</b><br><b>Chair:</b> Tony Humphrys<br><br><b>Vice-Chair:</b> Kevin Connor | Tony Humphrys<br>Sylvia Liddle<br>Zainab Rawat<br>Brian Taylor<br>Jackie Floyd<br>Shaukat Hussain<br>Tasleem Fazal<br>Katrina Fielding           | Neil Slater<br>Mark Russell<br>Kevin Connor |             |     |
| <b>Place - Overview and Scrutiny Committee</b><br><br><b>Membership</b><br><b>Chair:</b> Brian Taylor<br><br><b>Vice Chair:</b> Salim Sidat                  | Iftakhar Hussain<br>Zamir Khan<br>Salim Sidat<br>Brian Taylor<br>Katrina Fielding<br>Sonia Khan<br>Parwaiz Akhtar<br>Stephanie Brookfield        |                                             |             |     |
| <b>People Overview and Scrutiny Committee</b><br><br><b>Membership</b><br><b>Chair:</b> Sylvia Liddle<br><br><b>Vice-Chair:</b> Martin McCaughran            | Sylvia Liddle<br>Hussain Akhtar<br>Dave Smith<br>Mohammed Irfan<br>Martin McCaughran<br>Dave Harling<br>Elaine Whittingham<br>Ehsan Raja         |                                             |             |     |
| <b>Call In Committee</b><br><br><b>Chair:</b> Kevin Connor                                                                                                   |                                                                                                                                                  |                                             |             |     |
| <b>Planning &amp; Highways Committee</b><br><br><b>Membership</b><br><b>Chair:</b> Dave Smith<br><br><b>Vice-Chair:</b> Hussain Akhtar                       | Dave Smith<br>Hussain Akhtar<br>Samim Desai<br>Zamir Khan<br>Jim Casey<br>Sylvia Liddle<br>Quesir Mahmood<br>Martin McCaughran<br>Sabahat Imtiaz | Paul Marrow<br>Jackie Slater<br>Jon Baldwin | Paul Browne |     |

Appendix 1

| Committee                                                                                                                                          | Labour                                                                                                                                                      | Conservative                                            | Lib Dem | IND |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------|-----|
| <p><b>Licensing Committee</b></p> <p><b>Membership</b><br/> <b>Chair:</b> Iftakhar Hussain</p> <p><b>Vice-Chair:</b><br/> Stephanie Brookfield</p> | <p>Iftakhar Hussain<br/> Stephanie Brookfield<br/> Brian Taylor<br/> Jim Casey<br/> Tasleem Fazal<br/> Sabahat Imtiaz<br/> Ehsan Raja<br/> Jim Shorrock</p> | <p>Denise Gee<br/> Derek Hardman<br/> Lilian Salton</p> |         |     |
| <p><b>Audit and Governance Committee</b></p> <p><b>Membership</b><br/> <b>Chair:</b> Dave Harling<br/> <b>Vice Chair:</b> Salim Sidat</p>          | <p>Dave Harling<br/> Salim Sidat<br/> Katrina Fielding<br/> Sabahat Imtiaz</p>                                                                              | <p>Jon Baldwin<br/> Neil Slater</p>                     |         |     |
| <p><b>Standards Committee</b></p> <p><b>Membership</b><br/> <b>Chair:</b> Parwaiz Akhtar<br/> <b>Vice-Chair:</b> Lilian Salton</p>                 | <p>Parwaiz Akhtar<br/> Mohammed Irfan<br/> Jim Casey<br/> Samim Desai<br/> Saj Ali<br/> Elaine Whittingham</p>                                              | <p>Neil Slater<br/> Kevin Connor<br/> Lilian Salton</p> |         |     |
| <p><b>Health &amp; Wellbeing Board</b></p> <p><b>Membership</b><br/> <b>Chair:</b> Damian Talbot</p>                                               | <p>Julie Gunn<br/> Mustafa Desai<br/> Damian Talbot</p>                                                                                                     | <p>Derek Hardman</p>                                    |         |     |

## APPOINTMENT TO GROUPS AND PANELS

| Committee                                                            | Labour                                     | Opposition  |
|----------------------------------------------------------------------|--------------------------------------------|-------------|
| <b>Appeals Panel</b><br><b>Membership 15</b>                         |                                            |             |
| <b>Chief Executive's Employment Committee</b><br><b>Membership 4</b> | Phil Riley<br>Quesir Mahmood<br>Julie Gunn | John Slater |
| <b>Chief Officer's Employment Committee</b><br><b>Membership 4</b>   | Phil Riley<br>Quesir Mahmood<br>Julie Gunn | John Slater |

The Membership of the Chief Executive and Chief Officer Employment Committees is the Leader of the Council, the two Deputy Leaders and the Leader of the Opposition.

### The appointments within Political Groups

| LABOUR GROUP       | Councillors                         |
|--------------------|-------------------------------------|
| Leader             | Phil Riley                          |
| Deputy Leaders     | Quesir Mahmood (Senior), Julie Gunn |
| CONSERVATIVE GROUP | Councillors                         |
| Leader             | John Slater                         |
| Deputy Leaders     | Denise Gee (Senior) Derek Hardman   |

| Shadow Cabinet                       | Shadow Executive Member | Shadow Assistant Executive Member |
|--------------------------------------|-------------------------|-----------------------------------|
| Adult Services & Prevention          | Jackie Slater           | Mark Russell                      |
| Public Health & Wellbeing            | Derek Hardman           | Kevin Connor                      |
| Children's, Young People & Education | Lilian Salton           | Denise Gee                        |
| Environmental Services               | Jean Rigby              | John Slater                       |
| Growth & Development                 | Paul Marrow             | Altaf Patel                       |
| Digital & Customer Services          | Julie Slater            | Jackie Slater                     |
| Finance & Governance                 | Neil Slater             | Jon Baldwin                       |
| Opposition Committee Spokespersons   |                         |                                   |
| Planning & Highways                  | Paul Marrow             |                                   |
| Licensing                            | Denise Gee              |                                   |

## **APPENDIX 2**

Note: As a matter of record the following Members have undertaken training in these disciplines and are therefore able to sit or substitute on Planning and Highways or Licensing Committee during the next Municipal Year 2022/23:

### **Planning and Highways**

Councillors Akhtar H, Baldwin, Brookfield, Browne, Casey, Connor, Desai S, Floyd, Gee, Hardman, Hussain M, Imtiaz, Khan Z, Khonat, Liddle, Mahmood, Marrow, McCaughran, Raja, Rigby, Riley, Salton, Shorrock, Sidat, Slater Jacq, Slater Ju, Slater N, Smith D, and Whittingham.

### **Licensing**

Councillors Brookfield, Fazal, Floyd, Hardman, Hussain I, Imtiaz, Patel Alt, Raja, Salton, Shorrock and Taylor.

|                   |                                                    |
|-------------------|----------------------------------------------------|
| <b>REPORT OF:</b> | <b>EXECUTIVE MEMBER FOR GROWTH AND DEVELOPMENT</b> |
| <b>TO:</b>        | <b>Council Forum</b>                               |
| <b>ON:</b>        | <b>28<sup>th</sup> JULY 2022</b>                   |

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**SUBJECT:** Blackburn with Darwen Local Plan (2021-2037) – Submission to the Secretary of State

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## 1. PURPOSE OF THE REPORT

- 1.1 The Council has been preparing a new Local Plan for the Borough since 2018. During this time it has been subject to a number of different periods of statutory consultation, the latest being to the ‘Regulation 19<sup>1</sup> Publication Plan Consultation’ document between 4<sup>th</sup> February and 18<sup>th</sup> March 2022.
- 1.2 This report provides an update to the key issues raised during the Regulation 19 consultation and seeks approval for the ‘submission’ of the Local Plan to the Secretary of State and the Planning Inspectorate (PINS). Submission of the Council’s Local Plan to PINS will then commence an independent Examination in Public (EiP) process. The Local Plan EiP is a requirement to ensure that the Plan is ‘sound’, prior to the local authority being able to adopt the Plan as the formal development plan for the Borough.
- 1.3 During the EiP, a Planning Inspector will assess the Plan in line with the ‘tests of soundness’, which ask whether it is positively prepared, justified, effective, and consistent with national policy<sup>2</sup>. The EiP process will also test that the Plan has been prepared in accordance with all relevant legal and procedural requirements. Individuals/organisations who have made representations during the Regulation 19 consultation process will be invited to attend hearing sessions as part of the EiP process should they wish to do so.
- 1.4 At the conclusion of the EiP hearing sessions, the Inspector may decide to recommend a number of main modifications necessary to make the Plan sound. In this event, further consultation will be required before the Inspector can issue a formal report. The Inspectors’ report will set out all modifications required to the Local Plan to ensure that it is ‘sound’ and can be adopted by the Council. A further report will be brought to Council Forum at this point seeking approval to complete the modifications and adopt the new Local Plan.
- 1.5 The Government has published a [Procedural Guide for Local Plan Examinations](#) which provides further detail and guidance for those involved in the process and concerned with the procedural aspects of examining a Local Plan.

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<sup>1</sup> All references to Regulations in this report refer to the Town and Country Planning (Local Planning) (England) Regulations 2012, unless otherwise specified.

<sup>2</sup> Further details on the tests of soundness are set out in paragraph 35 of the [National Planning Policy Framework](#)

1.6 Submission of the Local Plan will be completed in line with Regulation 22. The Council will need to submit a number of documents including:

- the *Regulation 19 Publication Plan*;
- the accompanying *Sustainability Appraisal* report;
- a *Regulation 22 Consultation Statement* setting out a summary of the main issues raised throughout the preparation of the Plan;
- copies of all representations made to the Regulation 19 Local Plan;
- any proposed schedules of minor modifications to the Regulation 19 Local Plan that the Council would wish to make on its adoption (following consideration of representations made at Regulation 19 stage and/or relevant evidence base updates);
- policy *Topic Papers* on subjects such as Housing, Employment and Environmental policy (each setting out the key evidence and justification for the Local Plan policy approach);
- Various *Statements of Common Ground* (for example, with neighbouring local authorities, National Highways, Clinical Commissioning Group etc.); and
- Any other evidence base documents that have been completed since the Regulation 19 Publication Plan, or were not made public as part of that consultation, including the Council's latest Authority Monitoring Report (for the period 2021/2022).

All relevant submission documents are listed at the end of this report as Background Papers and will be available to view on the [Local Plan: Council forum website](#).

## 2. OPTIONS

2.1 Not applicable. The need for a review of the Local Plan is not optional, but a requirement set out by government<sup>3</sup>. The process of preparing/updating a Local Plan is also prescribed in secondary regulation and a Planning Inspector will only find the plan 'sound' if it meets the relevant legal and procedural requirements in terms of its preparation.

## 3. RECOMMENDATIONS

3.1 To approve submission of the Regulation 19 Local Plan (January 2022) and accompanying documents to the Secretary of State for independent examination in accordance with Regulation 22 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

3.2 To note the key issues arising from the Regulation 19 consultation and:

- a) approve the proposed Council responses set out in Appendix D(iv) of the Regulation 22 Consultation Statement, provided on the [Local Plan: Council Forum website](#); and

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<sup>3</sup> All Local Authorities must have an up to date plan in place (no more than 5 years old) adopted by December 2023. The Government has stated in '[Planning for the Future](#)' (March 2020), and subsequently reiterated by the Housing Minister ([19<sup>th</sup> January 2021](#)), that it will prepare to intervene in local plan making after this period if an up to date plan is not in place.

- b) approve the proposed ‘Schedule of Minor Amendments to Local Plan 2021-2037’ and ‘Schedule of Minor Amendments to Local Plan 2021-2037 Policies Map’, provided on the [Local Plan: Council Forum website](#).
- 3.3 Agree to request that the appointed Planning Inspector recommends any modifications (‘main modifications’) to the Plan necessary to meet the requirements of the Regulations and to make the Plan ‘sound’. Any main modifications will be subject to further public consultation (in 2023) ahead of adoption of the new Local Plan.
- 3.4 Authorise the Strategic Director (Growth and Development), following consultation with the Executive Member for Growth and Development, to confirm the Council’s position in respect of any suggested minor or main modifications during the EiP process. All modifications proposed through the EiP will be subject to public consultation following the Local Plan hearing sessions. These will be made available on the Local Plan examination webpage.

#### **4. BACKGROUND**

- 4.1 Blackburn with Darwen Borough Council currently has a two-part Local Plan made up of the Core Strategy (adopted 2011) and Local Plan Part 2: Site Allocations and Development Management Policies (adopted 2015). Together these documents set out the land use planning strategy for the Borough up to 2026.
- 4.2 Local Plans are now required to be reviewed every five years from the date of their adoption. The Council first approved a new Local Development Scheme in 2018, [subsequently updated](#), setting out the intention to develop a single new Local Plan to replace the Core Strategy and Local Plan Part 2.
- 4.3 Since then, extensive work has been undertaken in preparing the new Local Plan for the Borough, which looks ahead over the period 2021-2037. A portfolio of evidence base documents to support the draft policies set out in the new Local Plan have been made publicly available on the Council’s website. A number of widely promoted statutory consultations have also taken place including:
- A Regulation 18 Issues and Options consultation (approved at [Executive Board of 10<sup>th</sup> January 2019](#));
  - A Regulation 18 Consultation Draft (approved at [Executive Board of 10<sup>th</sup> December 2020](#)); and
  - A Regulation 19 Publication (approved at [Executive Board of 13<sup>th</sup> January 2022](#))
- 4.4 At all stages of preparation and consultation the Council has engaged with members of the community at a minimum in line with its commitments set out in the published [Statement of Community Involvement](#). The Regulation 22 Consultation Statement summarises for each stage of statutory consultation set out above, who has been consulted, how, and a summary of the key/common issues raised. At the Regulation 18 Draft stage every single residential and commercial property in the Borough was notified.



- 4.5 In addition to the statutory consultation periods, more informal consultation has also taken place on a regular basis with key stakeholders. For example:
- an initial development management policy consultation in July – August 2021;
  - ongoing and regular Duty to Co-operate discussions with neighbouring authorities; and
  - meetings / engagement with a wide range of infrastructure delivery partners to inform the Local Plan’s accompanying Infrastructure Delivery Plan (IDP).
- 4.6 The Local Plan is supported by a significant and wide-ranging portfolio of evidence base material. Everything used to inform the content of the Regulation 19 Local Plan has been made available on the Council’s Local Plan webpage since commencement of the public consultation period. Additional documents of relevance to the Submission of the Local Plan are also set out under the list of Background Papers to this report, and will be made publicly available as part of the Local Plan submission webpage.

### Summary of Issues raised during the Regulation 19 consultation

- 4.7 The Regulation 19 Publication Plan Consultation ran from the 4<sup>th</sup> February to the 18<sup>th</sup> March 2022. A wide range of methods were used to raise awareness and encourage participation in this final stage of the Plan’s evolution, including publicising the additional evidence base work undertaken in response to representations made in early 2021. Public consultation ‘drop in’ events were held with Council Officers in attendance at Blackburn Central Library and Darwen Youth Centre.
- 4.8 In total, 446 valid representations were received during the 6-week consultation period from 248 individual consultees/organisations. This was a significant reduction (of around 75%) over the number of representations received during the previous round of public consultation held in early 2021<sup>4</sup>. Around half of the Regulation 19 representations received (215 of the 446) were from members of the public, the rest on behalf of organisations.
- 4.9 The Regulation 22 Consultation Statement sets out a more detailed summary in bullet form of the main issues raised against each of the key policies and sites. The policies and sites that attracted the most number of comments (> 5 representations) are listed in Table 1 below:

**Table 1: Policies receiving more than 5 representations**

| Policy Ref       | Policy Name                                       | No. of Reps |         |            |
|------------------|---------------------------------------------------|-------------|---------|------------|
|                  |                                                   | Sound       | Unsound | Total      |
| Growth Site E179 | J5 Strategic Employment Site (SES), Blackburn     | 2           | 144     | <b>146</b> |
| Growth Site H195 | North East Blackburn Strategic Housing Site (SHS) | 3           | 43      | <b>46</b>  |

<sup>4</sup> In early 2021 a total of 1,796 representations were received from 776 individual consultees/organisations during the Consultation Draft Local Plan (Regulation 18).

| Policy Ref            | Policy Name                          | No. of Reps |         |           |
|-----------------------|--------------------------------------|-------------|---------|-----------|
|                       |                                      | Sound       | Unsound | Total     |
| Core Policy CP4       | Housing Development                  | 3           | 34      | <b>37</b> |
| Core Policy CP2       | The Spatial Approach                 | 2           | 24      | <b>26</b> |
| Dev. Man. Policy DM21 | Local Green Space                    | 25          | 1       | <b>26</b> |
| Growth Site H042      | Land at Bank Hey, Blackburn          | 1           | 6       | <b>7</b>  |
| Dev. Man. Policy DM15 | Biodiversity                         | 0           | 7       | <b>7</b>  |
| Core Policy CP6       | The Natural Environment              | 0           | 6       | <b>6</b>  |
| Dev. Man. Policy DM3  | Housing Mix, Standards and Densities | 0           | 6       | <b>6</b>  |

4.10 The Council's Topic Papers, listed under the Background Papers of this report, have been prepared to help set out the reasoned justification and policy approach to the matters highlighted in Table 1.

4.11 A summary of every one of the 446 representations received, and proposed Council response to the representation, is set out (in plan order) in Appendix D(iv) of the Regulation 22 Consultation Statement. Where the Council response indicates a minor modification as being required, these are then listed in one of two separate documents:

1. Proposed Schedule of Minor Amendments to the Blackburn with Darwen Local Plan 2021-2037; and
2. Proposed Schedule of Minor Amendments to the Blackburn with Darwen Local Plan 2021-2037 Policies Map

4.12 Some representations from statutory consultees were received during the Regulation 19 consultation period. The Council has sought to address these as thoroughly as possible where they relate to matters of soundness, prior to submission of the Local Plan. Issues raised have been addressed either through recommended minor amendments (in the schedules set out above), through preparation of further evidence base work and/or through agreement of a Statement of Common Ground (SoCG) with the respective consultee. All signed SoCG's are provided in the list of Background Papers to this report.

4.13 The specific response to, and approach implemented with, each of the statutory consultee bodies raising matters of soundness are summarised below:

- **Natural England** – the Council proposes additional key development considerations to address any potential ecological impacts on specific growth site policies (H080, H195, H224, E047, E179, MU220) to resolve Natural England concerns – these are listed in the schedule of minor amendments;

- **Historic England** – the Council has updated its Heritage Impact Assessments for two housing growth sites (H195 and H217) and propose updating yields as appropriate to resolve Historic England concerns;
- **National Highways** – the Council has committed to continue to work closely with National Highways, post adoption of the new Local Plan, to monitor traffic, its impacts on the strategic road network, and to consider and implement any necessary mitigation measures. This working arrangement is formalised through a signed Statement of Common Ground which resolves National Highways concerns;
- **Lancashire County Council** – the Council proposes additional key development considerations to address potential archaeological impacts on specific growth site policies (H009, H029, H039, H222) – these are listed in the schedule of minor amendments. In addition, the Council has committed to undertake further traffic monitoring of the A6119 Whitebirk Drive / Peel Retail Park junction during the first year of adoption of the new Local Plan and to work closely with LCC to understand whether any mitigation will be required. LCC has signed the Statement of Common Ground – Neighbouring Authorities LCC & UU to confirm that this resolves concerns raised at Regulation 19 stage;
- **Hyndburn Borough Council** – the Council has signed a Statement of Common Ground confirming that the proposed levels of housing and employment growth are appropriate in the context of the evidence that supports the Local Plan. The SoCG also states that Hyndburn Council notes that objections have been raised particularly from residents of the village of Belthorn, who have concerns about the proposed J5 employment site, but that it is for Blackburn with Darwen Council to justify the location of its development allocations through the Examination of the Local Plan.

4.14 This summary demonstrates that the Council has made significant efforts to resolve outstanding matters raised at Regulation 19 by statutory consultees. The proposed schedules of amendments (referenced in paragraph 4.11) highlight additional minor modifications arising from non-statutory consultee representations, though these are not all listed here for brevity. Seeing as they are identified as ‘minor’ modifications, they are not considered to significantly affect the plan or policies within it.

4.15 The recommendation is for the Council to now submit the Local Plan for its EiP so that an appointed Planning Inspector can come to a view on all the representations made at Regulation 19 and the outstanding matters from both statutory and non-statutory consultees. The Planning Inspector appointed for the EiP will arrange for hearings to take place on relevant matters, and then make further recommendations to ensure that the Local Plan is ‘sound’, including any major modifications required (which will be subject to further public consultation).

## 5. RATIONALE

5.1 The Council has a statutory duty to prepare and keep up to date a Local Plan for the Borough to ensure that sufficient land is available to meet the future need for new homes and jobs. The Government has set a deadline for all areas to have an up to date plan in place (adopted) by December 2023, or risk intervention in the

local plan making process.

- 5.2 The Local Plan provides local communities with an opportunity to have their say on how their local areas will change. It is a chance for the Local Authority to set local planning policy to ensure that future growth is sustainable, and helps to deliver the necessary infrastructure to support an increasing resident, visitor and working population.
- 5.3 The plan has been prepared taking account of a large number of other relevant plans and strategies of the Council and other partner organisations. For example: Blackburn with Darwen's Corporate Strategy, Health and Well-being Strategy, Climate Emergency Action Plan; infrastructure delivery partners' various investment programmes.

## **6. POLICY IMPLICATIONS**

- 6.1 The submission of the new Local Plan will mark a key stage in the development of the new Local Plan. Whilst it does not yet form part of the statutory development plan for the Borough (as it will still be to go through Examination in Public) the Council can now place weight in decision making on the emerging policies contained within it. The degree of weight attached to emerging policies depends upon the level and nature of outstanding objections to them and is a matter for the planning process.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The preparation of the new Local Plan for the Borough has incurred approximately £675k of expenditure to date. This has been funded through a combination of agreed Local Plan budget allocations and existing Growth Team revenue funding. To date there has been £550k additional Local Plan allocation agreed, of which approximately £100k remains in an earmarked reserve for use in the 22/23 period. Costs have been incurred in the preparation of the various stages of statutory consultation on the Local Plan, preparing supporting evidence base material, sustainability appraisal, and undertaking consultation exercises themselves.
- 7.2 A further £205k of expenditure is estimated for the 2022/23 period, which includes costs relating to the submission and examination of the Local Plan. This will be funded through a combination of the Local Plan allocation for 2022/23 plus reserves carried forward.

## **8. LEGAL IMPLICATIONS**

- 8.1 Local Planning Authorities have a statutory requirement to produce, and keep up to date, a Local Development Plan, as described by the National Planning Policy Framework, the National Planning Practice Guidance, the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Planning & Compulsory Purchase Act 2004. The submission of the new Local Plan forms the final phase of work towards meeting this statutory requirement.

## 9. RESOURCE IMPLICATIONS

- 9.1 The submission and examination of the Local Plan will be managed by existing resources within the Council (Growth and Development service, IT etc.), PINS, and a Programme Officer to be appointed by the Council (funded through the existing Local Plan budget).

## 10. EQUALITY IMPLICATIONS

- 10.1 An initial equality impact assessment (EIA) has been carried out in support of the proposed submission of the new Blackburn with Darwen Local Plan (2021-2037). This has been completed with full consideration of the policies and proposals that are to be included in the Local Plan. The EIA concludes that submission of the Local Plan, and implementation of policies contained within it, is not considered to have any impacts on protected characteristics.

## 11. CONSULTATIONS

- 11.1 The Council has undertaken extensive public consultation over a period of 4 years, details are set out in the Regulation 22 Consultation Statement. Consultation has been in accordance with the Council's published Statement of Community Involvement.

### Chief Officer/Member

Contact Officer: Martin Kelly (Strategic Director, Growth and Development)

Date: 8<sup>th</sup> July 2022

Background Papers: all available to view on the [Local Plan: Council Forum webpage](#).

- 1) Regulation 19 Publication Plan Consultation document (Jan 2022)
- 2) Local Plan Sustainability Appraisal
- 3) Submission Policies Map
- 4) Regulation 22 Consultation Statement
- 5) Proposed Schedule of Minor Amendments to Local Plan 2021-2037
- 6) Proposed Schedule of Minor Amendments to Local Plan 2021-2037 Policies Map
- 7) Topic Papers
  - a. Housing
  - b. Employment
  - c. Environment
  - d. Housing Standards
- 8) Statements of Common Ground with:
  - a. Hyndburn Borough Council (July 2022)
  - b. Other adjoining Local Authorities, LCC and UU (July 2022)
  - c. Blackburn with Darwen Clinical Commissioning Group (June 2022)
  - d. National Highways (July 2022)
- 9) Additional evidence base material completed post Regulation 19
  - a. Authority Monitoring Report 16 (2021/22) (June 2022)

- b. H217 Heritage Impact Assessment (revised)
- c. H195 Heritage Impact Assessment (revised)
- d. M65 J5 Buildability Assessment (Feb 2022)
- e. M65 Junction 6 and 7 Study (March 2022)
- f. South East Blackburn Transport Strategy (June 2022)
- g. Local Strategic Assessment for Specialist Housing Types (June 2022)
- h. Article 4 Direction (HMO) Justification Paper (June 2022)
- i. Infrastructure Delivery Plan (July 2022)
- j. Balfour Beattie Feasibility Report (June 2022)
- k. Market Report – Southeast Blackburn Commercial Property Market Report (June 2022)
- l. Hot Food Takeaway Background Paper

|                   |                                                    |
|-------------------|----------------------------------------------------|
| <b>REPORT OF:</b> | <b>EXECUTIVE MEMBER FOR GROWTH AND DEVELOPMENT</b> |
| <b>TO:</b>        | <b>Council Forum</b>                               |
| <b>ON:</b>        | <b>28<sup>th</sup> JULY 2022</b>                   |

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**SUBJECT: Proposed Introduction of an Article 4 Direction - Removal of permitted development rights for the change of use from Use Class C3 (dwelling-houses) to C4 (HMOs)**

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## 1. PURPOSE OF THE REPORT

- 1.1 To brief Council Forum on current issues relating to Houses of Multiple Occupation (HMOs) and set out the justification for making a new Article 4 Direction to control the change of use from a dwelling house to a HMO and to set out the new designated area which that Direction will apply to. (The new Article 4 Direction designation is proposed to cover the whole urban area of Blackburn with Darwen and will replace the existing Article 4 Direction.)
- 1.2 To recommend to Council Forum an approach to making the Direction, namely a non-immediate Direction that will come into effect in 12 months, covering the urban areas of the Borough (and so affecting all wards). A map of the proposed Article 4 Direction area is provided as Appendix 1.
- 1.3 To recommend that Council Forum endorse the proposed approach and approve the making of the Direction and the commencement of consultation.
- 1.4 To recommend that Council Forum agree the cancellation of the existing Article 4 Direction, but only on the condition that the new direction is confirmed at a later date, at which point it will be cancelled on the date that the new Direction takes legal effect.

## 2. RECOMMENDATIONS

- 2.1 That Council Forum note the issues described in the report and the rationale behind the proposed approach;
- 2.2 That Council Forum endorse the making of a non-immediate Direction under Article 4 of the Town and Country Planning (General Permitted Development) Order 2015 (as amended), with a 12-month lead-in period, to remove the permitted development right granted by Schedule 2 Part 3 Class L(b) of that Order, which allows a change of use from a dwelling house (C3) to a house in multiple occupation with between 3 and 6 occupants (C4) and which will apply to all urban areas of the borough as shown on the accompanying plan.
- 2.3 That Council Forum approve the making of such Article 4 Direction, with the required consultation to take place over a 6 week period over August/September 2022.
- 2.4 That Council Forum note that it will receive a further report to formally confirm the Article 4 Direction, taking into consideration the feedback and outcome of the consultation.

### 3. BACKGROUND

- 3.1 In April 2010, the Government introduced a new Use Class C4 (C4) to the Use Classes Order, relating to Houses of Multiple Occupation (HMOs) covering small shared houses or flats; defined as being occupied by 3 to 6 unrelated individuals who share basic amenities. In October 2010, the Government then introduced legislation, under 'permitted development rights' to allow the change of use of a dwelling house to a C4 use without the need to apply for planning permission. Whilst introduced through previous legal Orders, these 'permitted development' rights are now legislated through The Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended)<sup>1</sup>, or GPDO for short, which gives permission to carry out certain 'permitted development' subject to certain conditions.
- 3.2 The GPDO (2015) (Part 3, Class L (part b)) grants permitted development rights to allow the conversion from a use falling within Use Class C3 (dwelling houses) to a use falling within Class C4 (HMOs), and relate only to dwelling houses of not more than 6 residents. Proposals for HMOs containing 7 or more residents already require planning permission to be sought.
- 3.3 In usual circumstances, the conversion of a dwelling house to a HMO (for 3 to 6 persons) does not therefore require planning permission to be sought. However, the Government recognises that sometimes local circumstances will mean greater control needs to be given to local powers to manage such types of development. Consequently, Article 4 of the GPDO (2015) allows Local Planning Authorities (LPAs) to remove permitted development rights from specified areas under their management, thereby requiring applicants to apply for planning permission and enabling the LPA the opportunity to consider a proposal in more detail. These are called Article 4 Directions.
- 3.4 In 2012, Blackburn with Darwen Council agreed to introduce a (non-immediate) Article 4 Direction to remove permitted development rights for the conversion of C3 to C4 uses within the wards then known as Shear Brow, Corporation Park, Wensley Fold, Mill Hill, Ewood, Sudell and Sunnyhurst. The Direction was introduced in response to concerns from elected members, residents, businesses and other stakeholder agencies, at the detrimental impact that high numbers and localised concentrations of HMOs were having on the physical, economic and social fabric of communities and neighbourhoods across the borough.
- 3.5 Later in 2012, a Supplementary Planning Document (SPD) relating to planning applications for HMOs was consulted upon and adopted, producing clear and detailed local policy guidance to set out how and why HMOs were affecting the sustainability of communities and neighbourhoods in the borough, and the very limited circumstances where they may be supported.
- 3.6 In February 2013, the Article 4 Direction (agreed in January 2012) came into force requiring all changes to C4 uses within the defined Article 4 areas to seek planning permission. Small HMOs outside of the defined areas, where issues of concentration had not been identified, still retained their permitted development rights.
- 3.7 In accordance with national planning guidance (para 49)<sup>2</sup>, the Council report accompanying the original Article 4 Direction (2012) set out the intent to monitor the

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<sup>1</sup> [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

<sup>2</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](https://www.gov.uk)



appropriateness of the Direction, including review and consideration of whether the original rationale and/or extent of the Direction continues to be valid.

3.8 Whilst the planning actions taken so far to resist additional HMO approvals in those designated areas are considered to have been successful, there have been increasing concerns, from a variety of Council services, that the number of HMO beds in the borough is growing and, with it, concerns regarding the amenity harm and associated impact on public services and communities. Despite the Article 4 Direction, over recent years the borough has seen a considerable increase in the provision of HMO accommodation, and the Council now consider there to be an over-provision of such accommodation, which includes providing for needs imported from outside of the Borough. The consequences of this proliferation of HMOs are multiple and varied, including impacting on amenity and well-being, limiting opportunities for investment and regeneration, reducing the Council's ability to address the housing supply imbalance, and increasing the demand for frontline services.

3.9 The growth in HMOs and the increase in associated issues, alongside the progression of the Council's new Local Plan (2021-2037) means this is now an opportune time to review the Article 4 restrictions and their designated geographic areas. Whilst acknowledging that planning is only one part of a number of preventative actions to be implemented by the Council as a whole, Planning continues to be a key tool in the management of HMOs in the Borough.

## **4 RATIONALE**

4.1 The new Local Plan (2021-2037) contains a new policy (Policy DM6: HMOs) which states planning permission will not be granted for any new HMOs in any part of the borough during the Plan period. However, this relates only to those HMO developments requiring planning permission and so Article 4 Directions are a necessary tool to 'catch' HMO developments that could otherwise be carried out under permitted development rights.

4.2 Therefore, it is the Council's intention to extend the use of an Article 4 Direction to other appropriate areas of the borough to fulfil the intended policy aims of DM6. Under this approach, planning applications will be required for HMO conversions in the areas the Article 4 Direction will cover, and then the policy will guide the assessment of those planning applications [to recommend refusal]. Whilst the policy wording does remain subject to Government examination in 2022/23, and may ultimately not be supported or adopted in this form, the principle of evidencing, reviewing and establishing changes to the Article 4 Direction areas remains relevant for the Council to facilitate stronger management of HMO conversions in those areas. The new Article 4 Direction designation is proposed to cover the whole urban area of Blackburn with Darwen. Once in effect, it will replace (modify and supercede) the existing 2012 Direction.

4.3 Through the emerging Local Plan, the Council have an ambition for balanced growth in the Borough, which includes a focus on the provision of jobs and economic growth, regenerating the town centres of Blackburn and Darwen, and addressing inequalities in health and deprivation. Aside this, the Council's corporate priorities include a focus on reducing health inequalities, supporting connected communities, safeguarding the most vulnerable people and supporting town centres and businesses. Based on the available data, it is likely that this work will be significantly undermined unless tighter management of HMO accommodation is introduced, and with it greater protection of the amenity of local neighbourhoods, strengthening communities, improving housing and working to address deprivation and health inequalities.

4.4 The National Planning Policy Framework (NPPF)<sup>3</sup> (Paragraph 53) states that the use of Article 4 Directions to remove national permitted development rights should be limited to situations where a Direction is necessary to protect local amenity or the well-being of the area, and must be based on robust evidence and apply to the smallest geographical area possible. According to the accompanying national planning guidance, this means that the potential harm that the Direction is intended to address must be clearly identified, and a strong justification set out for the withdrawal of permitted development rights set relating to a wide area (e.g. that covering a large proportion of the LPA area).

4.5 Under the legislation, Article 4 Directions can be introduced either with immediate effect, or with non-immediate effect involving a 12 month lead-in time. If a Direction is made with immediate effect, the Council becomes liable to pay compensation to any property owner who is refused planning permission, or granted permission with restrictive conditions, for development which would not have required consent prior to the Direction being made. This liability applies for a period of 12 months, and can relate to a range of losses potentially suffered by the unsuccessful applicant including loss of property value. If a Direction is introduced with a 12-month lead-in time there is no liability for compensation. In 2012, the Article 4 Direction was introduced as a non-immediate Direction as Members felt the potential financial risk to the Council was unacceptable. As the difficulties in quantifying the potential scale of compensation remain, due to the number of variables involved, it is again proposed to introduce this Article 4 Direction through a non-immediate route.

4.6 The Council have prepared a Justification paper (Background Paper Appendix 2), to summarise the relevant national and local policy context and to set out the evidence to support the introduction of a new Article 4 Direction. The evidence has been collated from across a number of key Council services. An overview is provided in the following section.

## 5. KEY ISSUES

5.1 It is considered that the available evidence provides an acceptable justification for the extended withdrawal of permitted development rights via an Article 4 Direction.

### Current evidence relating to HMOs

5.2 There are a number of issues that make it difficult to historically compare the number of HMOs in the Blackburn with Darwen borough, including changes to the ward boundaries following the Government's boundary review in 2018; differences in the definitions of HMOs between planning, housing and licensing; and differences in how data is collected. However, all of the available data shows a significant increase in the number of HMOs since 2011.

- In 2011, there were 129 HMOs/hostels in the borough, representing 0.22% of the total number of properties.
- In 2022, using LLPG data, there were 390 HMOs in the borough, representing 0.61% of the total number of properties and a growth of over 200% since 2011.
- Acknowledging differences in counting and reporting, the Council's housing team recorded 506 HMO bed spaces in 2015, and 1169 in 2021, representing a 131% increase in the number of bed spaces over that period.

The evidence shows that, since 2012, the numbers of HMOs have grown significantly, and spatial analysis of the locations of those HMOs show they have dispersed to parts of the borough that fall outside those areas currently managed under the existing Article 4 planning powers. It is expected that this is as a result of the existing Article 4 Direction restrictions.

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<sup>3</sup> [National Planning Policy Framework \(publishing.service.gov.uk\)](https://www.gov.uk/publishing.service.gov.uk)

5.3 The evidence has also shown that the wide variety of inter-related issues pertaining to HMOs are not confined solely to the boundaries of the few wards contained under the existing Direction, but stretch across the urban areas. As a general summary:

- The borough has high proportions of poor quality housing stock, which can be bought cheaply, and is located in the most deprived and urban areas of the borough.
- This type of cheap and low standard accommodation is generally bought by landlords and converted to HMOs in the anticipation of generating high levels of revenue as HMOs operate within a private market and attract an enhanced rate of housing benefit.
- This type of HMO accommodation generally attracts and houses vulnerable persons with multiple and complex needs, who, once resident in the borough, require intense support from the Council, including benefit claims, and from across the public sector, including the emergency and support services.
- High proportions of the borough's benefit claims are made in relation to mental and behavioural problems, and claimants commonly originate from outside of the Blackburn with Darwen area meaning the borough involuntarily imports a high percentage of adults with complex needs. Demand for HMOs is not generated from a local need.
- Vulnerable persons are largely those with the most challenging and complex behaviours, resulting in increases of incidences of rough sleeping, street-begging, anti-social behaviour, violence, street-working, street drug and alcohol use and general criminality within the borough. Significant proportions of criminal and anti-social behaviour relate to HMO residents, particularly in Blackburn and Darwen town centres.
- Responding to crime, anti-social behaviour and environmental damage also drains the Council of revenue, and, in turn, opportunities to invest in improving areas of the borough and regenerating the town centres (which are a key focus of the Council). Amongst the top priorities, identified by town centre businesses, is for the Council and its partners to address socio-environmental issues including those stemming from vulnerable persons associated with HMOs.

5.4 Whilst it is not possible to say categorically that all of the incidents and issues identified above and in Appendix 2 have been generated directly by the presence of HMOs and/or HMO residents it is clear from the analysis that there is a recurring high occurrence of these problems in those areas where high concentrations of HMOs have become established. And so the dispersed growth of HMOs to wider areas of the borough will likely serve the growth of such associated issues across the borough.

#### **Justification/evidence for making an Article 4 Direction**

5.5 The ability for HMOs to appear without more effective planning management perpetuates the above issues. The resulting effects are to create detrimental impacts on the amenity and wellbeing of local areas, with increased levels of crime, anti-social behaviour and environmental issues. It fosters a vicious cycle of amenity deterioration, depressed house prices and poor quality stock, damaging local character, worsening deprivation rates and creating a perpetuating negative spiral that then encourages further HMOs to continue the cycle. Clusters of unmanaged HMOs have a detrimental impact on the growth, regeneration, image, investment and sustainability of communities and neighbourhoods. The transient nature of tenants in such accommodation, many of whom have no connection to BwD, undermines community cohesion, neighbourhood sustainability and 'civic pride'. It also has the potential to fundamentally change the character of an area, created imbalanced communities, and for an area's housing choice to be skewed away from family accommodation. Any continued increase in the number of HMOs will further add to the

detrimental and cumulative impact of this activity on communities and neighbourhoods which will harm local amenity.

5.6 Based on the collated evidence, the Council consider the introduction of a new Article 4 Direction, to cover all urban areas of the borough, will grant the Council more effective control to restrict the otherwise unregulated conversion of dwelling houses to HMOs. It is expected that such interventions can seek to help rebalance communities and address the cumulative and detrimental impacts of HMOs on the borough and local amenity.

### **Proposed Article 4 Direction**

5.7 The evidence has demonstrated that HMO numbers have grown considerably and been dispersed beyond those areas covered by the original Article 4 Direction, and that i) the factors contributing to a continuing growth in HMOs and ii) the consequential harm arising from HMOs both extend to a wider urban areas than those original seven wards. Without Council intervention, there is a risk that these factors will see a continued growth in HMOs and the vicious circles described through this report will continue.

5.8 To protect local amenity and the well-being of the area from further harm, the Council therefore propose to introduce a new Article 4 Direction to cover the urban areas of the borough. A map of the proposed Direction area is contained at Appendix 1. The boundary of those urban areas will be set by Policy CP2 of the emerging Local Plan (2021-2037). The new Article 4 Direction, once in effect, will serve to modify (and in doing so replace) the 2012 Direction and its designated areas.

5.9 It is considered that this is the smallest, appropriate geographic level to apply for the reasons evidenced. The remaining non-urban areas of the borough are considered to be self-regulating due to higher house prices and better quality housing stock dissuading their conversion to HMOs by potential landlords. However, as before, the proposed Article 4 Direction, once in effect, will be subject to future monitoring and review. Should issues disperse into those areas to create negative impacts on amenity, then the boundaries can again be re-considered.

### **Risk assessment**

5.10 There are a number of potential risks associated with both the making and confirmation of a Direction. Risks and actions to reduce the impact include:-

| Risk                                                                                                                                                                                                                                | Mitigation                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The current situation will remain in place for a further 12 months whilst the non-immediate direction is introduced. In this time, there could be a 'rush' of conversions to avoid the future requirement for planning application. | Planning is just one part of the regulatory process available to the Council to manage the conversion of properties to HMOs. The only alternative to a non-immediate direction would be to introduce an immediate direction, but this would leave the Council open to the risk of financial compensation for a 12 month period. |
| Planning applications for the conversion to an HMO in an Article 4 Direction area are exempt from a planning fee.                                                                                                                   | Under the emerging policy DM6, it is expected that all applications will result in a recommendation for refusal, which may deter applicants. The cost of processing applications will be met through the existing budget for the Growth department.                                                                             |
| The extended Article 4 Direction could result in a reduction in the supply of HMOs.                                                                                                                                                 | The Council's Housing and Economic Needs Assessment (2018) and Update                                                                                                                                                                                                                                                           |

|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                            | (2021) identified no need for any type of this accommodation (HMOs).                                                                                                                                                                                                                                                                                                                          |
| Transfer of displacement of problems to other areas not covered by an Article 4 Direction. | The evidence shows a growth of HMOs dispersed into areas not covered by the existing Article 4 Direction, but this is understood to be because of the similar conditions across the wider urban area, including deprivation and low-cost housing. Rural areas are considered to be self-regulating due to higher house prices and better quality housing stock dissuading conversion to HMOs. |

5.11 There are no operational implications relating to having an Article 4 Direction in place. All planning applications that are required as a consequence of the Direction will be processed in line with established working procedures.

### **Procedure and powers for making an Article 4 Direction**

5.12 The LPA is able to confirm all Article 4 Directions. The Secretary of State (SoS) must be notified at both the preliminary ('making the notice') and final ('confirming the notice') stages. The SoS does not have to approve article 4 directions and will only intervene where there are clear reasons for doing so.

### **Next steps**

5.13 It is proposed that the Council implements a new, non-immediate Article 4. This option requires a 12 month lead in period before the Direction becomes effective. On this basis, if confirmed, it is expected that the new Direction would become operational by August 2023, subject to Council Forum approvals in that time period.

5.14 The process of making an Article 4 Direction requires local consultation. It is proposed that the consultation will be carried out in August/September 2022 for a 6 week period.

5.15 The Council is obliged to take account of all comments made during the consultation period and consider whether these are material to the Direction as originally proposed. If significant amendments are needed this may trigger the requirement for further consultation. In this case the date for confirming the Direction will need to be reviewed.

5.16 Once the consultation is complete the outcome will be reported to Members along with recommendations to confirm the Direction, modify it or not pursue it as appropriate. A further report will be brought to Council Forum at this stage.

## **6. POLICY IMPLICATIONS**

6.1 The making of the Article 4 Direction will be carried out in accordance with relevant legislation and national planning guidance from the Department for Levelling-up, Housing and Communities.

6.2 All planning applications received in response to the requirements of the Article 4 Direction will be considered with reference to saved policies in the adopted Blackburn with Darwen Borough Local Plan Part 2 (2015) and the emerging Local Plan 2021-2037.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 The costs of making the Article 4 Direction include local consultation and, once in place, staff time to administer any planning applications submitted as a consequence of the Direction. These will be met from existing departmental resources.
- 7.2 Adopting the Article 4 Direction without the proposed 12-month lead-in time may require the Council to pay compensation to Property Owners who apply for planning consent but which is subsequently refused. The 12-month lead-in time will mean that no such compensation is payable.
- 7.3 The costs of not making the Article 4 Direction include the continuation of current disproportionate costs of dealing with HMO related issues in the Borough. Such issues are set out in this paper and in the Article 4 Direction Justification Paper (Background Paper Appendix 2) and costs will impact on the Council, NHS and other public services.

## **8. LEGAL IMPLICATIONS**

- 8.1 The Council's constitution states that certain changes shall be by the Planning and Highways Committee making a recommendation to the Executive. In this instance it is considered that removal of permitted development rights in the urban areas of the borough (all wards) is sufficient to warrant the matter being brought to Council Forum in order to reduce the risk of challenge.
- 8.2 The Planning and Highways Committee met on 16 June 2022 to consider the proposal for the introduction of a new Article 4 Direction. Following confirmation of their support, the proposed Direction is now presented to Council Forum with a series of recommendations (see Section 11 below).
- 8.3 The Direction will be made under the provisions of Article 4 of the Town and Country Planning (General Permitted Development) Order 2015, as amended, in line with the procedure set out in Schedule 3 of that Order.
- 8.4 Consultation is discussed below and must be meaningful and considered in order to be effective and not potentially subject to judicial review.

## **9. RESOURCE IMPLICATIONS**

- 9.1 The making of the Article 4 Direction will be managed by the Strategic Planning Team in close collaboration with colleagues in Legal Services.
- 9.2 Once the Direction has been confirmed and takes effect any planning application received for the conversion of a dwelling house (Use C3) to an HMO (Use C4) within the defined urban area will be processed by the Council's Development Management Team.

## **10. EQUALITY IMPLICATIONS**

- 10.1 An initial equality impact assessment (EIA) has been carried out in support of the development of the proposed new Article 4 Direction. The EIA concludes that it is not considered to have any impacts on protected characteristics.

## **11. CONSULTATIONS**

- 11.1 A wide variety of evidence, from across multiple Council service areas, has been collated to justify the making of the Article 4 Direction; including both its purpose and extent.

- 11.2 A draft version of the Justification paper (Background Paper Appendix 2) was circulated amongst Council officers, including those from housing, health, supporting people services, environmental crime, benefits, planning, development and economic regeneration.
- 11.3 National guidance provided by the Department for Levelling-up, Housing and Communities requires that local consultation is carried out before the Direction is confirmed by the local authority.
- 11.4 The making of the Article 4 Direction is a two-stage process. The first stage involves the Council making the Direction and carrying out local consultation within the areas where it is proposed the Direction will take effect. The guidance confirms the notification procedure which requires the Council to publish and display local advertisements and site notices and other media. This will provide an opportunity for local residents, property owners, property agents and stakeholder groups to make comments on the proposal.
- 11.5 The Council is also required to notify the Secretary of State of the proposal.
- 11.6 It is proposed that the consultation period will extend over 6 weeks during August/September 2022. A notice will be published in the local newspaper and on the Council's website and in addition to the requirements noted above copies of the information will be available in both town halls, the Central Library, Darwen Library and local libraries in the areas where the Direction is proposed. Site notices will also be displayed across the borough.
- 11.7 Any representations received during the consultation period must be taken into account in determining whether to confirm the Direction. If this involves any material change to the Direction there will be a need to re-consult.
- 11.8 The Council will need to take account of all comments. If there are no issues with the original proposal then there is no reason why the Council cannot proceed to confirm the Direction and the date on which it will become effective. However if any of the comments require a material change to the proposed Direction there may be a need to repeat the consultation.

## **Monitoring and Review**

- 11.9 Once the Direction takes effect there is a responsibility on the Council to regularly monitor and review the appropriateness of the Direction including consideration of whether the rationale and/or the extent of the Direction remains valid.

### **Chief Officer/Member**

Contact Officer: Martin Kelly

Date: 24 June 2022

Background Papers:

- Appendix 1: Article 4 Direction Plan (and ward maps)
- Appendix 2: Article 4 Direction Justification paper



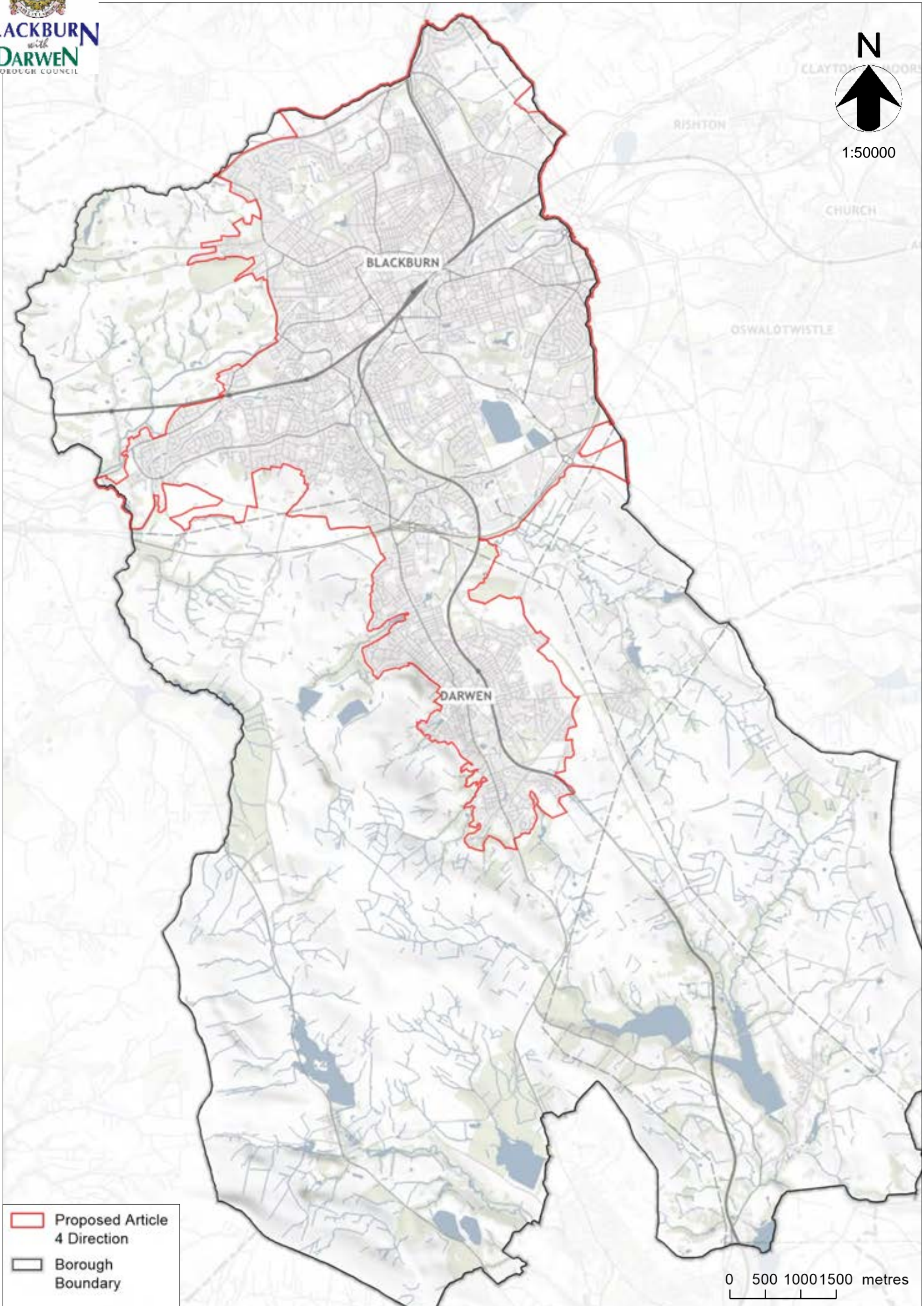


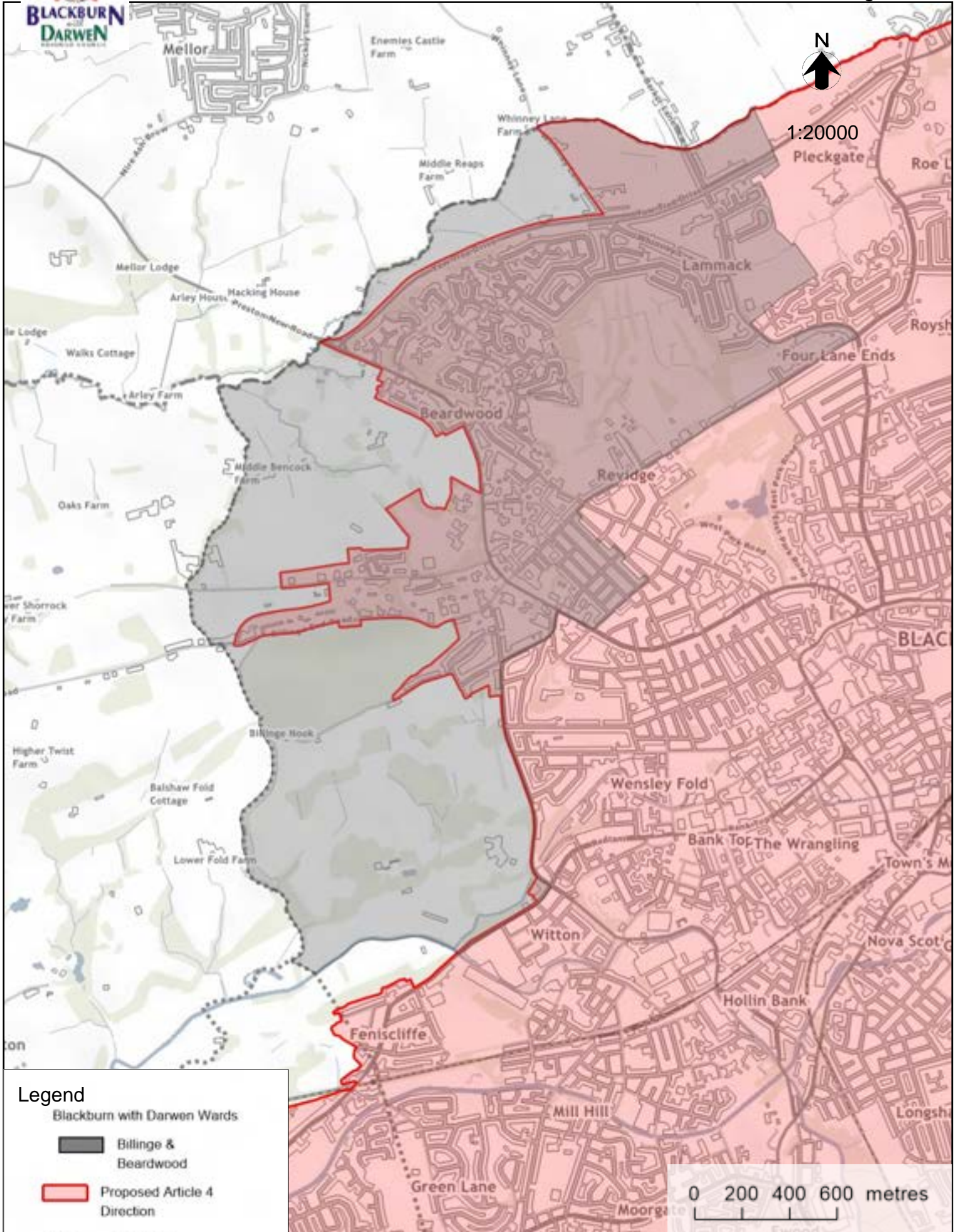
# Blackburn with Darwen Borough Council Proposed Article 4 Direction

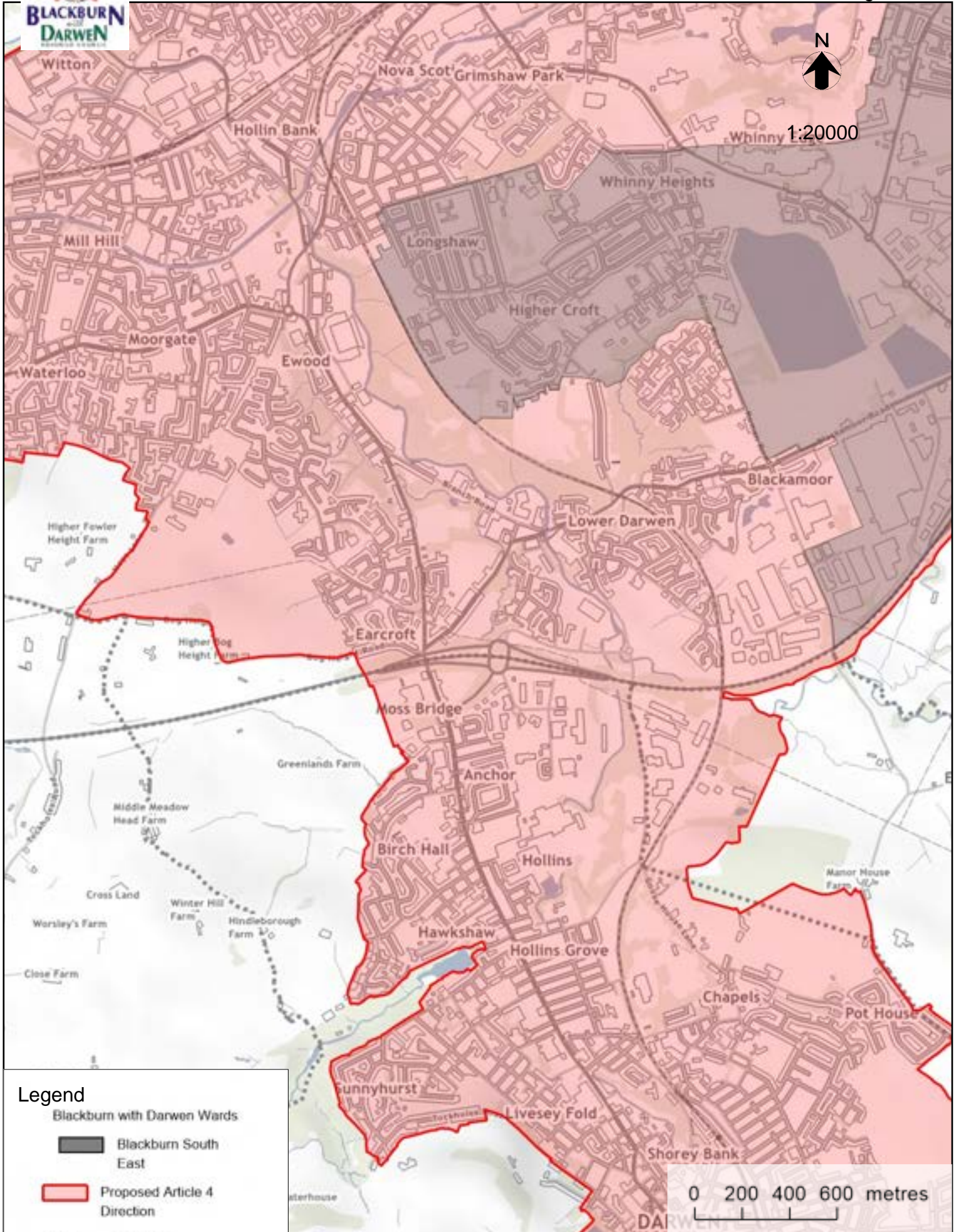
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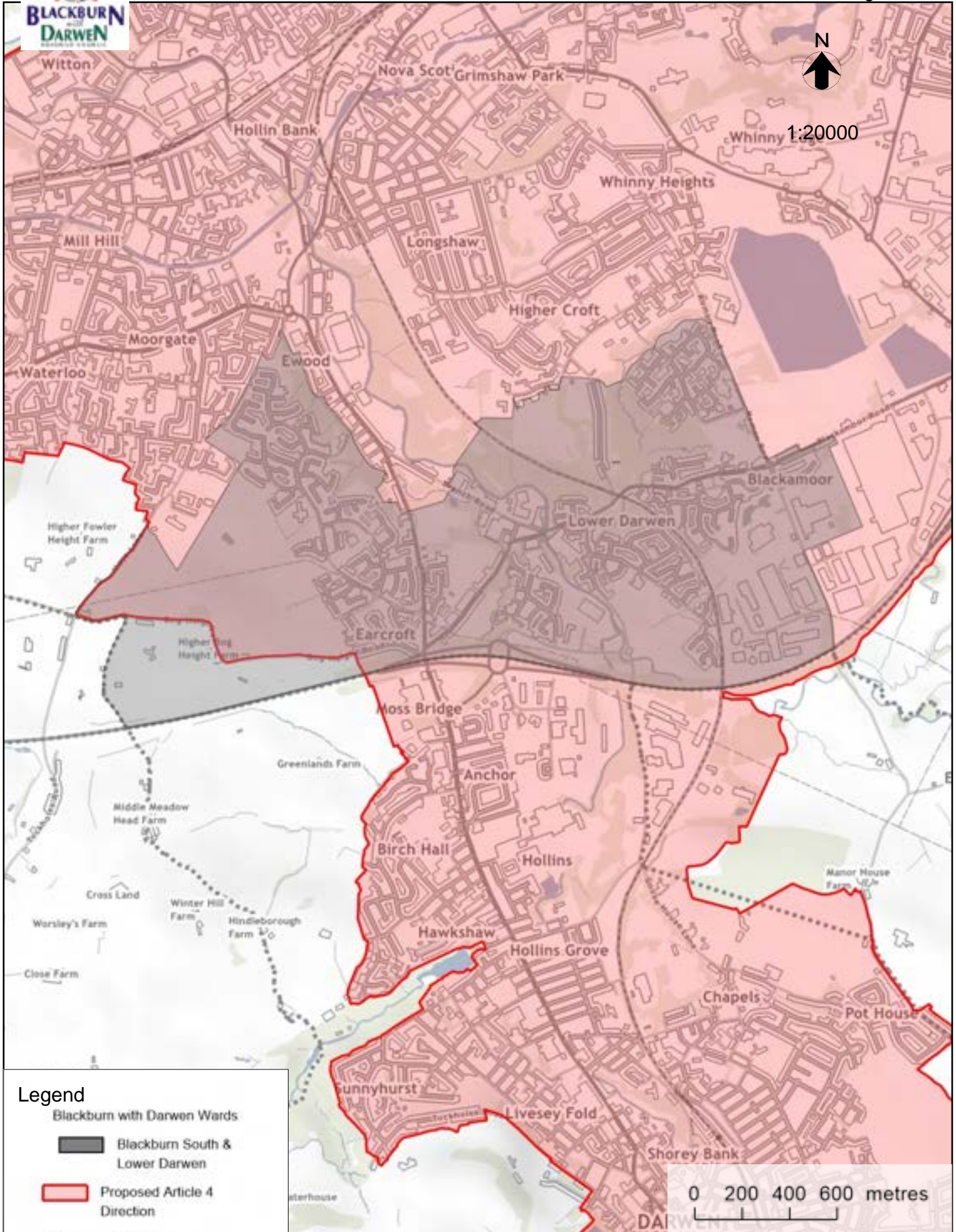


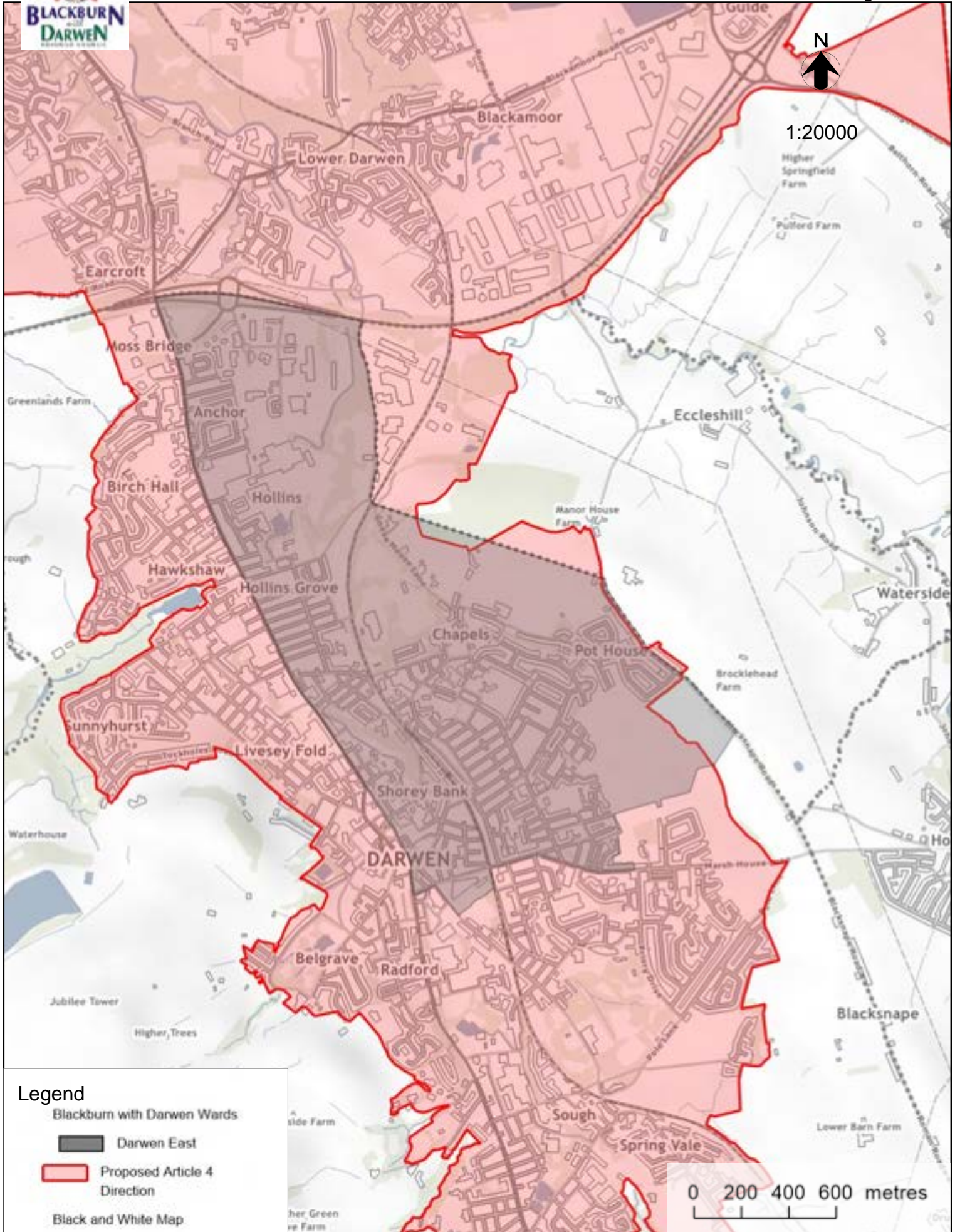
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with  
**DARWEN**  
BOROUGH COUNCIL

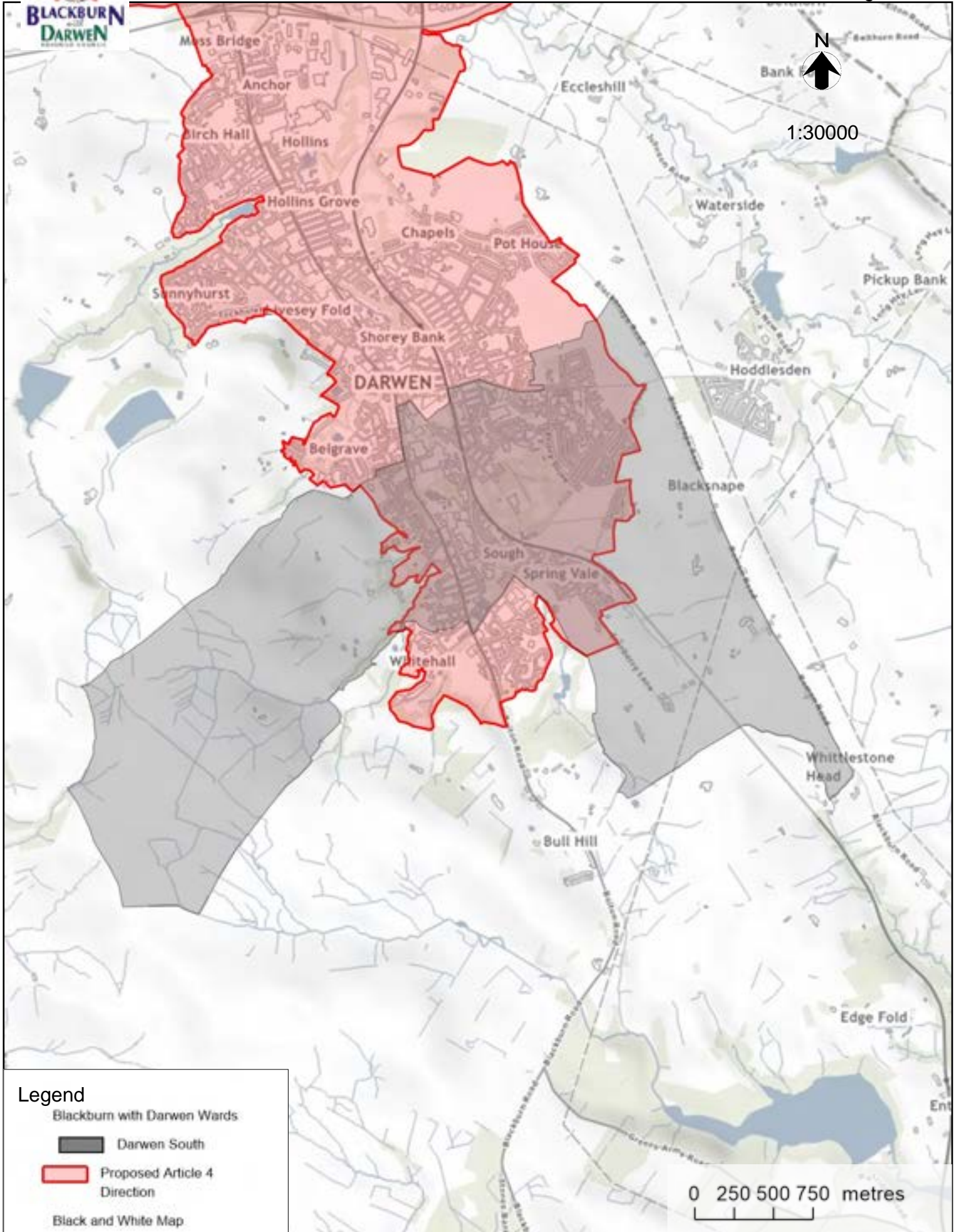












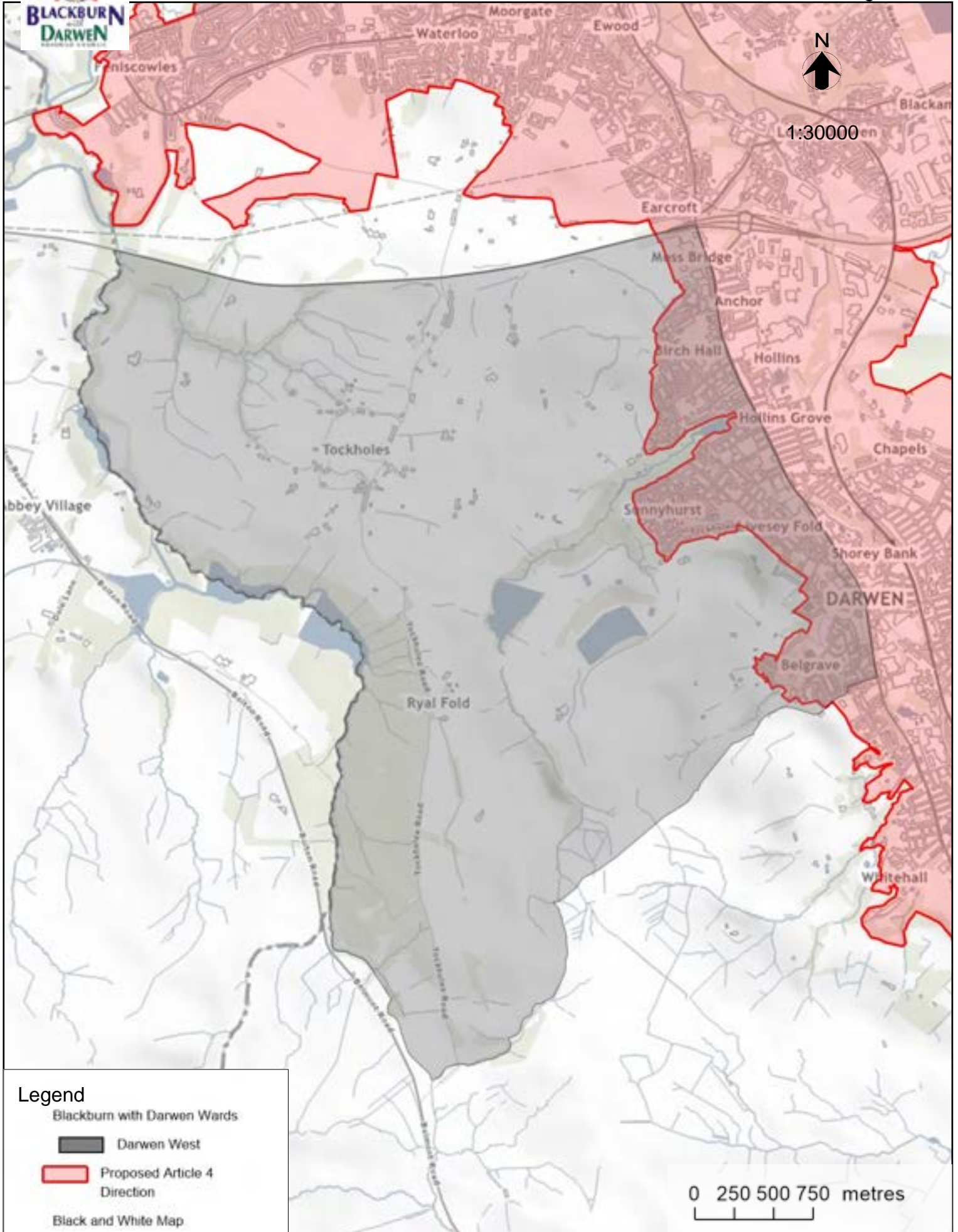
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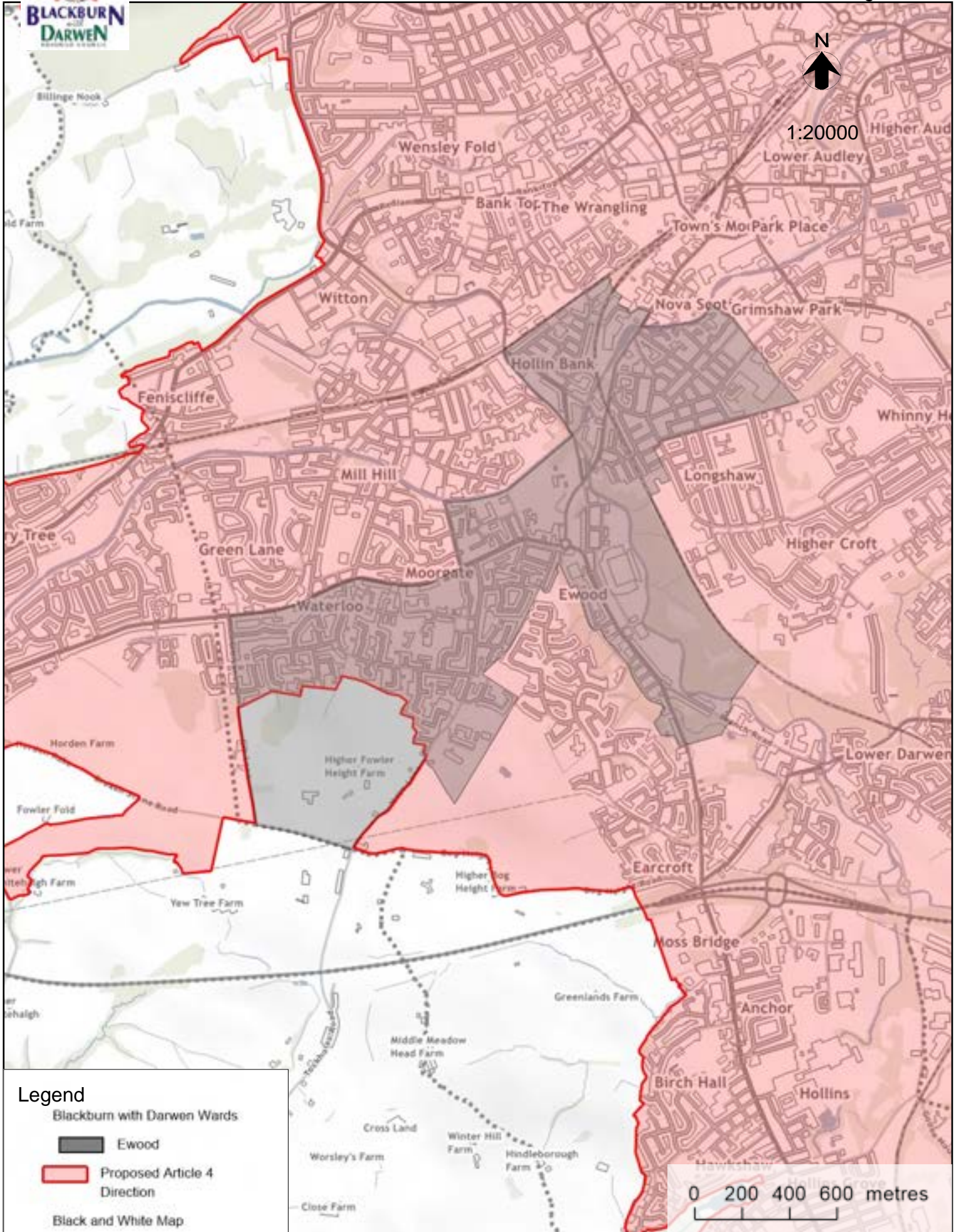
Blackburn with Darwen Wards

■ Darwen South

■ Proposed Article 4 Direction

Black and White Map






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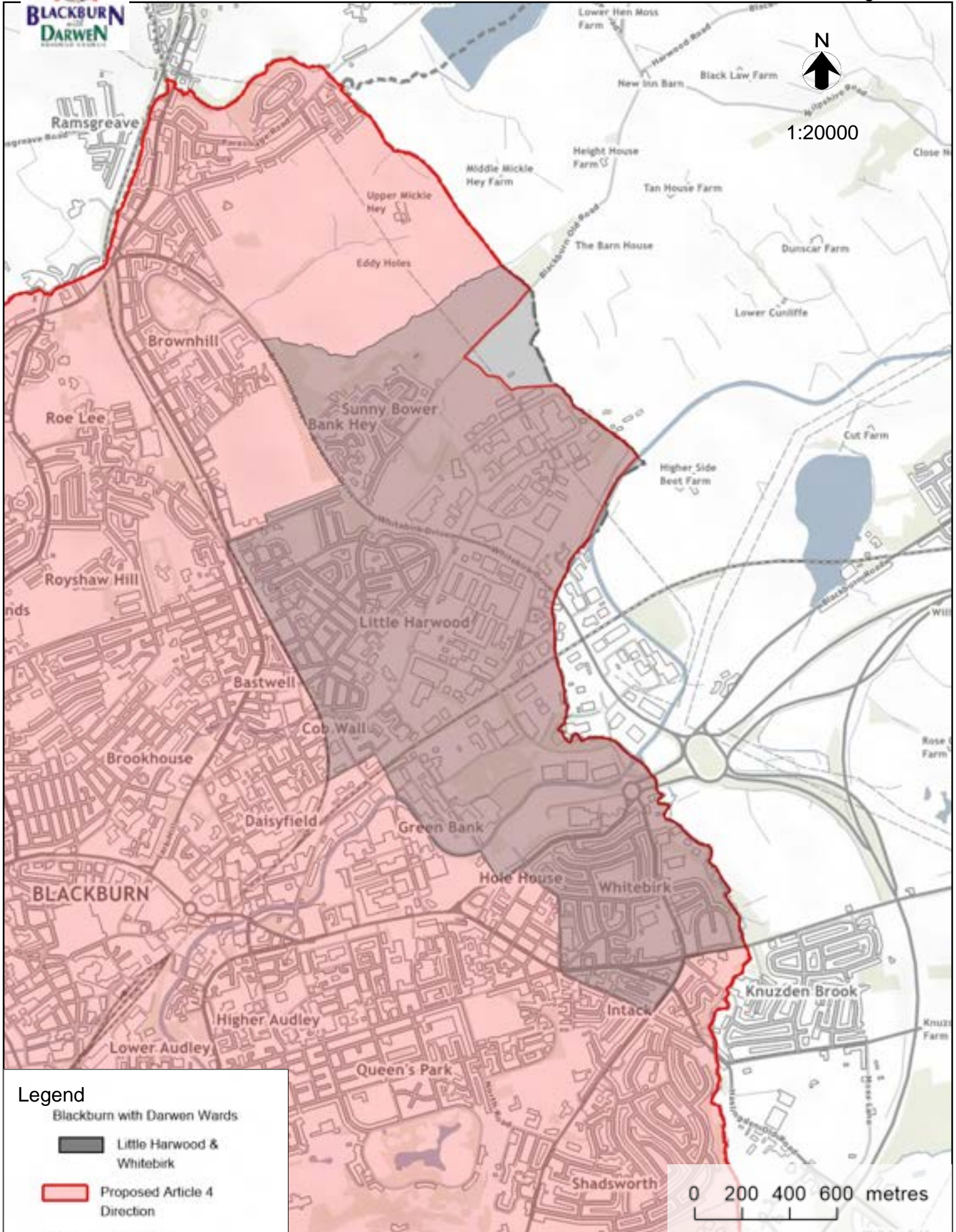
Blackburn with Darwen Wards

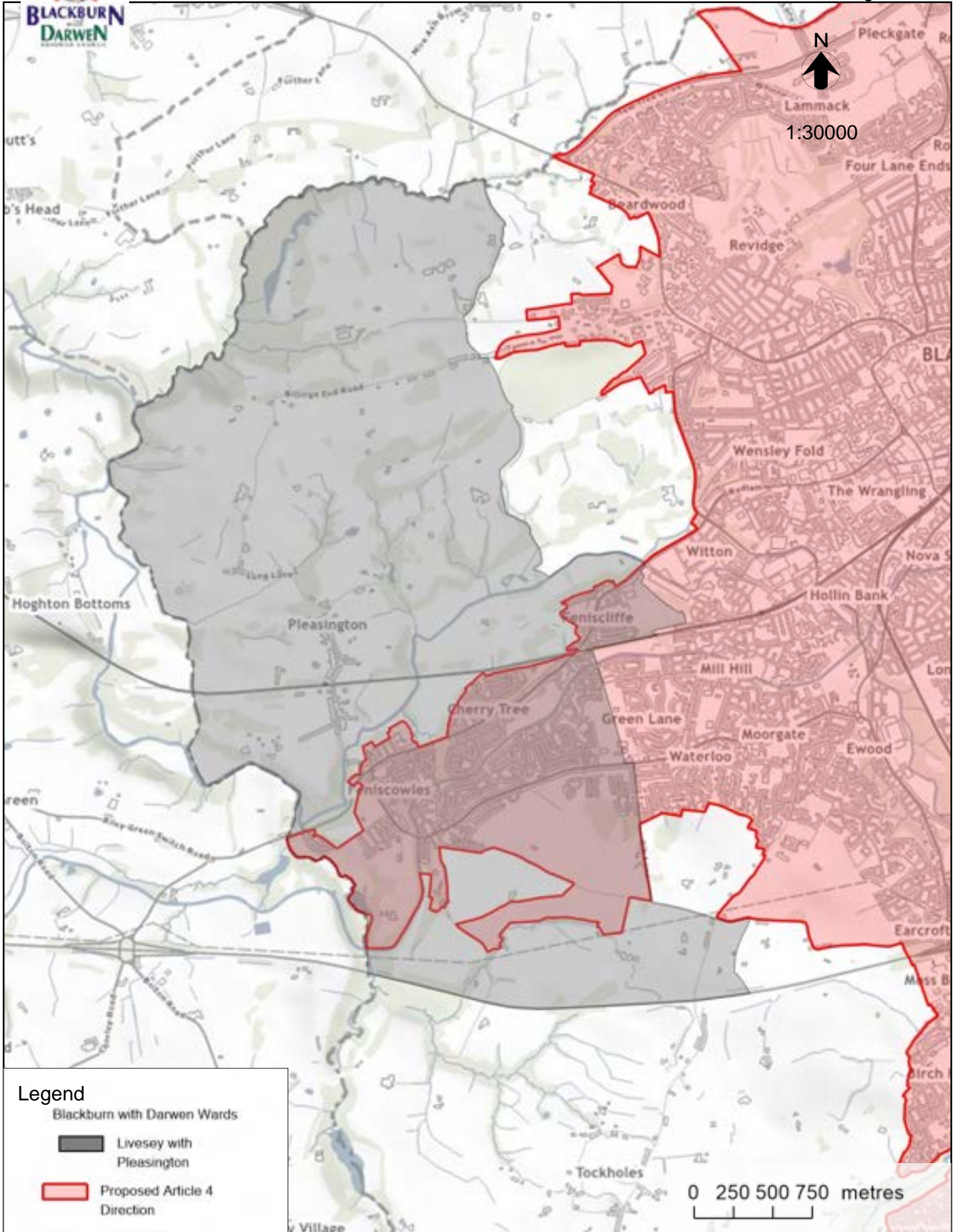
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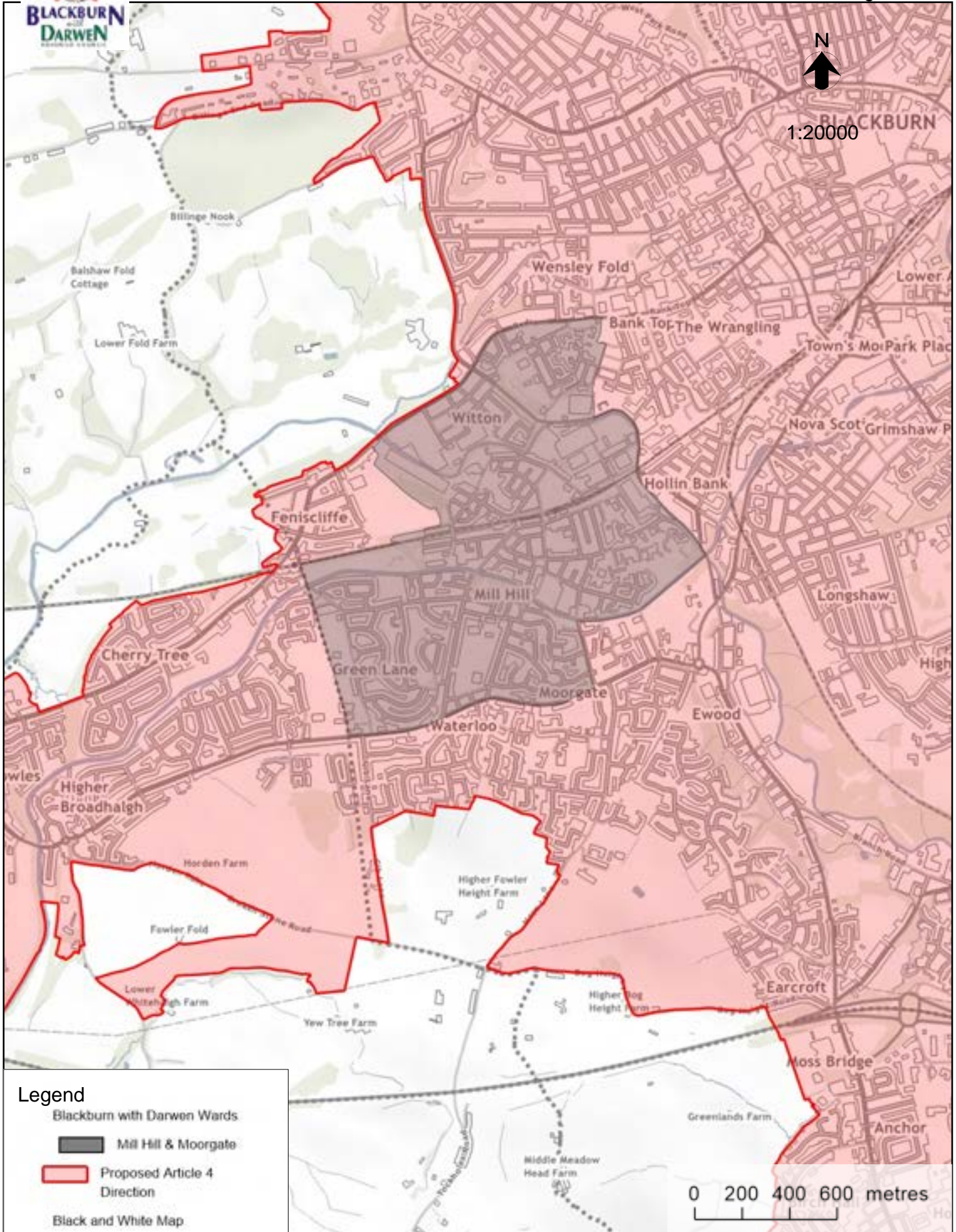
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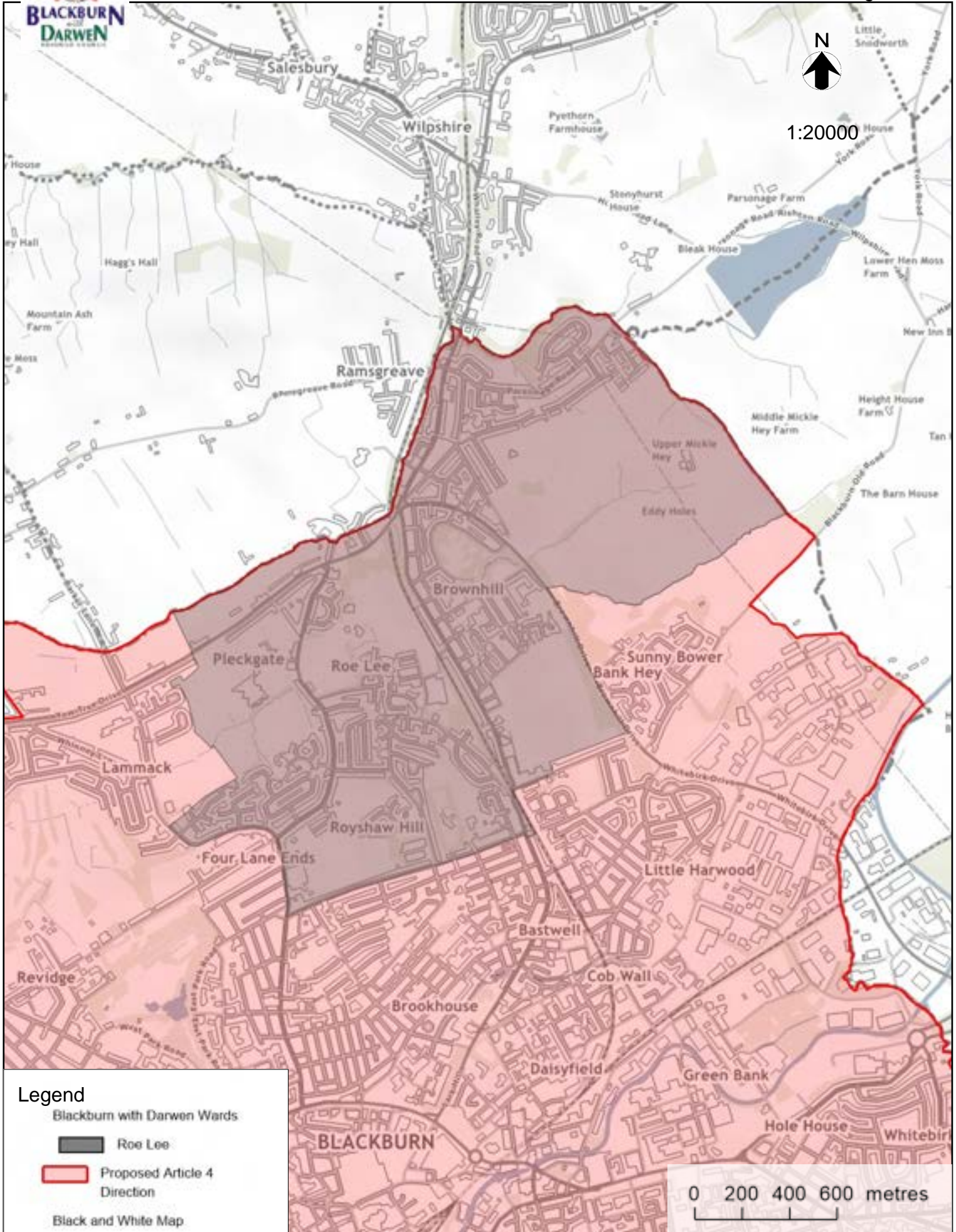
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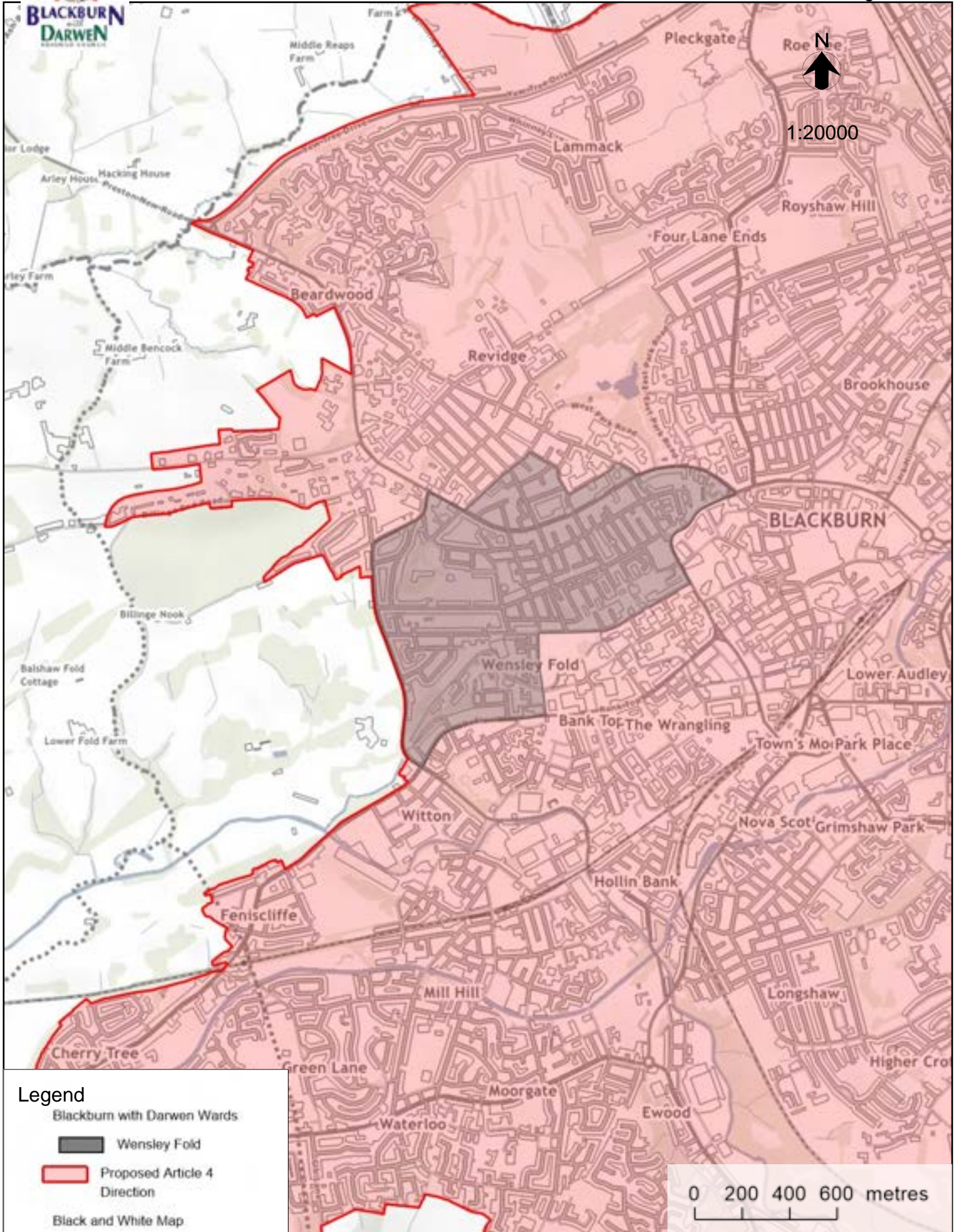












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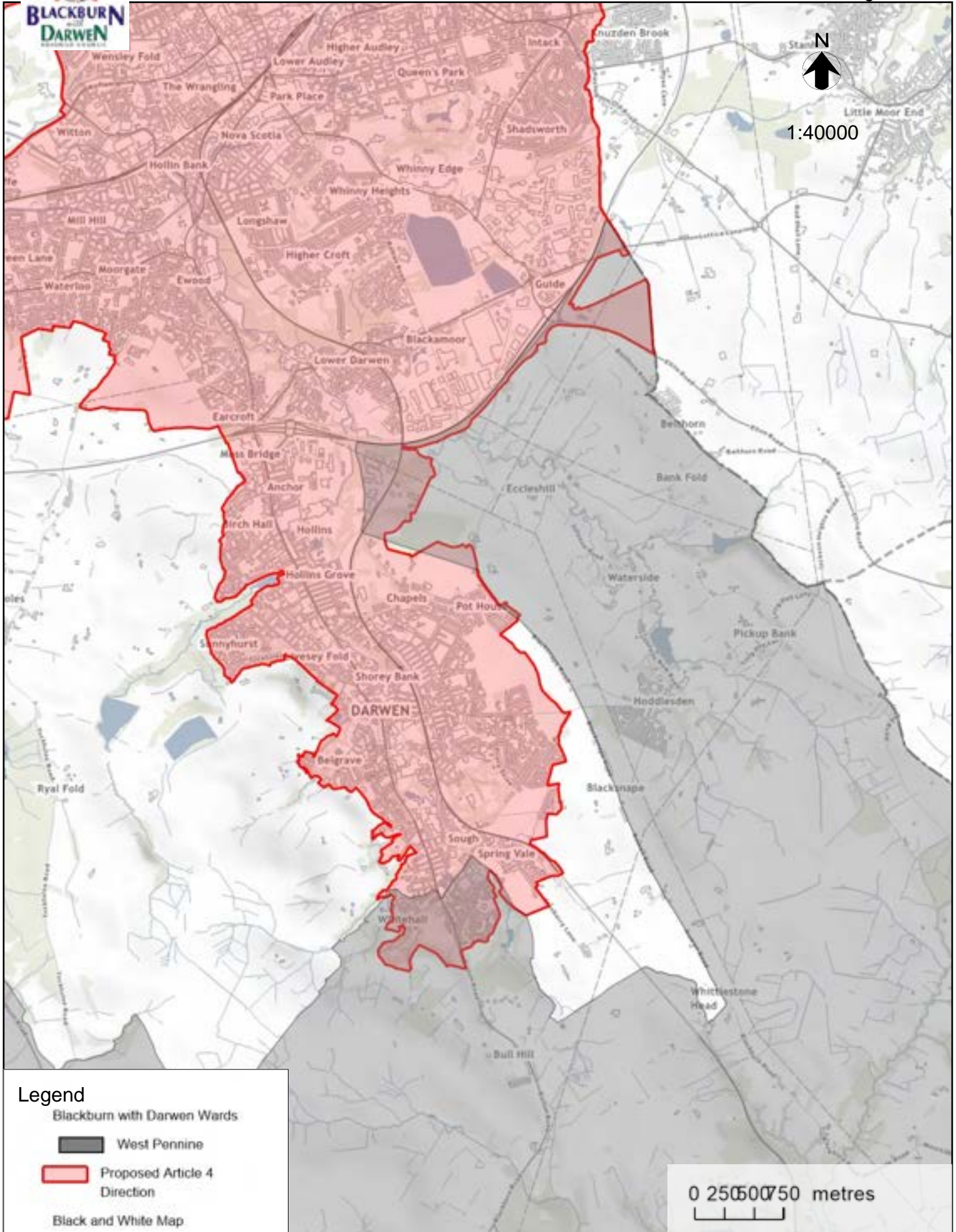
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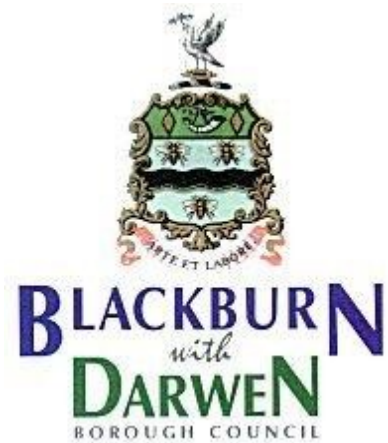
█ Wensley Fold

▭ Proposed Article 4 Direction

Black and White Map

0 200 400 600 metres





**ARTICLE 4 DIRECTION (2022 Update)**  
**Removal of permitted development rights for the change of  
use from Use Class C3 (dwelling-houses) to C4 (HMOs)**

**BACKGROUND DOCUMENT**  
**Context, Evidence and Justification Paper**

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## 1. INTRODUCTION

1.1 This document sets out the policy context and supporting evidence to justify the introduction of a new Article 4 Direction under the provisions of the Town and Country Planning (General Permitted Development) Order 2015 (as amended). The Article 4 Direction will remove permitted development rights for the change of use from dwelling-houses (Use Class C3) to small houses in multiple occupancy (HMOs) (Use Class C4) in all urban areas of the Blackburn with Darwen borough. This will grant the Council greater control in the management of HMO conversions.

## 2. LEGISLATIVE AND NATIONAL POLICY CONTEXT

2.1 In April 2010, the Government introduced a new Use Class C4 (C4) to the Use Classes Order, relating to Houses of Multiple Occupation (HMOs) covering small shared houses or flats; defined as being occupied by 3 to 6 unrelated individuals who share basic amenities.

2.2 In October 2010, the Government then introduced legislation, under 'permitted development rights' to allow the change of use of a dwellinghouse to a C4 use without the need to apply for planning permission. This legislation was *The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2010<sup>1</sup>*, which has since been both amended and then superseded by orders in 2013 and 2015. The Town and Country Planning (General Permitted Development) (England) Order 2015 (as amended)<sup>2</sup>, or GPDO for short, now takes precedent, and gives permission to carry out certain works under 'permitted development rights', subject to certain conditions.

2.3 The GPDO (2015) (Part 3, Class L, (part b)) grants permitted development rights to allow the conversion from a use falling within Use Class C3 (dwellinghouses) to a use falling within Class C4 (houses in multiple occupation). (*Conversely, Part (a) allows the change of use from C4 (HMO) to C3 (dwellinghouses).*) In both cases, this relates only to dwellinghouses of not more than 6 residents.

2.4 Proposals for houses of multiple occupation containing 7 or more residents already require planning permission to be sought.

2.5 In usual circumstances, the conversion of a dwellinghouse to a HMO, for 3 to 6 persons, does not therefore require planning permission to be sought. However, the Government recognise that sometimes local circumstances will mean that greater control needs to be given to local powers to manage such types of development. Consequently, Article 4 of the GPDO (2015) allows Local Planning Authorities (LPAs) to remove permitted development rights from specified areas under their management, thereby requiring

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<sup>1</sup> [The Town and Country Planning \(General Permitted Development\) \(Amendment\) \(England\) Order 2010 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

<sup>2</sup> [The Town and Country Planning \(General Permitted Development\) \(England\) Order 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

applicants to apply for planning permission and enabling the LPA the opportunity to consider a proposal in more detail. These are called Article 4 Directions.

- 2.6 The National Planning Policy Framework (NPPF)<sup>3</sup> (Paragraph 53) states that the use of Article 4 Directions to remove national permitted development rights should be limited to situations where a Direction is necessary to protect local amenity or the well-being of the area, and must be based on robust evidence and apply to the smallest geographical area possible.
- 2.7 Amenity relates to those elements which contribute to a person's or business' overall well-being, and include visual attractiveness of a place, community safety, personal safety, balanced social/demographic mix, social inclusion and community cohesion, ownership and pride of place, access to services and facilities, satisfaction with the area as a place to live or work. The cumulative impact of HMOs on amenity, particularly in Blackburn with Darwen, includes concerns relating to housing standards and market, social cohesion, crime and anti-social behaviour, growth, investment and regeneration.
- 2.8 According to the accompanying National Planning Guidance<sup>4</sup>, this means that the potential harm that the Direction is intended to address must be clearly identified, and a strong justification set out for the withdrawal of permitted development rights set relating to a wide area (e.g. that covering a large proportion of the LPA area).
- 2.9 The re-introduction of planning powers can then help provide safeguards to better manage HMO conversions and the impacts they have on local communities and the standards of development.

### ***Immediate and non-immediate directions***

- 2.10 When introducing an Article 4 Direction, there are two types of Direction under the GPDO: non-immediate directions and directions with immediate effect. In accordance with Sections 107 and 108 of the Town and Country Planning Act 1990<sup>5</sup> and The Town and Country Planning (Compensation) (England) Regulations 2015<sup>6</sup> (as amended), compensation provisions apply to directions with immediate effect, whereas non-immediate directions may be served, giving 12 months' notice of the intent to enforce a direction, without the need to grant any subsequent compensation.
- 2.11 Schedule 3 of the GPDO sets out the procedures and requirements relating to how Article 4 Directions must be prepared, consulted and confirmed. These are explained in Section 6 and 7 of this paper.

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<sup>3</sup> [National Planning Policy Framework \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/426122/nppf-2019.pdf)

<sup>4</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/when-is-permission-required)

<sup>5</sup> [Town and Country Planning Act 1990 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/1990/19)

<sup>6</sup> [The Town and Country Planning \(Compensation\) \(England\) Regulations 2015 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2015/1017)

### **3. LOCAL POLICY CONTEXT**

#### ***Introduction of an Article 4 Direction (2012)***

- 3.1 In January 2012, Blackburn with Darwen (BwD) Council Forum agreed to introduce a (non-immediate) Article 4 Direction to remove permitted development rights for the conversion of C3 to C4 uses within the wards then known as Shear Brow, Corporation Park, Wensley Fold, Mill Hill, Ewood, Sudell and Sunnyhurst.
- 3.2 Later that year, a Supplementary Planning Document (SPD), relating to Planning Applications for HMOs, was consulted upon and adopted. The SPD introduced clear and detailed local policy guidance to set out how and why HMOs were affecting the sustainability of communities and neighbourhoods in Blackburn with Darwen, and the very limited circumstances where they may be supported.
- 3.3 In February 2013, the Article 4 Direction (agreed in January 2012) came into force requiring all changes to C4 uses within the defined Article 4 areas to seek planning permission. Small HMOs outside of the defined areas, where issues of concentration had not been identified, still retained their permitted development rights.

#### ***Local Plan Part 2 (2015)***

- 3.4 In December 2015, Part 2 of the Local Plan was adopted, with a strong HMO development plan policy (Policy 19), confirming that HMOs will “only exceptionally” be supported. Such developments are only considered acceptable where the proposal does not erode amenity or character, does not necessitate substantial extensions, can accommodate necessary parking and where adequate waste/recycling facilities are provided. The policy was to complement the existing Article 4 Direction which removed permitted development rights relating to conversions of smaller family dwellings to HMOs.

#### ***Houses in Multiple Occupation and Residential Conversions and Sub-divisions SPD (2012)***

- 3.5 This supplementary planning document (SPD) was to provide additional detail explaining how the Council were to operate saved policies from the Blackburn with Darwen Local Plan, principally Policies H9 and HD5, and set out good practice which the Council expects to see adopted by developers. It is intended that this SPD will be deleted with the adoption of the new Local Plan (2021-2037) due to the policy approach set out in DM6. Information on the Local Plan 2021-2037 is provided as this section continues.

#### ***Review of the Article 4 Direction***

- 3.6 In accordance with national planning guidance (para 49)<sup>7</sup>, the Council report accompanying the original Article 4 Direction (2012) set out its intent to monitor the

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<sup>7</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

appropriateness of the Direction, including review and consideration of whether the original rationale and/or extent of the Article 4 Direction continues to be valid.

- 3.7 Whilst the planning actions taken so far to resist additional HMO approvals in those designated areas are considered to have been successful, there have been increasing concerns, from a variety of Council services, that the number of HMO beds in the borough is growing and, with it, concerns regarding the amenity harm and associated impact on public services and communities. Despite the existing Article 4 Direction, over recent years the BwD borough has seen a considerable increase in the provision of HMO accommodation, and the Council now consider there to be an over-provision of such accommodation, which includes providing for needs imported from outside of the Borough. Concentrations of HMOs (including hostel provision) have significant impacts on the Council's ability to address the housing supply imbalance and are associated with significant increases in the demand for frontline services.
- 3.8 Whilst acknowledging that planning is only one part of a number of preventative actions to be implemented by the Council as a whole, Planning continues to be a key tool in the management of HMOs in the Borough.

#### ***Local Plan 2021-2037***

- 3.9 The emerging Local Plan (2021-2037) contains a new policy (DM6: HMOs) which states planning permission will not be granted for any new HMOs in any part of the borough during the Plan period. However, this relates only to those HMO developments requiring planning permission and so Article 4 Directions are a necessary tool to 'catch' HMO developments that could otherwise be carried out under permitted development rights.
- 3.10 Therefore, it is the Council's intent to extend the use of Article 4 Directions to other appropriate areas of the borough to fulfil the intended policy aims of DM6. Under this approach, planning applications will be required for all HMO conversions in areas the Article 4 Direction will cover, and then the policy will guide the assessment of those planning applications [to refuse them].
- 3.11 It is worth noting that the policy wording remains subject to Government examination in 2022/2023 and may, ultimately, not be supported or adopted in this form. In line with the NPPF (para 48), LPAs may give varying weight to relevant policies in emerging plans according to criteria. However, the principle of evidencing, reviewing and establishing changes to the Article 4 Direction areas remain relevant for the Council to facilitate stronger management of HMO conversions in those areas.

#### ***Boundary review (2018)***

- 3.12 Alongside the policy context, there have been additional changes relating to ward boundaries, which the original Article 4 Direction areas were based upon. Under the original Article 4 Direction the designated areas were based on the boundaries of seven ward areas as they applied in 2012. In 2018, BwD Council went through a boundary review by the Local Government Boundary Commission for England

(LGBCE), under the Local Democracy, Economic Development and Construction Act (2009). The review resulted in the number of electoral wards in the borough changing from 23 to 17, with the effect of subsequently changing the delineations of ward boundaries<sup>8</sup>.

- 3.13 There has therefore been a 'shift' in the boundaries for some, or all, of those wards that were originally covered by the 2012 Article 4 Direction. For example, the 'Sunnyhurst' ward was removed in 2018 and replaced by 'Darwen West' which covers a much larger geographical area including a significantly greater amount of rural area. Consequently, the Article 4 boundaries no longer relate to the seven wards they were originally drawn against.
- 3.14 The 2012 Direction made clear that, whilst the plans were intended to mirror the stated Council's electoral wards as close as possible as the date of the Direction, it is the Plans that defined the land subject to the Direction and not the electoral boundaries which may change from time to time. The area covered by the 2012 Direction remains as it was, until such time the Article 4 is modified, irrespective of the 2018 boundary revisions.
- 3.15 However, aside all new available evidence, the Council are now able to consider revisions to the boundaries of a new Direction and determine the most appropriate geography. Though it should be noted here that, in considering the evidence, the boundary changes have had some inevitable impacts on the ability for some ward data to be compared historically, which is explained further in the following section.
- 3.16 This report will set out the evidence justifying the introduction of a new Article 4 Direction, including identifying its new boundaries, which will, once in effect, cancel the 2012 Direction.

### ***Council plan objectives***

- 3.17 In addition to the planning context, the Council also has a series of corporate objectives to support the Council in being the best it can be. The Council's Corporate Plan (2019-2023) sets out the Council's eight priorities, of which seven relate closely to the appropriate management of HMOs. They are:
- Safeguarding and supporting the most vulnerable people
  - Reducing health inequalities and improving health outcomes
  - Connected communities
  - Safe and clear environment
  - Strong economy to support social mobility
  - Supporting our town centres and businesses
  - Transparent and effective organisation

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<sup>8</sup> [Review of Polling Districts Polling Places and Polling Stations.pdf \(blackburn.gov.uk\)](#)

### *Local Plan 2021-2037*

Similarly, the emerging Local Plan 2021-2037 establishes 12 strategic objectives, of which 3 closely link to the appropriate management of HMOs. They are:

- SO1: Health and wellbeing
- SO3: Housing needs
- SO5: Built and historic environment.

## 4. EVIDENCE

### HOUSES OF MULTIPLE OCCUPATION

#### *Definitions of HMOs*

- 4.1 Definitions of HMOs vary slightly across Planning and Housing<sup>9</sup>.
- 4.2 Under the GPDO 2015, permitted development rights apply to the change of use of a dwellinghouse to a HMO with 3 to 6 unrelated occupants, as their only or main residence, who share basic amenities such as a kitchen or bathroom, unless those rights have been removed under an Article 4 Direction. Proposals for houses of multiple occupation containing 7 or more unrelated occupants, as their only or main residence, who share basic amenities such as a kitchen or bathroom, already require planning permission to be sought under ‘Sui Generis’.
- 4.3 Definitions of HMOs under the Housing Act include self-contained accommodation but they are otherwise broadly similar in character to those of Planning. Under Part 3 of the Housing Act 2004 (as amended), from October 2018, mandatory licensing applies to all rented properties with 5 or more unrelated people occupying it, who share facilities like a kitchen, toilet or bathroom. This licensing enables Councils to prescribe standards of safety and amenity and the suitability for occupation. Unlicensed HMOs therefore relate to those smaller HMOs of 3 to 4 unrelated people.
- 4.4 Councils can also use the powers under the Housing Act 2004 Part 3, to bring in Selective Licensing Scheme (SLS) areas requiring owners of *all* rented properties (not just HMOs) to apply for a selective licence. Under Part 2 of the same Act, a Council is also able to designate an ‘Additional HMO licensing scheme’ which requires owners of all smaller HMOs (3 and 4 bedroom HMOs) within the designated area to be licensed as HMOs by the authority, just like the larger (5 bedroom or more) mandatory HMO licensed properties.
- 4.5 The effect of this is to create slight disparities between HMOs recorded by planning (PD/permission) and Housing (licensed/unlicensed) but the broad patterns remain the same.

#### *Growth in the number of HMOs*

- 4.6 There are a number of issues that make it difficult to historically compare the number of HMOs in the BwD borough. These include: differences in the ward area boundaries resulting from the Government’s 2018 boundary review; differences in the definitions of HMOs that occur between planning, housing and licensing; and differences in how the data is collected - i.e. whether counting properties, bed-spaces or individual flats. Housing, for example, count HMO bed spaces irrespective of the size of the parent property, whereas, in terms of HMO management, planning may be more focused on just those HMOs that contain 6 or fewer occupants.

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<sup>9</sup> [Housing Act 2004 \(as amended\)](#) – See Section 254 and 259 for definition of HMO

- 4.7 In 2011, prior to the introduction of the Article 4 Directions, there were **129 HMOs/hostels** in the borough, representing 0.22% of the total number of properties. This comprised 82 HMOs in Blackburn and 47 HMOs in Darwen, with the majority located in the inner urban areas and within seven wards. All seven wards were in the top ranked groups for high numbers of environmental reports, high incidences of crime and anti-social behaviour, high deprivation, low house prices and high proportions of vacant properties.

Table 1: HMOs by Ward July 2011 (Source: BwD Planning Report 2011)

| Ward                        | Total no of properties | No of HMOs | HMOs as % of total properties |
|-----------------------------|------------------------|------------|-------------------------------|
| Audley                      | 3241                   | 6          | 0.19%                         |
| Bastwell                    | 2250                   | 0          | 0.00%                         |
| Beardwood with Lammack      | 2258                   | 0          | 0.00%                         |
| Corporation Park            | 2471                   | 25         | 1.01%                         |
| Earcroft                    | 2087                   | 2          | 0.10%                         |
| East Rural                  | 831                    | 0          | 0.00%                         |
| Ewood                       | 3106                   | 11         | 0.35%                         |
| Fernhurst                   | 2223                   | 2          | 0.09%                         |
| Higher Croft                | 3168                   | 0          | 0.00%                         |
| Little Harwood              | 2498                   | 5          | 0.20%                         |
| Livesey with Pleasington    | 2876                   | 0          | 0.00%                         |
| Marsh House                 | 2887                   | 3          | 0.10%                         |
| Meadowhead                  | 2583                   | 0          | 0.00%                         |
| Mill Hill                   | 3153                   | 10         | 0.32%                         |
| North Turton with Tockholes | 1851                   | 0          | 0.00%                         |
| Queens Park                 | 2587                   | 6          | 0.23%                         |
| Roe Lee                     | 2655                   | 1          | 0.04%                         |
| Shadsworth                  | 3474                   | 3          | 0.09%                         |
| Shear Brow                  | 2457                   | 10         | 0.41%                         |
| Sudell                      | 3256                   | 9          | 0.28%                         |
| Sunnyhurst                  | 2980                   | 9          | 0.30%                         |
| Wensley Fold                | 2963                   | 24         | 0.81%                         |
| Whitehall                   | 1782                   | 3          | 0.17%                         |
| <b>TOTAL</b>                | <b>59637</b>           | <b>129</b> | <b>0.22%</b>                  |

- 4.8 Using data from the Council's Local Land and Property Gazetteer (LLPG), in 2022 there were **390 HMOs** in BwD, representing 0.61% of the total number of properties. Direct comparison needs to be avoided between 2021 and 2011 data, due to the likely differences in data source and counting methodology. However, it is clear that the number and proportion of HMOs has significantly increased in the ten year period, with an indicative 200% growth.
- 4.9 The revisions to ward boundaries also make it difficult to compare HMO numbers by area, with a reduction from 23 wards in 2011 to 17 wards by 2021. (For example, Shear Brow now falls largely within the Central Blackburn ward but maintains its position as the ward with amongst the highest proportion of HMOs.) As the Article 4 Direction areas aligned with the ward boundaries at that time, it is also difficult to identify changes in those wards that fell within, and outside, of the restricted areas. Nevertheless, it is apparent that numbers, and proportions, of HMOs have increased significantly, and, again, predominately fall within urban areas and areas of high deprivation, low house prices and high proportions of vacant properties. The number of HMOs has notably grown outside of the central areas of Blackburn and Darwen,



indicating a dispersed growth of HMOs in areas not covered by the restrictions of the 2012 Directions.

4.10 Acknowledging differences in counting and reporting, the Council’s housing team recorded 506 HMO *bed spaces* in 2015, and 1169 in 2021, representing a 131% increase in the number of bed spaces over that period. Given the slightly shorter time-period, this is a broadly similar increase to that reported through analysis of the LLPG.

Table 2: HMOs by Ward April 2022 (Source: BwD LLPG)

| WARD                           | No of Properties | No of HMOs | %            |
|--------------------------------|------------------|------------|--------------|
| Audley & Queen's Park          | 3297             | 11         | 0.33%        |
| Bastwell & Daisyfield          | 2681             | 5          | 0.19%        |
| Billinge & Beardwood           | 3333             | 5          | 0.15%        |
| Blackburn Central              | 4433             | 131        | 2.96%        |
| Blackburn South & Lower Darwen | 3225             | 1          | 0.03%        |
| Blackburn South East           | 4328             | 5          | 0.12%        |
| Darwen East                    | 5145             | 33         | 0.64%        |
| Darwen South                   | 4365             | 30         | 0.69%        |
| Darwen West                    | 3950             | 3          | 0.08%        |
| Ewood                          | 4387             | 32         | 0.73%        |
| Little Harwood & Whitebirk     | 3349             | 2          | 0.06%        |
| Livesey with Pleasington       | 3992             | 3          | 0.08%        |
| Mill Hill & Moorgate           | 4146             | 15         | 0.36%        |
| Roe Lee                        | 3862             | 5          | 0.13%        |
| Shear Brow & Corporation Park  | 2753             | 45         | 1.63%        |
| Wensley Fold                   | 3384             | 63         | 1.86%        |
| West Pennine                   | 3526             | 1          | 0.03%        |
| <b>Grand Total</b>             | <b>64156</b>     | <b>390</b> | <b>0.61%</b> |

Figure 1: Distribution of HMOs, showing urban area and wards (April 2022) (Source: BwDBC May 2022)

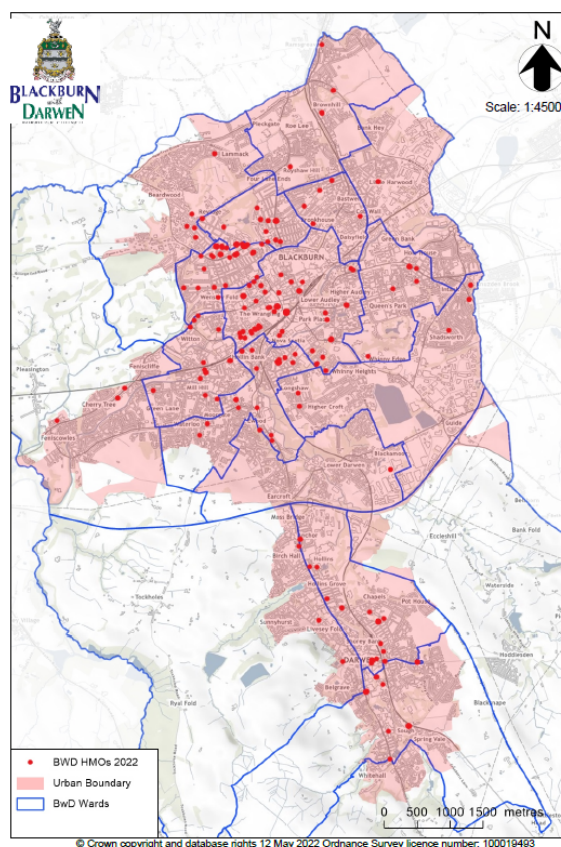
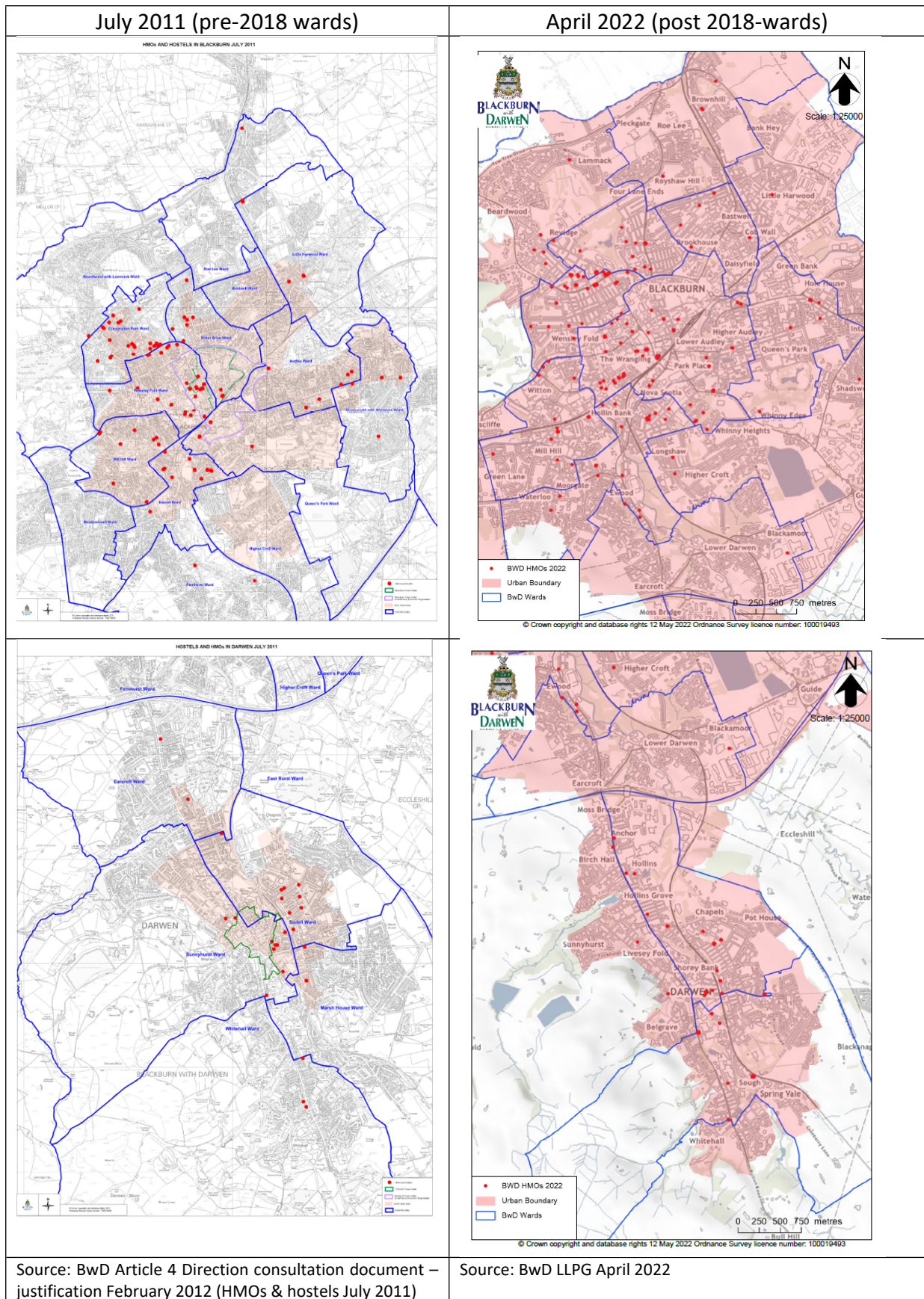


Figure 2: Comparison of HMO distribution in July 2011, with that of April 2022.



### **Planning applications**

4.11 In terms of the borough-wide HMO growth, the significant majority appears to have occurred through permitted development. Between May 2012 and May 2022, just 11 planning applications were received for the conversion of C3 dwelling houses to C4 small HMOs (3-6 persons) alongside 2 Certificate of Lawfulness applications. Each of those 13 applications related to proposed development in areas covered by the existing Article 4 Direction, which mandates the submission of a planning application for a change of use from C3 to C4. Both Lawfulness Certificates were granted. Of the 11 planning applications (for change of use), just 2 were permitted and the remainder were all refused or withdrawn showing the Article 4 Direction has been successful in allowing the Council to manage the conversion of HMOs within the designated boundaries of the Direction. When considering this data in conjunction with the above data, which shows the temporal growth in HMOs, it illustrates that much of the HMO expansion across the borough since 2012 has been through permitted development rights in those areas outside of the Direction area.

Table 3: Planning applications for the change of use from C3 to C4 (May 2012-May 2022)

| Appl No    | Decision  | WARD 2022            | PRE 2018 WARD    |
|------------|-----------|----------------------|------------------|
| 10/12/0320 | GRANT     | MILL HILL & MOORGATE | MIL HILL         |
| 10/14/0106 | PERMIT    | DARWEN EAST          | SUDELL           |
| 10/17/0824 | WITHDRAWN | DARWEN EAST          | SUDELL           |
| 10/17/1881 | REFUSE    | MILL HILL & MOORGATE | MILL HILL        |
| 10/18/0875 | WITHDRAWN | DARWEN EAST          | SUNNYHURST       |
| 10/21/1182 | REFUSE    | DARWEN SOUTH         | SUNNYHURST       |
| 10/21/1305 | WITHDRAWN | DARWEN EAST          | SUDELL           |
| 10/12/1206 | GRANT     | WENSLEY FOLD         | CORPORATION PARK |
| 10/21/1093 | REFUSE    | EWOOD                | EWOOD            |
| 10/12/0960 | REFUSE    | BLACKBURN CENTRAL    | CORPORATION PARK |
| 10/13/0165 | PERMIT    | BLACKBURN CENTRAL    | CORPORATION PARK |
| 10/16/0247 | REFUSE    | WENSLEY FOLD         | CORPORATION PARK |
| 10/17/1181 | REFUSE    | MILL HILL & MOORGATE | MILL HILL        |

Source: BwDBC 2022

### ***Imported need***

- 4.12 Each year, the BwD Homeless team register 200 homeless applications, predominately as a direct effect of imported need. Whilst there are no figures for HMOs directly, data relating to B&Bs shows that in April 2021 referrals came from Pendle, Rossendale, Burnley, South Ribble and Rochdale but there is anecdotal evidence from the Housing team that referrals extend from areas further afield including Scarborough, London and Kent.
- 4.13 There is further (anecdotal) evidence that BwD private landlords import people from other areas of the country to fill the available bed spaces in HMOs, including from homelessness referrals, prison release referrals and violent offenders subject to bail conditions.
- 4.14 The change of use through Permitted Development may mean that vital opportunities to inspect the premises for suitability and safety prior to occupation are missed and means that transparency, and opportunities to intervene around, location and spatial distribution of units are missed. This can, and has, led to the placement of converted units in close proximity which pose a potential risk to those residents.

### ***Comparison with other Pennine areas***

- 4.15 Council held data shows that Blackburn with Darwen has a significantly higher proportion of HMO bed spaces than any of the other Pennine local authorities. Caution needs to be stressed when considering these figures, as the data includes larger, licenced HMOs and hostel bed spaces which are not the focus or remit of the proposed Direction and which serve to create a much larger total number of bed spaces than the data presented above (which sought focus on smaller HMOs). However, the data is valuable in illustrating a sizeable disparity between Blackburn and Darwen and other Pennine authorities: Blackburn and Darwen has a total of 862 bed spaces compared to 330 in Burnley and 75 in Rossendale. Whilst acknowledging that Blackburn with Darwen has a much larger resident population than other Pennine authorities, the number of HMO bed spaces is clearly substantially disproportionate, further suggesting the borough accommodates a large amount of imported need.

*Table 4: HMO comparison figures across other Pennine Local Authority areas (2022)*

| Local Authority Area  | Estimated Population (2019) | Number of HMO bed spaces |
|-----------------------|-----------------------------|--------------------------|
| Blackburn with Darwen | 148,753                     | 862                      |
| Burnley               | 88,527                      | 330                      |
| Rossendale            | 70,895                      | 75                       |
| Hyndburn              | 80,815                      | 15                       |

*Source: Blackburn with Darwen and other Individual Local Authorities (2022)*

## **DEMOGRAPHICS**

### ***Population***

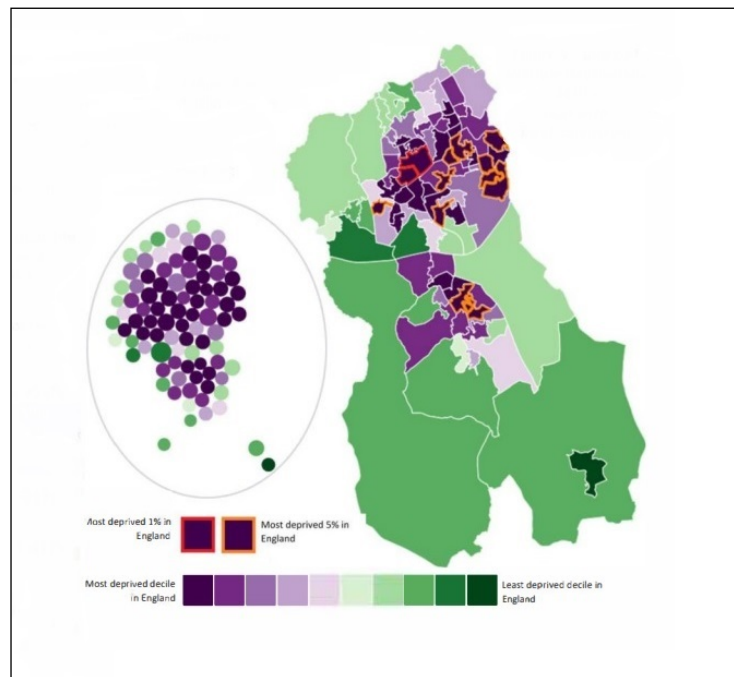
4.16 Blackburn with Darwen (BwD) covers 137 square kilometres and has a population of approximately 150,000 people (ONS 2020), with the number of people per km<sup>2</sup> around three times the England and Wales average illustrating a relatively high population density ([LCC Profile](#)). The population has, in general, been on an upward trend over recent years, and means BwD has the highest population of the 14 Lancashire local authorities, with a bias towards a much younger population than the norm ([LCC Profile](#)). Using ONS population projections, it is estimated that between 2018 and 2043, the population in the authority will increase by just 1%, the lowest rate for any of the 14 Lancashire authorities, and below the expected increase for Lancashire (7.2%) and England (10.3%) ([LCC Profile](#)).

### ***Deprivation***

- 4.17 A significant proportion of BwD's population live in areas of high deprivation.
- 4.18 The Indices of Multiple Deprivation provide statistics on relative deprivation which are reported at a small area level (called Lower Super Output Areas (LSOAs)) across 32,844 areas of England and 317 local authority areas. It uses 7 distinct domains, combined and weighted, which include income, employment, health, education, crime, barriers to housing and services, and the living environment.
- 4.19 The latest release from 2019, showed the BwD unitary authority is in the most deprived 10% in England, and, with regards the local concentration measure, this deprivation has got relatively worse since 2015 ([LCC Insight](#)). In fact, BwD has been in the 20% most deprived in England the five indices published since 2000. As of 2019, 56% of BwD's LSOAs are in the most deprived 20% of England ([LCC Insight](#)).

4.20 Spatial mapping of BwD's 89 LSOAs shows that over a third (33 LSOAs) are within the most deprived tenth (10%) of LSOAs nationally. Two of these LSOAs (outlined in red in Fig 3) are among the most deprived 1% in England, and a further 12 (outlined in orange) are in the most deprived 5%. The highest levels of overall deprivation are found in the urban areas.

Figure 3: Index of Multiple Deprivation 2019 (map with inset cartogram)  
Source: (JSNA 2020 p5)



4.21 Indices are relative, not absolute, as they are ranked in order nationally

and so a change in ranking doesn't necessarily mean a worsening in performance – other places could improve whilst BwD stayed the same. However, as can be seen in Table 4, the general overview through the indices is that BwD is relatively *more* deprived in 2019 than it was in 2015. (JSNA 2020 p5). The IMD illustrate that BwD has some of the highest levels of deprivation within England, particular within the urban areas of the Borough.

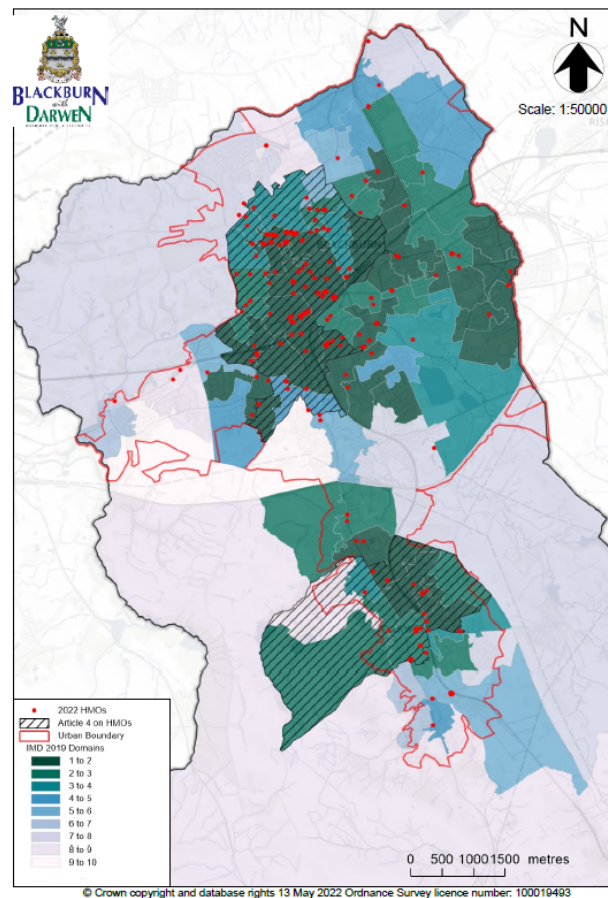
Table 5: Summary measures at Borough level

| Summary measure                                     | BwD Rank 2015<br>(out of 317 LAs) | BwD Rank 2019<br>(out of 317 LAs) |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|
| Average score                                       | 15 <sup>th</sup>                  | 9 <sup>th</sup>                   |
| Average rank                                        | 24 <sup>th</sup>                  | 14 <sup>th</sup>                  |
| Proportion of LSOAs in most deprived 10% nationally | 12 <sup>th</sup>                  | 9 <sup>th</sup>                   |

Source: (JSNA 2020 p5).

4.22 Reducing deprivation is a key priority of the Council in seeking to achieve its strategic priorities. Figure 4 illustrates the levels of deprivation alongside recorded HMOs and the original Article 4 designations (diagonal marked areas) and the urban boundary (red line). The highest concentrations of HMOs are found in the most deprived areas of the borough (the darkest areas). Clusters of HMOs are also found in areas of relatively high deprivation beyond the central areas of Blackburn and Darwen which were covered by the original Article 4 Directions. In conjunction with the growth in HMO numbers, it is likely that the Article 4 Direction restrictions have had the effect of encouraging HMOs to disperse to other areas of the borough, but HMOs still remain located within the most deprived areas.

Figure 4: Deprivation (deciles) mapped against HMO clusters (Source: BWD via CLG IMD 2019)



4.23 Given the growth in HMOs outside of the current Article 4 Direction designated areas, there is justification to extend the designation to cover the urban areas of the Borough. This would extend the restrictions to cover the significant majority of the most deprived areas of the borough.

## HOUSING

4.24 An ACORN profile of local households classifies Lancashire residents by 18 socio-economic main groups. Within BwD, at the granular district level, 'Modest means' is the dominant group, 'young hardship' is second while 'difficult circumstances', only dominant in Blackburn Central ward, is third ([LCC Profile](#)). This classification indicates that the dominant type of households in BwD are those struggling socio-economically, requiring low cost housing, typically found in the most urban and deprived areas of the borough.

## Housing prices by ward

4.25 House prices in BwD are relatively low. In 2021, the median house price in the borough was £112,500, less than half the median rate for England and Wales of £267,500. Figure 5 illustrates that the lowest house prices are found in the central areas of Blackburn and Darwen and correlate with the areas of highest deprivation rates. In 2021, the lowest median rates in the Borough were found in Darwen East, Ewood and Blackburn Central (c.£78-80K) whilst the highest rates were found in the wards of West Pennine and Billinge and Beardwood (c.£187K-224K) illustrating wide disparities across the urban and rural areas of the borough.

4.26 The availability of low-cost accommodation continues to make BwD attractive to low-income and vulnerable households, which reinforces the demand for this type of accommodation. Low house prices encourage landlords to buy up cheap properties to maximise their rental income and thereby make them desirable investments. The growth in HMOs, and the issues they often then generate, then serves to keep area house prices low, perpetuating the cycle of cheap properties and HMOs.

4.27 The more rural areas of the Borough command higher house prices which are not attractive to landlords and it is considered that those areas therefore can better self-regulate in relation to HMO conversions.

4.28 Extending the Article 4 Direction areas to the urban areas would help better manage the conversion of low-cost housing to HMOs.

4.29 Figure 6 shows the correlation between deprivation levels and median house prices for BwD in 2020, clearly illustrating that the more deprived an area is, the lower the house prices are.

Figure 5: Median house price values by ward, shown against HMO clusters (Source: BwD Council 2022 (Median house prices (CLG

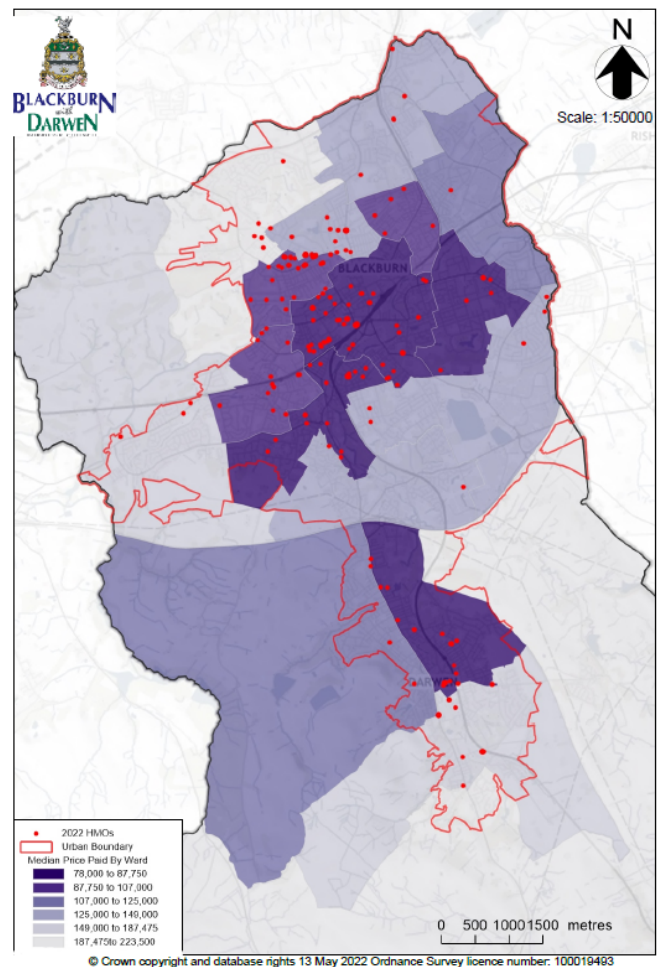
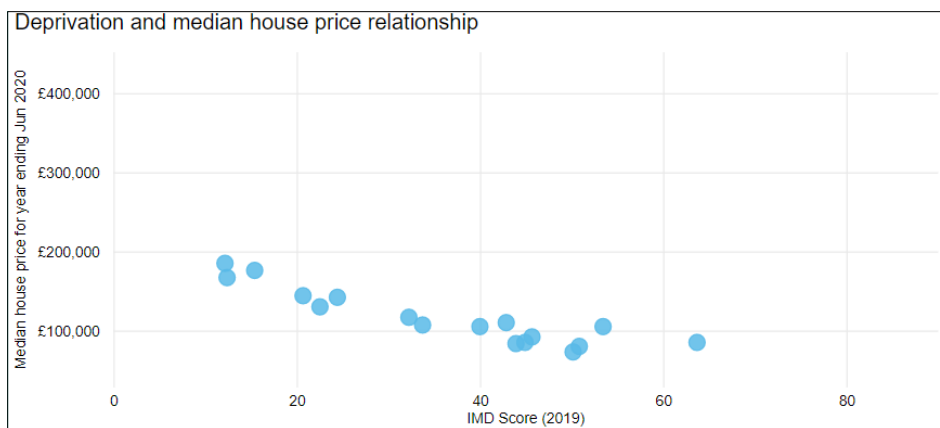




Figure 6: Deprivation and median house price relationships (Source: [LCC Insight](#)).



### Median house prices to earnings

4.30 The median house prices to earnings ratio in the authority area is well below the England average ([LCC Profile](#)) and reflective of wide variations and disparities in general affordability across the Lancashire-14 area ranging from 3.75 to 6.66 times earnings. Blackburn with Darwen has amongst the lowest house price to earning ratios of less than 5, joining Burnley (3.75), Pendle (4.5), Hyndburn (4.33) and Blackpool (4.84) at the lower end of the range. For comparison purposes, the England ratio of house price to earnings was 7.84 (Source: [LCC 2021](#)).

### Housing Density / Overcrowding

4.31 The links between poor housing and health are well-established and insecure, poor quality and overcrowded housing can worsen mental health. A household is defined as overcrowded if it has fewer bedrooms than it needs to avoid undesirable sharing. Based on the 2011 census data, Blackburn with Darwen has the third highest rate of overcrowding in the Lancashire-14 with a rate of 6.9%.

Table 6: Percentage of overcrowding, 2011 census (Source: [LCC Dashboard](#))

| Area Name                             | Perc overcrowding | Area Name                | Perc overcrowding |
|---------------------------------------|-------------------|--------------------------|-------------------|
| NHS Blackburn with Darwen UA          | 6.9               | Blackburn with Darwen UA | 6.9               |
| NHS Blackpool CCG                     | 7.1               | Blackpool UA             | 7.1               |
| NHS Chorley and South Ribblesdale CCG | 3.7               | Burnley CD               | 5.1               |
| NHS East Lancashire CCG               | 4.8               | Chorley CD               | 3.8               |
| NHS Fylde & Wyre CCG                  | 3.7               | Fylde CD                 | 3.9               |
| NHS Greater Preston CCG               | 6.0               | Hyndburn CD              | 4.6               |
| NHS Lancashire North CCG              | 5.0               | Lancaster CD             | 5.3               |
| NHS West Lancashire CCG               | 3.5               | Pendle CD                | 5.5               |
|                                       |                   | Preston CD               | 7.5               |
|                                       |                   | Ribble Valley CD         | 3.0               |
|                                       |                   | Rosendale CD             | 5.1               |
|                                       |                   | South Ribble CD          | 3.0               |
|                                       |                   | West Lancashire CD       | 3.5               |
|                                       |                   | Wyre CD                  | 3.4               |

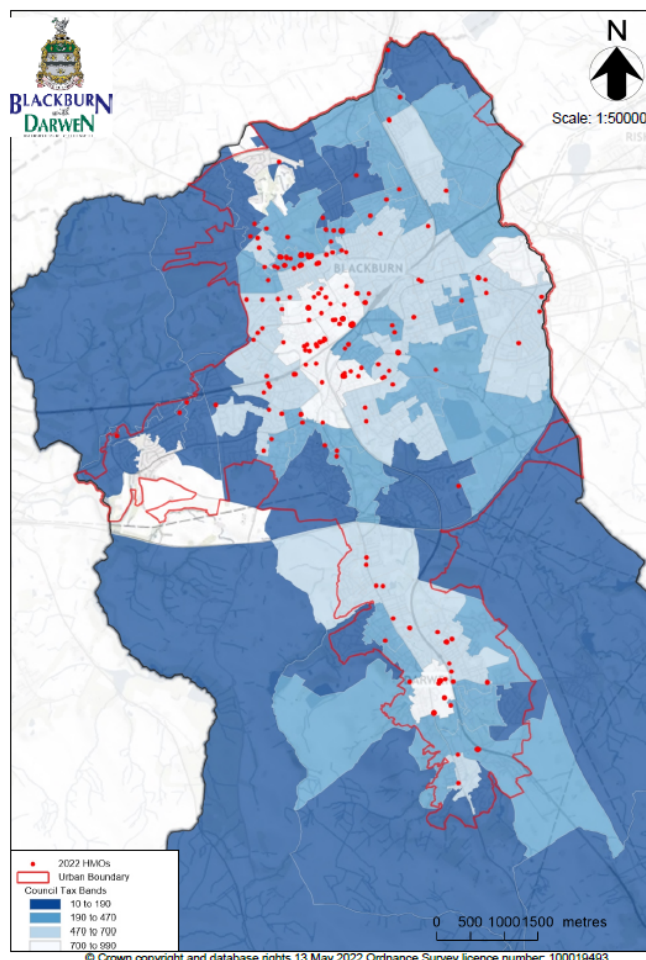
- 4.32 Overcrowding is more common for renters than owner-occupiers: nationally, 1.2% of owner-occupiers are overcrowded compared to 8.7% of social-renting households and 6.7% of private-renting households. Evidence suggests that overcrowding has a detrimental effect on household members' physical and mental health, and the recent coronavirus (Covid-19) pandemic identified increased risks of transmission in overcrowded housing (Source: [HoC 2021](#)), which further impacts on health provision services.

## Housing stock

### Council Tax Banding

- 4.33 Council tax bands are based on the price the property would have sold for on the open market on 1 April 1991 in England. BwD, like other East Lancashire authorities, has a very high proportion of its housing stock in council tax band A, identifying those properties at the cheapest end of the housing market. The significant majority of the HMO clusters are found in those areas with the highest proportions of Band A (and low cost) housing.

Figure 7: Proportion of Council Tax Band A properties (LSOA), shown against clusters of HMOs (Source: VOA 2021)



- 4.34 In BwD, 57.5% of properties are in Band A, compared to an average of 24.1% in England (Source: [LCC 2021](#)) illustrating a much higher proportion of its stock is of cheaper stock.

### Tenure

- 4.35 In 2020, the Lancashire-14 average of owner/occupied or privately rented properties in the dwelling stock was 87.4%, above the England average. In BwD, the percentage was only 81.2%, the lowest in all of the Lancashire-14 areas ([LCC 2021](#)).
- 4.36 Conversely, a high proportion of the borough's dwelling stock is in the registered social landlord (RSL) sector. RSLs provide accommodation but do not trade for profit. In 2020, BwD had the highest percentage of stock in the registered social landlord sector

in the whole Lancashire-14 area at 18.8% (LCC 2021). A high proportion of privately rented stock can affect amenity through unbalanced communities, often at the expense of owner-occupied properties.

### ***Vacant dwellings***

4.37 The percentage of vacant dwellings is high with BwD having a vacancy rate of 4.0%, which is amongst the highest in Lancashire (after Blackpool 4.5% and Burnley 4.3% ) and higher than the Lancashire-14 average of 3.3% and the England rate of 2.6% (LCC 2021).

## **EMPLOYMENT AND INCOME**

### ***Economic activity***

4.38 BwD has a lower proportion of its resident population who are economically active, than compared to the North West and Great Britain. Conversely, it has a higher proportion of residents who are unemployed.

Table 7: Employment and unemployment (October 2020-September 2021)

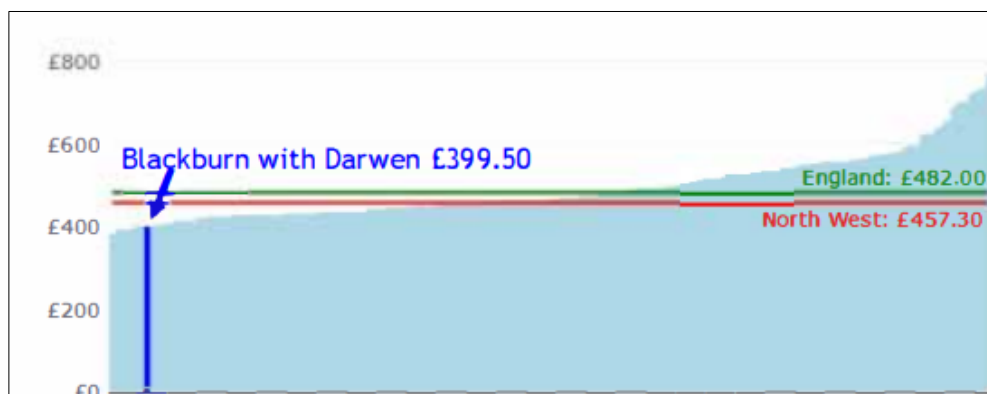
| All people          | Blackburn with Darwen | BwD % | NW % | GB % |
|---------------------|-----------------------|-------|------|------|
| Economically active | 66,900                | 72.3  | 76.9 | 78.5 |
| In employment       | 63,500                | 68.5  | 73.3 | 74.6 |
| Unemployed          | 4,000                 | 5.9   | 4.7  | 4.8  |

Source: NOMIS 2022 (from ONS annual population survey)

### ***Average earnings***

4.39 In 2019, BwD's median gross weekly pay was £399.50, compared to £457.30 (NW) and £482 (GB), which placed BwD 7<sup>th</sup> lowest out of 150 upper-tier authorities in England (Source: JSNA 2020 p9), as illustrated by Figure 8.

Figure 8: Median gross weekly earnings (2019)



Source: JSNA 2020

4.40 In 2021, the median gross weekly pay for BwD was £569.70, lower than the comparables for the North West (£575.80) and Great Britain (£612.80) (Source: NOMIS 2022). However, average earnings in Blackburn with Darwen are noticeably higher when measured by place of work in comparison to place of residence and so the authority records a net loss from commuter flows. The figure by place of residence is well below the national average (Source: [LCC 2019](#)).

### **Household income**

4.41 Gross disposable household income (GDHI) is effectively the amount of money that households have available for spending or savings after taxes, social contributions, pensions and housing interest payments. In 2016, the per-head figure for Blackburn with Darwen was more than a third lower than the UK average (35.9%). In general terms the per-head figure for the authority is in long-term decline in comparison to the UK average. Of all the authorities in the 'NUTS2' geography, BwD is ranked 2<sup>nd</sup> lowest for GDHI. (Source: [LCC Insight](#) 2021.)

### **Worklessness**

4.42 Worklessness has short and long-term effects to physical and mental health, and, along with income, is a key factor in socio-economic deprivation. Its definition is wider than unemployment, and includes those claiming Universal Credit or other benefits, those with caring responsibilities and those with a health condition or disability. In 2020, 14.8% of BwD households were workless, which is higher than the national rate of 13.6%.

Table 8: Workless households (Jan-Dec 2020)

|                                            | Blackburn with Darwen | NW      | GB        |
|--------------------------------------------|-----------------------|---------|-----------|
| Number of workless households              | 6400                  | 357,900 | 2,772,600 |
| Percentage of households that are workless | 14.8%                 | 15.5%   | 13.6%     |

Source: NOMIS 2022 (from ONS annual population survey)

### Claimant counts

4.43 Historically, the ‘claimant count’ was the number of people claiming Job Seekers Allowance (JSA), but has since been redefined to include those claiming Universal Credit (UC), which is a benefit paid to people on low income or who are out of work. As UC now covers a broader span of claimants, there will inevitably be an increase in claimants, and therefore the claimant count cannot be used to accurately study time-trends.

4.44 To navigate around these ‘moving goalposts’, the Department of Work and Pensions introduced a new ‘alternative claimant count’, which make adjustments for the shift. This data shows that the number of claimants in BwD has been consistently higher than England, with a figure of 4.9% in 2019, compared to 3.1% for England, placing the Borough in the highest fifth nationally (JSNA 2020, p8). Figure 9 shows that the highest concentrations of claimants within the borough are found in the main urban areas, and correlate with the areas of highest deprivation.

4.45 Figure 10 shows the average monthly number of new claimant counts (people claiming unemployment related benefits who were not claiming benefits in the previous month). The average is taken using a snapshot of data taken each November between 2015 and 2021.

4.46 The highest number of new claimants are found in the urban areas of Blackburn and Darwen, and also largely correlate with those areas that have high concentrations of HMOs.

4.47 This data cannot infer that all new claimants are associated with HMOs, but instead that the HMOs are located

Figure 9: Claimant county rates as % of residents aged 16-64 (Source: JSNA 2020 p8 (December 2019 data))

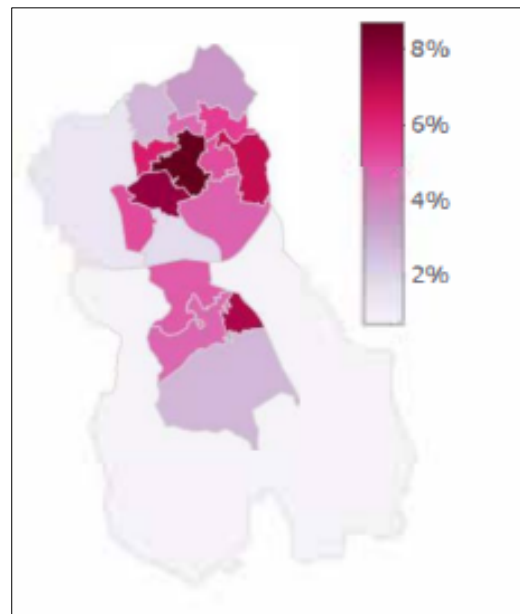
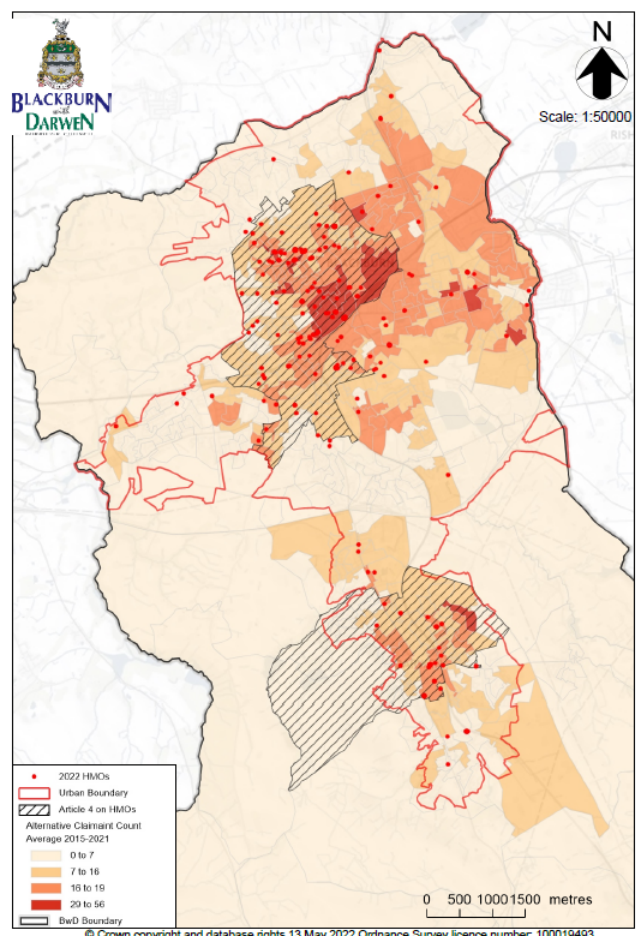


Figure 10: Alternative claimant counts – average new monthly claimants (Nov 2015- 2021) by LSOA (Source: DWP 2022)



in the areas that typically have higher levels of benefit claimants and the highest proportions of low-cost housing.

- 4.48 Anecdotal evidence is that many of the new benefit claimants are from people who originate outside of the BwD area, indicating imported need for subsequent low cost accommodation and services.

### **Employment and Support Allowance**

- 4.49 Blackburn with Darwen has a large number of employment and support allowance (ESA) claimants (Source: [LCC 2019](#)). In 2018, BwD had the second largest number of ESA claimants in the Lancashire-14 area (7,320), representing 11.8% of the total claimants in Lancashire (61,630). 50% of claimants in the Lancashire-14 area were classified under the health condition of ‘mental and behavioural disorders’, rising to 53.01% in BwD. Blackburn with Darwen (£127.99) had the highest total mean ESA weekly amounts in the Lancashire-14 area in August 2018, above the Great Britain level of £124.32. In August 2018 BwD received the second largest of ESA award payments per week in the Lancashire-14 area of £0.936 million. (Source: [LCC 2019](#)).

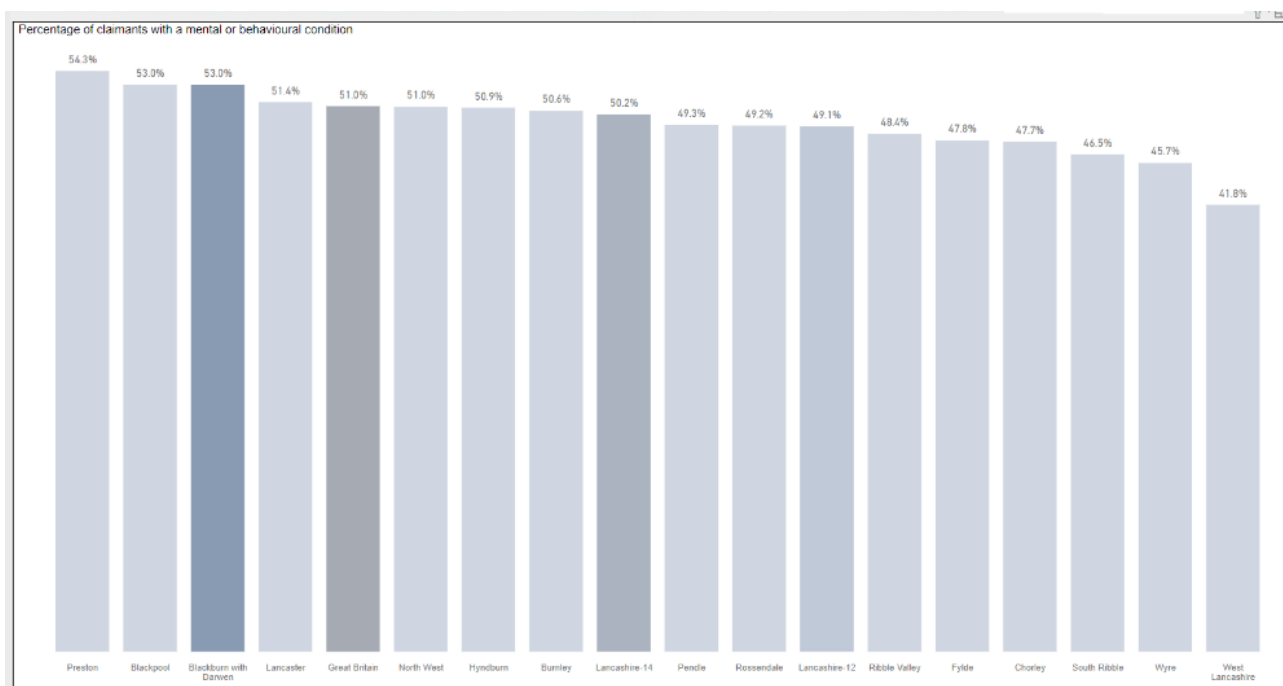


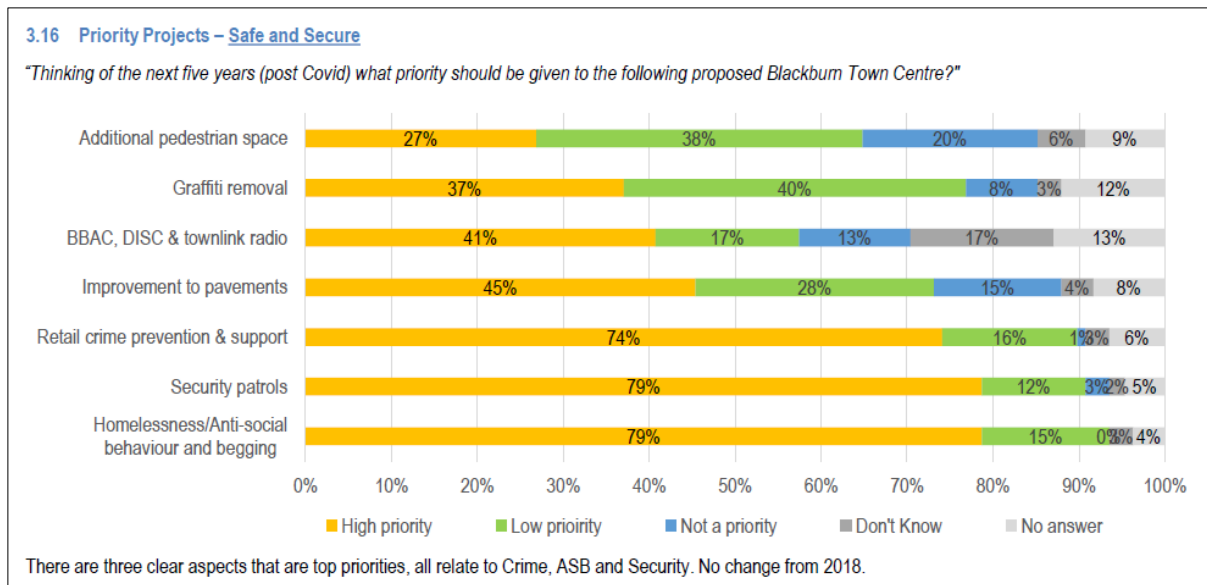
Figure 11: Percentage of ESA claimants with a mental or behavioural problem (Source: [LCC Insight 2019](#))

### **TOWN CENTRE BUSINESS AND REGENERATION**

- 4.50 In October 2021, the Blackburn Business Improvement District (BID) team undertook a survey of town centre businesses, obtaining a 60% completion rate from approximately 183 surveys, with the majority from retail units and restaurant/café/bars. The survey asked for the views of businesses on the town centre with findings including:

- 90% of businesses stated that the levels of anti-social behaviour (ASB), rough sleeping and begging need to be reduced, marking it as a clear priority action area above addressing the number of empty shops and offices. The survey notes it is difficult to compare to 2018 results, but states this aspect appears to have increased in need.
  - 39% of businesses disagreed or strongly disagreed that Blackburn feels clean and comfortable.
  - 63% of businesses thought that BID priorities to improve the town centre appearance were / would continue to benefit their business, with 62% saying the same for safety and security improvement.
  - In terms of the 'safe and secure' priorities, and a five year future plan, the three highest priorities were given to addressing homelessness/anti-social behaviour and begging (79% rated it a high priority), security patrols (79%) and retail crime prevention and support (74%).
- 4.51 The survey ratings concluded that the two highest priorities for improvements were to address ASB/rough sleeping/begging and empty shops. Respondent businesses did not consider Blackburn had a good environment, cleaning or comfort standard or year on year growth, and that customers are visiting less and for a shorter duration. Whilst visits may be affected by a number of factors, including retail and leisure habits changing following the covid pandemic, it is clear that businesses consider that the prevalence of homelessness, crime and ASB are having an adverse impact on immediate businesses in the town centre.
- 4.52 Many considered that the behaviour of some individuals, known as being attached to town-centre HMOs, detracts vital business development opportunities, new shoppers and leisure seekers. The direction of resources to address the harm caused by these referrals into the town centre, including local investment in police officers and security guards, also serves to reduce investment from the private sector to regenerate the town centre, affecting the long-term development plans for the borough, economic recovery and its broader reputation and perception.
- 4.53 In response to the survey, the BID team prepared a Reset Plan (March 2022) to recommend the interventions and opportunities for town centre recovery. Whilst much of this focused on expanding the town centre offer and increasing its appeal, the need to improve the town centre experience means that issues relating to ASB need to be addressed, although direct action falls outside the remit of the business improvement activity.
- 4.54 A similar survey was also undertaken in Darwen in October 2021. As with Blackburn's, 45% of respondents stated addressing ASB was a priority to address, ahead of empty shops or pavement conditions. 84% considered that tackling ASB was a high priority, with shoplifting prevention and training following at 71%.

Figure 12: Results from Blackburn BID Survey 2021



## **CRIME, ANTI-SOCIAL BEHAVIOUR AND ENVIRONMENT**

4.55 There is a significant link between HMO residents and crime, particularly within Blackburn Town Centre. Over a 12 month period in 2015, 10% of town centre HMOs had residents charged within 305 crimes, although crime rates are expected to be higher than just those recorded. 50% of those crimes were against businesses, and 20% involved car crime. Persons from those HMOs were responsible for a fifth of all theft/shoplifting offences in the town centre. Of the offenders, 36% had a birthplace recorded in Blackburn and 42% recorded as not in Lancashire, which further suggests large portions of the need for HMOs are imported (Source: BwD Council). It also indicates the detrimental impacts made to local amenity as a direct result of HMO residents.

### ***Crime / anti-social behaviour***

4.56 Figure 13 and the Lancashire [recorded crime article](#) reveals that Blackburn with Darwen has a crime rate which is above average for the Lancashire-14 area. The highest rates (all above the national average) are found in urban areas and correlate with areas of deprivation (Source: [LCC 2021](#)). BwD Council data shows that crime levels for violence, criminal damage, theft and ASB are nearly double the borough average in the wards where HMOs are located. Figure 14 shows the distribution of anti-social behaviour offences in the BwD borough in 2021/22.



Figure 13: Total recorded crime rate (per 1000 people) March 2020-March 2021 (Source: [LCC Insight](#))

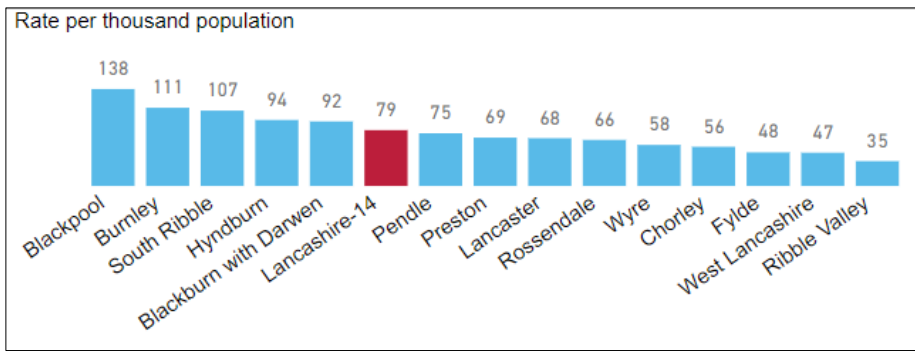
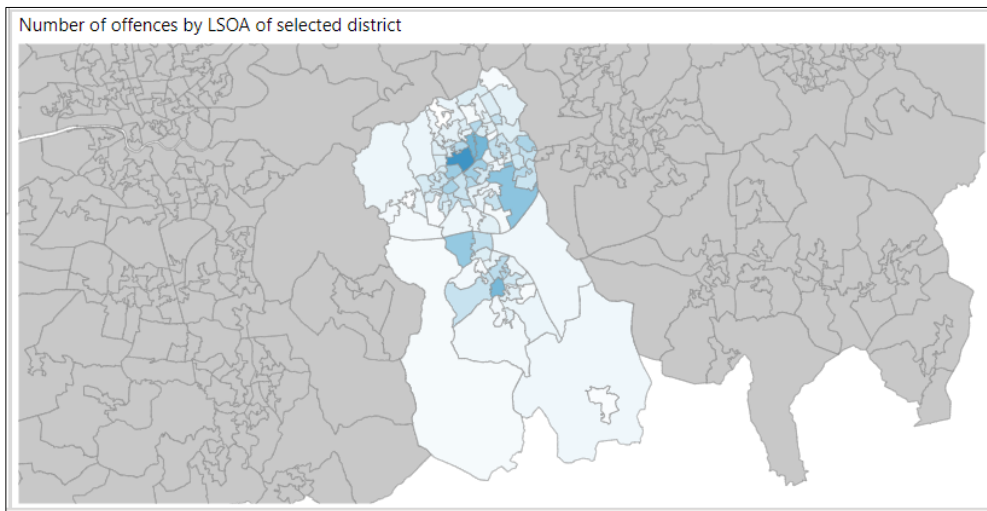
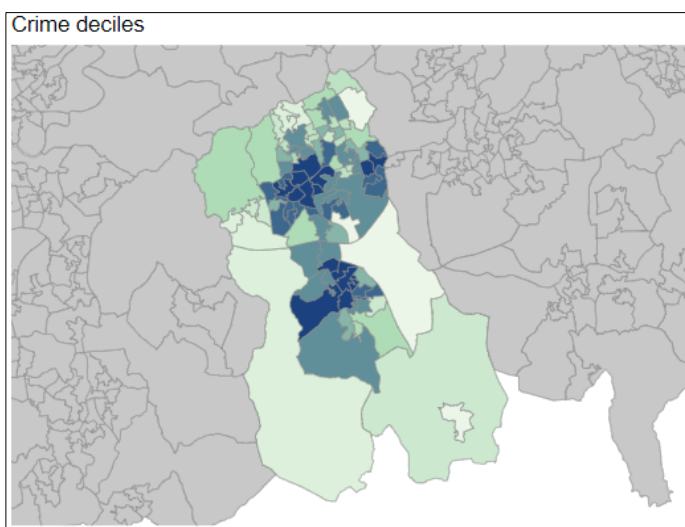


Figure 14: Distribution of Anti-social behaviour offences March 2021-Feb 2022 (Source: [LCC Insight 2022](#))



4.57 Patterns of crime correlate with deprivation. In the deprivation domain for crime, the darker areas show those areas at higher risk of crime.

Figure 15: Crime Deciles at LSOA (Source: IMD 2019 via LCC Insight)



4.58 Alcohol is known to contribute to offending behaviour, particularly violence, anti-social behaviour and criminal damage. Residents in the authority have an above average number of hospital stays due to alcohol and alcohol related mortality as shown in Figure 16 (Source: [LCC Profile](#)).

Figure 16: Local Alcohol Profiles for BwD & England (Source: [OHID 2022](#) via [LCC Profile](#) 2022)

| Indicator                                                              | Period    | Blackburn    |       | Region England |       |       |       | England |       |
|------------------------------------------------------------------------|-----------|--------------|-------|----------------|-------|-------|-------|---------|-------|
|                                                                        |           | Recent Trend | Count | Value          | Value | Value | Worst | Range   | Best  |
| Admission episodes for alcohol-related conditions (Narrow): Old Method | 2018/19   | ↓            | 912   | 675            | 742   | 664   | 1,127 |         | 389   |
| Admission episodes for alcohol-related conditions (Broad): Old Method  | 2018/19   | →            | 4,279 | 3,359          | 2736  | 2367  | 4,022 |         | 1,329 |
| Admission episodes for alcohol-specific conditions                     | 2020/21   | ↓            | 1,220 | 898            | 795   | 587   | 2,276 |         | 298   |
| Alcohol-related mortality: Old Method                                  | 2018      | →            | 77    | 62.7           | 54.9  | 46.5  | 86.1  |         | 26.9  |
| Alcohol-specific mortality                                             | 2017 - 19 | -            | 63    | 16.0           | 14.6  | 10.9  | 27.3  |         | 3.9   |

## Environmental Crime

4.59 Data collected by the Council on the number of environmental crime offences in 2021/22 shows the highest numbers of reports derive from the urban areas of the borough (see Fig 17). Fly tipping forms the highest proportion of reported offences. Reports of accumulated back yard rubbish are, again, highest in the urban areas (darker colours) and correlate with higher densities of HMOs. As with other data, this is not to state that higher levels of environmental crime are due to HMOs, but only that there is a strong correlation between areas with higher concentrations of HMOs and higher levels of environmental crime.

4.60 Environmental crimes have significant impacts on residential amenity.

Figure 17: Environmental Crime Reports by ward in 2021/22 (Source: [BwDBC EnviroCrime](#) 2022)

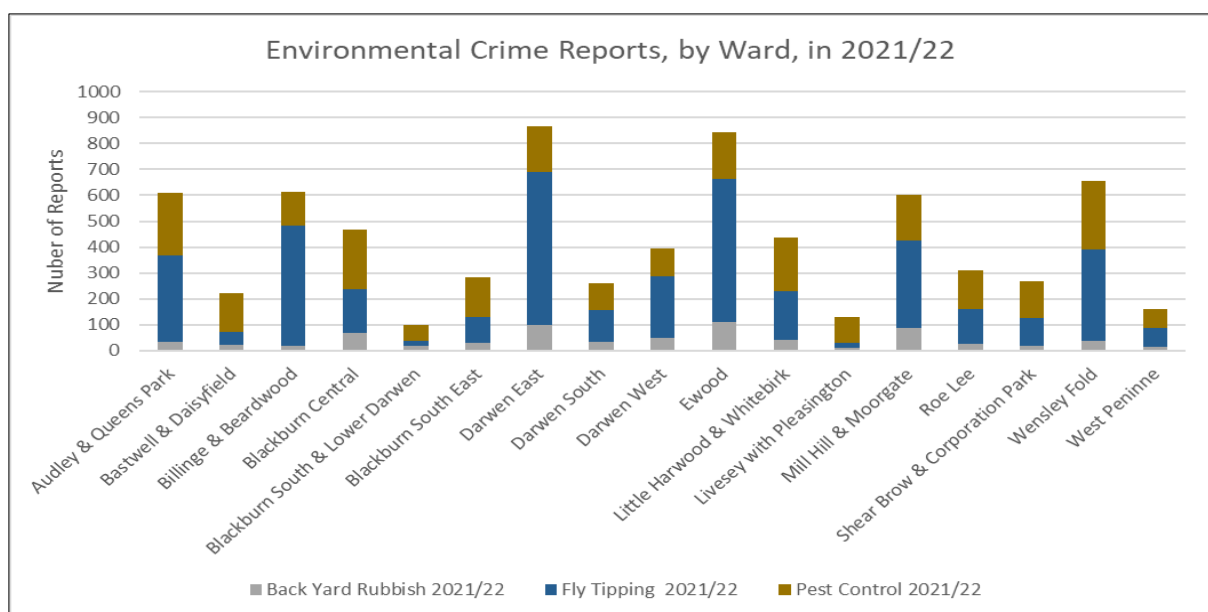
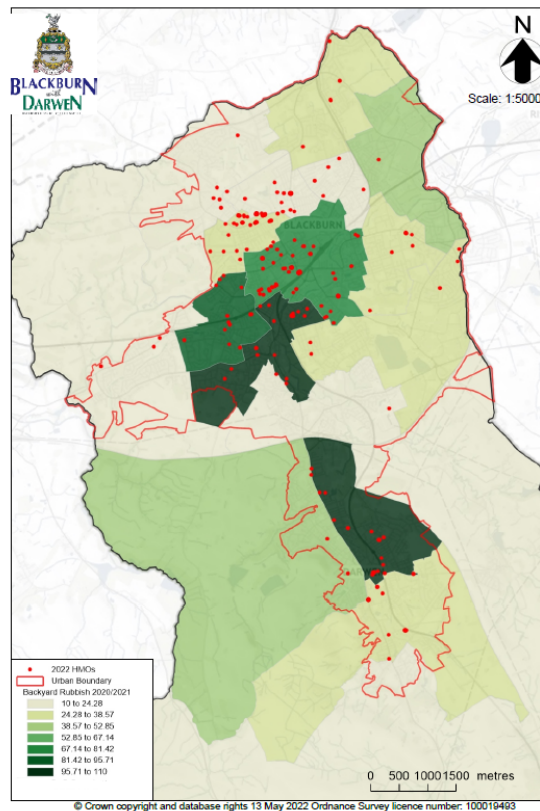


Figure 18: Environmental crime (back yard rubbish), by ward for 2021/22, shown against HMOs (Source: BwdBC EnviroCrime 2022; BwdBC LLPG 2022)



## SUMMARY OF EVIDENCE

- 4.61 In 2012, and in response to the growing number of uncontrolled HMOs following the Government’s changes to the GPDO, the Council introduced Article 4 Directions to seven of its wards to better manage the conversion of dwellings to HMOs in those areas. The designation of these areas was subject to ongoing monitoring and review.
- 4.62 Following review, and based on the evidence presented through this report, the Council consider it has a robust justification to make a new Article 4 Direction that will serve to extend permitted development restrictions across the urban areas of the borough.
- 4.63 The evidence shows that, since 2012, the numbers of HMOs have grown significantly and the locations of those HMOs show they have dispersed to parts of the borough that fall outside those areas currently managed under the Article 4 planning powers. It is expected that this is as a result of the Article 4 Direction restrictions. Based on planning application data, much of that growth appears to have occurred through permitted development rights. The evidence has also shown that the wide variety of inter-related issues pertaining to HMOs are not confined solely to the boundaries of a few wards contained under the existing Article 4 Directions but stretch across the urban areas.

- 4.64 As a result of changes to the ward boundaries in 2018, the Article 4 Direction boundaries no-longer correlate with current ward boundaries and so, through this review, more appropriate boundaries can now be considered.
- 4.65 This report does not purport to say that all of the borough's issues are linked to HMOs, but it can say that there is a high correlation of issues where HMOs have become established.
- 4.66 The data shows a variety of inter-related issues across the urban areas of the Borough (rather than the 7 original wards). As a general summary:
- The borough has high proportions of poor quality housing stock which can be bought cheaply, and is located in the most deprived and urban areas of the borough. These areas are impacted by social and amenity issues including higher levels of anti-social behaviour and crime. The highest levels of anti-social behaviour, crime and environmental crime are often associated with clusters of HMOs.
  - HMOs operate within a private market and attract an enhanced rate of public-funded housing benefit as they are listed as providing support for their clients, which can attract opportunistic landlords into the BwD area in the anticipation of generating high levels of revenue for often sub-standard housing.
  - The type of cheap and low standard accommodation generally attracts and houses those who are vulnerable and presenting with multiple and complex needs, who, once resident in BwD, require intense support, not just from the Council but involving finite resources from across the public sector, including the emergency services and support services. The Council support extends to helping vulnerable people claim benefits to support them.
  - High proportions of the borough's ESA claimants are in relation to mental and behavioural problems and patterns of new UC claimants are typically located in the areas of high deprivation and cheap housing. Anecdotal evidence confirms many ESA and UC claimants originate from outside of the BwD area, meaning the borough involuntarily imports a high percentage of adults with multiple and complex needs that then require support. BwD's 'pro-active' approach to supporting clients with needs and in crisis results in a large percentage of these referrals remaining in the Borough.
  - Alongside data accompanying crime statistics, this indicates that much of the HMO need is imported from other areas of the country, with landlords targeting the vulnerable to fill their bed spaces and secure income. Demand is not generated from a local need. Blackburn with Darwen has a significant and disproportionately higher proportion of HMOs than other Pennine local authority areas, further suggesting it is accommodating need from other areas.
  - Most out of Borough placements go unnoticed until the client presents to housing needs for support after eviction of crisis. As a result, vulnerable people are continually, albeit unintentionally, being placed at risk by LA housing departments who place individuals in accommodation without knowledge of the accommodation or the circumstances regarding risks of the other communal residents. Placed clients

are largely those with the most challenging and complex behaviours, resulting in increases of incidences of rough sleeping, street begging, anti-social behaviour, violence, street-working, street drug and alcohol use and general criminality within the borough. The prevalence of properties converted to HMOs also increases the risks for individuals as placements cannot be known.

- Benefit payments, responding to crime, ASB and environmental damage also drains the Local Authority of revenue and, in turn, opportunities to invest in improving areas of the borough and regenerating the town centres. Such improvements are highly prioritised by town centre businesses, who cite the social problems accompanying existing HMOs as a priority for the Council, and its partners, to address to ensure their businesses and the wider town centres can prosper. The regeneration of Blackburn and Darwen town centres are a key focus of the Council, alongside wider objectives.

4.67 The ability for HMOs to appear without more effective planning management perpetuates these issues. The resulting effects are to create detrimental impacts on the **amenity and wellbeing** of local areas, with increased levels of crime, anti-social behaviour (ASB) and environmental issues. It also fosters a vicious cycle of amenity deterioration, depressed house prices and poor quality stock, damaging local character, worsening deprivation rates and creating a perpetuating negative spiral that then encourages further HMOs to continue the cycle. Clusters of unmanaged HMOs have a detrimental impact on the growth, regeneration, image, investment and sustainability of communities and neighbourhoods. The transient nature of tenants in such accommodation, many of whom have no connection to BwD, undermines community cohesion, neighbourhood sustainability and 'civic pride'. It also has the potential to fundamentally change the character of an area, and for an area's housing choice to be skewed away from family accommodation.

4.68 Through the emerging Local Plan, the Council have an ambition for balanced growth in the Borough, which includes a focus on the provision of jobs and economic growth, regenerating the town centres of Blackburn and Darwen, and addressing inequalities in health and deprivation. Aside this, the Council's corporate priorities include a focus on reducing health inequalities, supporting connected communities, safeguarding the most vulnerable people and supporting town centres and businesses. Based on the available data, it is likely that this work will be significantly undermined unless tighter management of HMO accommodation is introduced, and with it greater protection of the amenity of local neighbourhoods, strengthening communities, improving housing and working to address deprivation and health inequalities.

4.69 Whilst acknowledging Planning is just one tool to try and address the borough's cumulative HMO issues, extending the Article 4 Directions to all urban areas will grant the Council more effective control to restrict the otherwise unregulated conversion of dwelling houses to HMOs. It is expected that such interventions can seek to rebalance communities and address the cumulative and detrimental impacts of HMOs on the borough and local amenity.

## 5. PROPOSED COUNCIL RESPONSE

- 5.1 Government guidance is that Article 4 Directions should apply to the smallest geographical level possible. The 2012 Article 4 Direction covered 7 wards (with the ward boundaries drawn as they applied at that time).
- 5.2 The evidence presented through this report has demonstrated that HMO numbers have grown considerably and been dispersed beyond those areas covered by the original Article 4 Direction and that i) **the factors contributing to a continuing growth in HMOs and ii) the consequential harm arising from HMOs both extend to a wider urban area** than those original seven wards.
- 5.3 Without Council intervention, there is a risk that these factors will see a continued growth in HMOs, and the vicious circles described through this report will continue to spin.
- 5.4 To **protect local amenity and the well-being of the area from further harm**, the Council therefore propose to extend the Article 4 Directions to cover the urban areas of the borough. The boundary of those urban areas is set by Policy CP2 of the emerging Local Plan 2021—2037. The new Article 4 Direction, once in effect, will replace the 2012 Article 4 Direction and its designated areas.

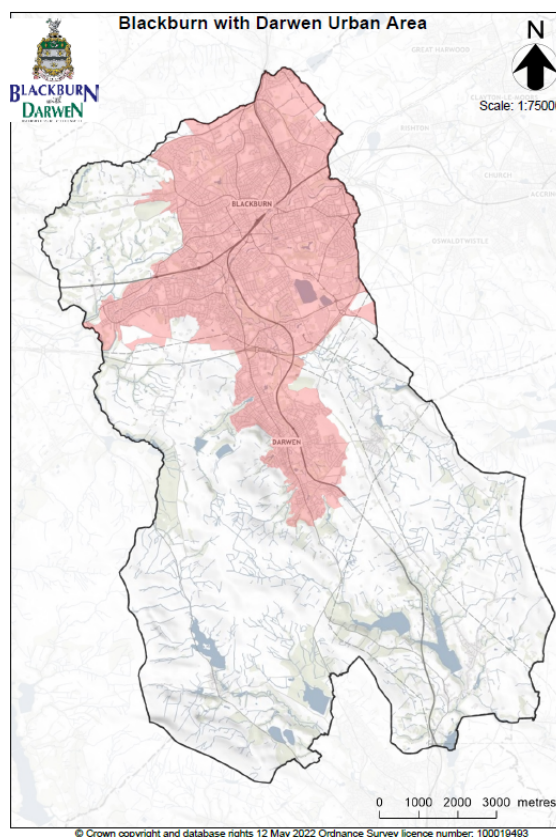
5.5 This area is shown on the map at Fig 19.

Figure 13: Proposed Article 4 Direction area (urban area)

5.6 It is considered that this is the smallest, appropriate geographical level to apply for the reasons evidenced through this document.

5.7 The remaining non-urban areas of the Borough are considered to be self-regulating due to higher house prices and better quality housing stock dissuading their conversion to HMOs by potential landlords. But, as before, the Article 4 Direction will be subject to future monitoring and review, and, should issues disperse into those areas to create negative impacts on local amenity, then the boundaries can again be considered.

5.8 It is acknowledged that, under the GPDO, in an area with an Article 4 Direction it would be possible for a dwellinghouse to change from a HMO to a dwellinghouse under permitted



development rights, but then require planning permission to change again from a dwellinghouse to a HMO. Under these proposals, that would likely result in a refusal of planning permission under Policy DM6. However, the number of cases of this are expected to be few.

## **Risks**

| Risk                                                                                                                                                                                                                                | Mitigation                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The current situation will remain in place for a further 12 months whilst the non-immediate direction is introduced. In this time, there could be a 'rush' of conversions to avoid the future requirement for planning application. | Planning is just one part of the regulatory process available to the Council to manage the conversion of properties to HMOs. The only alternative to a non-immediate direction would be to introduce an immediate direction, but this would leave the Council open to the risk of financial compensation for a 12 month period.                                                               |
| Planning applications for the conversion to an HMO in an Article 4 Direction area are exempt from a planning fee.                                                                                                                   | Under the emerging policy DM6, it is expected that all applications will result in a refusal, which may deter applicants. The cost of processing applications will be met through the existing budget for the Growth department.                                                                                                                                                              |
| The extended Article 4 Direction could result in a reduction in the supply of HMOs.                                                                                                                                                 | The Council's Housing and Economic Needs Assessment (2018) and Update (2021) identified no need for any type of this accommodation (HMOs).                                                                                                                                                                                                                                                    |
| Transfer of displacement of problems to other areas not covered by an Article 4 Direction.                                                                                                                                          | The evidence shows a growth of HMOs dispersed into areas not covered by the existing Article 4 Direction, but this is understood to be because of the similar conditions across the wider urban area, including deprivation and low-cost housing. Rural areas are considered to be self-regulating due to higher house prices and better quality housing stock dissuading conversion to HMOs. |

## 6. CONSULTATION

- 6.1 Article 4 Directions need to be made through a two stage process. The first is for the Council to make the direction and undertake local consultation with the areas the Direction is proposed to take effect in. The second is the confirmation of the direction by the Council. Prior to confirming the Direction, the Council must consider all comments made during the consultation and consider whether materials changes are necessary to the Direction. If significant amendments are needed, further consultation may be required.
- 6.2 Schedule 3 of the GPDO 2015 sets out the procedures for publicity and consultation of an Article 4 Direction. In accordance with those requirements, the following consultation will be undertaken:
- Advertisement in the local press: *Lancashire Telegraph & Bolton News*
  - Display of the Article 4 Direction Notice at all libraries within Blackburn (Blackburn Central library, Darwen library, Cherry Tree library, Mill Hill library and Roman Road library), for a period of 6 weeks.
  - Display of the notice in Blackburn Town Hall and Darwen Town Hall.
  - Notice published on the Council web pages.
  - Site notices
  - Correspondence to statutory consultees and other bodies
- 6.3 Individual service of the notice on owners and occupiers of land is impracticable due to the number of owners and occupiers in the area the proposed Article 4 Direction is to cover.
- 6.4 The notice will include all details required by Schedule 3 (4) including a description of the development and area, a statement of effect, and a copy of the map area.
- 6.5 A period of **6 weeks** will be given for representations to be made, following which the Council will consider all representations made and take them, with a final report, to Council to seek confirmation of the Direction.
- 6.6 Any representations requiring material changes to the Article 4 Direction may warrant further consultation.
- 6.7 The Secretary of State (SoS) will be notified of the relevant details on the date the notice is first published/displayed, and following its confirmation by the Council.



## 7. PROPOSED TIMETABLE

7.1 The Council are pursuing a non-immediate Direction and there is a 12 month lead in period from the date the direction is made, to the date it takes effect. This follows the same stance as the 2012 Direction, so as to avoid the need for financial compensation measures at cost to the Council.

### Timetable

7.2 A timetable for the preparation of the Article 4 Direction is set out below. The Article 4 Direction will be taken before full Council for approval at both the preliminary stage, to 'make' the notice, and the final stage, to consider the representations made through public consultation and to 'confirm' the notice.

7.3 Aside that work, the Local Plan Examination in Public is expected in 2022, and through it, will make the case for the newly worded policy. It is anticipated that the Local Plan will be adopted by the Council in summer 2023. Should the Article 4 Direction proceed in accordance with the timetable, then this will also take effect in summer 2023.

**Table 9: Timetable for preparation of the Article 4 Direction**

|                                                 |                       |
|-------------------------------------------------|-----------------------|
| Planning and Highways Committee 'to make'       | 16 June 2022          |
| Full Council 'to make'                          | 28 July               |
| Direction Notice 'made'                         | August                |
| Secretary of State notified                     | August                |
| 6 week consultation on Direction notice         | August – September    |
| Analysis of representations/additional consult? | October/November      |
| Planning and Highways Committee 'to confirm'    | Autumn/Winter 2022/23 |
| Full Council 'to confirm'                       | Winter / Spring 2023  |
| Direction Notice confirmed                      | Winter / Spring 2023  |
| Secretary of State notified                     | Winter / Spring 2023  |
| Direction Notice takes effect                   | August 2023           |

7.4 Note that if the consultation results in any representations that the Council consider are warranted and necessitate 'material changes' to the consultation, then this will require another round of consultation which may amend the timetable relating to the date the direction notice may be confirmed.

7.5 Council's may 'confirm' all article 4 directions. However, the Secretary of State (SoS) must be notified 'as soon as practicable' (PPG para 50<sup>10</sup>) at both the preliminary (notice 'made') and final (notice 'confirmed') stages. The SoS does not have to approve article 4 directions but will only intervene where there are clear reasons for doing so (PPG Para 50).

<sup>10</sup> [When is permission required? - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

- 7.6 Once the Direction is made, the Council will again continue to monitor and review the appropriateness of the direction and its extent.



|                   |                                  |
|-------------------|----------------------------------|
| <b>REPORT OF:</b> | <b>THE LEADER OF THE COUNCIL</b> |
| <b>TO:</b>        | <b>COUNCIL FORUM</b>             |
| <b>DATE:</b>      | <b>28th JULY 2022</b>            |

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**SUBJECT      CORPORATE PLAN REFRESH**

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## **1. PURPOSE OF THE REPORT**

To update members on the development of the corporate plan refresh and set out a timetable for adopting it.

## **2. RECOMMENDATIONS**

That Council Forum:

- i. Notes the progress on the engagement plan
- ii. Notes the emerging themes
- iii. Agrees the future timetable for the corporate plan development

## **3. BACKGROUND**

At Policy Council in December 2021, members agreed to refresh the corporate plan. This is a key document that sets out the Council's core priorities and ambitions over the next four years.

It is underpinned by a range of policies, strategies and plans including the growth strategy, the local plan, the medium term financial strategy, health and wellbeing strategy, our cultural strategy, our skills strategy, early help strategy, organisational development strategy and climate change action plan.

As we continue to develop the new corporate plan 2023-27, the Council is delivering against the previous plan published in 2019. Even though COVID-19 has had a huge impact on the organisation, we have still performed well as per the update provided at the Executive Board in June 2022.

#### 4. ENGAGEMENT UPDATE INCLUDING RESIDENTS' SURVEY

As members agreed at Policy Council in December 2021, a programme of engagement activity, including the first residents' survey since 2018, has been carried out to help inform development of the new corporate plan.

Activities have included sessions with young people, engagement with foster carers, 200 vox pops in Blackburn and Darwen town centres, as well as activity facilitated by adult learning and Age UK. Staff have been engaged through the organisational development programme. The recent Life Survey undertaken by Lancaster University<sup>1</sup> in Blackburn with Darwen (1,299 residents in total, made up of 543 online respondents and 756 face-to-face) has also been used to help form the evidence base for the new plan as well as engagement delivered as part of individual projects such as Blackburn's City Bid.

The residents' survey ran over a period of four weeks from May to June 2022. Two methodologies were used; the first was a self-completion survey promoted via social media, in council buildings, local media and our advertising assets. The second was a demographically-weighted interviewer-led survey.

The self-completion survey was open to everyone who lives or works in the borough over the age of 16 and 889 responses were received.

The interviewer-led survey had quotas which were designed to achieve a sample that was representative of the borough in terms of age, gender, ethnicity and area. It was undertaken primarily by phone with additional face-to-face interviews carried out to ensure the sample met its quotas. 1001 interviews were completed.

The survey was based in part on the Local Government Association's "Are you being served?" guidance<sup>2</sup>. Ten pilot interviews were carried out with residents before the launch of the main fieldwork period. Bespoke questions were also included, for example, on the climate emergency and volunteering.

#### 5. EMERGING THEMES

Several themes have emerged which will help determine the focus of the new corporate plan, with more engagement activity planned over the next few months (as set out in section six.)

Positively, the engagement activity supported by the residents' survey showed people are very proud of the borough. The residents' survey showed a high level of satisfaction with the local area as a place to live and an overwhelming majority feel they strongly belong to their area. Similar findings came from the Lancaster University study.

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<sup>1</sup> [ImaginationLancaster - We believe in the unstoppable power of imagination.](#)

<sup>2</sup> [www.local.gov.uk/are-you-being-served-benchmarking-residents-perceptions-local-government](http://www.local.gov.uk/are-you-being-served-benchmarking-residents-perceptions-local-government)

The engagement activity found a significant number of people interested in volunteering opportunities to help make the borough a better place. The residents' survey found a quarter of people already volunteer in their local community and over a third said they are likely to in the next 12 months if there are opportunities to do so. Over a third said they are unaware of opportunities to volunteer, indicating there is potential room for increasing volunteering.

Recognising and fostering that pride of place is essential to continue to unlock the potential of our unique borough.

Residents want the Council to deliver on our climate responsibilities and provide leadership to the borough to tackle the climate emergency. More than two thirds of those responding to the residents' survey said it was important to take action on the climate emergency. The Lancaster University study also highlighted climate change as an issue for residents with just over three quarters saying they were concerned about it, with 30% expressing a high level of concern.

Other common themes across all engagement activity include building a stronger local economy, boosting skills, transport links, increasing activities available for young people and tackling crime, grime and highways.

In terms of the Council as an organisation and as a provider of services, the residents' survey showed people were both satisfied and trusted the Council. Satisfaction is higher than dissatisfaction for a number of services provided by the Council, with satisfaction highest for waste collection, sports and leisure facilities and library services.

However, across all activity including the residents' survey and supported by the Lancaster University survey, there was a perception that the Council could make improvements to how it engages with communities.

## **6. NEXT STEPS**

Over the next few months, further engagement activity will take place with young people, partner organisations and internal staff and services. Updates will also be provided to scrutiny committees.

A further update report is planned to Council Forum on October 6th before the final draft of the corporate plan is presented to Policy Council in December for approval.

An implementation plan, incorporating the new business planning process for 2023 will be prepared by the end of the calendar year.

## **7. POLICY IMPLICATIONS**

There are no additional policy implications from this update report.

## **8. FINANCIAL IMPLICATIONS**

No further funding for future engagement plans will be required.

The Corporate Plan will set out the Council's corporate objectives for the next four years. Delivery of the Corporate Plan objectives will have to be considered in the context of the Council's Medium Term Financial Plan and ultimately the annual budget setting process.

It is inevitable that the Council will have to be innovative in its approach, optimising value for money from the use of its resources and working in partnership with a range of other organisations to achieve the outcomes that will be agreed in the Corporate Plan.

## **9. LEGAL IMPLICATIONS**

There are no direct legal implications arising from this report. However, the Corporate Plan provides the necessary framework and context upon which the council can direct its decision-making and significantly contributes to robust corporate governance arrangements.

The approval of the Corporate Plan and Council's objectives and priorities are a function of Full Council. Any legal issues arising from implementing the commitments in them will need to be reported and considered in accordance with relevant legislation and the Constitution.

## **10. RESOURCE IMPLICATIONS**

There are no additional resource implications. Activity will be managed within existing resources.

## **11. EQUALITY IMPLICATIONS**

An equality impact assessment is not required.

## **12. CONSULTATIONS**

No formal consultations are required but engagement activity has been captured above.

Chief Officer: Denise Park, Chief Executive

Contact Officer: Ben Greenwood

Date: July 28 2022

Background Papers: [ImaginationLancaster - We believe in the unstoppable power of imagination.  
www.local.gov.uk/are-you-being-served-benchmarking-residents-perceptions-  
local-government](https://www.local.gov.uk/are-you-being-served-benchmarking-residents-perceptions-local-government)



|                   |                                         |
|-------------------|-----------------------------------------|
| <b>REPORT OF:</b> | <b>STRATEGIC DIRECTOR<br/>RESOURCES</b> |
| <b>TO:</b>        | <b>COUNCIL FORUM</b>                    |
| <b>ON:</b>        | <b>28 July 2022</b>                     |

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## **SUBJECT: CONSTITUTION UPDATE**

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### **1. PURPOSE OF THE REPORT**

To request the Council to approve the updated Council Constitution, as outlined in this report.

### **2. RECOMMENDATIONS**

The Council is asked to:

2.1 approve the updated Council Constitution as contained in the **Appendix**.

2.2 subject to 2.1 above, note that a pdf version of the updated constitution will be published on the Council website.

### **3. BACKGROUND**

Since the last constitution update in October 2021, there has been some changes to the Council management structure and the Leadership. These changes require amendments to be made to the Council's constitution. Other amendments have been made following a review by the Monitoring Officer and in consultation with other key officers. The main amendments are:

- Portfolios for Executive Members (Part 3, section 15) to reflect changes in portfolio responsibilities as confirmed by the Leader.
- Scheme of Delegations (Part 3, section 16) to reflect changes to the Chief Officer structure. The Chief Officer structure changes were reported to Finance Council on 28 February 2022: [Senior Mgt and Constitutional Update.pdf \(blackburn.gov.uk\)](#). The amendments cover a clarification of delegated powers to the Chief Executive in relation changes to polling districts/polling places/polling stations as approved by Policy Council on 6 December 2018: [Review of Polling Districts Polling Places and Polling Stations.pdf \(blackburn.gov.uk\)](#).
- Proper Officer Provisions (Part 3, Section 17) to again reflect changes to the Chief Officer structure.
- Council Staff Structure (Part 8) to reflect changes to Chief Officer structure.
- Member Allowances Scheme (Part 6), following approval by Finance Council on 28 February 2022 of the Independent Remuneration Panel report: [Report 28.02.22. Members Allowances Scheme 2022-23. IRP.pdf \(blackburn.gov.uk\)](#)
- Contract & Procurement Procedure Rules (Part 4, section 8) to reflect changes resulting from the UK leaving the EU and to provide additional clarity on some areas to ensure consistency across the Council.
- Financial Procedure Rules (Part 4, Section 7) as a general update and to provide additional clarity on some areas to ensure consistency across the Council

- Access to Information and Decisions and Attendance at Public Meetings (Part 4, Section 2) to provide additional clarity in relation to decisions, by inserting an appendix: 'Officer Decision Making Policy & Procedure'.

#### **4. POLICY IMPLICATIONS**

The Council's constitution is a public document which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Constitutions provide the foundations for any local authority that aspires to be effective, progressive and successful.

#### **5. FINANCIAL IMPLICATIONS**

None

#### **6. LEGAL IMPLICATIONS**

The Local Government Act 2000 requires local authorities to prepare, keep up-to-date and publicise their constitution. The Monitoring Officer has authority to make amendments to the Constitution which are required to comply with the law or to reflect decisions of the Council, but all other changes to the constitution requires the approval of full Council.

#### **7. RESOURCE IMPLICATIONS**

None

#### **8. EQUALITY IMPLICATIONS**

None, but individual decisions under the powers in legislation and constitution will be subject to the Equality Act 2010 and an equality assessment, if necessary.

#### **9. CONSULTATIONS**

Most of the amendments reflect reports made to Council. Key Council Officers have been consulted. The Monitoring Officer holds the version of the Constitution showing the tracked changes and is available for inspection by members and officers.

Contact Officer: Asad Laher, Deputy Director - Legal & Governance  
(Monitoring Officer)

Date: 15 July 2022

Background Papers: None

Appendix – Council Constitution (28 July 2022)





|                   |                        |
|-------------------|------------------------|
| <b>REPORT OF:</b> | <b>CHIEF EXECUTIVE</b> |
| <b>TO:</b>        | <b>COUNCIL FORUM</b>   |
| <b>ON:</b>        | <b>28 July 2022</b>    |

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**SUBJECT: Review of Overview and Scrutiny Committees Structure**

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## 1. PURPOSE OF THE REPORT

To request Council to consider a review of the current structure of Overview & Scrutiny Committees, as outlined in the report.

## 2. RECOMMENDATIONS

The Council is asked to:

- 2.1 suspend Rule 1 of the Council Procedure Rules to enable Council Forum to consider this report and, subject to 2.3 below, appoint to the Overview & Scrutiny Committees.
- 2.2 agree to the restructure of the Council's Overview and Scrutiny Committees, as detailed in this report and note the revised composition and political balance for 2022/23 as detailed in **Appendix 1**
- 2.3 approve the appointments to the Overview & Scrutiny Committees for 2022/23 as detailed in the **Appendix 2**.
- 2.4 subject to 2.2 and 2.3 above, authorise the Monitoring Officer to make the necessary amendments to the Constitution.

## 3. BACKGROUND

The present structure of the Overview and Scrutiny Committees (OSCs) was agreed in 2018 following the electoral review (which reduced the number of councillors from 64 to 51), and established three OSCs reflecting the areas of People, Place and Policy and Corporate Resources. The membership for each of the three OSCs is 11. In addition, there is the Corporate Parenting Committee, which is a specialist advisory committee working with the Executive Member for Children, Young People & Education and the Chair of the People Overview and Scrutiny Committee. There is also the Health & Wellbeing Board established under the Health & Social Care Act 2012 to deliver improved strategic co-ordination across the NHS, social care, children's services and public health.

The People and Place OSCs report their progress to the Policy and Corporate Resources OSC who monitor progress and suggest work programmes where necessary. This has worked well with the revised arrangements that were necessary last year and the work programmes focused on COVID and the recovery from it, supported and delivered by the Council and partners. As BwD now proceeds to post-Covid service delivery, a number of reconfigurations of the delivery of health services proposed in 2019 are now starting to be considered again. The main driver for change is through the Integrated Care System (covering Lancashire and South Cumbria), which is looking at reshaping the delivery of services on a regional basis. There other reconfigurations expected within the next few years (around 20 in total), and the Health Authorities have a duty to consult on each of the areas and seek the views of the

affected Health Scrutiny Committees. The People OSC had looked at 3 consultations, two of these at the September 2021 meeting, which necessitated an additional meeting of the Committee. As the Committee also looks at the key service areas of Children, Education, Social Care and Public Health it is easy to see the difficulties that the Committee faces in managing its workload.

The Policy and Corporate Resources OSC at its meeting on 11<sup>th</sup> October 2021 considered this issue and noted that whilst a Joint Health Overview and Scrutiny Committee (Lancashire, BwD, Blackpool and South Cumbria) may alleviate some of the difficulties, there would still be a need for the People OSC to overview. It was noted that the size and remit of the present committee affected the ability to be proactive on scrutiny of health in BwD and work with Healthwatch, and shared work programmes could be further developed in future if more time was available. The scrutiny of Children's Services and Education has also been affected by the current structure and could add more value and make a difference if carried out by a dedicated committee for this service area.

Annual Council on 19 May recommended that the Chief Executive in consultation with the three Chairs of the Overview & Scrutiny Committees review the structure of the OSCs, and present a report to Council at a future date. The review would look at the remit, number of Committees and membership of each of the Overview & Scrutiny Committees, to ensure that there is sufficient capacity to conduct effective scrutiny of Council and relevant health business.

<https://democracy.blackburn.gov.uk/documents/s16884/Council%20Appointments%202022-23.pdf>.

In view of the above, it is proposed that the remit of the current People OSC is divided, and the structure is reviewed replacing it with two new OSCs: Health and Social Care OSC and Children and Young Peoples OSC. For the remainder of 2022/23, the composition for each of these two newly established OSCs will be six members including a chair and vice chair. The composition for the call-in committee remain unchanged. The composition of the Policy and Corporate Resources OSC and Place OSC also remain unchanged for 2022/23, but will be reviewed in May 2023. The appointments to the OSCs are detailed in **Appendix 2**.

#### **4. POLICY IMPLICATIONS**

The role and purpose of overview & scrutiny committees is to improve the delivery of public services through providing challenge both to the Executive and to external organisations where there are issues of public concern. The OSCs acts as a 'critical friend' to decision makers by beneficially examining the council's priorities, decisions and service provision to ensure they are appropriate, efficient, transparent and accountable, and in the best interests of residents. It is therefore important that effective overview and scrutiny arrangements are in place.

#### **5. FINANCIAL IMPLICATIONS**

The proposals outlined will create additional chair and vice-chair roles for which the agreed Special Responsibility Allowances will be payable.

#### **6. LEGAL IMPLICATIONS**

Under section 9F of the Local Government Act 2000, local authorities with executive arrangements must include a provision for at least one overview and scrutiny committee with powers under section 9F(2). Overview and scrutiny committees may not include members of the council's Executive, and their membership should in general reflect the political balance of the local authority. Each local authority must appoint at least one 'scrutiny officer'.

OSCs also have powers to undertake 'external scrutiny' of specific add additional bodies, including:

- Health scrutiny of health bodies and authorities. Local authorities have the power to scrutinise health bodies and providers in their area or to set up joint committees to do so. They can require members or officers of local health bodies to provide information and to attend health scrutiny meetings to answer questions. These provisions are distinct from the mandatory requirement for local authorities to set up 'health and wellbeing boards'
- Provision for a 'crime and disorder committee'. These are mandatory committees for all local authorities, which must scrutinise the delivery of crime and disorder strategies. A OSC can act as the designated Crime and Disorder Committee for the purposes of the Police and Criminal Justice Act 2006. This is distinct from the 'police and crime panels' that scrutinise directly-elected Police and Crime Commissioners.

The Government has issued statutory guidance under section 9Q of the Local Government Act 2000 and under paragraph 2(9) of Schedule 5A to the Local Democracy, Economic Development and Construction Act 2009, which local authorities must have regard to: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/800048/Statutory\\_Guidance\\_on\\_Overview\\_and\\_Scrutiny\\_in\\_Local\\_and\\_Combined\\_Authorities.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/800048/Statutory_Guidance_on_Overview_and_Scrutiny_in_Local_and_Combined_Authorities.pdf)

In accordance with legislation, appointments to committees of the council approved by Council. The Constitution further provides for such approvals by Annual Council, and subsequent changes during the year to membership to committees requires Council approval with the suspension of the relevant constitutional provision.

The Local Government Act 2000 requires local authorities to prepare, keep up-to-date and publicise their constitution. Any change to the OSC committee structure will require appropriate amendments to the constitution.

## **7. RESOURCE IMPLICATIONS**

The establishment of an additional committee will have limited resource implications as members are already having to prepare and attend additional meetings to consider all of the issues relating to the Peoples OSC area. There will be additional support required from the Governance team however, by reducing the waiting time of senior officers for consideration of their items on the agenda this would be cost neutral overall.

## **8. EQUALITY IMPLICATIONS**

None.

## **9. CONSULTATIONS**

Group Leaders and the chair of the three existing OSCs have been consulted. Relevant Chief Officers have also been consulted.

Contact Officer: Asad Laher, Deputy Director - Legal & Governance  
(Monitoring Officer)

Date: 15 July 2022

Background Papers:

## APPENDIX 1

### Proportionality 2022/23 – political balance 9<sup>th</sup> May 2022

#### Summary of seats - 9<sup>th</sup> May 2022

| GROUP                            | SEATS on the Council | Seat percentage entitlement based on 51 Councillors | Seats on Committees based on 73 seats in total | Rounded to |
|----------------------------------|----------------------|-----------------------------------------------------|------------------------------------------------|------------|
| Labour                           | 36                   | 70.59%                                              | 51.53                                          | 52         |
| Conservative *                   | 14                   | 27.45%                                              | 20.04                                          | 20         |
| Liberal Democrat                 | 1                    | 1.96%                                               | 1.43                                           | 1          |
|                                  |                      |                                                     |                                                |            |
| <b>TOTAL for Proportionality</b> | <b>51</b>            | <b>100%</b>                                         | <b>73</b>                                      |            |
| Vacancy                          | 0                    |                                                     |                                                |            |
| <b>TOTAL SEATS</b>               | <b>51</b>            |                                                     |                                                | <b>73</b>  |

*\*Conservative Group includes 1 Independent Conservative*

The proposed overall allocation of seats at May 2022 based on the proportions and numbers above:

| Committee                        | Places    | Labour    | Con       | Lib Dem  | Ind |
|----------------------------------|-----------|-----------|-----------|----------|-----|
| Policy & Corporate Resources OSC | 11        | 9 (81.8%) | 2 (18.3%) |          |     |
|                                  |           |           |           |          |     |
| Childrens & Young Persons OSC    | 6         | 4 (66.7%) | 2 (33.3%) |          |     |
| Health & Social Care OSC         | 6         | 4 (66.7%) | 2 (33.3%) |          |     |
| Place OSC                        | 11        | 8 (72.7%) | 3 (27.3%) |          |     |
|                                  |           |           |           |          |     |
| Planning & Highways Committee    | 13        | 9 (69.2%) | 3 (23.1%) | 1 (7.7%) |     |
|                                  |           |           |           |          |     |
| Licensing Committee              | 11        | 8 (72.7%) | 3 (27.3%) |          |     |
|                                  |           |           |           |          |     |
| Audit Committee                  | 6         | 4 (66.7%) | 2 (33.3%) |          |     |
|                                  |           |           |           |          |     |
| Standards                        | 9         | 6 (66.7%) | 3 (33.3%) |          |     |
|                                  |           |           |           |          |     |
| <b>Total</b>                     | <b>73</b> | <b>52</b> | <b>20</b> | <b>1</b> |     |

## APPENDIX 2 – OVERVIEW & SCRUTINY COMMITTEE APPOINTMENTS 2022/23

| Committee                                                                                                                                                                    | Labour                                                                                                                                            | Conservative                               | Lib Dem |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------|
| <b>Policy &amp; Corporate Resources Overview and Scrutiny (11)</b><br><br><b>Membership</b><br><br><b>Chair: Tony Humphrys</b><br><br><b>Vice-Chair: Kevin Connor</b>        | Tony Humphrys<br>Sylvia Liddle<br>Zainab Rawat<br>Brian Taylor<br>Jackie Floyd<br>Shaukat Hussain<br>Tasleem Fazal<br>Katrina Fielding<br>Saj Ali | Kevin Connor<br>Neil Slater                |         |
| <b>Place - Overview and Scrutiny Committee (11)</b><br><br><b>Membership</b><br><br><b>Chair: Brian Taylor</b><br><br><b>Vice Chair: Salim Sidat</b>                         | Iftakhar Hussain<br>Zamir Khan<br>Salim Sidat<br>Brian Taylor<br>Katrina Fielding<br>Sonia Khan<br>Parvaiz Akhtar<br>Stephanie Brookfield         | Paul Marrow<br>Jon Baldwin<br>Mark Russell |         |
| <b>Children and Young People Overview and Scrutiny Committee (6)</b><br><br><b>Membership</b><br><br><b>Chair: Sylvia Liddle</b><br><br><b>Vice-Chair: Martin McCaughran</b> | Sylvia Liddle<br>Martin McCaughran<br>Hussain Akhtar<br>Ehsan Raja                                                                                | Lilian Salton<br>Julie Slater              |         |
| <b>Health and Social Care Overview and Scrutiny Committee (6)</b><br><br><b>Membership</b><br><br><b>Chair: Jacquie Slater</b><br><br><b>Vice Chair: Elaine Whittingham</b>  | Dave Harling<br>Elaine Whittingham<br>Dave Smith<br>Mohammed Irfan                                                                                | Jacquie Slater<br>Derek Hardman            |         |
| <b>Call In Committee</b><br><br><b>Chair: Kevin Connor</b>                                                                                                                   |                                                                                                                                                   |                                            |         |

## **Blackburn with Darwen Borough Council**



### **Audit & Governance Committee Annual Report 2021/22**

1. Background to the Governance Framework
- 1.1. What drives governance policy?

- 1.1.1. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. In discharging this overall responsibility, the Council is also responsible for ensuring that there are sound systems of internal control and governance in place which facilitate the effective exercise of the Council's functions and which include adequate arrangements for the management of risk.
- 1.1.2. Effective corporate governance is a fundamental feature of any successful public sector organisation. Corporate governance initially became a major issue after several high profile failures in the private sector. As a result, there have been several reviews directed at improving governance in that sector.
- 1.1.3. The trend for strengthening governance arrangements spread to the public sector and resulted in the publication of a joint Chartered Institute of Public Finance and Accountancy (CIPFA) / Society of Local Authority Chief Executives and Senior Managers (SOLACE) document, Delivering Good Governance in Local Government – a Framework, in 2007. The Framework was intended to be used as best practice for developing and maintaining a locally adopted code of governance. It was intended to assist authorities in reviewing the effectiveness of their own governance arrangements by reference to best practice and using self-assessment.
- 1.1.4. In 2016 CIPFA/SOLACE published a revised Framework to ensure that local government continues to develop and shape its own approach to governance, taking account of the environment in which it now operates. The new Framework applied to annual governance statements prepared for the financial year 2016/17 onwards. It is based on the International Framework: Good Governance in the Public Sector published by CIPFA and the International Federation of Accountants in 2014 and contains seven core principles. These are set out in 1.1.8 below.
- 1.1.5. The International framework defines governance as follows:  
“Governance comprises the arrangements put in place to ensure the intended outcomes for stakeholders are defined and achieved.”
- 1.1.6. It also states that:  
“To deliver good governance in the public sector both governing bodies and individuals working for public sector entities must try to achieve their entities objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and stakeholders.”
- 1.1.7. Blackburn with Darwen Borough Council operates through a governance framework that brings together an underlying set of legislative requirements, governance principles and corporate policies and management processes.
- 1.1.8. The Council recognises the seven core principles of good governance identified by CIPFA/SOLACE to ensure that the intended outcomes for stakeholders are defined and achieved, while acting in the public interest at all times. These are:
  - 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; and
  - G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability.
- 1.1.9. The Council's local Code of Corporate Governance was revised during 2016 to ensure that it complied with the latest requirements. It was updated again during 2018/19 as part of the annual review of the Constitution, to provide improved clarity and explanation and was approved by full Council in May 2018.
- 1.1.10. The local Code establishes specific standards operating principles and values for the Council, its members and staff. These build on the Seven Principles of Public Life (the Nolan Principles). The Principles apply to anyone who works as a public officer –holder. This includes all those elected or appointed to public office and all people working in local government. The principles are:
- Selflessness;
  - Integrity;
  - Objectivity;
  - Accountability;
  - Openness;
  - Honesty; and,
  - Leadership.

## 2. **Blackburn with Darwen Borough Council Audit & Governance Committee**

### 2.1. **Why do we need an Audit Committee?**

- 2.1.1. Whilst there is currently no statutory requirement to have an audit committee they are widely recognised as a core component of an effective governance framework and therefore reflect good practice. Regardless of a specific legislative or regulatory framework, Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and appoint a Chief Financial Officer to have responsibility for those affairs. To be truly effective, the Chief Financial Officer requires an effective audit committee to provide support and challenge, as well as an adequate and effective internal audit. Both these elements are now enshrined in the 'Public Sector Internal Audit Standards' and the supporting 'Local Government Application Note' published by CIPFA. The Council's Audit & Governance Committee has a key role in overseeing and assessing the internal control, risk management and corporate governance arrangements in place and advising on the adequacy and effectiveness of these arrangements. This role is formalised in the Committee's terms of reference.



- 2.1.2. The Council's Audit & Governance Committee is properly constituted and is given sufficient authority and resources by the Council. The Committee has the right to obtain all the information it considers necessary and to consult directly with senior managers. In line with best practice from both the public and private sectors, the Audit & Governance Committee can report its observations and concerns directly to the Executive Board.
- 2.1.3. Good corporate governance requires independent and effective assurance about the adequacy of financial management and of management arrangements for achieving the organisation's objectives. These responsibilities require an independent and challenging approach. Through these mechanisms, Committee Members are able to use their skills and experiences to influence the Council's governance, internal control processes and risk management arrangements.
- 2.1.4. An effective Committee can bring many benefits to the Council, including:
- increasing public confidence in the objectivity and fairness of financial and other reporting;
  - providing additional assurance through a process of independent and objective scrutiny;
  - raising awareness of the need for internal control and the implementation of audit recommendations; and,
  - reinforcing the importance and independence of internal audit.

## **2.2. What does an audit committee do?**

- 2.2.1. Audit committees are a key component of corporate governance. They increase public confidence in the objectivity and fairness of financial and other reporting. They also provide a high-level focus on assurance and the organisation's arrangements for governance, managing risk and maintaining an effective control environment.
- 2.2.2. Good practice is contained within CIPFA's document 'Audit Committees – Practical Guidance for Local Authorities and the Police' (2018 Edition). The latest edition of the document updates the core functions of an audit committee in relation to governance, risk management, internal control and audit. The introduction of the Public Sector Internal Audit Standards, along with annual governance statements and associated guidance has also been considered in relation to their impact on an audit committee.
- 2.2.3. During 2021/22 the Audit & Governance Committee consisted of six cross party elected Members. The Committee's purpose, as set out in its terms of reference, are to:
- provide independent assurance of the adequacy of the risk management framework, overall governance and the associated control environment and the extent to which these meet the objectives of the Local Code of Corporate Governance;
  - provide independent review of the Council's governance, risk management and control frameworks;
  - oversee the financial reporting and annual governance processes; and
  - oversee internal and external audit, helping to ensure efficient and effective assurance arrangements are in place.

- 2.2.4. The Audit & Governance Committee provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. It also provides assurance, on behalf of the Council, about the extent to which the objectives of the Local Code of Corporate Governance, as set out in the Constitution, are being met. This purpose is reflected in the Committee's Terms of Reference, which are included at Appendix 1 of this report.
- 2.2.5. The CIPFA guidance includes a greater focus on the factors that support improvement. These include the knowledge and skills that Audit Committee members require and a focus on where the Audit Committee adds value. The publication provides practical support to the Committee in evaluating the existing Committee arrangements and any planned improvements.
- 2.2.6. The guidance includes a self-assessment checklist of good practice to assist both Members and Officers who are involved in the operation of the Committee. The checklist was reviewed and updated by Audit & Assurance on behalf of the Committee during 2021/22. It was presented for consideration at the Committee's meeting on 29 March 2022, along with an evaluation of the effectiveness of the Committee completed by the Head of Audit & Assurance on behalf of the Committee. The results of the assessments against the CIPFA best practise and evaluation of effectiveness are included at Appendix 2 and 3 of this report for reference. The results provide evidence that the Committee is operating effectively and with the exception of an independent member, is following CIPFA best practice.
- 2.2.7. The Audit & Governance Committee met four times during the 2021/22 financial year. Timings of the meetings throughout the year are designed to coincide with the governance timetable. The June meeting received various annual assurance reports in respect of the year ended 31 March 2021 including the Head of Audit Annual Audit Opinion and the Treasury Management Annual Report. The Council's 2020/21 Annual Governance Statement was also received and approved. The meeting on 18 January 2022 approved the 2020/21 Statement of Accounts and received the 2020/21 External Auditor's Findings Report (although both of these were provided as interim reports pending the conclusion of outstanding audit matters).
- 2.2.8. The Committee's terms of reference and outline work programme (see Appendices 1 and 4), and associated reports it receives, are designed to enable its Members to make a positive contribution to the continual improvement of control and governance processes and arrangements across the Council, as well as performing the roles as identified by the Constitution. Member attendance details are set out in Appendix 4
- 2.2.9. As well as the assurance provided to the Committee from the key reports received from the Council's External Auditor, the Committee also places reliance on the work carried out by Audit & Assurance in delivering the annual internal audit plan. Assurance is gained throughout the year from considering the quarterly progress reports received. These provide the Committee with an overview of the activity carried out by internal audit during the period, including counter fraud activity, and an overview of all audit reports finalised. Emphasis has been on limited or no assurance reports and related control implications. Where these opinions are in respect of key or fundamental systems the Committee will invite senior officers to update the members on progress of implementing recommendations from these reviews

to provide further assurance to the Committee regarding the implementation of agreed actions. There were no limited or no assurance opinions provided on fundamental finance or other key systems during the year.

- 2.2.10. The Committee also receives a full year overview of internal audit work when the Internal Audit Annual Opinion Report is presented, alongside the Annual Counter Fraud Report. The former report provides the Head of Audit annual opinion on the Council's overall position in relation to the adequacy and effectiveness of risk, governance and internal control systems, based on the work completed by the internal audit team and other sources of assurance, as required by the Public Sector Internal Audit Standards.
- 2.2.11. The details of the Committee's work programme for 2021/22 and associated reports received, (see Appendix 4), demonstrate how the Committee has fulfilled its terms of reference during the year and its commitment to monitoring and helping improve the Council's risk, control and governance environments in the year ahead. The appendix also includes a summary of the planned and actual internal audits completed during the year, together with the assurance ratings for each completed review. This sets out details of the pattern of overall assurance provided across the agreed 2021/22 internal audit programme.
- 2.2.12. In addition to these meetings, an induction and refresher session was held for the Committee members to explain the purpose of the Committee and their role and responsibilities. The members were also provided with links to a CIPFA webinar on internal audit for audit committee members, the CIPFA Counter Fraud Workbook for Councillors and counter fraud training and awareness information. There has also been finance training for all members to provide them with an overview of Local Government finance concepts and requirements in January 2022 in advance of the February Finance Council meeting where the 2022/23 Council budget and Financial Strategy were presented for approval.

### **2.3. How do officers support the Committee?**

- 2.3.1. During the year the Audit & Governance Committee has been supported by:
- The Chief Executive, as Head of the Paid Service, with overall responsibility for the Council's management and executive arrangements;
  - The Director of Finance, as Section 151 Officer, who is responsible under the law for ensuring the proper administration of the Council's financial affairs; and
  - The Director of HR, Legal & Engagement, , up until his retirement in August and then the Deputy Director, Legal and Governance as the Council's Monitoring Officer, who is required by law to ensure that the Council acts within its legal powers at all times.
- 2.3.2. The Director of Finance takes the lead on financial, audit, risk management and internal control matters. The Director of HR, Legal & Engagement, and subsequently the Deputy Director, Legal and Governance, leads on constitutional and legal issues. The Head of Audit & Assurance also has a key role to play in supporting the Committee because of the importance of the Internal Audit Service to governance. These Officers are responsible for

making the Committee aware of any relevant changes in regulations, guidance, and codes of practice.

- 2.3.3. The Committee is also supported by External Audit colleagues, who attend each meeting to update members on the progress and results of their work, as well as providing regular sector updates for consideration. These highlight key findings and messages from national reports and studies and include questions for consideration by the Committee.
- 2.3.4. During the year the Committee continued its cycle of corporate risk reviews. Corporate risk owners and/or key contacts for the risk areas have provided briefings to the Committee on a selection of risk register entries. This has included details regarding the background to the risk identified, the risk assessment process and control arrangements in place to manage or mitigate the relevant risk should it occur. This review and challenge process has improved the Committee's oversight and understanding of the likelihood and potential impact of the corporate risks identified by the Council and on the achievement of related corporate priorities.

## **2.4. Effectiveness of the Audit & Governance Committee**

- 2.4.1. The Committee considers that it has been effective in fulfilling its terms of reference during 2021/22. The details provided in this report and the reports presented and considered by its members during 2021/22 demonstrate that adequate consideration has been given to all the core areas identified to enable the Committee to fulfil its role and responsibilities.
- 2.4.2. The Committee's terms of reference set out a range of activities that provide appropriate assurance to the Council in terms of how it manages risk, and ensures adequate and effective control and governance arrangements exist and operate effectively to secure the efficiency and effective use of its resources. Training opportunities have been made available to members during the year to ensure that they are able to fulfil their role as members of the Committee.
- 2.4.3. The Committee has been active during the year in carrying out its duties in monitoring internal and external reports to ensure that it is satisfied with the effectiveness of controls and the governance and risk management arrangements in place, in accordance with its role and functions set out in its terms of reference in Appendix 1.
- 2.4.4. Based on the reports and information presented to the Audit & Governance Committee for consideration during the 2021/22 it is the members' view that the Council has sound financial controls, risk management and governance arrangements in place.
- 2.4.5. The Committee also has the opportunity to invite those senior officers and managers to account for services or functions where they consider there have been significant financial, internal control or governance weaknesses identified. No significant areas of concern were identified during 2021/22 where this was required. The members continue to challenge any impairment in stewardship and control of public funds and assets, seeking assurance that prompt and proportionate management actions have been taken. This includes review of the follow-up work carried out as part of the Internal Audit Plan.

- 2.4.6. This provides the Council with assurance that effective internal control arrangements were in place during the last year and that appropriate action has been taken to address any concerns raised as a result of any of the inspection and assurance processes in place. This is evidenced by the details provided in Appendix 4 through the various reports received and considered by the Committee at its meetings during the year to support its work programme and how each of these enable the Committee to fulfil its terms of reference.
- 2.4.7. The External Auditor's 2021 Audit Findings Report for Blackburn with Darwen Borough Council, considered by the Committee at its meeting in January 2022, included a draft opinion on value for money (VfM). The External Auditor was required to carry out sufficient work to be satisfied on whether the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources during the year ended March 2021 and to provide a conclusion on this. Under the 2020 Code of Audit Practice, auditors are now required to report in more detail on the Council's overall arrangements, as well as any significant weaknesses identified. The auditors were required to report on the arrangements under the following specified criteria:
- improving economy, efficiency and effectiveness;
  - financial sustainability; and
  - governance.
- 2.4.8. The External Auditor had not completed all of their VfM work at the time of the report in December, so were not in a position to present their Auditors Annual Report. However, the work completed at that time had not identified any significant weaknesses in the arrangements in place for securing economy, efficiency and effectiveness in the Council's use of resources.

**AUDIT & GOVERNANCE COMMITTEE TERMS OF REFERENCE****Statement of Purpose:**

Our Audit and Governance Committee is a key component of Blackburn with Darwen Borough Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

The purpose of the Audit and Governance Committee is to:

- provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment and the extent to which these meet the objectives of the Local Code of Corporate Governance;
- provide independent review of the Council's governance, risk management and control frameworks;
- oversee the financial reporting and annual governance processes; and
- oversee internal and external audit, helping to ensure efficient and effective assurance arrangements are in place.

**Governance, Risk and Control:**

The Audit and Governance Committee will:

1. Review the Council's corporate governance arrangements against the good governance framework including the ethical framework and consider the local code of governance.
2. Review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and controls.
3. Consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
4. Consider the framework of assurance (including the Management Accountabilities Framework) and ensure that it adequately addresses the risks and priorities of the Council.
5. Monitor the effective development and operation of risk management in the Council.
6. Monitor progress in addressing risk-related issues reported to the Committee.
7. Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
8. Review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
9. Monitor the Counter Fraud strategy, actions and resources.
10. To review the Governance and Assurance arrangements for significant partnership or collaborations.

**Internal Audit**

The Audit and Governance Committee will:

1. Approve the internal audit charter.
2. Approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
3. Approve significant interim changes to the risk-based internal audit plan and resource requirements.
4. Make appropriate enquiries of both management and the Head of Audit & Assurance to determine if there are any inappropriate scope or resource limitations.

5. Consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing, of the Head of Audit and Assurance, and to approve and periodically review safeguards to limit such impairments.
6. Consider reports from the Head of Audit & Assurance on internal audit's performance during the year. These will include:
  - a) Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work.
  - b) Regular reports on the results of the Quality Assurance and Improvement Programme.
  - c) Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the Annual Governance Statement.
7. Consider the Head of Audit & Assurance's annual report, including:
  - a) The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of internal audit.
  - b) The opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control together with the summary of the work supporting the opinion and the implications of any significant matters identified – these will assist the Committee in reviewing the Annual Governance Statement.
8. Consider an annual risk management report.
9. Consider summaries of specific internal audit reports as requested.
10. Receive reports outlining the action taken where the Head of Audit & Assurance has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
11. Contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
12. Consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
13. To provide free and unfettered access to the Chair of the Audit and Governance Committee for the Head of Audit and Assurance, including the opportunity for a private meeting with the Committee.

#### External Audit

The Audit and Governance Committee will:

1. Support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments.
2. Consider the external auditor's annual letter, relevant reports, and the report to those charged with governance prior to publication of the annual accounts.
3. Consider specific reports as agreed with the external auditor.
4. Comment on the scope and depth of external audit work and to ensure it is effective and gives value for money.
5. Commission work from internal and external audit.
6. Advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

#### Financial Reporting

The Audit and Governance Committee will:

1. Review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the council.
2. Consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

### Treasury Management

The Audit and Governance Committee will:

1. Monitor the Council's treasury management arrangements in accordance with the CIPFA Treasury Management Code of Practice.
2. Ensure effective scrutiny of the treasury management strategy and policies.
3. Review the treasury management risk profile and adequacy of risk management processes.
4. Consider reports on treasury management activity during the year.

### Accountability Arrangements

The Audit and Governance Committee will:

1. Report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
2. Report to full council on an annual basis outlining the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.
3. Publish an annual report on the work of the Committee.

### Authority

The Committee is authorised by the Council to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, including those of partner organisations, and all employees are directed to co-operate with any request made by the Committee.

### Frequency of Meetings

The Committee will normally meet five times each year to fulfil its requirements.

### Outline Programme

In order to meet its principal responsibilities during the year the Committee will consider the following reports/activities:

| <b>PROGRAMME ACTIVITY:</b>          | <b>TERMS OF REFERENCE NUMBER</b> |
|-------------------------------------|----------------------------------|
| <b>Governance, Risk and Control</b> |                                  |
| Annual Statement (AGS)              | 1,2,3,4                          |
| AGS Progress Report                 | 1,2                              |
| Risk Management Annual Report       | 4,5,6                            |
| Internal Audit Opinion Report       | 2,5,7                            |
| External Audit Findings Report      | 3                                |
| External Audit Annual Audit Letter  |                                  |



|                                                    |                       |
|----------------------------------------------------|-----------------------|
| MAF Update                                         | 4                     |
| Risk Management Update                             | 5,6                   |
| Corporate Health, Safety & Wellbeing Annual Report | 4,5,6                 |
| IA Progress & Outcomes Report                      | 7,8,9                 |
| Reports from Other Committees or agencies          | 3,4,5,6,7             |
| Significant Partnerships Report                    | 10                    |
| <b>Internal Audit</b>                              |                       |
| Annual Plan                                        | 1,2,4,5,13            |
| IA Progress & Outcomes Report                      | 3,4,5,6,9,10          |
| Risk Management Annual Report                      | 8                     |
| Annual Opinion Report                              | 4,5,6,7,9,10,11,12,13 |
| <b>External Audit</b>                              |                       |
| Annual Audit Letter                                | 1,2,4,5               |
| Annual Plan                                        | 2,4,5                 |
| Progress Report                                    | 1,3,4,5,6             |
| Findings Report                                    | 1,2,3,5,6             |
| Fees Letter                                        | 4,5                   |
| <b>Financial Reporting</b>                         |                       |
| Statement of Accounts                              | 1                     |
| External Audit Findings Report                     | 2                     |
| External Audit Annual Audit Letter                 | 2                     |
| Application of Accounting Policies                 | 1                     |
| Assessment of Going Concern Status                 | 1                     |
| <b>Treasury Management</b>                         |                       |
| Strategy Report                                    | 1,2                   |
| Progress Report                                    | 1,3,4                 |
| Annual Outturn Report                              | 1,3,4                 |
| <b>Accountability Arrangements</b>                 |                       |
| Committee Annual Report                            | 1,2,3                 |
| Committee Self-assessment                          | 2,3                   |

The programme itself will develop over time as new statutory responsibilities are introduced and the timetable may vary, for example, as the Council is required to close its accounts earlier each year.

#### Membership

The Committee will consist of six members appointed by Full Council. In addition, the Executive Member for Finance & Governance will also attend each Committee meeting.

The Leader of the Council and all Executive Members are precluded from being voting members of the Committee.

A quorum shall be three Members.

New Committee members will be required to undertake appropriate induction training to enable them to adequately perform their duties as and when necessary.

#### Attendance

Committee members are expected to make every effort to attend all meetings, where this is not possible a substitute should be nominated.

To achieve these objectives the Committee will depend principally on the attendance of the Chief Executive, Director of Finance and Customer Services, the Director of HR, Legal & Corporate Services and the Head of Audit & Assurance or their nominated representatives. The Council's external auditors, external advisors and Directors may be requested to attend as and when appropriate.

#### Reporting

The Annual Audit and Governance Committee Report will be formally reported to Full Council.

Further reports will be made in those cases where the Committee considers matters must be formally brought to the attention of Full Council.

**CIPFA PRACTICAL GUIDANCE ON AUDIT COMMITTEES – GOOD PRACTICE SELF-ASSESSMENT**

| REF                                                  | GOOD PRACTICE QUESTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | YES | PARTIAL | NO | ACTION REQUIRED |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|----|-----------------|
| <b><i>Audit Committee purpose and governance</i></b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |     |         |    |                 |
| 1                                                    | Does the Authority have a dedicated audit committee?                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | √   |         |    |                 |
| 2                                                    | Does the audit committee report directly to full council?                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | √   |         |    |                 |
| 3                                                    | Do the terms of reference clearly set out the purpose of the committee in accordance with CIPFA's Position Statement?                                                                                                                                                                                                                                                                                                                                                                                                              | √   |         |    |                 |
| 4                                                    | Is the role and purpose of the audit committee understood and accepted across the authority?                                                                                                                                                                                                                                                                                                                                                                                                                                       | √   |         |    |                 |
| 5                                                    | Does the audit committee provide support to the authority in meeting the requirements of good governance?                                                                                                                                                                                                                                                                                                                                                                                                                          | √   |         |    |                 |
| 6                                                    | Are the arrangements to hold the committee to account for its performance operating satisfactorily?                                                                                                                                                                                                                                                                                                                                                                                                                                | √   |         |    |                 |
| <b><i>Functions of the committee</i></b>             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |     |         |    |                 |
| 7                                                    | Do the committee's terms of reference explicitly address all the core areas identified in CIPFA's Position Statement? <ul style="list-style-type: none"> <li>▪ good governance.</li> <li>▪ assurance framework. including partnerships and collaboration arrangements,</li> <li>▪ internal audit.</li> <li>▪ external audit.</li> <li>▪ financial reporting.</li> <li>▪ risk management.</li> <li>▪ value for money or best value.</li> <li>▪ counter-fraud and corruption.</li> <li>▪ supporting the ethical framework</li> </ul> | √   |         |    |                 |
| 8                                                    | Is an annual evaluation undertaken to assess whether the committee is fulfilling its terms of reference and that adequate consideration has been given to all core areas?                                                                                                                                                                                                                                                                                                                                                          | √   |         |    |                 |

| REF                           | GOOD PRACTICE QUESTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | YES | PARTIAL | NO | ACTION REQUIRED                                                                                                                                                                                                        |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9                             | Has the audit committee considered the wider areas identified in CIPFA's Position Statement and whether it would be appropriate for the committee to undertake them?                                                                                                                                                                                                                                                                                                                      | √   |         |    |                                                                                                                                                                                                                        |
| 10                            | Where coverage of core areas has been found to be limited, are plans in place to address this?                                                                                                                                                                                                                                                                                                                                                                                            | √   |         |    |                                                                                                                                                                                                                        |
| 11                            | Has the committee maintained its non-advisory role by not taking on any decision-making powers that are not in line with its core purpose?                                                                                                                                                                                                                                                                                                                                                | √   |         |    |                                                                                                                                                                                                                        |
| <b>Membership and support</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |     |         |    |                                                                                                                                                                                                                        |
| 12                            | Has an effective audit committee structure and composition of the committee been selected?<br><br>This should include: <ul style="list-style-type: none"> <li>▪ separation from the executive.</li> <li>▪ an appropriate mix of knowledge and skills among the membership.</li> <li>▪ a size of committee that is not unwieldy.</li> <li>▪ consideration has been given to the inclusion of at least one independent member (where it is not already a mandatory requirement).</li> </ul> | √   |         |    |                                                                                                                                                                                                                        |
| 13                            | Have independent members appointed to the committee been recruited in an open and transparent way and approved by the Full council or as appropriate for the organisation?                                                                                                                                                                                                                                                                                                                |     |         | √  | Not applicable. This is not a mandatory requirement at present. Leadership have agreed to appoint two non voting independent members to the Committee in 2022/23 once the Constitution has been amended to allow this. |
| 14                            | Does the chair of the committee have appropriate knowledge and skills?                                                                                                                                                                                                                                                                                                                                                                                                                    | √   |         |    |                                                                                                                                                                                                                        |
| 15                            | Are arrangements in place to support the committee with briefings and training?                                                                                                                                                                                                                                                                                                                                                                                                           | √   |         |    |                                                                                                                                                                                                                        |
| 16                            | Has the membership of the committee been assessed against the core knowledge and skills framework and found to be satisfactory?                                                                                                                                                                                                                                                                                                                                                           | √   |         |    |                                                                                                                                                                                                                        |

| REF                                   | GOOD PRACTICE QUESTIONS                                                                                                                                            | YES | PARTIAL | NO | ACTION REQUIRED                                                                                                                                                                                                                |
|---------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17                                    | Does the committee have good working relations with key people and organisations, including external audit, internal audit and the chief financial officer?        | √   |         |    |                                                                                                                                                                                                                                |
| 18                                    | Is adequate secretariat and administrative support to the committee provided?                                                                                      | √   |         |    |                                                                                                                                                                                                                                |
| <b>Effectiveness of the committee</b> |                                                                                                                                                                    |     |         |    |                                                                                                                                                                                                                                |
| 19                                    | Has the committee obtained feedback on its performance from those interacting with the committee or relying on its work?                                           |     |         | √  | No formal feedback but Committee members may receive feedback from member colleagues at Group meetings or on other occasions. The Committee's Annual Report and minutes from Committee meetings are presented to Full Council. |
| 20                                    | Are meetings effective with a good level of discussion and engagement from all the members?                                                                        | √   |         |    |                                                                                                                                                                                                                                |
| 21                                    | Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks and action plans with the responsible officers? | √   |         |    |                                                                                                                                                                                                                                |
| 22                                    | Does the committee make recommendations for the improvement of governance, risk and control and are these acted on?                                                | √   |         |    |                                                                                                                                                                                                                                |
| 23                                    | Has the committee evaluated whether and how it is adding value to the organisation?                                                                                | √   |         |    |                                                                                                                                                                                                                                |
| 24                                    | Does the committee have an action plan to improve any areas of weakness?                                                                                           | √   |         |    |                                                                                                                                                                                                                                |
| 25                                    | Does the committee publish an annual report to account for its performance and explain its work?                                                                   | √   |         |    |                                                                                                                                                                                                                                |

**CIPFA'S AUDIT COMMITTEES PRACTICAL GUIDANCE FOR LOCAL AUTHORITIES (2018 EDITION)****Evaluating the Effectiveness of the Audit Committee****Assessment key**

|   |                                                                                                                                                                                              |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 | Clear evidence is available from a number of sources that the committee is actively supporting improvements across all aspects of this area. The improvements made are clearly identifiable. |
| 4 | Clear evidence from some sources that the committee is actively and effectively supporting improvement across some aspects of this area.                                                     |
| 3 | The committee has had mixed experience in supporting improvement in this area. There is some evidence that demonstrates their impact but there are also significant gaps.                    |
| 2 | There is some evidence that the committee has supported improvements, but the impact of this support is limited.                                                                             |
| 1 | No evidence can be found that the audit committee has supported improvements in this                                                                                                         |

**Blackburn with Darwen Borough Council Audit Committee Effectiveness Assessment 2020/21**

| <b>Areas where the audit committee can add value by supporting improvement</b>        | <b>Examples of how the audit committee can add value and provide evidence of effectiveness</b>                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Self-evaluation, examples, areas of strength and weakness</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Overall assessment:<br/>5 – 1 See key above</b> |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| Promoting the principles of good governance and their application to decision making. | <p>Supporting the development of a local code of corporate governance.</p> <p>Providing robust review of the Annual Governance Statement (AGS) and the assurances underpinning it.</p> <p>Working with key members to improve their understanding of the AGS and their contribution to it.</p> <p>Supporting reviews/audits of governance arrangements.</p> <p>Participating in self-assessments of governance arrangements.</p> <p>Working with partner audit committees to review governance arrangements in partnerships.</p> | <p>The Committee reviews the draft AGS prior to approving it and monitors progress of actions to address the significant issues identified in the previous year's AGS. It also reviews the Risk Management Annual Report and the annual opinions from Internal Audit (IA) and External Audit, which support the AGS.</p> <p>The Committee approves the IA annual audit plan, which classifies audit reviews by assurance area to ensure adequate coverage of risk, governance and control frameworks. It receives a summary of key findings and opinions from individual IA reviews supporting the overall opinion.</p> <p>The Committee's terms of reference includes the review of the governance and assurance arrangements for significant partnerships or collaborations. The Committee also receives an annual report on the Council's Significant Partnerships Register</p> | 4                                                  |

| Areas where the audit committee can add value by supporting improvement                                                 | Examples of how the audit committee can add value and provide evidence of effectiveness                                                                                                                                                                     | Self-evaluation, examples, areas of strength and weakness                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Overall assessment:<br>5 – 1 See key above |
|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| Contributing to the development of an effective control environment.                                                    | <p>Actively monitoring the implementation of recommendations from auditors.</p> <p>Encouraging ownership of the internal control framework by appropriate managers.</p> <p>Raising significant concerns over controls with appropriate senior managers.</p> | <p>Regular IA Progress Reports are presented to the Committee. These include performance indicators relating to the percentage of recommendations implemented and commentary re outstanding 'must' level recommendations.</p> <p>Senior officers attend the Committee meetings on request to update on the progress of actions from key reports as and provide explanations and updates on progress to address significant audit concerns.</p> <p>The Committee reviews the summary of Management Accountability Framework (MAF) red priority areas of concern.</p> <p>The Committee is also authorised by the Council to investigate any activity within its terms of reference and to seek any information it requires from any employee, including those of partner organisations, and all employees are directed to co-operate with any request made by the Committee.</p> | 5                                          |
| Supporting the establishment of arrangements for the governance of risk and for effective arrangements to manage risks. | <p>Reviewing risk management arrangements and their effectiveness, e.g. risk management benchmarking.</p> <p>Monitoring improvements.</p> <p>Holding risk owners to account for major/strategic risks.</p>                                                  | <p>The Committee receives the annual risk management report, which includes key events and achievements for the previous year and key developments for the next 12 months.</p> <p>The corporate risk register summary identifies risk owners at Director/senior officer level and tracks changes to residual risk scores. Regular reports are presented to the Committee on the corporate risk register and risk management support activity during the year, including the details of the risk management support provided by Zurich Municipal.</p> <p>The Committee carries out a 'deep dive' review of one or more corporate risks with the relevant risk owner or key contact at its meetings during the year</p>                                                                                                                                                          | 5                                          |

| Areas where the audit committee can add value by supporting improvement                                                               | Examples of how the audit committee can add value and provide evidence of effectiveness                                                                                                                                                                                              | Self-evaluation, examples, areas of strength and weakness                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Overall assessment:<br>5 – 1 See key above |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| <p>Advising on the adequacy of the assurance framework and considering whether assurance is deployed efficiently and effectively.</p> | <p>Specifying its assurance needs, identifying gaps or overlaps in assurance.</p> <p>Seeking to streamline assurance gathering and reporting.</p> <p>Reviewing the effectiveness of assurance providers, e.g. internal audit, risk management, external audit.</p>                   | <p>There is regular reporting of planned and actual coverage by Internal and External Audit. The Committee challenges opportunities for reliance on IA work by External Auditors and receives Internal and External Audit and Risk Management progress reports. The IA report includes audits in progress and an in-year review of resources and achievement of plan.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <p>4</p>                                   |
| <p>Supporting the quality of the internal audit activity, particularly by underpinning its organisational independence.</p>           | <p>Reviewing the internal audit charter and functional reporting arrangements.</p> <p>Assessing the effectiveness of internal audit arrangements providing constructive challenge and supporting improvements.</p> <p>Actively supporting the quality assurance and improvement.</p> | <p>The Head of Audit &amp; Assurance has right of access to and regular briefings for the Chair of the Audit &amp; Governance Committee.</p> <p>The Committee receives and approves the IA Charter and annual strategic statement, including reporting and monitoring arrangements, supporting the IA annual plan.</p> <p>The External Auditors Audit Findings Report includes commentary on Internal Audit as part of their assessment of financial control arrangements.</p> <p>The Committee reviews the Internal Audit Quality Assurance Improvement Plan. The annual Head of Audit Opinion Report includes an assessment of IA performance and quality assurance. The Committee approved a Peer review approach for the external assessment of IA compliance with Public Service Internal Audit Standards.</p> <p>The review which was carried out during the year. The overall judgement confirmed that the IA team conformed with the requirements of the PSIAS across all areas of focus.</p> | <p>5</p>                                   |



| <b>Areas where the audit committee can add value by supporting improvement</b>                                                                                    | <b>Examples of how the audit committee can add value and provide evidence of effectiveness</b>                                                                                                                                                                                                | <b>Self-evaluation, examples, areas of strength and weakness</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Overall assessment:<br/>5 – 1 See key above</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <p>Aiding the achievement of the authority's goals and objectives through helping to ensure appropriate governance, risk, control and assurance arrangements.</p> | <p>Reviewing how the governance arrangements support the achievement of sustainable outcomes</p> <p>Reviewing major projects and programmes to ensure that governance and assurance arrangements are in place.</p> <p>Reviewing the effectiveness of performance management arrangements.</p> | <p>Work on this area is included in Internal and External Audit plans on a risk assessment basis. IA reviews are classified under one of the three headings in the plan and the annual report. Plans include reviews of key capital and revenue projects. Additional ad hoc work is carried out during the year on request from Directors.</p> <p>Internal audit progress reports include a summary of MAF red priority areas of concern.</p> <p>Performance management is not specifically identified in the Committee Terms of Reference. There are other processes in place within the Council's governance structure, which provide scrutiny and challenge for this area, as part of the Corporate Plan Scorecard monitoring arrangements, to hold Chief Officers and managers to account on a regular basis, such as Management Board and the PAM reporting process as well as Members through PDS, SPT and Executive Board reporting.</p> <p>Internal audit consider performance arrangements as part of any relevant audit and would report on them as part of our progress reporting arrangements.</p> <p>The IA plan also considers specific Key Performance Indicator audits as part of the annual audit planning process.</p> | <p>4</p>                                           |
| <p>Supporting the development of robust arrangements for ensuring value for money.</p>                                                                            | <p>Ensuring that assurance on value for money arrangements is included in the assurances received by the audit committee.</p> <p>Considering how performance in value for money is evaluated as part of the AGS.</p>                                                                          | <p>Standing Financial Instruction 3, Procurement and the Payment of Creditors, and Corporate Contract &amp; Procurement Procedure Rules are in place as part of the control framework to ensure that value for money is considered in procurement activity. Regular Creditors audits consider on compliance with these requirements.</p> <p>The Committee receives the External Auditor's Audit Findings Report. This includes a section on value for money and an overall conclusion on the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <p>4</p>                                           |

| <b>Areas where the audit committee can add value by supporting improvement</b>                                                                           | <b>Examples of how the audit committee can add value and provide evidence of effectiveness</b>                                                                                                                                                                                                                                                                              | <b>Self-evaluation, examples, areas of strength and weakness</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Overall assessment:<br/>5 – 1 See key above</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|
| <p>Helping the authority to implement the values of good governance, including effective arrangements for countering fraud and corruption risks.</p>     | <p>Reviewing arrangements against the standards set out in Code of Practice on managing the Risk of Fraud (CIPFA 2014).</p> <p>Reviewing fraud risks and the effectiveness of the organisation's strategy to address those risks.</p> <p>Assessing the effectiveness of ethical governance arrangements for both staff and members.</p>                                     | <p>A Counter Fraud Policy and Strategy is in place supported by the Counter Fraud Policy Framework, which includes a Fraud Response Plan, Whistleblowing Policy, Anti Money Laundering Policy and Members and Employees' Codes of Conduct.</p> <p>The Internal Audit progress reports include oversight of counter fraud activity and results.</p> <p>The Committee consider and approve the annual fraud risk assessment as part of the External Auditor's enquiries of those charged with governance.</p> <p>The Committee receives the Counter Annual Report as part of the suite of annual reports that is considered prior to approval of the Annual Governance Statement.</p> | <p>5</p>                                           |
| <p>Promoting effective public reporting to the authority's stakeholders and local community and measures to improve transparency and accountability.</p> | <p>Improving how the authority discharges its responsibilities for public reporting; for example, better targeting at the audience, plain English.</p> <p>Reviewing whether decision making through partnership organisations remains transparent and publicly accessible and encouraging greater transparency.</p> <p>Publishing and annual report from the committee.</p> | <p>Audit &amp; Governance Committee meetings are held in public with minimal Part 2 items. Agendas and reports are published on Council internet website.</p> <p>An Annual Audit Committee report is prepared and considered by full Council.</p> <p>Council Committee agendas, reports and minutes are also available on the internet via the Council website along with Executive Members' and Officer decisions.</p>                                                                                                                                                                                                                                                             | <p>4</p>                                           |

### 2021/22 Member Attendance and Committee Work Programme

Four meetings were held during the year. The following Member attendance was recorded:

| Councillor/Date                | 29 June 2021 | 26 October 2021 | 18 January 2022 | 29 March 2022 |
|--------------------------------|--------------|-----------------|-----------------|---------------|
| Ron Whittle - Chair            | ✓            | ✓               | ✓               | N/A           |
| Maureen Bateson                | ✓            | ✓               | ✓               | ✓             |
| Mahfooz Hussain - Deputy Chair | ✓            | ✓               | A/S             | ✓             |
| Jon Baldwin                    | A            | A               | ✓               | ✓             |
| Abdul Patel                    | ✓            | ✓               | ✓               | ✓             |
| Neil Slater                    | A            | ✓               | ✓               | ✓             |

✓ = attended meeting    A = sent apologies

A/S = Apologies received, substitute attended

N/A = Not a Committee Member at the time of the meeting.

| <b>Audit &amp; Governance Committee Work Programme 2021/22</b>                         |                             |             |                |                |              |
|----------------------------------------------------------------------------------------|-----------------------------|-------------|----------------|----------------|--------------|
| <b>PROGRAMME ACTIVITY:</b>                                                             | <b>TERMS OF REF. NUMBER</b> | <b>JUNE</b> | <b>OCTOBER</b> | <b>JANUARY</b> | <b>MARCH</b> |
| <b>Audit &amp; Governance Committee Work Programme 2021/22</b>                         |                             |             |                |                |              |
| <b>Governance, Risk and Control</b>                                                    |                             |             |                |                |              |
| Annual Statement (AGS)                                                                 | 1,2,4                       | ✓           |                |                |              |
| AGS Progress Report                                                                    | 1,2,4,6                     |             |                | ✓              |              |
| Risk Management Annual Report                                                          | 4,5,6,7                     | ✓           |                |                |              |
| Annual Counter Fraud Report                                                            | 7,8,9                       | ✓           |                |                |              |
| Annual Internal Audit Opinion Report                                                   | 1,2,4,7                     | ✓           |                |                |              |
| External Audit Findings incl VFM Arrangements                                          | 3                           |             |                | ✓              |              |
| Response to External Audits Request for Information from Those Charged with Governance | 1,2,4,6,8                   |             | ✓              |                |              |
| MAF Update                                                                             | 1,4,5,6                     |             |                | ✓              |              |

| <b>PROGRAMME ACTIVITY:</b>                                                             | <b>TERMS OF REF. NUMBER</b> | <b>JUNE</b> | <b>OCTOBER</b> | <b>JANUARY</b> | <b>MARCH</b> |
|----------------------------------------------------------------------------------------|-----------------------------|-------------|----------------|----------------|--------------|
| Risk Management Update                                                                 | 4,5,6                       |             | √              | √              | √            |
| IA Progress & Outcomes Report                                                          | 1,4,5,6,7,8                 | √           | √              | √              | √            |
| Health & Safety Annual Report                                                          | 4,5,6                       |             | √              |                |              |
| Significant Partnerships Register                                                      | 10                          |             |                |                | √            |
| <b>Internal Audit</b>                                                                  |                             |             |                |                |              |
| Annual Plan, Strategic 3-year Plan & Internal Audit Charter                            | 1,2,3,4                     |             |                |                | √            |
| IA Progress & Outcomes Report                                                          | 3,4,5,6,7,9,10,11,12        | √           | √              | √              | √            |
| Annual Internal Audit Opinion Report                                                   | 4,6,7,9,10,11,12            | √           |                |                |              |
| Risk Management Annual Report                                                          | 8                           | √           |                |                |              |
| <b>External Audit</b>                                                                  |                             |             |                |                |              |
| Audit Fee Letter                                                                       | 1,3,4,5,6                   |             | √              |                |              |
| Finalisation of Ext Audit Fees 2019/20                                                 | 1,4,5                       | √           |                |                |              |
| External Audit Fees and Statutory Accounts Deadlines                                   | 1,3,4,5                     |             | √              |                |              |
| Arrangements for the External Auditor Appointment                                      | 1,4,5                       |             | √              | √              |              |
| Annual Plan                                                                            | 2,3,4,5,6                   |             | √              |                |              |
| Progress Report                                                                        | 2,3,5,6                     | √           |                |                | √            |
| External Audit Findings Report incl VfM Arrangements                                   | 2,3,4,5                     |             |                | √              |              |
| <b>Financial Reporting</b>                                                             |                             |             |                |                |              |
| Statement of Accounts                                                                  | 1                           |             |                | √              |              |
| External Audit Findings Report                                                         | 1,2                         |             |                | √              |              |
| Response to External Audits Request for information from Those Charged with Governance | 1,2                         |             | √              |                |              |
| Application of Accounting Policies                                                     | 1                           |             |                |                | √            |
| Closure of Accounts 2021/22 – Going Concern Assessment                                 | 1                           |             |                |                | √            |
| <b>Treasury Management</b>                                                             |                             |             |                |                |              |
| Strategy Report and mid-Year Review                                                    | 1,2,4                       |             | √              | √              | √            |
| Progress Report                                                                        | 1,2,3,4                     | √           | √              | √              | √            |
| Annual Report                                                                          | 1,2,3,4                     | √           |                |                |              |
| <b>Accountability Arrangements</b>                                                     |                             |             |                |                |              |
| Committee Annual Report                                                                | 1,2,3                       | √           |                |                |              |
| Committee Effectiveness Self-Assessment                                                | 2,3                         |             |                |                | √            |

## 2021/22 Internal Audit Plan Planned vs Actual Days and Overall Assurance Opinions

| Audit Assignment                                                                                                                         | CLASSIFICATION | Priority | 21/22 Plan Days | Actual Days  | Assurance Opinion |             |
|------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------|-----------------|--------------|-------------------|-------------|
|                                                                                                                                          |                |          |                 |              | Control           | Compliance  |
| Personalised budgets/Direct payments                                                                                                     | Control        | 2        | 10              | 15           | Adequate          | Limited     |
| Adults Social Care Income - Identification, Debt Management and                                                                          | Control        | 3        | 10              | 0            |                   |             |
| Disabled Facilities Grant                                                                                                                | Control        | 3        | 10              | 0            |                   |             |
| Commissioning/Contract Management                                                                                                        | Control        | 2        | 15              | 0            |                   |             |
| Audits of Schools Finance systems - General Planning                                                                                     | Control        | 3        | 12              | 9            |                   |             |
| - St Stephens                                                                                                                            | Control        | 3        | 9               | 12           | Adequate          | Adequate    |
| - Daisyfield                                                                                                                             | Control        | 3        | 9               | 12           | Adequate          | Adequate    |
| - Holy Trinity                                                                                                                           | Control        | 3        | 9               | 14           | Adequate          | Adequate    |
| - Turncroft                                                                                                                              | Control        | 3        | 9               | 13           | Adequate          | Limited     |
| - Griffin Park                                                                                                                           | Control        | 3        | 9               | 13.5         | Adequate          | Adequate    |
| - Meadowhead Infants                                                                                                                     | Control        | 3        | 9               | 12           | Adequate          | Adequate    |
| - St Josephs RC                                                                                                                          | Control        | 3        | 9               | 15           | Adequate          | Limited     |
| Finance Transactional Team                                                                                                               | Control        | 3        | 10              | 1            |                   |             |
| Adoptions - Regional contract                                                                                                            | Control        | 3        | 10              | 1            |                   |             |
| Section 17 Payments (2021/22 WIP)                                                                                                        | Control        | 3        | 6               | 16.5         |                   |             |
| Contract Monitoring (PH Contracts commissioned via CAPS)                                                                                 | Control        | 3        | 10              | 0            |                   |             |
| KGH Arts Council Grant - Additional to plan                                                                                              | Control        | 1        | 4               | 10           | N/A               | N/A         |
| Software licencing (2021/22 WIP)                                                                                                         | Control        | 2        | 10              | 3            |                   |             |
| NNDR                                                                                                                                     | Control        | 2        | 15              | 0            |                   |             |
| PC Inventory Controls                                                                                                                    | Control        | 3        | 10              | 0            |                   |             |
| IT Device Management (2020/21 WIP)                                                                                                       | Control        | 2        | 12              | 18           | Substantial       | Adequate    |
| Local Transport Capital Funding/LTP Grant Certification Requirement                                                                      | Control        | 1        | 5               | 5            | N/A               | N/A         |
| Bus Subsidy Grant                                                                                                                        | Control        | 1        | 5               | 5            | N/A               | N/A         |
| Local Discretionary CV-19 Grant Payments to Businesses                                                                                   | Control        | 1        | 10              | 12           | Substantial       | Adequate    |
| Follow up implementation of agreed actions arising from EZE limited assurance review (2021/22 WIP)                                       | Control        | 1        | 5               | 3            |                   |             |
| Asset Management System - Corporate and Commercial Portfolio (WIP 2021/22)                                                               | Control        | 2        | 10              | 13.5         |                   |             |
| Commercial Property Rental Management (2020/21 WIP)                                                                                      | Control        | 2        | 2               | 15.5         | Substantial       | Adequate    |
| Planning enforcement (2021/22 WIP)                                                                                                       | Control        | 2        | 3               | 6.5          |                   |             |
| Markets (2020/21 WIP)                                                                                                                    | Control        | 3        | 1               | 2            | Adequate          | Adequate    |
| Highways maintenance - procurement and contracting arrangements re highways external spend.                                              | Control        | 2        | 15              | 18.5         | Adequate          | Adequate    |
| HMO Licencing/Selective Licencing/ Housing Standards Inspection Arrangements                                                             | Control        | 3        | 5               | 0            |                   |             |
| Police & Crime Commissioner Grant                                                                                                        | Control        | 1        | 4               | 16           | Adequate          | Adequate    |
| Budgetary Setting and Control / Failure to deliver a balanced budget and MTFS (2021/22 WIP)                                              | Control        | 1        | 5               | 4            |                   |             |
| Protocol ICS System                                                                                                                      | Control        | 2        | 10              | 0            |                   |             |
| Payroll - Core system/Failure of HR & payroll system incl staff & Mgr. self service.                                                     | Control        | 1        | 15              | 0            |                   |             |
| Off payroll engagement (IR35) (2021/22 WIP)                                                                                              | Control        | 2        | 10              | 12           |                   |             |
| Arrangements for appointing and paying Legal Counsel (2021/22 WIP)                                                                       | Control        | 2        | 10              | 15           |                   |             |
| RIPA processes                                                                                                                           | Control        | 2        | 10              | 0            |                   |             |
| Resource Link System Replacement (2021/22 WIP)                                                                                           | Control        | 2        | 10              | 20           | N/A               | N/A         |
| Service to schools                                                                                                                       | Control        | 3        | 10              | 0            |                   |             |
| HR Contract Procurement and Management (2021/22 WIP)                                                                                     | Control        | 3        | 10              | 15           |                   |             |
| Mileage payments/Staff Expenses (2020/21 WIP)                                                                                            | Control        | 2        | 1               | 3.5          | Adequate          | Limited     |
| Transport Procurement/Fleet Management - implementing the fleet vehicle replacement programme.                                           | Control        | 3        | 10              | 0            |                   |             |
| Retail Hospitality & Leisure and SBR Grant Payments (2021/22 WIP)                                                                        | Control        | 1        | 15              | 13.5         |                   |             |
| Creditors/E-Procurement                                                                                                                  | Control        | 2        | 10              | 12.5         | Adequate          | Adequate    |
| Main Accounting System - including account reconciliation's                                                                              | Control        | 2        | 10              | 14           | Substantial       | Substantial |
| Income Recording & Collection (Sundry Debtors)                                                                                           | Control        | 2        | 15              | 18           | Adequate          | Adequate    |
| Civica Asset management module                                                                                                           | Control        | 3        | 10              | 0            |                   |             |
| Treasury/Cash flow management/Major loss incurred regarding investment and/or borrowing.                                                 | Control        | 3        | 10              | 1            |                   |             |
| Restart grant - Additional to plan                                                                                                       | Control        | 1        | 6               | 15           | Substantial       | Substantial |
| Creditors (2020/21 WIP)                                                                                                                  | Control        | 2        | 1               | 2            | Adequate          | Adequate    |
| Budget Setting and Monitoring (2020/21 WIP)                                                                                              | Control        | 1        | 7               | 11           | Substantial       | Substantial |
| <b>Total 2021/22 Control Assignments (43)</b>                                                                                            |                |          | <b>457</b>      | <b>418.5</b> | <b>25 (43)</b>    |             |
| Audit Assignment                                                                                                                         | CLASSIFICATION | Priority | 21/22 Days      | Actual Days  | Assurance Opinion |             |
| Transitional Arrangements : Children to Adult Care                                                                                       | Risk           | 2        | 10              | 0            |                   |             |
| Client case management systems including Access Controls                                                                                 | Risk           | 2        | 15              | 0            |                   |             |
| Homelessness/Supported Living/Housing Needs Cross Cutting review - Impact of Universal Credit                                            | Risk           | 2        | 15              | 0            |                   |             |
| Inspection Readiness - Preparedness for inspection of LA under the Children's Social Care Framework                                      | Risk           | 1        | 10              | 1.5          |                   |             |
| Building Control (2020/21 WIP)                                                                                                           | Risk           | 3        | 1               | 5            | Adequate          | Adequate    |
| Ofsted Inspection Framework (2020/21 WIP)                                                                                                | Risk           | 2        | 1               | 7            | Substantial       | Substantial |
| Educational Visits (WIP 2020/21)                                                                                                         | Risk           | 2        | 5               | 5            | Substantial       | Adequate    |
| Corporate Appointee (2020/21 WIP)                                                                                                        | Risk           | 2        | 3               | 11           | Substantial       | Substantial |
| Failure to prevent data loss (Information Governance)/ Compliance with GDPR                                                              | Risk           | 2        | 10              | 0.5          |                   |             |
| Equality Impact Assessments                                                                                                              | Risk           | 3        | 10              | 0            |                   |             |
| Property Statutory Inspection Processes                                                                                                  | Risk           | 2        | 10              | 0            |                   |             |
| Arrangements for inspection of highways and property retaining walls and structures supporting and/or adjacent to highway. (2021/22 WIP) | Risk           | 2        | 15              | 7            |                   |             |
| Unable to complete statutory inspections on premises in the borough and not fulfilling statutory responsibilities. Public Protection     | Risk           | 3        | 10              | 0.5          |                   |             |
| <b>Total 2021/22 Risk Assignments (9)</b>                                                                                                |                |          | <b>115</b>      | <b>37.5</b>  | <b>4 (9)</b>      |             |

| <b>Audit Assignment</b>                                                                                              | <b>CLASSIFICATION</b> | <b>Priority</b> | <b>21/22 Days</b> | <b>Actual Days</b> | <b>Assurance Opinion</b> |                   |
|----------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------|-------------------|--------------------|--------------------------|-------------------|
|                                                                                                                      |                       |                 |                   |                    | <b>Control</b>           | <b>Compliance</b> |
| Sports England Grant - Pennine Lancashire Pilot (2021/22 WIP)                                                        | Governance            | 1               | 10                | 8.5                |                          |                   |
| Elections                                                                                                            | Governance            | 2               | 10                | 0                  |                          |                   |
| Social Determinants of Health Fund/Public Health Internal Spend - Governance                                         | Governance            | 2               | 10                | 0.5                |                          |                   |
| Use/management, monitoring and reporting of Covid 19 Grant Funding received (2021/22 WIP)                            | Governance            | 2               | 10                | 10                 | N/A                      | N/A               |
| Partnership Scrutiny/Accountability                                                                                  | Governance            | 2               | 10                | 17                 | Substantial              | Adequate          |
| Town Fund (Darwen) and Other Grant Funding Projects                                                                  | Governance            | 2               | 10                | 8                  | Substantial              | Substantial       |
| Corporate Governance, Ethical Framework, Scheme of Delegation and Departmental governance arrangements (2021/22 WIP) | Governance            | 2               | 10                | 4                  |                          |                   |
| Governance Arrangements (2021/22 WIP)                                                                                | Governance            | 1               | 8                 | 13.5               |                          |                   |
| <b>Total 2021/22 Governance Assignments (8)</b>                                                                      |                       |                 | <b>78</b>         | <b>61.5</b>        | <b>3 (8)</b>             |                   |
| <b>Grand Total</b>                                                                                                   |                       |                 | <b>650</b>        | <b>517.5</b>       |                          |                   |
| <b>Audit Assignment</b>                                                                                              | <b>CLASSIFICATION</b> | <b>Priority</b> | <b>21/22 Days</b> | <b>Actual Days</b> | <b>Assurance Opinion</b> |                   |
|                                                                                                                      |                       |                 |                   |                    | <b>Control</b>           | <b>Compliance</b> |
| <b>Other Audit Work</b>                                                                                              |                       |                 |                   |                    |                          |                   |
| Review of Financial Regulations, SFIs, etc.                                                                          | Governance            | 2               | 2                 | 2                  |                          |                   |
| Follow up work                                                                                                       | Governance            | 1               | 10                | 8                  |                          |                   |
| Audit Committee                                                                                                      | Governance            | 1               | 10                | 17                 |                          |                   |
| Liaison with external audit                                                                                          | Other                 | 1               | 2                 | 2.5                |                          |                   |
| Audit Committee Annual Report/Evaluation                                                                             | Governance            | 1               | 4                 | 3                  |                          |                   |
| HolA Annual Report                                                                                                   | Governance            | 1               | 4                 | 5                  |                          |                   |
| PSIAS Peer Review                                                                                                    |                       | 1               | 4                 | 6                  |                          |                   |
| A & A Client liaison/Queries                                                                                         | Other                 | 2               | 10                | 12.0               |                          |                   |
| A & A Client liaison/DMT attendance                                                                                  | Other                 | 2               | 5                 | 0.5                |                          |                   |
| A & A Client liaison/Project Groups                                                                                  | Other                 | 2               | 5                 | 4.5                |                          |                   |
| Contingency (15 days included in approved plan - allocated to additional plan reviews)                               | Other                 | 2               | 0                 | 0                  |                          |                   |
| <b>Total Other (11)</b>                                                                                              |                       |                 | <b>56</b>         | <b>60.50</b>       | <b>0 (11)</b>            |                   |
| <b>Audit Assignment</b>                                                                                              | <b>CLASSIFICATION</b> | <b>Priority</b> | <b>21/22 Days</b> | <b>Actual Days</b> | <b>Assurance Opinion</b> |                   |
|                                                                                                                      |                       |                 |                   |                    | <b>Control</b>           | <b>Compliance</b> |
| <b>Other Fraud Work</b>                                                                                              |                       |                 |                   |                    |                          |                   |
| National Fraud Initiative (NFI)                                                                                      | Governance            | 1               | 10                | 19                 |                          |                   |
| Review of Counter Fraud Strategy                                                                                     | Control               | 1               | 4                 | 4                  |                          |                   |
| Counter Fraud Annual Plan/Report                                                                                     | Governance            | 1               | 2                 | 2.5                |                          |                   |
| Proactive Fraud Testing                                                                                              | Governance            | 2               | 10                | 0                  |                          |                   |
| Reactive investigations                                                                                              | Governance            | 2               | 20                | 39.5               |                          |                   |
| Review/Monitor Fraud Risk Register                                                                                   | Control               | 2               | 2                 | 0                  |                          |                   |
| Fraud awareness and whistle blowing initiatives                                                                      | Control               | 2               | 4                 | 2                  |                          |                   |
| <b>Total Internal Audit &amp; Counter Fraud (7)</b>                                                                  |                       |                 | <b>52</b>         | <b>67</b>          | <b>0 (7)</b>             |                   |
| <b>Audit Assignment</b>                                                                                              | <b>CLASSIFICATION</b> | <b>Priority</b> | <b>21/22 Days</b> | <b>Actual Days</b> | <b>Assurance Opinion</b> |                   |
|                                                                                                                      |                       |                 |                   |                    | <b>Control</b>           | <b>Compliance</b> |
| <b>Other Risk and Governance Work</b>                                                                                |                       |                 |                   |                    |                          |                   |
| Annual Gov Statement                                                                                                 | Governance            | 1               | 10                | 28.5               |                          |                   |
| MAF Process Review                                                                                                   | Governance            | 2               | 4                 | 1                  |                          |                   |
| MAF and MAF Challenges                                                                                               | Governance            | 1               | 10                | 16                 |                          |                   |
| Risk Management Support                                                                                              | Risk                  | 1               | 5                 | 14                 |                          |                   |
| Road Risk Mgmt Group                                                                                                 | Risk                  | 1               | 5                 | 1.5                |                          |                   |
| Review/Monitor Corporate Risks                                                                                       | Risk                  | 1               | 5                 | 3                  |                          |                   |
| Review Monitor Departmental Risks                                                                                    | Risk                  | 1               | 10                | 3                  |                          |                   |
| Business Continuity Champions Meetings                                                                               | Risk                  | 1               | 2                 | 1                  |                          |                   |
| Risk Annual Plan/Report                                                                                              | Risk                  | 2               | 4                 | 3.5                |                          |                   |
| Review of Risk Management Strategy and Arrangements - Additional to plan                                             | Risk                  | 1               | 5                 | 12                 |                          |                   |
| <b>Total Risk and Governance Work (10)</b>                                                                           |                       |                 | <b>60</b>         | <b>83.5</b>        | <b>0 (10)</b>            |                   |
| <b>Total Time Spent</b>                                                                                              |                       |                 | <b>818</b>        | <b>728.5</b>       |                          |                   |

# AUDIT & GOVERNANCE COMMITTEE

## Tuesday, 29 June 2021

**PRESENT** – Councillors Ron Whittle (Chair), Maureen Bateson, Mahfooz Hussain and Abdul Patel

**OFFICERS** – Denise Park (Chief Executive), Colin Ferguson (Head of Service Audit and Assurance), David Fairclough (Director of HR, Governance & Engagement), Firoza Hafeji (Governance Officer), John Farrar (Grant Thornton) and Gareth Winstanley (Grant Thornton)

**ALSO PRESENT** – Councillor Vicky McGurk, Executive Member for Finance and Governance.

### RESOLUTIONS

#### 45 Welcome and Apologies

The Chair welcomed everyone to the meeting. Apologies were received from Cllr John Slater and Cllr Jon Baldwin.

#### 46 Declarations of Interest

There were no declarations of interest received.

#### 47 Minutes of meeting held on 30th March 2021

The Minutes of the meeting held on 30<sup>th</sup> March 2021 were moved as a correct record.

**RESOLVED** – That the Minutes of the meetings held on 30<sup>th</sup> March 2021 be agreed as a correct record.

#### 48 External Audit Progress Report and Sector Update

Gareth Winstanley noted that the External Audit fee variation for 2019/20 had been agreed and reported on the progress of Grant Thornton in delivering their responsibilities as External Auditors, and summarised the emerging national issues and developments relevant to the local authority.

Initial planning for the 2020/21 audit began in April 2021. The interim audit work would be finalised prior to work being started on the draft financial statements.

The report highlighted the 2020/21 deliverables and Members were informed that a detailed audit plan would be brought to the next Audit and Governance Committee meeting on 24<sup>th</sup> August 2021.

The Government had provided a range of financial support packages throughout the Covid-19 pandemic and Grant Thornton issued a brief bulletin aimed at helping local government bodies identify the key things they should consider when determining the accounting treatment for these grants in their financial statements for 2020/21. There were no changes to the accounting

treatment for grants as required by the CIPFA Code of Practice on Local Authority Accounting. The changes were identified as the extent of additional funding to support the cost of services, to offset other income losses along with grant packages to be paid out to support local business.

**RESOLVED** – That the update be noted.

**49**     **Treasury Management Report - March to May 2021**

Denise Park, Chief Executive, summarised the Treasury Management Report for 2021/22 for the period of 1<sup>st</sup> March – 31<sup>st</sup> May 2021 and recommended that the position for the period be noted.

The Treasury Management Strategy for 2021/22, approved at Executive Board in March 2021, complied with the CIPFA Code and with Ministry for Housing Communities and Local Government (MHCLG) Guidance on Investments.

The report summarised the interest rate environment for the period and borrowing and lending transactions undertaken, together with the Council's overall debt position, and the position against Treasury and Prudential Indicators established by the Council.

Members noted the weekly movement in the totals available for investment, both actually to date and projections for the rest of the year. These balances had fluctuated significantly across the period, ranging between £55M and £85M. Investment balances continued to be unusually high during this period, because of funds received from central government. Funds received from central government included both grants received in advance of their usual payment dates and additional funds in respect of extra costs and the distribution of grants to businesses, in relation to the response to the Covid-19 pandemic. It is intended that investment balances will ultimately reduce in future to between £10M and £20M.

At 31<sup>st</sup> May, the Council had approximately £72.7M invested, compared to £55.4M at the start of the period. The breakdown of the closing investment balance was shared with the Committee.

**RESOLVED** – That the Committee noted the Treasury Management position for the period.

**50**     **Treasury Management Annual Report 2020/21**

The Committee received a report on the Treasury outturn for 2020/21, as also reflected in the 2020/21 Outturn Corporate Monitoring Report.

**RESOLVED** – That the Committee noted the Outturn position for 2020/21.

**51**     **Audit & Assurance - Progress & Outcomes to May 2021**

The Head of Audit & Assurance reported on the achievements and progress made by Audit & Assurance in the period from 1<sup>st</sup> March 2021 to 31<sup>st</sup> May 2021.



The Committee were asked to discuss, review and challenge the outcomes achieved to 31<sup>st</sup> May 2021 against the annual Audit & Assurance Plan 2021/22, as approved by the Committee on 30<sup>th</sup> March 2021.

The internal audit function is required to comply with the Public Sector Internal Audit Standards (PSIAS). The PSIAS requires the Head of Internal Audit to communicate any significant governance, risk management and control issues identified to the Audit & Governance Committee during the year.

Members were informed that the work completed to date had not identified any significant governance, risk management or control issues to bring to the Committee's attention at this time.

The report also highlighted the Corporate Governance and Risk, Counter Fraud Activity and Internal Audits recently undertaken.

Members noted that five internal audits were completed and finalised since the last report to the Committee.

Colin highlighted that the Departmental Business Plan included seven targets to achieve the Audit & Assurance strategic aims. The defined targets and actual performance for the latest period and the previous period were noted by Members. A brief commentary on the measure where performance in the period had fallen below the agreed targets was shared with the Committee.

**RESOLVED** – That the Committee discussed, reviewed and challenged the outcomes achieved to 31<sup>st</sup> May 2021 against the annual Audit & Assurance Plan 2021/22, as approved by the Committee on 30<sup>th</sup> March 2021.

## **52 Annual Risk Management Report 2020/21**

Members were provided with the Annual Risk Management report for 2020/21 which included an overall conclusion of the effectiveness of the risk management arrangements which were in place within the Council. The Committee were asked to note that the report reflected the risk position as at the year-end. These arrangements were continually under review as new and emerging risks were identified and assessed for their impact on the Council and its corporate priorities.

The Committee were asked to consider and review the annual risk management report and agree the conclusion on the overall effectiveness of the Council's risk management arrangements in place during 2020/21.

The key elements of risk and resilience considered under the framework were shared as:

- Risk Management;
- Emergency Planning and Business Continuity (including health aspects);
- Information Governance arrangements;
- Insurance; and
- Health, Safety and Wellbeing.

**RESOLVED** - That the annual risk management report be noted and agreed with the conclusion on the overall effectiveness of the Council's risk management arrangements in place during 2020/21

**53 Annual Counter Fraud Report 2020/21**

The Head of Audit & Assurance provided the Committee with the Annual Counter Fraud report for 2020/21.

The report highlighted the results of the counter fraud activity that had been carried out during the year ended 31<sup>st</sup> March 2021 to minimise the risk of fraud, bribery and corruption occurring in the Council, and the outcome of investigations carried out into potential or suspected fraud or irregularities.

Members noted that the report provided the Committee with assurance on the effectiveness of the counter fraud arrangements in place within the Council and it supported the Committee's roles of reviewing the assessment of fraud risks and potential harm to the Council from fraud or corruption, and ensuring the Council maintains a robust counter fraud culture via the implementation of the Counter Fraud Strategy.

**RESOLVED** – That the Committee considered and noted the Counter Fraud Annual Report as part of their monitoring role.

**54 Annual Internal Audit Opinion Report 2020/21**

The Head of Audit & Assurance provided the Committee with the Annual Internal Audit Opinion Report for 2020/21.

The purpose of the report was to provide independent evidence to allow the Audit & Governance Committee to fulfil its role and function of providing independent assurance to the Council on the adequacy of the risk management, and internal control arrangements in place within the Council.

**RESOLVED** – That the Committee noted:

- The content of the Annual Internal Audit Opinion Report for 2020/21 (as set out in Appendix A)
- The overall annual opinion of the Head of Audit & Assurance, which was that adequate assurance can be placed upon the Council's framework of governance, risk management and internal control; and
- That the internal audit work that supported this opinion had been delivered in accordance with the Public sector Internal Audit Standards (PSIAS) and that there were no significant areas of non-conformance.

**55 Annual Governance Statement for 2020/21**

The Chief Executive presented the draft Annual Governance Statement for the year ended 31<sup>st</sup> March 2021 and up to the date of the June 2021 Audit and Governance Committee.

The report outlined key developments and on-going arrangements in governance in 2020/21.

**RESOLVED** – That the Committee approved the Annual Governance Statement.

**56 Audit & Governance Committee Annual Report 2020/21**

The Head of Audit & Assurance presented the draft Audit & Governance Committee Annual Report for 2020/21 for consideration and approval by the Committee.

The report summarised the work undertaken and reports considered by the Committee during the year to demonstrate that it had fulfilled its agreed terms of reference.

The report highlighted that having an effective Committee brings many benefits to the Council such as:

- Increasing public confidence in the objectivity and fairness of financial and other reporting;
- Providing additional assurance through a process of independent and objective scrutiny;
- Raising awareness of the need for internal control and the implementation of audit recommendations; and
- Reinforcing the importance and independence of internal audit.

The Annual Report indicated the breadth of the Committee’s work in ensuring that every aspect of the Council’s work should be compliant with standards and transparent to its stakeholders.

**RESOLVED –**

- That the Committee considered and approved the Committee’s Annual Report; and
- That the report be referred to the Full Council for endorsement.

Signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

# AUDIT & GOVERNANCE COMMITTEE

## Tuesday, 26 October 2021

**PRESENT** – Councillors Ron Whittle (Chair), Maureen Bateson, Mahfooz Hussain, Abdul Patel and Neil Slater

**OFFICERS** – Dean Langton (Director of Finance), Colin Ferguson (Head of Service Audit and Assurance), Corinne McMillian (Strategic Head of Service, HR & Engagement), Neil Simms (Lead HR Consultant), Firoza Hafeji (Governance Officer), and John Farrar (Grant Thornton)

### RESOLUTIONS

#### 57 **Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies were received from Cllrs Jon Baldwin and Vicky McGurk.

#### 58 **Declarations of interest**

Declaration of interest was received from John Farrar for Item 8 on the agenda, “Arrangements for the Appointment of the External Auditor”, for the nature of interest as incumbent external auditor, Grant Thornton UK LLP has an interest in potential future appointment as the Council’s external auditor. John left the meeting after item 7.

#### 59 **Minutes of the meeting held on 29th June 2021**

The Minutes of the meeting held on 29<sup>th</sup> June 2021 were moved as a correct record and signed by the Chair subject to the inclusion of apologies received from Cllr Neil Slater and not Cllr John Slater.

**RESOLVED** – That the Minutes of the meeting held on 29<sup>th</sup> June 2021 were approved as a correct record and signed by the Chair subject to the amendment highlighted.

#### 60 **Corporate Annual Report on Health & Safety 2020/21**

The Lead Human Resources Consultant, Neil Simms, provided the Committee with the Council’s Annual Health & Safety Report for 2020/21.

It was noted that 2020/21 proved to be a challenging year for all at Blackburn with Darwen Borough Council due to the onset of the Covid pandemic. 2021/22 has seen those challenges continue as the Health and Safety team continued to help fight the ongoing effects of the pandemic.

Members heard that the Events Safety Advisory Group (ESAG) reformed at the end of March to co-ordinate events that were planned following the lifting of some restrictions. Members of the Health and Safety Team sat on the Covid sub-team of ESAG to advise on the submission of event plans and risk assessments.

Key aspects of the report were summarised which identified that there were 385 accidents, incidents and near miss reported in 2020/21 which was a significant decrease of 48% from 2019/20, where 73% of incidents were reported. In the main, this was due to the number of services and building being closed or reduced due to the pandemic.

A graph was enclosed with the agenda which demonstrated that slips, trips and falls remained the highest contributory factor in council accidents and the 'other' category remained second.

For 2020/21 there were 7 cases reported under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 2013 (RIDDOR) to the Health and Safety Executive (HSE). In 2019/20 there were 8 cases reported.

Covid-19 had clearly been the main challenge for the council over the 2020/21 reporting period introducing new challenges that were not present in previous reporting regimes. There was a requirement for safe working practices specific to the virus. There were also additions to the incident rate and challenges around working remotely from home. Mental health issues were highlighted following a sustained period of remote working. Similarly, there were anxieties about returning to the workplace after such a period of being away. There was a need for consistency and requirement for the formulation of departmental risk assessments that had not been required previously.

Focus for the next 12 months were shared with the Committee which highlighted that over the coming year the team intended to build on the positive work, ensuring health and safety was built in to the way the council operated. The key areas of focus and actions were noted by the Committee which included continuing to assist with the Covid security strategy offering support and advice via site visits and helpline.

**RESOLVED** – That the report be noted.

## **61 External Audit - Audit Plan 2020/21**

The Council's External Auditor, John Farrar provided the Committee with a report on their plan for the 2020/21 statutory audit.

The report provided an overview of the planned scope and timing of the statutory audit.

Initial planning for the 2020/21 audit began in April 2021 and the final accounts audit is to take place between September – December 2021. An Auditor's Annual Report will be issued within three months of completing the accounts opinion work, in line with the National Audit Office's recent auditor guidance.

Risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management over-ride of controls
- Valuation of Property, Plant and Equipment
- Valuation of the Pension Fund net liability

The significant findings on these areas will be summarised in the Audit Findings (ISA 260) report.

In 2017, Public Sector Audit Appointment Ltd (PSAA) awarded a contract of audit for Blackburn with Darwen to begin with effect from 2018/19. The fee agreed in the contract was £79,186. Since that time, there have been a number of developments, particularly in relation to the revised Code and ISA's which are relevant for the 2020/21 audit. The proposed fee for the 2020/21 audit will be £132,186.

**RESOLVED** – That the report be noted.

## **62 External Audit Fees 2020/21**

The Director of Finance presented the External Audit Fees 2020/21 report informing the Committee of the proposed Audit Fees for 2020/21 from Grant Thornton for the audit of the Council's Statement of Accounts and the work necessary to report on the Council's arrangements for value for money.

At the Audit and Governance Committee held on 30<sup>th</sup> March 2021, Members were provided with a report giving an update on fees chargeable by the Council's External Auditors, Grant Thornton. The report also highlighted that the Government was to make available £15M to local authorities in 2021/22 to meet an expected increase in External Audit Fees arising from changes to the Code of Audit Practice and new reporting requirements recommended by the Redmond Review into Local Public Audit and Local Authority Financial Reporting.

On 9<sup>th</sup> September 2021, Grant Thornton notified the Council of their proposed fees for audit of the Council's Statement of Accounts for 2020/21 and the work to be undertaken to assess the Council's arrangements for value of money.

|                             | <b>2018/19</b> | <b>2019/20</b> | <b>2020/21</b> |
|-----------------------------|----------------|----------------|----------------|
| Scale Fee                   | 79,186         | 79,186         | 79,186         |
| Other Fees                  | 10,000         | 29,037         | 53,000         |
| <b>Estimated Audit Fees</b> | <b>89,186</b>  | <b>108,223</b> | <b>132,186</b> |

Members noted that the fees had increased as a consequence of a range of factors including changes to the Code of Audit Practice, impact of Covid-19 and much more in-depth work on value for money with a particularly focus on financial resilience.

The Committee noted that, as set out in Audit Plan for 2020/21 and in line with previous years, the Council was also required to pay for the audit of the Housing Subsidy Return (£11,700) and Teachers Pension Return (£5,985).

The financial implications to the Council's budget for External Audit Fees in 2021/22 is £91,900. On the basis of the information contained in the report, the cost of External Audit Fees for 2021/22 was estimated to be £132,186 plus a further £17,685 for non-audit services. Assuming these fees are confirmed, and taking into account the grant funding from Government and the rebate from PSAA Ltd, the next cost of audit fees for 2021/22 is expected to be £93,430.

**RESOLVED** – That the Committee:

- a) Approved in principle the proposed Audit Fees for 2021/22 as set out in the report, subject to the outcome of PSAA consideration of the additional audit fees proposed by Grant Thornton;
- b) Noted the additional grant funding to be made available by the Government for additional External Audit Fees and the rebate from PSAA.

### **63 Response to the External Auditors Request for Information**

The Committee were presented with a report which summarised how the Audit & Governance Committee gains assurance, as ‘those charged with governance’, from management in order to fulfil its responsibilities in relation to the financial reporting process.

The Members heard that the Council’s external auditor, Grant Thornton, was required to comply with the requirements of the International Standards on Auditing (UK) (ISA), as adopted by the UK Financial Reporting Council (FRC), in conducting the audit of the Council’s financial accounts for the year ended 31 March 2021.

As part of the risk assessment procedures Grant Thornton was required to obtain an understanding of the management processes, and the Committee’s oversight, of the following areas in respect of the year ended 31 March 2021;

- General Enquiries of Management
- Fraud
- Laws and Regulations
- Related Parties; and
- Accounting Estimates

Grant Thornton sent a questionnaire to the Council setting out their enquiries of management covering the above areas. The information provided by the Council would assist Grant Thornton in understanding the Council’s business processes and support its work in arriving at an audit opinion for the 2020/21 accounts.

**RESOLVED** – That the Committee considered and approved the response which was attached as Appendix 1.

### **64 Arrangements for the Appointment of the External Auditor**

The Director of Finance provided the Committee with a report on an invitation received from Public Sector Audit Appointments (PSAA) Ltd to become an opted in authority to the national scheme for the procurement of external audit services with effect from the financial year 2023/24.

In 2014, the then Government undertook a range of structural reforms to the external audit framework for local public audit (including the arrangements for local government). This led to abolition of the Audit Commission and the decentralisation of the framework for the provision of external audit services to local public services.

The arrangements for the appointment of external auditors under the new regime are set out in the Local Audit and Accountability Act 2014 (the Act). The

Act provides for the creation of a locally-led audit regime providing local authorities with greater flexibility over the procurement of their external audit service.

The Council's current contract for the provision of external audit expires with the conclusion of the audit of the Council's Statement of Accounts and arrangements for Value for Money in 2022/23. In accordance with the Act, the Council must have appointed an external auditor for the audit of the Council's Statement of Accounts for 2023/24 onwards before the end of December 2022.

**RESOLVED** – That the Committee approved the recommendations as:

- a) Note the requirement for the Council to appoint an external auditor for the audit of the Statement of Accounts for 2023/24 (and subsequent years) no later than December 2022;
- b) Note the requirement to notify PSAA Ltd of the Council's decision whether opt-in to the national procurement process no later than 11<sup>th</sup> March 2022;
- c) That a further report on this matter be presented to the Audit and Governance Committee on 18th January 2022 with a view to making a recommendation to Finance Council in early March 2022.

## **65 Treasury Management Report - June to August 2021**

The Director of Finance presented the Committee with a report on Treasury Management activity including a Mid-Year Strategy Review for 2021/22. The report summarised the interest rate environment for the period and borrowing and lending transactions undertaken, together with the Council's overall debt position, and the position against Treasury and Prudential Indicators established by the Council.

Members noted the weekly movement in the totals available for investment, both actually to date and projections for the rest of the year. These balances had fluctuated significantly across the period, ranging between £50M and £85M. Investment balances continued to be unusually high during this period, because of funds received from central government. Funds received from central government included both grants received in advance of their usual payment dates and additional funds in respect of extra costs and the distribution of grants to small businesses in relation to the response to the Covid-19 pandemic. It is intended that investment balances will ultimately reduce in future to between £10M and £20M.

On 31<sup>st</sup> August, the Council had approximately £54.2M invested, compared to £72.7M at the start of the period. The breakdown of the closing investment balance was shared with the Committee.

The Committee noted that the Council's actual long-term debt is significantly below the Capital Financing Requirement (CFR) and the gap has widened as long-term debt has been repaid. Up to the end of May, there was a decrease in short-term borrowing of £28M, as loans of £33M were repaid and £5M of new loans were taken.

The Treasury Management Strategy for 2021/22 was approved by the Executive Board on 11<sup>th</sup> March 2021 and since then a mid-year review



(Appendix 6) has been undertaken and will be shared with the Executive Board on 10<sup>th</sup> November 2021, as part of the budget monitoring process.

The financial implications arising from the Treasury Management activities are reflected in the Council's overall Budget Strategy, and in ongoing budget monitoring throughout the year.

**RESOLVED** – That the Committee noted the Treasury Management position for the period.

## **66 Audit & Assurance - Progress & Outcomes to September 2021**

The Head of Audit & Assurance reported on the achievements and progress made by Audit & Assurance in the period from 1<sup>st</sup> June 2021 to 30<sup>th</sup> September 2021.

The internal audit function is required to comply with the Public Sector Internal Audit Standards (PSIAS). The PSIAS requires the Head of Internal Audit to communicate any significant governance, risk management and control issues identified to the Audit & Governance Committee during the year.

Members were informed that the work completed to date had not identified any significant governance, risk management or control issues to bring to the Committee's attention at this time.

The report also highlighted the key issues and outcomes achieved in the year to 30<sup>th</sup> September 2021 for Counter Fraud Activity, Internal Audits, PSIAS Compliance Peer Review Exercise and Internal Audit Performance.

Members noted that nine internal audits were completed and finalised since the last report to the Committee.

Members also noted that the results of the Peer Review concluded that the internal audit team conforms with the requirements of the PSIAS across all areas of focus.

The Head of Audit & Assurance highlighted that the Departmental Business Plan included seven targets to achieve the strategic aims. The defined targets and actual performance for the latest period and the previous period were noted by Members. A brief commentary on the measure where performance in the period had fallen below the agreed targets was shared with the Committee.

**RESOLVED** – That the Committee discussed, reviewed and challenged the outcomes achieved to 30<sup>th</sup> September 2021 against the annual Audit & Assurance Plan 2021/22, as approved by the Committee on 30<sup>th</sup> March 2021.

## **67 Risk Management - 2021/22 Quarter 1 Review**

The Head of Audit & Assurance summarised the Risk Management report for Quarter 1 for the period of 1<sup>st</sup> April 2021 to 30<sup>th</sup> June 2021.

The Committee were asked to:

- Discuss and review the Corporate Risk Register as at the end of Quarter 1 2021/22;
- Note the risk management activity that had occurred during the period; and
- Consider the selection of Corporate Risk for the Committee to undertake a review of its assessment, control and monitoring at its next meeting.

The Corporate Risk Register contained 15 open risks at 30<sup>th</sup> June 2021. A summary of the corporate risk details were shared with the Committee in Appendix 1. As at 30<sup>th</sup> June 2021 the Council's top corporate risks were:

- Risk 1 - Failure to deliver a balance budget and Medium Term Financial Strategy, which may result in a Government Commission taking control of the Council's finances; and
- Risk 14 - A high profile serious/critical safeguarding incident/case that is known to the Council services, in light of Covid-19 working arrangements.

The residual risk score for Risk 21, *"The Council is unable to recover its critical functions, core services and income generating functions during the transition and recovery phases of Covid-19 outbreak, due to financial impacts, high staff absences and a failure of effective business continuity arrangements"* was reduced during the quarter from high to medium.

Officers have continued to use the risk management support that was available from Zurich Municipal as part of the current long term insurance agreement. During the period, Zurich delivered health & safety awareness training for senior managers. Guidance was also provided covering the health, safety and well-being considerations of agile workers and some of the challenges around homeworking.

Zurich had also published a wider range of risk management guidance during the pandemic. These have covered topics such as risk control measures for the cyber dimension of the coronavirus, guidance on moving from response to recovery, planning for a return to the workplace and guidance for reopening schools. These have been circulated to relevant managers to share with staff.

The Committee then considered a Corporate Risk to look at the next meeting, and agreed Risk No 14, *"High profile serious/critical safeguarding incident/case that is known to Council services in light of Covid-19 working arrangements"* be reviewed.

It was noted that the risks are reviewed prior to the meeting and Sayyed Osman and Jayne Ivory be invited to the pre-meeting.

**RESOLVED –**

- That the report be noted
- That Corporate Risk No.14 be reviewed at the next meeting and relevant Officers be invited.

Signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

**AUDIT & GOVERNANCE COMMITTEE**  
**18<sup>th</sup> January 2022**

**PRESENT** – Councillors Ron Whittle (Chair), Jon Baldwin, Maureen Bateson, Zamir Khan, (for Mahfooz Hussain), Abdul Patel and Neil Slater

**OFFICERS** – Dean Langton (Director of Finance), Colin Ferguson (Head of Service Audit and Assurance), Paul Conlon (Democratic Services),

The Councils Auditors- John Farrar (Grant Thornton)

**RESOLUTIONS**

**1. Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies were received from Cllrs Mahfooz Hussain and Vicky McGurk who joined the meeting virtually.

**2. Declarations of interest**

No Declarations of interest were made by members of the Committee. The auditors left the meeting during consideration of the Arrangements for the Appointment of the External Auditor.

**3. Minutes of the meeting held on 26<sup>th</sup> October 2021**

The Minutes of the meeting held on 29<sup>th</sup> October were submitted.

**RESOLVED** – That the Minutes of the meeting held on 29<sup>th</sup> June 2021 were approved as a correct record and signed by the Chair.

**4. External Audit: Audit Findings Report 2020/21**

John Farrar, Engagement Lead, Grant Thornton, presented a report which outlined the key Audit Findings for Blackburn with Darwen Borough Council for the Year ended 31<sup>st</sup> March 2021.

The report notes that the audit work was on going at the time of reporting and a number of outstanding matters were noted for reference. These included:

- receipt of satisfactory supporting information and responses to queries relating to the revaluation of property, plant and equipment;
- completion of a small number of outstanding audit procedures;
- receipt of the management representation letter; and
- a review of the final set of financial statements.

Whilst one adjustment to the financial statements had been identified, along with a resultant prior period adjustment, affecting the balance sheet, there was no overall impact on the reported outturn position. Other issues noted in the report relate to changes in disclosures in the accounts and these were outlined in the report.

External Audit anticipated providing an unmodified audit opinion and, although they had not yet completed all of their value for money work, no significant weaknesses had been identified from the work completed so far.

The audit work to date had not identified any inconsistencies in the other information published with the audited financial statements, including the annual governance statement. There were also no matters to report on by exception and the External Auditors have not had to exercise any of their additional statutory duties or powers.

The one medium level recommendation made was agreed with Council management. This related to one member of staff's access rights to the Finance system that led to a lack of separation of duties between the posting and authorisation of journals. This had been addressed immediately.

Members and Officers made comments and observations of the audit findings and thanks were passed to auditors and finance officers for their assistance during field work. In response to a members question relating to Pensions liabilities the committee were informed that this was not part of the Council's accounts and the audit but was addressed by the pensions fund actuary.

**RESOLVED** – That the report be noted.

#### **5. Statement of Accounts 2020/21**

The Committee considered a report that provided a summary of the key components of the Statement of Accounts for 2020/21 and the statutory framework for their approval by the Committee. The report referred to the adjustments made to the accounts as described in the Audit Findings Report presented by Grant Thornton. The accounts, amended for audit adjustments agreed to date, were included at Appendix B for approval. The report also included as an appendix the draft letter of representation, which is an agreed format, issued by the Council to the external auditor each year. The Committee was requested to approve the contents of the draft letter, although the final version will only be signed by the Director of Finance and the Chair of the Audit and Governance Committee when the audit work is fully concluded and the audit opinion is issued.

**RESOLVED** – That the Committee:

1. Note the outcome of the audit of the Council's financial statements and the Value for Money conclusion as presented by Grant Thornton in their Audit Findings Report for 2020/21 (previous agenda item).
2. Approve the Statement of Accounts for 2020/21.
3. Approve the letter of representation from the Director of Finance to the external auditors for which a draft was provided, with the final version to be signed by the Director of Finance and Customer Service and the Chair of the Audit and Governance Committee at the date of issue of the audit opinion.

#### **6. Treasury Management Report - September to November 2021**

The Director of Finance submitted a report providing a summary of the treasury management activity and performance in the period. The Council had approximately £53m invested at 30 November 2021 and short term loans of £25m. The activity was within the agreed Prudential and Treasury indicators set by the Council for the current year.

The draft Treasury Management Strategy for 2022/23 was included in the report and the full strategy report will be submitted for approval to Executive Board in March 2022. The content of the strategy remain similar to the previous year, approved by Executive Board on 11 March 2021.

**RESOLVED** – That the Committee noted the Treasury Management Report.

## **7. Audit & Assurance - Progress & Outcomes September to November 2021**

The Head of Audit & Assurance reported on the achievements and progress made by Audit & Assurance in the period from 1<sup>st</sup> October 2021 to 30<sup>th</sup> November 2021.

The report provided a summary of the eleven red priority areas/issues identified from the half year Director Exception/Dashboard Report reporting and the movements in these since 31 March 2021 for consideration. The overall opinions for the four audits finalised since the last progress report were also summarised. No significant areas of concern were identified from the audit work in the period for the members' attention.

The outcome of the in-year review of the 2021/22 approved internal audit plan was also included which noted that there was an anticipated shortfall of 58 days against the 818 audit days in the plan approved in March 2020. This had arisen due to a vacancy in the audit team during the year, which had now been filled. The resources available would be focussed on the higher priority audits in order to be able to provide the annual audit opinion.

**RESOLVED** – That the report be noted

## **8. Annual Governance Statement - Progress on 2020/21 Actions and Plan for 2021/22**

The Committee considered a report that provided details of the steps being taken address the three significant issues noted in the 2020/21 AGS. The report noted that whilst these are appropriate, and largely in accordance with the expected targets as at the end of November, there were still demand and budget pressures which were being monitored and managed by senior managers in the areas concerned. There were also a level of uncertainty with regards to the impact of the planned social care reforms and on-going impact of the pandemic on services.

**RESOLVED-**

That the progress on the Annual Governance Statement and progress be noted.

## **9. Risk Management - 2020/21 Quarter 2 Review**

The Committee considered a report that provided a summary of the corporate risk register as at the end of September 2021. The report highlighted the top two risks that the Council had identified and was managing. There have not been any changes in any of the risk scores in the period.

The report also noted that a corporate Risk Management Policy Statement had been drafted and the existing Risk Management Strategy and Framework had been reviewed and updated. These documents were subject to review and approval by the Executive Member for Finance and Governance.

**RESOLVED –**

- That the report be noted
- That Corporate Risk relating to the delivery of the Councils Growth Agenda be reviewed at the next meeting

**10. Arrangements for the appointment of External Auditors**

(The Council's auditors left the meeting prior to consideration of this item)

The Committee considered a relating to the appointment of External Auditors. The Council was required to appoint its external auditor for the 2023/24 Statement of Accounts audit by December 2022 and full Council approval is required for this appointment.

**RESOLVED-**

That the Committee recommend to February's Finance Council to opt in to the sector-led option for the appointment to be able to participate in the arrangement that will be led by Public Sector Audit Appointments, as the opt-in period closes on 11 March.

signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

**AUDIT & GOVERNANCE COMMITTEE**  
**29<sup>th</sup> March 2022**

**PRESENT** – Mahfooz Hussain (in the chair.) Councillors Jon Baldwin, Maureen Bateson, Abdul Patel and Neil Slater

**OFFICERS** – Dean Langton (Director of Finance), Colin Ferguson (Head of Service Audit and Assurance), Paul Conlon (Democratic Services),

The Councils Auditors- John Farrar (Grant Thornton)

**RESOLUTIONS**

**1. Welcome and Apologies**

The Chair welcomed everyone to the meeting.

**2. Declarations of interest**

No Declarations of interest were made by members of the Committee.

**3. Minutes of the meeting held on 19<sup>th</sup> January 2022**

The Minutes of the meeting held on 19<sup>th</sup> January 2022 were submitted.

**RESOLVED** – That the Minutes of the meeting held on 19<sup>th</sup> January 2022 be approved as a correct record and signed by the Chair.

**4. Significant Partnerships**

The Significant Partnerships Register a requirement within the Council Constitution. The annual update of the Register is an opportunity to ensure that partnerships throughout the local authority are well governed and that appropriate oversight is in place. The report provides evidence to the Committee to meet its responsibility to review the governance and assurance arrangements in respect of significant partnerships that the Council is involved with. It notes that the recent audit review of the arrangements provided substantial assurance on the control environment and adequate assurance in respect of compliance with the controls relating to this area.

**RESOLVED-** 1. That the significant partnerships submitted for inclusion in the 2021/22 register be approved.

2. That the updated key lines of enquiry within the Code of Audit Practice and the important role of partnerships be noted.

**5. External Audit: Audit Findings Report 2020/21**

The report sets out Grant Thornton's progress in delivering their responsibilities as the Council's external auditors in respect of the audit of the 2020/21 financial statements. The focus of their work is on the outstanding areas of work, which includes responses a small number of queries relating to revaluations of property plant and equipment, and the Council's accounting for infrastructure assets in light of a national issue, which is noted below.

There are five main areas have been finalised since the last report to note that are highlighted. These are:



- The valuation of Heritage Assets - These valuations have been amended to reflect the insurance values as these provide a more recent value. The valuations used for the balance sheet previously were several years old. The balance sheet has been increased by £16.3m as a result.
- Pension Liability – The auditors are satisfied that the Council's pension liability figure reported agrees with the revised actuarial report.
- Property, Plant & Equipment - Work on this area is close to completion. An adjustment is required for a number of these assets with the final figure yet to be agreed. It is expected to be approximately £3.8m.
- Infrastructure Assets - A national issue has been identified relating to this area, which is explained in the report. The auditors are awaiting guidance to be issued on this.
- Minimum Revenue Provision (MRP) - The report sets out the auditors observations and challenges with regards to the Council's recent change in MRP Policy.

The updated Audit Findings report will be issued on completion of the audit.

The report includes the results of the Financial Reporting Council (FRC) review of the work of local auditors and the Institute of Chartered Accountants in England & Wales (ICAEW) quality assurance work. Nine Grant Thornton files were selected as part of the FRC process of which six were assessed as good and three required improvement. This represented a year on year improvement. The ICAEW assessed the files selected at the highest grade for both financial statements and VfM elements of the audit.

A sector update was also included for Members consideration/reference. This was a summary of emerging national issues and developments, which Grant Thornton have noted, that may have an impact on the Council.

In response to a members question the Committee was informed that the value placed on Heritage Assets was based on the insurance valuation and this followed CIPFA guidance.

**RESOLVED** – That the report be noted.

## **6. Application of Accounting Policies**

The Committee considered a report seeking approval to the accounting policies to be used in preparing the 2022/23 financial statements. There were two main changes to those applied in the preparation of the 2020/21 Statement of Accounts and these were:

- a policy on the Council's role as agent for the Business Improvement Districts; and
- a revised policy for the valuation of heritage assets reflecting an update following the 2020/21 audit of the Council's Statement of Accounts 2020/21.

The report highlighted the results of a recent CIPFA consultation on time limited charges to the Code of Practice on Local Authority Accounting in the UK relating to pausing the valuations of property plant and equipment for a period of up to two years and deferred the implementation of IFRS 16 Leases for a further year and other points on this area were awaited at the time of the report.

Guidance was also awaited on the emerging issue associated with the de-recognition of costs associated with infrastructure costs which was referred to the External Audit Progress report and depending on the outcome, this may lead to a change in policy regarding this area.

**RESOLVED-** That the Committee note the use of Accounting Policies as set out in the report, for the preparation of the Councils Statement of Accounts 2021/22

## **7. Closure of Accounts 2021/22 – Assessment Going Concern Status**

The Committee considered a report of the Director of Finances assessment of the Council 'going concern' status in respect of the production of the 2021/22 Statement of Accounts. The concept assumed that the Council, its functions and services, would continue in operational existence for the foreseeable future and it underpinned the Statement of Accounts drawn up under the Local Authority Code of Accounting Practice.

The report provided the Committee with details of arrangements and evidence to support the conclusion that the Council remains a going concern in 2021/22 and for the following 12 months, based on the information available at the time of the report.

**RESOLVED-** That the outcome of the assessment made of the Council's status and a 'Going Concern' for the purposes of preparing the Statement of Accounts for 2021/22

## **8. Treasury Management Report – December 2021 to February 2022**

The Committee received a report providing a summary of the treasury management activity and performance in the period. It noted that the Bank of England base rate has increased twice during the period and was at 0.5% at 3 February. The Council had approximately £41m invested at 28 February 2022 and short term loans of £20m. Short term borrowing had continued to be used during the period. The activity was within the agreed Prudential and Treasury indicators set by the Council for the current year. The Treasury Management Strategy for 2022/23 was also included in Appendix 6 to the Treasury Management Report. The strategy report had been approved by Executive Board on 10 March 2022. The content of the strategy remained largely similar to the previous year.

**RESOLVED-** That the Committee note the Treasury Management position for the period.

## **9. Audit & Assurance Progress & Outcomes December 2021 to February 2022**

The Committee received a report setting out the progress on the audit work during the period compared to the approved audit plan. An update on progress of the outcome of the follow up of data matches from the National Fraud initiative since the previous report was also provided. The overall opinions for the ten internal audits completed in the period were summarised along with a commentary on the part limited assurance opinion audit. This would not have a significant impact on the overall control environment in place within the Council.

**RESOLVED-** That the Committee receive the report and the outcomes achieved to 28<sup>th</sup> February 2022 against the annual Audit and Assurance Plan 2021/22, as approved by the Committee on 31<sup>st</sup> March 2021.

## **10. Audit & Assurance Plan 2022/23, Three Year Strategic Plan and Internal Audit Charter**

The Committee were informed that It was a statutory requirement for the Council to have an effective internal audit in place to evaluate the effectiveness of its risk management, control and governance processes. The arrangements should take account of the requirements of the Public Sector Internal Audit Standards. The proposed 2022/23 risk based audit plan was presented to the Committee for approval. This identified an audit resource of 734 days and set out the areas included for audit review during the year. This would allow Audit & Assurance to provide independent assurance to assist the Committee with its responsibility oversee the effectiveness of governance arrangements in the Council and an annual audit opinion on the overall risk management, control and governance arrangements in place for 2022/23. Progress against the approved plan will be reported to the Committee during the year.

The plan also identified the resources available for counter fraud and risk management activity and support provided by the Audit & Assurance team.

**RESOLVED-** that-

- the 2022/23 Annual Audit and Assurance Plan and draft three year Strategic Audit Plan be approved.
- The Internal Audit Charter be approved
- Notes that reports dealing with both progress against the Plan and outcomes achieved will be submitted to each meeting of the Committee, and,
- Notes that Plan Changes will be reported during the year.

### **11. Risk Management Report 2021/22 Quarter 3 Review**

The Committee received a report providing a summary of the corporate risk register as at the end of December 2021 and highlights the top two risks that the Council has identified and is managing. Changes had been made during the period in respect of the Public Health related risk to reflect the Public Health recovery from the pandemic and the measures required to reduce the health inequalities and improve health outcome for the boroughs residents. A new risk had been added relating to recruitment and retention of staff. There had not been any changes in any of the scores for the remaining risks in the period.

A corporate Risk Management Policy Statement had been approved by the Executive Member for Finance and Governance.

**RESOLVED-** That-

- The Corporate Risk Register as at the end of the third quarter 2021/22 be noted.
- That the committee note the risk management activity that has occurred during the period.
- That the Strategic Director for Resources, be invited to attend the session prior to the next meeting to discuss corporate risk and a review of its assessment, control and monitoring.

### **12. Audit & Governance Committee – Effectiveness Assessment 2021**

Members received a copy of the Practical Guidance for Local Authority and Police Audit Committees published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This includes a good practice self-assessment checklist and toolkit to evaluate a Committee's effectiveness against the principles set out in CIPFA Position Statement. The checklist and evaluation had been completed by the Head of Audit & Assurance on behalf of the Committee and were presented for the Committee's consideration. Members of the Committee had also completed individual self-assessment questionnaires on the effectiveness of the Committee. The results of each of these assessments are set out in appendices to the report and these all provide evidence to support the overall conclusion that the Committee is operating effectively.

**RESOLVED-** That that the Committee consider that the results of the assessment now submitted to be evidence to confirm the Committees effectiveness and that it is operating in accordance with best practice.

signed: .....

Date: .....

Chair of the meeting  
at which the minutes were confirmed

## **REPORT OF THE STANDARDS COMMITTEE.**

**Councillors Parwaiz Akhtar, Lilian Salton      PORTFOLIO COORDINATING**

**DEPUTY DIRECTOR, LEGAL & GOVERNANCE: Asad Laher**

This report updates the Council Forum on the work of the Standards Committee.

At its meeting on 29<sup>th</sup> June ([Agenda for Standards Committee on Wednesday, 29th June, 2022, 6.00 pm \(blackburn.gov.uk\)](#)), the Monitoring Officer delivered a presentation on the Standards Arrangements in local authorities and at the Council.

The Committee considered the essential requirement for all Members to undertake the Information Governance and Cyber Security training. In view of the recent cyber-attacks on the Council's IT network, this training is very important for all Members in order to protect themselves and the Council against such malicious attacks. The Committee endorsed the training requirement and asked for regular updates on compliance. The online training is covered by two modules, which has been tailored specifically for Members. The Committee was also informed about other online training available to Members through the Me-Learning portal to aid their development, and the draft Member Training programme for 2022/23 covering key updates and topics.

The Committee's work programme for 2022/23 was also agreed. It will cover a review of the Code of Conduct, the arrangements for dealing with complaints against Members and use of social media.

### **Recommendations:**

The Council:

1. Notes the work programme of the Standards Committee for 2022/23.
2. Agree for all Members to undertake the essential training for Information Governance and Cyber Security.

**Councillor Parwaiz Akhtar  
Chair of Standards Committee**

**July 2022**

## **Progress of the Overview and Scrutiny Committees**

### **Report of the Chairs of the Policy and Corporate Resources, People and Place Overview and Scrutiny Committees.**

#### **Purpose of the report.**

To report on the progress of the People and Place Overview and Scrutiny Committees.

#### **The People Overview and Scrutiny Committee**

The People Overview and Scrutiny Committee met on 6<sup>th</sup> June and commenced a busy work programme with two issues that were related to work they started earlier in the year.

The Committee also looked at the work of the two portfolio members and the pressures, priorities and issues relating to their portfolio. The Committee continues to value the work of the youth MP and the youth forum and the role they play in contributing to the work of the Committee.

#### **Youth Forum Update.**

The Committee looked at the work being undertaken by the Youth Forum and the Youth MP. The forum were continuing their progress on the training as Young inspectors and this entailed-

##### Development of a Framework

- Inspection Framework & Plan, Services to inspect, and much more.
- Residential Trips & Collaboration
- Planning & Preparation

##### Planning for Inspections

- Identifying Inspection timeline
- Training and Planning
- Pilot Inspections & Development

The Youth MP and Deputies were also busy working on a number of issues including-

- Consultations
- MYP Annual Conference
- Make Your Mark Voting
- Projects
- Events

The Committee also welcomed representatives of the Leaving Care Forum who updated the Committee on the work the forum was undertaking. The forum had been launched in April 2022 from members who were part of the senior voice group and were eligible to move up into this age category. They drew attention to work being undertaken by Manchester Metropolitan University where Young people who had previously been looked after in children's homes took part in a consultation with a student from Manchester Metropolitan University to share their experiences. The Committee were informed that after concerns regarding the Bee Active card, a new system was put in place and the age extended to 25. Two representatives from the

Leaving Care Forum attend the Corporate Parenting Specialist Advisory Group and the Corporate Parenting Executive Board to put forward the young people's voice. The leaving Care Forum are currently in the process of devising a new name for leaving care as they feel there are negative connotations attached to the name and being a 'care leaver'.

### **Adult Safeguarding**

The Committee received the annual report of the Adult Safeguarding Board. The Board was required to produce an annual report and although requirement this had been put on hold during the pandemic it had been felt important to have one and acknowledge the work that had been undertaken. The report covered the period up to March 2021 and provided a summary of the work undertaken by the safeguarding board in Blackburn with Darwen. The report stated that there was an efficient system of maintaining contact with the elderly and shielded residents and an efficient system to ensure food deliveries were made to those who needed them. Agencies that were responsible for safe guarding and protecting the most vulnerable adults had been able to maintain their services.

The Committee discussed the long term effects of the pandemic on the mental health of the borough and how this would manifest itself in the future service needs.

### **Portfolio Responsibilities**

In line with the other Overview and Scrutiny Committees members were informed of the revised portfolio responsibilities and how they fit into the remit for the Committee.

### **OFSTED Review of Children's services.**

The Committee received an overview from the Executive Member on the findings of the Ofsted review of Children's Services. The review had taken place earlier in the year and the finding of the inspection would be reported to the Executive Board on 9<sup>th</sup> June. The review had found many good things in the services delivered and that children in the borough were safe.

The report outlined ten key areas for improvement and an Achieving Excellence Board had been established to look at how the effectiveness of services could be enhanced. The chair of the People Overview and Scrutiny Committee had been invited to sit on the board. The Committee would receive regular progress reports on the improvement of services and the work of the Board and how improvements would be implemented and outcomes monitored.

### **Work Programme for the Committee.**

The Committee received a presentation on the issues, pressures and priorities of the portfolio areas and the work that was ongoing. The Committee discussed areas where they could add value and support the work of the Executive and agreed that during the year they would-

- Receive regular updates including progress of the Achieving Excellence Board on the actions relating to the Ofsted inspection.
- Receive regular reports from the Youth Forum on the progress of their work programme
- Receive an update on the reconfiguration of Pathology Services for Lancashire and South Cumbria (September)
- Receive information on the establishment of the ICS for south Cumbria and Lancashire including the new roles for partners
- establish a task group to examine Leisure services and leisure centres with a particular focus on how we are seeking to improve use of facilities, how we are

meeting the challenges of the competition and how the refresh scheme is working.( before September)

- Look at homelessness in the borough and the work of agencies that assist people.
- receive an overview of the work of the adult social care and health portfolio areas
- Look at the work of Blackburn Health Watch and look at possible areas of collaboration.
- Review the work being under taken in schools to support pupils who are falling behind due to the continued effects of the pandemic.
- Look at how the borough continues to deal with covid and potential outbreaks.
- Any consultations that we are required to look at due to its potential significant impact on residents of the borough.
- We will also look at the work of the Joint Committee when established.

### **Place Overview and Scrutiny Committee.**

The Place Overview and Scrutiny Committee met on 13<sup>th</sup> June. The Committee looked at the work of the two portfolio members and the pressures, priorities and issues relating to their portfolio

#### **Portfolio Responsibilities**

In line with the other Overview and Scrutiny Committees members were informed of the revised portfolio responsibilities and how they fit into the remit for the Committee.

### **Work Programme for the Committee.**

The Committee received a presentation on the issues, pressures and priorities of the portfolio areas and the work that was ongoing. The Committee discussed areas where they could add value and support the work of the Executive and agreed that during the year they would look at-

- the proposed Household recycling centre including the layout and design, consultations, how we will educate and engage with residents and prevent fly tipping (this will meet as a task group before September)
- burials – progress on the new cemetery site
- transport to employment on the periphery of the borough
- the growth programme
- progress on the local plan.
- flooding and critical gullies.
- The top 25 fly tipping sites in the borough

### **Policy and Corporate Resources Overview and Scrutiny Committee, 20<sup>th</sup> June 2022.**

The Committee met on 20<sup>th</sup> June and commenced its work as follows-

#### **Update on RIPA Activity, Procedural Guide and RIPA Inspection.**

The Committee received a report on the introduction of the RIPA procedural Guide, the adoption of the recommendations made by the investigatory Powers Commissioner's Office, the RIPA training delivered to Officers and RIPA activity and applications. The Committee endorsed the recommendations in the report which would be submitted to the Executive Board for approval of the adoption of the new RIPA procedure and guidance.



### **Portfolio Responsibilities.**

The Committee received the revised portfolio responsibilities which identified the areas that related to their work on scrutiny.

### **Progress against the Corporate Plan 2021/22**

The Committee considered a report outlining the progress against the Corporate Plan 2021/2022 for the six months to year end (October 2021-March 2022). The report had been considered by the Executive Board on 9<sup>th</sup> June and they had noted the remedial action to improve delivery against the 2019-2023 Corporate priorities which were giving cause for concern. The Leader and the Chief Executive attended the meeting and outlined the actions and progress on the priorities which would be the focus of the scrutiny work for the year. Members were informed of the new arrangements that would be introduced with the introduction of the Integrated Care Strategy which would significantly affect the delivery of Health and Social Care within the borough. Members noted the progress of delivery against corporate targets and will continue to look at performance at future meetings of the Committee.

### **Development of the General Fund Revenue Budget 2023/24.**

Members received a report on the development of the general fund revenue budget 2023/24. The report had been considered by the Executive Board and set out an update on the Council's Medium Term Financial Plan 2023/26 as the start of the process for developing the Councils Budget for 2023/24.

The report highlighted the key risks to the delivery of the budget in 2023/24 and the uncertainty of the funding outlook for the council. The Committee discussed issues that impacted on the budget and made particular reference to sickness absence and how the Council sought to mitigate the effects on the budget by keeping absence to a minimum through numerous programmes. The Committee had looked at sickness absence previously along with wellbeing measures that sought to maximise attendance and agreed to look at this issue as a topic this year. Members agreed to scope the topic and commence work as a task group prior to the next meeting of the Committee in September.

### **Progress of the People and Place Overview and Scrutiny Committees**

The Committee looked at the work of the People and Place Overview and Scrutiny Committees and the work programmes that had been agreed and were now being developed. Progress on these would continue to be reported to the Committee throughout the year.

**Councillor Tony Humphrys**, Chair of the Policy and Corporate Resources Overview and Scrutiny Committee.

**Councillor Sylvia Liddle**, Chair of People Overview and Scrutiny Committee.

**Councillor Brian Taylor**, Chair of Place Overview and Scrutiny Committee.

## REPORT OF THE LEADER OF THE COUNCIL

COUNCILLOR PHIL RILEY

Date: 28.7.22

### Events round-up

#### *National Festival of Making*

We were delighted to welcome The National Festival of Making back to the borough on the weekend of June 11th and 12th for its fourth edition. Significant numbers of people came from far and wide into Blackburn town centre to enjoy this unique free family festival.

It was the first time we were able to hold the event since 2019 - after previous editions were postponed due to the pandemic. It was wonderful to see both our residents – and visitors - come together to celebrate creativity, take advantage of the warm weather and enjoy a well-deserved day out, while proudly celebrating our borough's making heritage.

We have had amazing feedback from both local and national partners on the commitment, passion and energy of everyone involved and on the cooperation and partnership working demonstrated all weekend. I was told – and it was clear – that the sense of pride in Blackburn's making heritage and future potential could be felt in everything and it genuinely feels like a place where magic is happening.

We certainly are a progressive borough with exciting plans to continue the economic progress that has been made in recent years and the National Festival of Making really exemplifies that.

#### *Blackburn Pride*

I want to continue to tap into, and build on, everything that makes the borough a great and unique place to live and work and Blackburn's first ever official Pride event on Saturday (June 18th) certainly was a great way to do that.

Around 1,200 people came together to parade through the town in a sea of colours before continuing festivities in front of the town hall. The event was a true celebration of the diversity of our borough, and it was fantastic to see so many people of ages and backgrounds coming together.

Around 2,000 visitors were in the town centre during the course of the whole day, which was a fantastic turnout.

Following on from the event, Blackburn with Darwen residents were invited to join the Blackburn Pride team to take part in filming for a nationwide Pride celebration, which aired on Channel 4 at the start of July.

Well done to the Blackburn Pride Committee for all their hard work to make this first event and wider activity such a success – I know they have plans to build on this and come back next year with a bigger event.

All of these fantastic events show that Blackburn doesn't need to be named a city to act like one and, alongside everything exciting happening in Darwen, it's clear we are a community that knows how to mix and engage.

### *Platinum Jubilee*

The range of activities that went on during the long weekend of celebrations to mark Her Majesty the Queen's Platinum Jubilee in June were also a perfect way to showcase that.

Residents came together with friends, family and neighbours to arrange a 'Big Jubilee Lunch' and street parties.

Blackburn and Darwen town centres were both dressed for the occasion with bunting and new Jubilee-themed planting displays. A 'Last Night of the Proms' celebration and Darwen Live also took place – which itself saw thousands of fans turn out to welcome back the first summer Darwen Live event in three years.

We also supported Darwen Scouts to arrange a lighting of a beacon at Darwen's Jubilee Tower. Thousands turned out to see the landmark lit red, white and blue to mark the Queen's 70-year reign.

Another exciting outcome of the Jubilee celebrations – that also links back to our borough's making heritage - has seen renowned artist, Jamie Holman, creating a stunning multisoundscape tapestry.

Titled 'The Lancashire Tapestry', the artwork is 18 metres long x 1.6 metres and to accompany it, Jamie has recorded 70 people from Lancashire all of whom are aged 70 and have been alive as long as the Queen has been on the throne.

The piece is available for public viewing at Blackburn Cathedral until January 2023. It will then will be shown at other venues nationally and internationally.

Hundreds of people visited during the weekend of the Festival of Making and since and I encourage everyone to go and see this truly impressive creation.

### *Commonwealth Games Baton Relay*

We were also delighted for our residents to be a small part of history when the Queen's Baton Relay visited the borough on Saturday, July 16, on its way to the Birmingham 2022 Commonwealth Games.

We worked hard to make the very most of the opportunity, welcoming the baton to the steps of the town hall in Blackburn, Ewood Park and Darwen where a celebration was underway with live music and sporting activities.

### **Business Growth**

Blackburn and Darwen are both towns with growing energy and spirit and I am keen to grasp new opportunities to improve the prospects of our residents and communities. It is clear business confidence in the borough is strong and we are forging a shared plan for growth - confidence that is now translating into levels of economic investment and growth that out-performs many regional and national benchmarks.

Recent examples have been seen in the owners of Shh! Bar signing up to move into 35 Northgate, which is part of the Townscape Heritage Project in the Blakey Moor area of Blackburn.

The Bar will move to the 19th Century building later in the year, once its £350,000 transformation is complete. When combined with the wider regeneration of Blakey Moor Terrace, a new cinema,

resurgent King George's Hall, and major investment in the College's Victoria Building, we are clearly well on the way to creating a new cultural offer of scale and quality.

We also have the £250m masterplan for the former Thwaites site and surrounding area too – the biggest town centre growth plan in the whole region.

This development is central to our wider Blackburn Growth Axis proposition that will place the Borough at the heart of a new economic framework with the potential to support 100,000 jobs in the area over the coming years, while, for example, leveraging opportunities generated by the new National Cyber Force HQ at Samlesbury Enterprise Zone.

We are currently preparing two Levelling Up submissions to Government. One will support our town centre masterplan – with phase one focused on establishing a new Business Innovation District with a £60M development. Our second submission is looking to secure Government funding to deliver a £30M package of new transport infrastructure improvements at J5 of the M65, integrated with new walking and cycling routes to support of growth opportunities in south Blackburn.

We are submitting in early August to Government the final business cases in support of the Darwen Town Deal Investment Plan, with nearly £13m of match-funding support secured from the Council, which will unlock around £100m in new private and public investment in Darwen.

A signal of our intent is the new investment at Junction 4 Skatepark, made possible by early Town Deal and Council funding, and demonstrates the scale of our ambition for Darwen. The Skatepark is now becoming a national destination for elite athletes, including Olympic medallists, while continuing to serve the young people of the Borough area with its new world-class facilities.

We will also be submitting our Shared Prosperity Investment Plan to Government in early August. The Council has worked with key partners to develop a high impact £6M investment plan with a total value of nearly £20m with a focus on new sector, employment and skills projects.

I will provide further updates in the coming months on our strategic growth plans and priorities, and hopefully good news regarding Government support to help us secure over £200m in new public and private investment.

### **Honours**

Congratulations to everyone with links to Blackburn with Darwen named in the Queen's birthday honours list for 2022.

Cllr Zamir Khan received an MBE for his services to Blackburn Muslim Burial Society and to the wider community, particularly during the Covid pandemic.

Cllr Khan has served as a local councillor for almost 20 years and has dedicated his life to helping others. He is someone who regularly goes the extra mile and his award is very well deserved.

I was also delighted to see friends and colleagues from a range of sectors including business, NHS, charity, police, fire and rescue and education honoured.

Our borough is a hotbed for talented, dedicated people and it's great for some of them to be recognised in this way.

## **Cost of Living**

National circumstances are of course going to present us with more challenges – with the cost of living crisis especially at the forefront of everyone’s minds.

Energy bills, fuel and people’s weekly food bills are all continuing to go up, with further rises expected as we go into Autumn but we obviously don’t want people to struggle.

There is a wide range of local and national help and areas of support available in the borough, delivered by us and our partners in the charity and voluntary sector, around money and debt, homes and housing, fuel costs, food, gambling and work and employment and our financial resilience campaign has been running since February providing vital signposting for residents. We are working closer than ever with our partners to make sure our hardest to reach residents get the help and support they need.

The Household Support Scheme for families and children and other vulnerable adults - who may or may not meet the threshold for benefits but may be affected by the cost of living crisis – is continuing for people to get support with utility bills, food and other essentials that they may be struggling with.

The scheme, from the Council and partners, was due to run until the end of September but has now been extended beyond that, meaning we will be able to offer more help as we move into the winter with further expected price rises.

There is also our Help Hub, started in March 2020 with our partners in urgent response to the first pandemic lockdown, which is still online and can still help with food banks, credit unions, and lots more.

We will continue to work hard through this to support our vulnerable residents while keeping the borough on its upward trajectory. As a responsible employer, we are also looking at what help we can give to our staff to support them at this time.

## **Refugee Support**

Blackburn with Darwen has a proud history of helping those less fortunate and settling refugees in desperate situations from around the world. We have always played our part and will continue to do so to the best of our ability.

We remain shocked and horrified by the unprovoked invasion of Ukraine by Russia and of the devastating events that have happened in Afghanistan - and stand in absolute solidarity with Ukrainians and Afghans across Blackburn with Darwen and the UK.

To date our borough has welcomed 30 arrivals from Ukraine with more on the way. As a council we’ve provided wrap around support for every one of them to include those kind enough to open up their homes, making sure they settle into the borough and have access to all available services.

Blackburn with Darwen has received 15 people through the Afghan resettlement scheme to date, with three more families due to move in to their own home in the borough over the next month. Wrap around support is provided through Calico who are working closely with the Council.

Donations can still be made towards the internationally recognised British Red Cross appeal with donation points available across communities.

### **Devolution**

We are continuing to work with other Lancashire councils to unlock funding, flexibilities and powers from Government as part of a devolution deal. I will work with the Lancashire leaders that are committed to developing a shared ambition and long-term plan to secure a better deal with Government.

### **Equality, Diversity and Inclusion**

Our Equality Diversity and Inclusion (EDI) programme is currently being reviewed and refreshed in conjunction with the Organisational Development strategy. It is a timely review as we continue to move towards business as usual and support our staff, communities and businesses to recover from Covid-19. The review will be a wide-reaching exercise and we will be working closely with staff and partners over the coming months.

## REPORT OF THE EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE

COUNCILLOR VICKY MCGURK

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Director of Finance  
Thursday, 28 July 2022

### **PEOPLE: A good quality of life for all our residents;**

#### **Revenues and Benefits**

##### **Advice Services**

The re-procurement of the Advice Service will be commenced in July 2022. A new specification is currently being developed with colleagues in Public Health. It is anticipated that the tendering exercise will be undertaken during August and September with the award of the contract immediately after.

It is hoped that the new specification will future proof the needs of the residents and provide for a more flexible service moving forward. A new improved governance regime will provide greater insight into the debt, welfare and housing advice needs of the residents of the borough.

##### **Business Rates**

Following the Executive Board's decision on the administration of the COVID Additional Relief Fund (CARF), all eligible businesses will receive reductions in their Business Rate liability in July 2022.

A total of £3,678,533 will be awarded to 384 businesses within the borough via CARF support. All recipients will be contacted via letter to explain the relief, and supplied with a new business rates bill showing the reduction in liability.

##### **Council Tax**

The Council Tax team is continuing to make Council Tax Energy payments to eligible households in the borough. To date, almost all eligible Direct Debit payers have had the £150 credited to their bank accounts with only a few cases requiring further contact to verify details. Letters are continuing to be issued to those who do not pay their Council Tax by Direct Debit. It is hoped that all letters requesting bank details for payment will be completed by the end of June.

If households do not supply bank details by the 18<sup>th</sup> July, the payment will be credited to the person's Council Tax Account thereby reducing their liability for the year. This will ensure that all eligible households get the benefit of the payment in a timely manner.

### **COUNCIL: Delivered by a strong and resilient council;**

##### **Value for Money Assessment 2020/21**

The Council's External Auditors, Grant Thornton, have completed their assessment of the Council's arrangements for ensuring value for money is delivered for the residents of the Borough. A report on this matter was considered by the Audit and Governance Committee at its meeting in June 2022. In concluding their assessment of the Council's arrangements, the External Auditor stated '*Overall, we are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its oversight in ensuring economy, efficiency and effectiveness in its use of resources*'.

## **Financial Services**

The team has been focussed on the closure of the 2021-22 accounts and the resulting outturn position for the Council as a whole which was reported to July Executive Board. This has included preparatory work for the audit of the 2021-22 accounts, with the team working in liaison with our auditors Grant Thornton in mapping out our systems and processes. It should be noted that this work has been inhibited by further work on the closure of the 2020-21 accounts due to a national issue associated with accounting for infrastructure assets. A resolution of this matter is imminent and should allow the Team to undertake the appropriate accounting adjustments leading to the completion of the accounts. These will then be subject to audit before eventually being signed off and the audit of the Council's Financial Statements for 2020/21 being completed.

Quarter one 2022-23 revenue and capital monitoring is now taking place, with the team working alongside managers in each of the portfolios. This will be reported to September Executive Board.

In June, the Executive Board considered a report on the Council's Financial Strategy and an updated Medium Term Financial Plan (MTFP) for the period to 2025/26. The MTFP shows a forecast budget deficit of c£13m for the period. Acknowledging the challenging financial outlook, the Executive Board resolved amongst other matters to request that Portfolio Holders develop draft proposals to meet the funding gap and that any such proposals be considered by the Executive Board in due course.

## **Audit & Assurance**

Progress in delivering the 2022/23 Annual Audit Plan was reported to the Audit & Governance Committee meeting on 28 June. The report summarised the internal audit outcomes achieved to the end of May, including the progress of work to follow up the data matches highlighted from the latest National Fraud Initiative exercise, led by the Cabinet Office.

In addition, the Committee received the 2021/22 Head of Audit Annual Internal Audit Opinion, and the annual Risk Management and Counter Fraud Reports for consideration. The detail within these reports helps to inform the draft 2021/22 Annual Governance Statement, which the Committee also considered. These reports provided supporting evidence to enable the Committee to be satisfied that the Statement properly reflected the governance and control arrangements in place within the Council during 2021/22. It was then signed by the Leader and the Chief Executive.

The Statement is a statutory document that explains the processes and procedures in place to enable the Council to carry out its functions effectively. It reports to the Council's stakeholders on how well it has delivered on governance over the course of the previous year and is published alongside the Statement of Accounts.

The Committee also agreed its annual report at this meeting, which was prepared on behalf of the Committee by the Head of Audit & Assurance. This summarised the work undertaken and reports considered by the Committee during 2021/22, to demonstrate that it had fulfilled its agreed terms of reference effectively.

## **Corporate Procurement and Contracts**

Following approval of the Procurement Strategy and Social Value Policy by the Executive Board, work has been ongoing on the implementation of the Strategy/Policy. In particular, a Procurement Board is to be established to oversee the implementation of



the Strategy/Policy and a set of key performance indicators is being development to measure outcomes.

The Contracts and Procurement team have been working on a number of tenders with departments including for Special Educational Needs Transport, CCTV Hub staffing, new photocopiers, MFDs, Street Sweepings, Road Surfacing works, Construction of a Prayer Facility at Pleasington Cemetery and works on various school buildings. The team have also supported colleagues in Commissioning and Public Health teams in advising on plans for the 0-19 contract. Legal officers in the team have been helping to prepare a variety of legal agreements for various matters including grant funding agreements and contracts to support the above matters.

## **HR, Payroll and Pensions**

### **HR Services**

This last quarter has continued to focus on the implementation of the HR & Payroll system and the on boarding of eight new schools. We have also led on this year's apprentice intake, as well as appointing new graduates under the LGA's graduate scheme. 489 applications for apprenticeships were received. The team is focussing support to managers at all levels in the organisation on managing absence as well as collaborative work with the OD programme to support recruitment in hard to fill roles.

We are monitoring the pay negotiations and planning for any implications for the Council and Schools.

## **Organisation and workforce developments**

### **Organisational Development (OD)**

An organisational development programme is now well underway reporting to the OD Board. There are 4 work streams namely; Culture & Engagement, Recruitment & Retention, Wellbeing & Leadership and Management Development.

The Council is refreshing the vision, values and behaviours and we are in the process of developing a Managers toolkit and training to support embedding these new values and behaviours. A Leadership Conference took place at the end of May with the top 120 leaders, which will now become an annual event.

A staff awards event will take place at the end of September with nominations now open. New approaches to recruitment and retention are being explored with detailed investigations taking place in areas where we are finding it hard to recruit. Four Leadership & Management programmes are underway delivered by Blackburn College and commissioned through North West Employers and we are developing our own leadership pathway.

Wellbeing initiatives continue to be supported with financial wellbeing becoming a key priority as well as physical and mental wellbeing.

## **Legal & Governance Services**

The Litigation team since 1<sup>st</sup> April this year conducted prosecutions that saw 18 residents prosecuted for various fly-tipping/waste accumulation type offences, which resulted in those residents having to pay a combined total of £11,215.74 in court fines and charges.

[Residents fined over £11,000 for waste crimes | The Shuttle: Blackburn with Darwen Council News](#)

Since 2021 the number of waste prosecutions have increased and during 2021/22 Legal Services Litigation team have conducted 114 prosecutions for waste related offences.

The team have also continued with other prosecutions:

- with 45 new truancy matters allocated and issued at court since 30 March 2022 with final results and figures are still awaited.
- A planning prosecution of a resident who had built a dormer extension without planning permission was prosecuted and fined.
- Proceeds of Crime Act application in respect of recent counterfeit cigarette conviction still ongoing.
- Serious fraudulent trading matter also involving counterfeit cigarettes and tobacco listed at the magistrates court plus a contested noise nuisance prosecutions.

In addition, two appeals against Licensing Sub-Committee decisions have been successfully defended in court, and two more appeals have been received and being dealt with.

The Governance team following the local elections in May have delivered a number of successful activities and events, including the Elections in May, Mayor-Making, Civic Sunday, New Members Induction and Armed Forces Day. The team are now undertaking the annual canvas/electoral registration work to ensure that the electoral register is up-to-date, identifying any residents who are not registered so that they can be encouraged to do so. 12,000 households in the borough have been sent letters, and the Governance team will be monitoring responses and updating details for the new electoral register. The Governance team are also keeping up to date with the changes from the Election Act 2022.

## REPORT OF THE EXECUTIVE MEMBER FOR GROWTH AND DEVELOPMENT

COUNCILLOR QUESIR MAHMOOD

PORTFOLIO CO-ORDINATING

STRATEGIC DIRECTOR: MARTIN KELLY

DATE: 28<sup>th</sup> July 2022

### ALL PRIORITIES:

#### **New Local Plan to 2037**

The last round of statutory public consultation on the new Local Plan for the Borough (2021-2037) has now finished. The outcomes of the most recent exercise (held in February to March 2022) are reported in a separate July Council Forum report. The report seeks approval to submit the new Local Plan (and its accompanying documents) to the Secretary of State to commence the important, and independent, Examination in Public process. The Government requires Local Plans to be adopted by the end of 2023, and it is hoped that examination process can be concluded within 12 months, allowing the Council to adopt in summer 2023.

The ambitious Local Plan proposes the creation of around 7,000 new homes and 5,000 net new jobs to 2037 through a number of committed and proposed new development sites. It also aims to help drive the Borough's Covid-19 recovery by supporting housing and employment growth, improvements to social and physical infrastructure, and helping to combat climate change in all future planning decisions.

### **PLACE, PRIORITY 4: CONNECTED COMMUNITIES**

#### **Levelling Up Fund 2**

A bid for £20m is being made to Round 2 of the Government's Levelling Up Fund to help bring forward improvements to Junction 5 of the M65, and to deliver a comprehensive, high-quality walking and cycling network in south east Blackburn. Together these significant transport interventions (totalling £30.8m) will help tackle congestion, address safety concerns and promote active travel between key origins and destinations (including links to the town centre). This will support the Council's Local Plan and Blackburn Growth Axis ambitions, help drive prosperity across East Lancashire, and reduce emissions and improve the health and wellbeing of residents in the area.

#### **Local Transport Plan – Annual Improvements Programme**

The 2022/23 Local Transport Plan was approved at March Executive Board and includes improvements to 4.9km of roads, 14 bridges / structures and various projects across traffic signals, drainage and street lighting assets.

#### **Department for Transport (DfT) Incentive Funding and Highways Asset Management**

The service has returned the 2022/22 Incentive Fund questionnaire and can demonstrate that we have retained Band 3 Status. This ensures that the service receives additional funding from the DfT, an extra £268K annually, that we adopt a risk based approach to asset management and spend the funding received efficiently and effectively, protecting the Council's assets. The present Highways Asset Management Plan (HAMP) will be reviewed in 2022/23 and a revised / updated

version will be presented to Executive Board later this year. This will ensure that the service continues to demonstrate the adoption of good practices in the strategic management of its highway assets and safeguards that funding is used in the most efficient and cost effective ways, in order to keep the network well maintained for its users.

### **Cycling and Walking**

In December 2021, the Council was notified it had been successfully considered for a Government Active Travel Social Prescribing feasibility study. Our bid was submitted in April and, if successful, funding will be provided over the next 3 years to develop project plans that will:

- Actively promote increased levels of physical activity through cycling and walking
- Demonstrate clear links between infrastructure development and the proposed social prescribing schemes
- Support a modal shift to active travel providing people with travel choices and supporting changes in behaviour

We hope to hear if the bid was successful by the end of July.

### **Enhanced Bus Partnership and Bus Service Improvement Plan**

In June, Executive Board approved the Council entering into an Enhanced Partnership with our bus operators. This ensures that we are compliant with the Governments Bus Back Better, a National Bus Strategy (NBS). Two requirements of the strategy are for the Council and its operators to enter into a statutory 'Enhanced Partnership' to continue to receive funding; and deliver the improvements included within the published Bus Service Improvement Plan (BSIP). The Council was also successful in attaining funding for our BSIP, which was a joint submission with Lancashire County Council). The bid is presently being finalised with the DfT and the funding allocation will be announced over the summer.

## **PLACE, PRIORITY 5: SAFE & CLEAN ENVIRONMENT**

### **Climate Emergency Action Plan**

The Council's Climate Change Working Group continues to oversee delivery of actions set out in the latest Climate Emergency Action Plan (CEAP) (published December 2021). The Working Group includes representatives from across all Council service areas and is co-chaired at the Director level. Priorities and a work programme, based around a number of sub-groups of officers, has now been agreed with lead officers and actions identified. Target areas include:

- Decarbonisation of Council and Borough buildings and assets;
- Alternative vehicle fuels for Council fleet and for business mileage;
- Staff training and awareness programme, including Carbon literacy training;
- Tree planting and carbon sequestration;
- Promotion;
- Citizens Inquiry; and
- Young People.

An annual report on the delivery of CEAP priorities will be presented to members.

## **Safer Roads Operational Group and Strategy**

Following approval of the Safer Roads Strategy we continue to work collaboratively to deliver upon our action plan, focusing on Engagement, Education, Enforcement and Engineering. The primary aim of our strategy is to reduce casualties on the Borough's roads with secondary aims to:

- Make people feel safer on BWD roads, including when walking and cycling;
- Reduce car use and increase in walking and cycling; and
- Take action to improve air quality.

In addition the Council works in partnership with strategic partners across the Lancashire sub-region as part of the Lancashire Roads Safety Partnership. This group is in a transitional period with the strategy and terms of reference being reviewed. The partnership has a crucial role in enforcement, education and engaging over road safety and having our own strategy linked to the aims of this partnership will be beneficial.

## **PLACE, PRIORITY 6: STRONG, GROWING ECONOMY TO ENABLE SOCIAL MOBILITY**

### **Housing Developments**

Further to the Council's agreed Growth Programme, the following major housing projects involving Council land are progressing:

- Haslingden Road Housing Site – KEEPMOAT HOMES have secured planning permission to develop 300 new homes to include 160 family homes for sale and up to 50 keyworker affordable homes in the first phase. The affordable homes will be offered to NHS key workers at the Royal Blackburn Hospital
- Whalley Old Road Housing Site - Following an informal tender process the Council and co-land owners appointed VISTRY PARTNERSHIPS as Preferred Bidder for the site to deliver 165 high quality family homes. Vistry Partnerships are preparing to submit a full planning application over the coming weeks and intend to bring their flagship 'BOVIS HOMES' brand to the site. Blackburn will be the first site to offer Bovis Homes across Lancashire/Pennine Lancashire
- Holden Fold Housing Site – Tenders for the residential development site in Darwen (former Moorland School site and adjoining land), which is part Council-owned, were sent out in April and attracted 9 bidders. Bids are currently being assessed to gauge the best housing mix and quality, scheme layout and land offer for the site. A preferred bidder is planned to be recommended to the Executive Board in late summer.

Progress on other developments on Council land:

- The Roe Lee site, where Persimmon Homes are established on site and continue to build and sell new homes.
- The Griffin Redevelopment site, Seddon Homes have completed 56 new homes on phase 1 for Great Places and all homes are now occupied.
- Laneside and two private sites in Mill Hill where Great Places have completed over 80 new affordable homes for rent.
- Lomond Gardens, McDermott Homes continue a successful build programme.

- Countryside Homes and Together Housing have commenced their development of 390 new homes of mixed tenure on two sites on Fishmoor Drive and one site on Roman Road.
- Elan Homes, Milking Lane, Lower Darwen – which the Council owns as part of the Barnfield Blackburn Ltd Joint Venture.
- McDermott Homes, Ellison Fold Way, Darwen, have commenced their development at which will deliver a combined total of around 340 new family dwellings including 70 affordable houses plus contributions towards more school places, roads and improving the Blacksnape Play Area. Part of the site was Council-owned.

## **PLACE, PRIORITY 7: SUPPORTING OUR TOWN CENTRES AND BUSINESSES**

### **Townscape Heritage Project - Blakey Moor/Northgate/Lord Street West**

Major construction at Blakey Moor Terrace is now onsite, with the former Subway building at 3-7 Blakey Moor and part of Barton Street car park is being used as part of the site compound.

Phase II internal refurbishment of 35 Northgate (former Ribblesdale Hotel) is almost complete. The relocation and expansion of Shh Bar into the building was announced in the press at the end of June.

Two further shop front restoration schemes for 34 (Baileys Jewellers) and 36-40 (Wellcome pound shop) Northgate have been approved and will start onsite this summer.

### **Morrisons Relocation**

Maple Grove Blackburn (Joint Venture Partnership between BwDBC and Maple Grove) has agreed heads of terms with Morrisons for purchase of the former Thwaites brewery site for the construction of a new store. The contract is now being prepared and design progressed with a planning application scheduled to be submitted in late 2022.

### **St Johns Refurbishment Project**

A full design team including OMI Architects have been appointed to prepare the design for the refurbishment of the former St John's Church. Design proposals for an innovation hub are progressing with the aim to provide a range of flexible work spaces to support individuals and businesses thrive in Blackburn. A planning application for the refurbishment project is scheduled to be submitted in late 2022.

### **Levelling Up Fund - Blackburn Business Innovation District (Phase One)**

A £20m Levelling Up Fund (LUF) submission has been prepared to support the first phase development of a new Business Innovation District (BID) in Blackburn. LUF funding will unlock the first phase of the town centre masterplan with a new £60m skills and education campus of national significance. This scheme is part of a £250m investment framework for the town centre – the largest development of its kind in the North West. The BID is essential to the ambitious plan by delivering 1,200 new jobs, 400 new homes and £1bn of new economic activity over the next decade, outcomes critical to levelling-up the Borough.

## **Darwen Town Deal**

A very successful public opening and event to celebrate the refurbishment of Darwen Tower, funded by the Town Deal Accelerated Funding and Darwen Rotary (via public donations) was held as part of the Borough's Jubilee celebrations on June 2nd where a beacon was lit. The event was well attended and estimates of upwards 4,000 came to watch public vote winner, Janet Pearce, founder of Keep Darwen Tidy light the beacon. She was joined by the Town Crier, Darwen Brass Band and a lone piper.

J4 Skatepark also opened their new, stunning and Olympic standard skate and BMX facility in late June to great acclaim. The new facility is testament to the incredible hard work of the owner, Anthony Ramsey, and his team, and everyone was blown away by the quality of the new development.

Darwen Town Deal Business Cases are currently being finalised ahead of submission to Government in early August. We are expecting to receive approvals before the end of the calendar year at which point we expect Town Deal funds to be released.

## **UK Shared Prosperity Fund**

The Council is currently finalising its £5.9m Shared Prosperity Investment Plan. Working with a Partnership, including a range of stakeholders, key sector, employment and skills interventions and projects have been identified to deliver against Government's required objectives of Community and Place; Supporting Local Business; and People and Skills.

Our 3-year £5.9m Investment Plan, with an overall value of nearly £20m with matched and leveraged funding support, will be submitted by the Government deadline of 1<sup>st</sup> August. Funding allocations are expected to be released in the Autumn.

## REPORT OF THE EXECUTIVE MEMBER FOR CHILDREN, YOUNG PEOPLE AND EDUCATION

**COUNCILLOR JULIE GUNN**

**PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Children's & Education (DCS)  
Thursday, 28 July 2022**

### **PEOPLE: A good quality of life for all our residents;**

#### **HELP AND PROTECTION**

The front door of Children's Services continue to work with the CADS model, ensuring that there is an experienced Social Worker responding to calls for advice or where there is a concern for a child. We have established well attended fortnightly multi-agency meetings to review data and the quality of our multi-agency work.

We continue to monitor the vacancy rate of our social workers and have updated our recruitment strategy which includes a recruitment event on 16<sup>th</sup> July 2022 for Social Work vacancies at a variety of job grades. The event provides the opportunity to interview on the morning for vacant roles or to come and hear about what Blackburn with Darwen has to offer as a place to work and interview at a later date. Our Young People will support with meeting attendees and interviewing.

The OFSTED improvement plan has been agreed. Some actions have already been completed, including strategy discussion progress and training and audit activity has evidenced improved practice in this area. We continue to work to ensure the improvement is embedded and this will be evidenced through strategies that have been put in place. This includes an escalation process where there is non-compliance attendance at strategy meetings, fortnightly meetings between agencies to audit a selection of strategy discussions, and a quarterly strategic board to provide oversight and scrutiny. There is also a newly developed routine audit tool to capture performance, quality and impact of practice.

Sessions with the workforce on the improvement plan have taken place to ensure that all staff are fully aware of their role in our improvement journey, with a particular focus on our Team Managers and Deputy Team Managers.

#### **PRACTICE WEEK**

Practice Week in May was a thematic review which considered strategy meetings and section 47 enquiries. It involved working alongside partner agencies to test out the impact of multi-agency work already completed. This was undertaken through audit activity, learning circles and reflective panel discussions to identify areas of good practice, what progress and impact have we made and further learning opportunities.

Impact made so far with cases considered in Practice Week:

- Strategy discussions are now held in a timely manner.
- 100% of single agency action, if appropriate, is only undertaken following multi agency planning at the strategy discussion
- Key partners are prioritising attendance at strategy meetings, and where this doesn't happen there is an escalation process in place to alert the relevant senior managers
- Stronger return of audits activity that is currently at 80%
- An average of 75% of strategy discussions are now graded as 'good' or outstanding,
- Case recording for initial strategy meetings has significantly improved
- Practice week analysis and full findings paper to be provided in July 2022



## **PARTICIPATION, VOICE & IMPACT**

### **Young Peoples Interview Panels**

- Over the last few months Young Peoples Services (YPS) has supported several young people's interview panels for various roles within Children's Services – ranging from Head of Service to frontline practitioners.
- The young people have been fully involved in all aspects of the process which has given young people increased self-confidence and improved analytical, communication and organisational skills.

### **Young Inspectors Programme**

- The Young Inspectors programme allows trained young people to inspect the services they access and make recommendations for improvement.
- The BwD Young Inspectors pilot began in June 2022 and young people have co-designed their inspection framework and have tested this with the Targeted Youth Support service. The young people have interviewed managers, staff and service users and will be providing feedback including an award category based on their findings. There is a review process after 6 months to evaluate progress. Two more pilots (one Council service and one VCFS agency) will take place prior to the full roll out.

### **CIOC/Youth Forums/Youth MP**

- The Leaving Care Forum raised a query regarding the BwD Be-Active card following feedback from other care leavers that it was not easy to renew their cards or even apply for one. A meeting with the Leisure team has led to improved accessibility for children in care with the age criteria extended from 8 – 18 years to 0 – 25 years. A redesigned Be-Active leisure card application form has been shared across Children's Services and with Foster Carers.
- Youth MP Mohammed Bapu and the Youth Forum have Food Poverty as a leading local campaign and have contributed locally via the Child Poverty Steering Group. The Youth Forum has decided to make Child Poverty the key theme of this year's Takeover Challenge in November. Schools will be invited to take part in workshops to raise awareness and develop local strategies of support.
- The Well Being Champions Programme (co-produced with young people) is now 12 months in development. In this period, the Youth Forum has undertaken significant consultative work and presented their findings to the Children's Partnership Board which led to BwD Public Health funding a 12 month project to train 25 young people in peer supported mental health. This has proved so successful that a further funding package has been secured to train more young people.

## **PERMANENCE**

We have had some interest in terms of enquiries following our Fostering Fortnight in May 2022. The theme for the fortnight was "Community." An example of some of the events is; The Foster Carer Association was rewarded for its considerable efforts in hosting an event on Feniscowles Field with an excellent community turn out, which we hope will raise the profile of fostering. An increase in foster placements will keep our cared for children and young people close to us in the borough.

We have seen an increase in the numbers of children coming into care. This is a national picture and the family demographics mirror the BwD community by large families requiring intervention of an Interim Care Order. This has led to an increase in the numbers of Family and

Friends assessments taking place. The well embedded process is coping with the demand which means that if children and young people are unable to return to their parents they are able to live with people until maturity who know them well.

## **SCHOOLS & EDUCATION**

### **SEND**

The Department for Education has recently published a Green Paper for SEND 'Right support, Right place, Right time'. Children's Services led a 'stocktake' for the local area, involving Health, Social Care in Adults and Childrens, along with colleagues in Education (0–25). As part of the stocktake, the department invited the Council for Disabled Children to lead the local area response to the Green Paper – this was a very successful event.

OFSTED and the CQC has also recently released a consultation for a new inspection framework for Local Area inspections. The draft framework is very much based on the Methodology Testing our local area conducted with OFSTED and the CQC earlier in this academic year. The local area is attending webinars hosted by OFSTED in preparation for the final version of the new Local area OFSED and CQC framework for inspecting SEND. Our SEND Strategic Board continues to drive our SEND improvements across the local area.

### **Schools White Paper**

The DfE has recently produced the Schools White paper – 'Opportunity for all strong schools with great teachers for your child'. There are four chapters within this White Paper;

- An excellent teacher for every child
- Delivering high standards of curriculum, behaviour and attendance
- Targeted support for every child who needs it
- A fairer school system

These proposals could have significant impact on future partnership working in Blackburn with Darwen. In particular the White Paper and Schools Bill in relation to trusts state that:

- All schools are expected to be in trusts of at least 10 schools or 7.5k pupils by 2030
- The Local Authority can set up its own trusts under certain circumstances
- Once all schools join trusts, as is proposed, the Local Authority will no longer have a statutory role for school improvement
- A new regulator will be set up to ensure that trusts keep to a new set of standards

In the light of a new and emerging national agenda, it was an appropriate time to step back and review the future. With a new independent chair of the Blackburn with Darwen School Improvement Partnership Board, it made sense to request the role commence with a strategic review and some recommendations on the way forward for the School Improvement Board in BwD.

The Blackburn with Darwen School Improvement Partnership has existed for several years. Its purpose has been to bring key stakeholders together in order to make strategic decisions about school improvement in Blackburn with Darwen, to review progress within the School Improvement Groups and to jointly hold to account those responsible for school improvement within the borough.

The Local Authority School Improvement Monitoring and Brokering Grant was halved from April 2022 and will end completely in April 2023.

## **MULTI-AGENCY STOCKTAKES**

Children's Services has hosted three multi-agency 'stocktakes' during May and June to reflect on key areas of practice and generate discussion to drive through transformation and improvement activity. In addition to the SEND Stocktake which is highlighted earlier in this report, the department co-ordinated the following:

- The **Youth Justice Stocktake** brought together the statutory Youth Justice Board, Youth Justice Service team, Lancashire Constabulary and key partners to explore areas for development to improve outcomes for our young people, confirm collective priorities for the service for 2022/23 and reflect on values. The stocktake generated rich discussions and action planning, which focused on strengthened governance to cascade decision making and strategic direction to all tiers within the partnership and secondly for individual practitioners and teams to have a greater understanding of roles and processes across teams to forge stronger working relationships. Overall the event was extremely positive with valuable input from partners to further develop the service and improve outcomes for young people. Following the stocktake, the service's strategic plan has been developed, incorporating feedback and contributions from participants, and has been submitted to the National Youth Justice Board (YJB).

The **Leaving Care Stocktake** similarly focused on the importance of a partnership approach to improve experiences and outcomes for young people and young adults. Lively discussion topics were held between the Leaving Care Service, Health, Housing and a number of commissioned services which consequently has led to a deeper understanding of how partners can improve how they work together to provide a strong and equitable offer for Care Leavers. Care experienced young people attended the event as delegates and delivered an impactful presentation. New ideas were generated about how the partnership can do more to support Care Leavers to achieve their aspirations, and also how the priorities within the Corporate Parenting Strategy can be embedded across individual organisations to drive improvement forward. A follow up Stocktake is planned for the Autumn reaching out to more staff to get involved and share their voices.

## **REPORT OF THE EXECUTIVE MEMBER FOR ENVIRONMENTAL SERVICES**

**COUNCILLOR JIM SMITH**

**PORTFOLIO CO-ORDINATING  
DIRECTOR: MARTIN EDEN  
DATE: 28 JULY 2022**

### **Waste and recycling**

Nationally, Councils still await clarity from government on proposals within the Environment Act for the compulsory collection of food waste, extending collections of recyclables through 'extender producer responsibility', deposit return schemes and implementing consistency in recycling collections across all Council areas in England. Until government announces firm proposals, the Council cannot make firm plans for the future. However, we are due to provide the annual calendar pack to all households within the borough late July/early August, with the pack containing information and advice to households on reducing food waste. Food waste constitutes about 44% of the contents of the burgundy bin, with half of food waste still being edible and in date. This means that households are buying additional food that they do not consume which costs each household an average of £800 per annum. Reducing food waste would also provide residents with more room in their burgundy bin.

### **Environmental Improvements**

The additional funding provided by the Council from April 2022, provides a separate team tackling the ash dieback disease which is killing ash trees across the country. To combat this, the Council now has a tree contractor tackling the problem on its land by cutting back or felling diseased trees. A new Arboricultural Officer commenced in post from early July, the officer will be responsible for identifying trees with the ash dieback disease, as well as producing a Tree Strategy for the borough to assist with tree planting targets. The additional funding has also provided a new team to tackle overgrown shrubs, with the team progressively moving around the borough. Further resources have also been provided for litter picking on the main arterial routes within the borough, additional mechanical sweeping on main roads, additional litterbin emptying and also designated staff within the larger parkland sites.

## **PARKING SERVICES**

### **Parking Services Income**

The ability for Parking Services to generate income over the last two financial years has been severely hampered due to the series of lockdown measures placed on society due to the Covid pandemic. However parking services is starting to see income levels raise but still not to pre-covid levels.

Over the first quarter of this financial year, income from Pay and Display is c. 86% of what it was pre-covid, with the number of vehicle movements being around 82% of pre covid.

### **Council Owned Car Park Covid Testing Sites.**

The three Council owned car parks, which have been used as sites for testing centres for the majority of the covid pandemic have now been handed back to the Council at the end of June. The three sites were:-

- Old Bank Lane
- Penny St
- Railway Road, Darwen

These sites will now revert back to Pay and Display.

### **Licensing Reviews and Appeals**

Following the conviction of a business on Bank Top, Blackburn for fraudulent trading in relation to illicit tobacco, Trading Standards submitted a review of the premises alcohol licence. On 17<sup>th</sup> May 22 the General Licensing Sub Committee revoked the owner's licence to sell alcohol. A Proceeds of Crime application remains outstanding in this case and is expected to be heard in January 2023.

The Licensing Team and the General Licensing Sub Committee have experienced an extremely busy first quarter to 2022-23. In addition to the above, six new taxi driver licence applications were referred to the Committee, and six existing drivers referred for various matters as well. The street trading permits for three ice cream vendors were also reviewed due to concerns over customer safety.

Two appeals against Committee's refusal to grant a taxi driver licence have been heard by the Magistrates' Court, with the Committee's decision being supported on each occasion. Three further appeals have been scheduled to be heard by the Magistrates' Court in the coming months

## REPORT OF THE EXECUTIVE MEMBER FOR PUBLIC HEALTH, PREVENTION & WELLBEING

COUNCILLOR DAMIAN TALBOT

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Director of Public  
Health

Thursday, 28 July 2022

### **PEOPLE: A good quality of life for all our residents;**

#### **Public Health**

##### ***Oral Health Improvement Strategy launch event***

The oral health improvement strategy launch event took place at Ewood Park on 16<sup>th</sup> May. It was attended by a variety of stakeholders and partners as well as children who had won the oral health poster competition, their parents and teachers. Several high profile partners from dental health attended and provided positive feedback.

Community organisations presented their oral health improvement work alongside our new oral health improvement service provider, AP Smilecare. An actor read a newly commissioned children's book 'Max's Not So Sweet Dream' and Rover (the Blackburn Rovers FC mascot) presented electric toothbrushes as prizes to the winning children.

##### ***Sexual Health Services – 1 Year On***

A session was held in June, marking one year of the newly commissioned sexual health service, provided by Brook. Covid recovery and introduction of new hybrid (digital and in person) delivery models was considered to be working really well;

- A dedicated website in BwD which was accessed by over 10,500 users in the past year. 98% of users had their browser language set as English.
- 2,917 STI home kits were ordered last year. 70.6% were returned, with 96% of results provided within 48 hours, and 269 identified as requiring treatment.
- The use of our digital offer (SH:24) has steadily grown, with an average of 795 people per month provided with contraception and STI screening /treatment.
- The online provision have saved around 8 face to face clinical hours per week, which now be used for in-person appointments for high risk/vulnerable clients.

##### ***Mental Health***

The Public Health team received Better Mental Health Grant funding in July 2021 from the Office of Health Improvement and Disparities (OHID). As part of this, the local authority was required to join the Prevention Concordat scheme as a signatory authority. The Concordat is a 12 month action plan, outlining effective interventions to promote mental wellbeing and the primary prevention of mental illness. It was signed off by the Health and Wellbeing Board in April and OHID are intending to use our application as an example of best practice for other areas.

##### ***Lancaster University 'Beyond Imagination Life Survey'***

Public Health have been working in partnership with Lancaster University's design-led on their 'Beyond Imagination Life Survey'. The survey, across the Blackburn with Darwen and Lancaster City Council areas, tells us about residents views on health and wellbeing; wealth and opportunity; sustainability, transport and travel; digital accessibility and housing. Key findings include that residents of BwD feel a strong sense of belonging to their area, rating it as a place where neighbours look out for each other and different backgrounds get on together. Reports presenting the headline results and case studies are publicly available [here](#).

### ***Covid Responsiveness***

We are continuing to return to business as usual, whilst still supporting staff and residents to live safely with Covid. Covid-19 is still with us and we are starting to see an increase in cases and a rise in hospitalisations. We are monitoring this and encouraging people to remember the basics like hand washing, good ventilation, vaccination and staying at home when unwell. This will help us keep transmission low and protect the most vulnerable. Some guidance remains for certain settings such as care homes and hospitals and we are offering support to more vulnerable settings such as Houses of Multiple Occupation. We are undertaking proactive work to encourage wider infection prevention control measures as this will help support the reduction in the spread of other infectious illness such as flu. This will be even more important as we move into the Autumn when respiratory illness becomes more prevalent.

We recently held a Covid-19 response de-brief session with chief officers which will result in a series of recommendations. This exercise will enable the Council to be better prepared for future events of this kind. We will be holding further sessions with officers, partners and elected members. The Covid-19 Public Inquiry has now been formally established and will examine and report on preparations and response to the pandemic up to 27<sup>th</sup> June 2022. Many sectors including local government will be asked to contribute to the Inquiry and we look forward to supporting this important piece of work.

### ***Health and Wellbeing Board***

The Health and Wellbeing Board met on 21<sup>st</sup> June and welcomed Cllr Damian Talbot as its new Chair, following the retirement of Cllr Mohammed Khan. The Board received items relating to the Better Care Fund, Child Death Overview Panel, Joint Health and Wellbeing Strategy, Climate and Health and Mental Health and Wellbeing Inequalities Framework, as well as an annual update from the Children's Partnership Board.

On 21<sup>st</sup> July the Board held a development session to discuss and commit to shared action to address the Cost of Living Crisis, and its impacts on the health and wellbeing of our communities.

### **Community Safety**

#### ***CCTV Hub Upgrades:***

The CCTV control room has undergone a significant upgrade with a new command and control system now operational enabling highways CCTV integration and gives a range of future options around building security, traffic and pollution management going forward. It also making significant improvements to the management of crime and ASB incidents and since coming on line in May has recorded 1600 incidents with live images streamed to the police control room in real time and uploads of evidence done so directly onto the police investigation system, co-ordinated through a dedicated control room police officer.

On the back of this, Blackburn with Darwen's CCTV hub has been nominated for a Problem Solving in Policing award. Feedback from the constabulary has been very positive with the following comment in the award nomination:

Richard Perkins, Regional Director, NICE Public Safety also stated “*The hub... has significantly improved operational efficiency, and the continued collaborative working and Partnership with Lancashire Constabulary are setting the standard for how the NICE Investigate solution can best be used for improvements in policing performance.*”

## **Housing Needs, Ayslum and Homelessness**

### ***Winter Provision and Response to Rough Sleeping***

The council's emergency winter response to homelessness had another successful year, with 12 people supported through the temporary housing pods with wrap around support operated directly by the council. All have been successfully housed in follow on accommodation. Aside from the council's own additional provision 32 people were supported into wider commissioned placements as an alternative to sleeping rough.

The council is nearly doubling its 'housing first' offer from 18 to 30 properties which have bespoke intensive support to help with the causes of repeat homelessness, funded by additional grants secured by the team from central government.

Challenges remain however, as individuals with complex needs continue to be attracted to hostels and exempt accommodation in the borough. In the first quarter of 2022, circa 70 were evicted, a number going on to rough sleep for at least one night. The council's outreach team supported by Changing Future's is in daily contact with all, making offers of accommodation and support. Some are refusing but we will persist, others we have been able to re-house and support quickly. The continued influx of individuals from outside Blackburn with Darwen is maintaining significant pressure on the services available to address the underlying causes. On average we have had 12 people sleeping rough at any one time during the first quarter of 2022, a continual cause for concern.

### ***Homes 4 Ukraine***

Over 340 residents have made their homes available for Ukrainian Evacuee's through the governments Home's for Ukraine Scheme. To date 29 have arrived of the 56 that have so far successfully made it through the visa application process, and have been matched with a family. The council is providing support for the sponsors and the Ukrainian nationals' safe arrival and integration into our communities. Many have been able to find work and or education and training programmes already, alongside attending sporting and other events and activities with the wider business community extremely supportive. Further details of the support being made available through the council will be presented to executive board in July.

## **Neighbourhoods Wellbeing and Prevention**

### ***Social Prescribing***

The Social Prescribing offer continues to gain momentum with referrals from GP's and clinicians continuing to grow with support from Primary Care Networks (PCN's). In 2021/22, 599 residents were supported in a strength based way to address issues that were impacting on their health, with 64% outcomes achieved. The top issues for referrals were poor mental health, social isolation, unemployment and housing with this trend continuing in 2022/23. Other developments include establishing a Social Prescribing Chronic Pain partnership group to provide an advanced and innovative wrap around offer. This has been clinician led with the aim of helping local people live alongside their pain whilst living a meaningful life.

### ***Volunteers thanked at celebration event***

Over 2,000 volunteers support the delivery of Council services through Lancashire Volunteer Partnership (LVP) this includes new volunteers who came forward as part of the response to Covid, in particular providing telephone befriending for vulnerable people. On 7th June, over 100 people attended a celebration event to thank volunteers who dedicate their lives to their communities. The Mayor, Suleman Khonat, was joined Cllr Phil Riley and Denise Park to take the opportunity to give personal thanks to all the volunteers. Feedback from attendees was extremely positive with volunteers keen to have future events involving more volunteers.



### ***Help Hub and Household Support Fund***

The Help Hub is a front door mechanism, first established as part of the Covid response, and is now being used to offer early help and intervention as part of the cost of living crisis; managing all resident requests for the Household Support Fund. Since April 2022 over 1000 Household Support Fund applications have been processed. Fuel support and food are the biggest areas of demand and many applicants who receive support in these areas are referred for further support with finances, debt and benefit advice and also support for wellbeing and employment, to help build resilience and avoid residents needing to rely on continued support. Community Connectors take a person centred, strength based and trauma informed approach and are able to offer support across a broad range of issues, regardless if residents are eligible for the Household Support or not.

## REPORT OF THE EXECUTIVE MEMBER FOR ADULTS SOCIAL CARE & HEALTH

**COUNCILLOR MUSTAFA DESAI**

**PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Adults and Health  
Thursday, 28 July 2022**

### **Adult Learning and Employment Support: Multiply**

Multiply is a national Government initiative, funded over 3 years, to support the development of numeracy skills across the Borough using a variety of innovative approaches. Allocation for Blackburn with Darwen is £851,021.36 covering a period from September 2022 until March 2025.

Multiply was agreed as the first priority of the UK Shared Prosperity Fund (UKSPF). In addition to UKSPF, it also supports the wider aims of Lancashire's Local Skills Improvement Plan, recognising that people who improve their numeracy skills are more likely to be in employment, have higher wages, and better wellbeing.

Gaining a maths qualification at Level 2 (GCSE Grades A\*-C) or equivalent also unlocks the door to progress to higher levels of free training to secure a skilled job in the local economy. Improved numeracy also matters to businesses right across the country – small and big. Businesses that develop their employees' numeracy skills can boost productivity, increase profits, and improve employee retention. This will support the Levelling Up mission to ensure that by 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the United Kingdom

### **Strategic Commissioning, ASC Finance and Performance**

The care sector is slowly recovering from the Covid Pandemic however, the market remains fragile as some providers are struggling to return to previous occupancy levels and have ongoing challenges to recruit and retain to a full care workforce.

Provider fee levels for 2022/23 have now been agreed and implemented, and work is underway with our providers to engage them through provider forums to begin our work on the Fair Cost of Care exercise and development of our Market Sustainability plans. This is the first step towards the Governments Social Care reforms which include the Fair Cost of Care and Market Sustainability Plans, implementation of Section 18(3) of the Care Act which means new Commissioning brokerage responsibilities for self funders, and Charging reforms. The Council's Fair Cost for Care returns and Market Sustainability Plans are to be submitted to DHSC by 14<sup>th</sup> October 2022 and must outline how the local authority plans to manage the care market and move towards a sustainable rate for care provision within their local geography.

The Governments Charging reforms include a cap on care costs of £86,000 which limits the amount that individuals might contribute towards their care, and a new more generous means test for the assessment of an individuals contribution to their care both of which will increase the cost of care to Local Authorities. The charging reforms are currently scheduled for implementation by October 2023 and present the Council with significant challenge in terms of assessing the impact on our Medium term Financial Plan and implementation of new systems and processes.

### **Adult Social Care**

The department has initiated planning for substantial social care transformations including the intended CQC Inspection of Adult Services, Liberty Protection Safeguards (LPS) and the Market Sustainability and Fair Cost of Care reforms. These streams of

work represent significant changes to legislation and operational practices which will require consideration of workforce, policy, finance and commissioning.

Regarding CQC, a new assurance framework will be utilised by CQC to assess the performance of Adult Social Care departments. Implementation of the framework will begin in April 2023. Work within the department is already underway to ensure that we as a Local Authority are inspection ready. A working group has been established and an action plan has been drawn up outlining key inspection areas.

Liberty Protection Safeguards (LPS) will replace the existing statutory legislation concerning Deprivation of Liberty Safeguards (Dols) which authorises the care and/or treatment arrangements of individuals who lack mental capacity to consent. The department has contributed to the government consultation in collaboration with wider ADASS colleagues; details of which are expected late in the year. Work regarding workforce modelling and operational changes has been initiated including our colleagues from children's services.

Following assent of the Health and Care Act (2022) the Lancashire and South Integrated Care System (ICS) and the Integrated Care Board (ICB) have been formally established as new statutory bodies on 1 July 2022. The ICB replaces the eight clinical commissioning groups across Lancashire and South Cumbria, including Blackburn with Darwen CCG. The department continues to influence the development of the ICB, who in late July will meet to look at the plans and priorities of the ICB and make a decision on place boundaries.

Since the opening of Albion Mill in November 2021 we have seen a steady up take of the Extra Care apartments with people moving in on a regular basis. The allocation of apartments has been gradual to ensure that the individual's needs are met. The Intermediate Care service within Albion Mill continues to offer person centred, community based, short term intermediate care to people who either are at risk of a hospital admission or to aid a timely discharge from an acute hospital setting with the aim of returning to independent living. To date we have seen a number of people who have successfully received rehabilitation services and returned home to live independently.

In collaboration with health, a 2-hour unplanned crisis response service was launched in March 2022. The pathway provides assessment, treatment and social care support (within 2 hours) to individuals in their own homes who are experiencing a health or social care crisis and who might otherwise be admitted into hospital. The aspiration to develop virtual wards within the community will enhance this offer, allowing individuals to get the care they need at home, safely and conveniently, rather than being in hospital.

Adult Social Care, including Specialist Services (Learning Disability & Autism, Mental Health and the Emergency Duty Team) have continued to see a high level of demand in terms of referrals into services. The increased demand is reflected in the number and complexity of the requests for statutory Social Care assessments and also the processes to safeguard vulnerable adults, including statutory safeguarding investigations, applications to the Court of Protection and the management of Corporate Appointeeship. There is ongoing work within neighbourhood teams to participate in the development of integrated care across the borough to promote best outcomes for residents and efficient working across agencies. The longstanding integration in the Community Mental Health Team is now underpinned by a formal

Memorandum of Understanding with Lancashire and South Cumbria NHS Foundation Trust.

### **Health and Care Integration**

To support the continued integration across Adult Social Care, NHS Community Health Services and the VCFSE, monthly integration briefing sessions for Adult Social care staff members have now commenced. The first session attracted over 65 staff members from a wide range of social care roles. Plans are now underway to establish a monthly schedule for the next 6 months focusing on key topics including social prescribing, integrated neighbourhood teams and supporting people with alcohol and substance misuse.

To build on the excellent working relationships that are in place across the four Integrated Neighbourhood Teams, the INT members have started to meet in person on a quarterly basis. The Social Prescribing Alliance has also followed a similar approach by meeting in person on alternate months. The move to in person meetings provides the opportunity for neighbourhood staff to strengthen their professional working relationships, foster peer support and identify joint solutions for individual complex cases.

As part of the work supporting the Mental Health Transformation across BwD, monthly meetings are now underway with the Integration and Neighbourhood Leads, the Community Mental Health Hub Clinical Lead and Neighbourhood Managers. This new partnership will help drive forward the alignment across Integrated Neighbourhood Teams, Social Prescribing and the Community Mental Health pathways to help local people and patients receive the best joined up mental health, social care and wellbeing support available.

## REPORT OF THE EXECUTIVE MEMBER FOR DIGITAL AND CUSTOMER SERVICES

COUNCILLOR MAHFOOZ HUSSAIN

PORTFOLIO CO-ORDINATING  
CHIEF OFFICERS: Strategic Director  
of Resources (SIRO)  
Thursday, 28 July 2022

### **COUNCIL: Delivered by a strong and resilient council**

#### **Civil Contingencies, Emergency Planning and Business Continuity**

The Service recently coordinated an internal Covid-19 de-brief, as part of post incident learning and in preparation for potential work as part of the national Covid Public Inquiry. Engagement is also taking place with the Covid Community Champions in order to promote and enhance 'community resilience'.

Following the recent launch of our Service Level Agreement we attended the Head Teachers Forum to share the recently published Department for Education School Emergency Planning and Response guidance and promote the SLA, along with the School's Community Resilience Project.

The Annual Corporate Exercise took place for the first time since 2020, which was a Tactical and Operational level, multi-agency exercise testing the Multi Agency Flood Plan (Part 2) and local planning arrangements.

We have completed Strategic Officer, Duty Officer and Functional Plan consultations and the new rotas, procedures, training and plan updates are underway in order to enhance the current emergency response protocols. The Emergency Control Centre is being re-located to the CCTV hub with Davyfield Road remaining as backup.

Below are the Quarter 4 and full year Duty Officer Statistics:-

| <b>Duty Officer Statistics 2021/22</b> | <b>Q4</b> | <b>Full year</b> |
|----------------------------------------|-----------|------------------|
| Info received                          | 118       | 253              |
| Warning total                          | 226       | 665              |
| Total:                                 | 344       | 918              |
| Strategic Officer Activations          | 0         | 5                |
| Duty Officer Activations               | 15        | 51               |

#### **Digital Services and Transformation**

During the last quarter, digital strategy delivery milestones have included:

- Hybrid meeting rooms completed, allowing modern workplace arrangements for our residents, service users, businesses and partners
- A new Digital Skills Hub has launched to enable all staff to upskill in digital tools enabling them to drive digital improvements across the Council.
- Changing Futures service launch using BwD technology for pan Lancashire
- Multi Agency Risk Action Group digital service launch
- Disability Links for SEND children digital services launch

- User research has been carried out recently across Taxi Licencing, Pest Control and Fly Tipping services.

### **Digital Inclusion Strategy**

We are currently engaging with VCFS partners and businesses on a new strategy. Proposals will be developed later this year for wider consultation.

### **Council Website**

Content migration to our new platform has started, with a plan to complete in early autumn. This will ensure our website continues to be accessible and meeting Government Digital Service standards allowing for continuous improvement based on user research. The Council website is currently rated 92/100 'Excellent' for accessibility by the independent UK ratings site [Silktide](#).

### **Customer Services**

The start to the new financial year has seen an increase in the number of residents contacting Customer Services. Whilst some of the contact is as a result of customers accessing the council post Covid, demand has also increased in several specific areas, for example, Garden Waste and Taxi Licencing verification.

There has been a large number of residents contacting the council regarding the Government's Council Tax Energy Rebate payment. In the main, the contact has accessed the Council Tax and Benefit helplines which have increased 42.4% and 9.1% respectively, compared to the previous year. It is hoped that the Rebate payments will be completed by August.

### **Information and Communications Technology**

We recently commissioned an external Cyber Assessment and are awaiting findings. The learning will help us to identify and implement improvements to the Council's cyber resilience.

On the 25<sup>th</sup> & 26<sup>th</sup> June the IT team identified and proactively managed a serious cyber threat. No services were disrupted but the event was a reminder of the cyber risks that all organisations face in the modern era.

Implementation of Multi Factor Authentication is now complete on the Council's systems, providing an additional layer of security.

We have successfully recruited to a number of key, senior IT posts and during July have welcomed a new Head of IT to the team.

The IT Service Desk received 32,397 contacts for support during the financial year 2021/22 this was an increase of 18% from the previous year. This can be attributed to increased demand for technology since the pandemic as well as the introduction of key systems and technological changes across the council.

### **Data Strategy and Business Intelligence**

The team is leading on the recently released Census 2021 data. So far, high level population and demographic information have been released, however there are further data sets to be published into the Autumn which will offer a deeper insight into changes within the borough since the last Census in 2011.

### **Information Governance and Data Security (inc GDPR)**

Of the information assurance incidents logged during the 2nd half year 2021/2022, none have been of a significant enough nature to warrant referral to the ICO. During the same reporting period we have achieved the minimum requirement for compliance (90%) with requests for information under the FOIA (95.75%), the EIR (97.98%) and GDPR/DPA2018 subject access requests (90.65%). We have increased the resources available to process subject access requests, through redeployment within the wider team.

In 2022/23, 2 academy trusts (Incorporating 10 Lancashire schools) and 56 individual schools have bought back into the Schools IG SLA for 2022/23. One BWD Primary School returned to the SLA service after failing to take up the offer in 2021/22. Ongoing marketing work continues to try and expand the service out of Borough.

### **RIPA (Regulation of Investigatory Powers Act)**

The Regulation of Investigatory Powers Act 2000 (RIPA) provides a statutory framework whereby officers investigating criminal offences which carry a maximum sentence of 6 months can apply for authorisation in order to undertake covert surveillance and use covert human intelligence sources. The Council is obliged to have in place a Procedure and Guidance document for officers to follow to ensure that they use the processes properly and lawfully. The aim is to ensure compliance with Article 8 of the ECHR which is now enshrined within the Human Rights Act 1998. Article 8 is the right to a private and family life. There was an inspection of this Council by the Investigatory Powers Commissioner of the Council in 2019 and he found overall compliance good but the existing Procedural Guide was not fully up to date in that there were certain aspects of the new Home office Codes that had to be included (mainly technical) and he also recommended training in the form of desk top exercises. This Council has not had any investigations that merited the use of covert powers of investigation which would be caught by the provisions of RIPA since before 2016. However, the IPCO will still have a duty to inspect and the next inspection will be later in 2022. At the next inspection the Council will have had the new, updated Procedure and Guidance approved by the Executive Board and will be able to show that it has completed two sessions of desk top training sessions with scenarios, thus showing the IPCO recommendations have been adopted.

Meanwhile the Council's RIPA Group made up of officers representing a cross-section of the Council's functions continues to meet every 6 months to report any investigations that may require covert methods whether within RIPA or not and to discuss developments in the law, training, preparation for inspections and changes to the Procedure and Guidance that may be necessary.

### **Health and Safety**

The Annual Health & Safety Report has recently been published and was presented to the Audit & Governance Committee and highlights the Health, Safety and Wellbeing team's activity during the period from April 2021 to March 2022. It also highlights the key areas of focus that are under way for the current financial year which include;

- Corporate Health & Safety Policy has been reviewed, updated and shared with employees.
- Service Level Agreements for schools have been renewed and the level of custom maintained, with 51 schools purchasing our service
- All Health and Safety guidance documents and templates will be reviewed and updated where required

- A 'back to basics' campaign will commence over the summer with reminders to all on various Health & Safety topics.
- A focus group on violence and aggression will be established with the aim of reducing the number of incidents
- Health and Safety groups at key sites will be established and will feed into the wider Health & Safety Consultative Committee
- Full H&S audits will be undertaken at high risk locations and services
- A review of the governance arrangements for the Events Safety Advisory Group will be undertaken
- A programme of Health and Safety Training will be developed and made available to staff.

## **PEOPLE: A good quality of life for all our residents:**

### **Registrars**

The Registrars service has, since 24<sup>th</sup> March 2022, been administering death registrations via a new Government procedure. The new process has allowed for the continuation of electronically sent medical certificates from hospitals and GP's to the Registration Service. Upon receipt of the certificate, Registrars will then seek to contact the next of kin to book a face to face appointment to complete the registration.

The delivery of appointments for death registrations via the new process have in the main been timely for customers, however, the service has received additional contact from families who are unsure if a registration can take place. The process is dependent upon the hospital and GP's transferring the information quickly. In some cases, the certificate has not been transferred to the Council promptly, resulting in undue delays for bereaved families.

This is an extremely sensitive area and the Registrars Service is continuing to monitor delays and make representation to the hospital and GP's when necessary.